



EXHIBIT 1-A

**DRAFT MINUTES
Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
March 16, 2015**

The meeting was called to order at 7:00 p.m. in the Water Management District conference room.

CALL TO ORDER/ROLL CALL

Directors Present:

Kristi Markey – Chair, Division 3
Jeanne Byrne – Vice Chair, Division 4
Andrew Clarke – Division 2
Robert S. Brower, Sr. – Division 5
David Pendergrass – Mayoral Representative
David Potter – Monterey County Board of Supervisors Representative

Directors Absent:

Brenda Lewis – Division 1

General Manager present: David J. Stoldt

District Counsel present: David Laredo

The assembly recited the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

No comments were directed to the Board.

ORAL COMMUNICATIONS

Potter offered a motion that was seconded by Byrne to approve the Consent Calendar with an increase in the amount of funds requested under item 2 to \$410,000. The motion was approved on a vote of 6 – 0 by Potter, Byrne, Markey, Clarke, Brower and Pendergrass. Lewis was absent.

CONSENT CALENDAR

Approved.

1. Consider Adoption of Minutes of the February 18, 2015 Regular Board Meeting

Approved expenditure of \$410,000.

2. Consider Authorization of Expenditure of Funds for Design of Sleepy Hollow Steelhead Rearing Facility Intake Upgrade

Approved expenditure of \$100,000.

3. Consider Expenditure of Funds for Additional Assistance with IFIM to Analyze Instream Flow Requirements for the Carmel River

Approved.

4. Consider Adoption of Resolution 2015-03 Concurring in the Nomination of Paul E. Dorey, Vista Irrigation District to the Executive Committee of the ACWA/JPIA

Approved.

5. Consider Appointment of Director Clarke to the ACWA/JPIA Board of Directors

Approved.

6. Receive Fiscal Year 2013-2014 Mitigation Program Annual Report

Approved.

7. Consider Adoption of Treasurer's Report for January 2014

GENERAL MANAGER'S REPORT

A summary of Stoldt's report is available for review on the Water Management District website. He noted that rainfall received through February 28, 2015 was at 103% of the long-term average; unimpaired flow was at 48% of long-term average; and useable storage was at 99% of long-term average

8. **Status Report on California American Water Compliance with State Water Resources Control Board Order 2009-0060 and Seaside Groundwater Basin Adjudication Decision**

No report.

9. **Update on Development of Water Supply Projects**

No report.

10. **Report on Drought Response**

DIRECTORS' REPORTS (INCLUDING AB 1234 REPORTS ON TRIPS, CONFERENCE ATTENDANCE AND MEETINGS)

Brower and Byrne attended the February 2015 Association of California Water Agencies conference in Washington DC. Brower described it as a successful trip, and said that he will provide more details at the April 20, 2015 Board meeting. Byrne reported that while in Washington, she and Brower had a productive meeting with Congressman Sam Farr's staff. She noted that the focus of discussion at the ACWA conference was development of water storage including dredging and new reservoirs. The majority of federal funding opportunities are available to California's Central Valley. Stoldt added that information on the Pure Water Monterey Program was distributed to Congressman Farr's staff, who then referred it to the office of the Secretary of the Interior. Director Potter will join Stoldt in April in Washington DC for meetings with federal officials regarding funding sources for Pure Water Monterey.

11. **Oral Reports on Activities of County, Cities, Other Agencies/Committees/Associations**

On a motion by Byrne and second of Brower, Ordinance No. 163 was adopted on a vote of 6 – 0 by Byrne, Brower, Clarke, Markey, Pendergrass and Potter. Lewis was absent. No comments were directed to the Board during the public hearing on this item.

PUBLIC HEARINGS

12. **Consider Second Reading and Adoption of Ordinance No. 163, Replacing Urgency Ordinance No. 159, Regarding Rebate Program Amendments and Amendments to the Expanded Water Conservation and Standby Rationing Plan (Regulation XV)**

On a motion by Byrne and second of Potter, the first reading of Ordinance No. 164 was approved on a vote of 6 – 0 by Byrne, Potter, Clark, Markey, Brower and Pendergrass. Lewis was absent.

