



EXHIBIT 17-D

FINAL MINUTES
Water Supply Planning Committee of the
Monterey Peninsula Water Management District
November 10, 2014

Call to Order The meeting was called to order at 2:00 pm in the Water Management District conference room.

Committee members present: Robert S. Brower, Sr. - Committee Chair
David Pendergrass
Jeanne Byrne

Committee members absent: None

Staff members present: David Stoldt, General Manager
Larry Hampson, Planning & Engineering Division Manager
Sara Reyes, Office Services Supervisor

District Counsel present: Alex Lorca

Comments from the Public No comments were directed the committee.

Action Items

1. **Consider Adoption of October 14, 2014 Committee Meeting Minutes**
On a motion of Pendergrass and second by Byrne, the October 14, 2014 meeting minutes were approved unanimously on a vote of 3 – 0 by Pendergrass, Byrne and Brower. No comments from the public were directed to the committee during the public comment period on this item.

2. **Consider Development of Recommendation – Request from City of Pacific Grove for Local Water Project Grant Funds**
Byrne offered a motion that was seconded by Pendergrass to recommend this item be tabled until next year. The motion was approved unanimously on a vote of 3 – 0 by Byrne, Pendergrass and Brower.

Committee discussion: (a) The original intent of this project was to use stormwater to solve the problem, not wastewater treatment. (b) Concerned that if a treatment plant is not developed and stormwater is delivered to the Monterey Regional Water Pollution Control Agency, this may mean a less costly and simpler end product. (c) Will springs around the golf course catch stormwater?

Public Comment: (a) **Carmelita Garcia** stated that she appreciated the work done by the District to move forward and she understood the risks involved. She concurred with postponement of this item to next year.

Discussion Items

3. Progress Report on Property Lease from City of Seaside for Aquifer Storage and Recovery Project

Stoldt reported the District has been working with the City of Seaside (City) since early this year to negotiate an easement for the Santa Margarita Aquifer Storage and Recovery site. In April 2014, the City proposed a ground lease with basic terms including a 40-year term with an annual payment of \$17,700 and a Consumer Price Index (CPI) adjustment on an annual basis. The District offered a counter-proposal in June which clarified that the District could not pay the City until it receives possession and disagreed with the CPI escalation factor. The City responded on June 25, 2014 maintaining the form of a ground lease but insisting on an annual CPI. District Counsel developed and proposed a revised ground lease. District Counsel suggested the District meet with City elected officials to educate them on what the District is doing and how the City can be part of the water solution.

4. Update on Meetings with State Regulators Regarding the State Water Bond – Proposition 1

Stoldt reported that areas under Proposition 1 that are applicable to the District have been identified, and that water supply related funds would apply to the Pure Water Monterey Project. Stoldt distributed a brochure that was developed by the Pure Water Monterey group. On November 7, 2014, Stoldt met with the Deputy Director of the Department of Water Resources and presented the brochure. They discussed the Integrated Regional Water Management (IRWM) grant process. Stoldt and Water Supply Planning Committee members will schedule December meetings with Senator Bill Monning and Assembly members to further discuss the State Water Bond.

5. Update on Pure Water Monterey Project

See discussion under item 4.

Suggestions from the Public on Water Supply Project Alternatives

No comments.

Set Next Meeting Date

The meeting was scheduled for Tuesday, December 2, 2014 at 2 pm.

Adjournment

The meeting was adjourned at 2:55 pm.

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