Public Comment: **(a) Bill Kampe**, Mayor of Pacific Grove, expressed support for the ordinance. **(b) John Narigi**, representing the Coalition of Peninsula Businesses, expressed agreement with language regarding temporary exterior seating.

On a motion by Pendergrass and second of Brower, the April through June 2015 Quarterly Water Supply Strategy and Budget was adopted on a vote of 6 – 0 by Pendergrass, Brower, Clarke, Markey, Byrne and Potter. Lewis was absent. No comments were directed to the Board during the public hearing on this item.

No action on this item.

No Action Items were submitted for consideration.

Stoldt reviewed the status of negotiations between litigating parties on development of a proposal for amending the CDO. The discussion focused on: (a) March 10, 2015 meetings with SWRCB members regarding the proposed amendments. (b) Concerns about preserving the Water Management District's right to petition the SWRCB for relief, apart from the other parties. (c) Identified parties that may file the proposed amendments and the time-line for submission. (d) Who should be responsible pay fines that could be assessed if milestones are not achieved. (e) Water supply options for the community, should Cal-Am's desalination project be delayed. (f) The Water Supply Planning and Legislative Advocacy committees will review the draft application to amend the CDO, before it is submitted. (g) Outreach to community groups regarding the draft application should also be conducted. (h) Meetings with State legislators to obtain support for the application should be conducted after the application has been submitted.

Public Comment: **(a) George Riley**, representing Public Water Now, expressed support for the Water Management District preserving the ability to sue or litigate. He expressed concern over potential delays to the desal project timeline, which could result in milestones not being met and no timely water project for the community. **(b) John Narigi**, representing the Coalition of Peninsula Businesses, stated that a revised version of Exhibit 16-E (March 5, 2015 memo from the Coalition) has been developed. He urged the Board to hire an independent consultant to

13. **Consider First Reading of Ordinance No. 164 Establishing Water Permit Requirements for Outdoor Seating at Restaurants**

14. **Consider Adoption of April through June 2015 Quarterly Water Supply Strategy and Budget**

15. **Consider Adoption of 2014 MPWMD Annual Report**

ACTION ITEMS

DISCUSSION ITEMS

16. **Discuss Public Release of Proposed Amendment to State Water Resources Control Board Cease and Desist Order WR 2009-0060 (CDO)**

analyze Cal-Am's future schedule and obligations. He requested that the Coalition be involved in development of the amended application and a rationing plan.

Locke gave a presentation on the emergency regulations. It can be viewed at the Water Management District's website or offices. The Board members asked questions of staff. Stoldt noted that the existence of numerous microclimates and water supply sources throughout the state, mean that one area could be in drought and another could have sufficient water. The SWRCB staff member tasked to develop rules for implementation of the conservation regulations has conferred with Water Management District staff on elements of our long-term, successful water conservation program.

There was no discussion of the Informational Items/Staff Reports.

The meeting was adjourned at 8:30 pm.

The meeting was adjourned at approximately 9 pm.

17. Proposed Emergency Conservation Regulations by State Water Resources Control Board

INFORMATIONAL ITEMS/STAFF REPORTS

- 18. Letters Received**
- 19. Committee Report**
- 20. Monthly Allocation Report**
- 21. Water Conservation Program Report**
- 22. Carmel River Fishery Report**
- 23. Monthly Water Supply and California American Water Production Report**

ADJOURN TO CLOSED SESSION

- 1. Conference with Real Property Negotiators (Gov. Code 54956.8)**
Address: 1910 General Jim Moore Blvd.,
Seaside, CA 93955
Agency Negotiator: David J. Stoldt, General Manager
- 2. Conference with Legal Counsel – Existing Litigation (Gov. Code 54956.9 (a))**
 - A. MPWMD v. SWRCB; Santa Clara 1-10-CV-163328 – CDO (6th District Appellate Case
#H039566
 - B. Monterey Peninsula Taxpayers Association v. MPWMD; Case No. M123512

ADJOURNMENT