



EXHIBIT 1-A

**DRAFT MINUTES
Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
June 15, 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
Brenda Lewis – Division 1
Andrew Clarke – Division 2
David Pendergrass – Mayoral Representative
David Potter – Monterey County Board of Supervisors Representative

Directors Absent:

Jeanne Byrne – Vice Chair, Division 4
Robert S. Brower, Sr. – Division 5

General Manager present: David J. Stoldt

District Counsel present: David Laredo

The assembly recited the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

No comments presented to the Board.

ORAL COMMUNICATIONS

Potter offered a motion to accept the revised staff note for agenda item 4. The motion was seconded by Lewis and approved unanimously on a vote of 5 – 0 by Potter, Clarke, Lewis, Markey and Pendergrass. Directors Brower and Byrne were absent.

CONSENT CALENDAR

On a motion by Potter and second of Clarke, the Board voted unanimously on a vote of 5 – 0 to approve the Consent Calendar. The motion was approved by Potter, Clarke, Lewis, Markey and Pendergrass. Directors Brower and Byrne were absent.

Approved.

1. Consider Adoption of Minutes of the April 20, 2015 Regular Board Meetings

Approved and authorized expenditure of up to \$222,540.

2. Consider Adoption of Resolution 2015-10 Calling an Election for Directors in Divisions 2, 3, 4, and 5 on November 4, 2015; and Approve Service Agreement with Elections Department

Approval to apply for \$200,000 grant.

3. **Bureau of Reclamation WaterSMART Program (A) Consider Approval of Resolution 2015-13 in Support of Filing an Application for a Drought Contingency Planning Grant (B) Authorize the General Manager to Enter into a Grant Agreement with the United States Bureau of Reclamation**

Approved.

4. **Consider Adoption of Resolution 2015-11 - Revisions to Meeting Rule No. 7.D. Seaside Groundwater Basin Watermaster**

Approved.

5. **Consider Approval of Deed Restriction Template No. 1.8 -- Notice and Deed Restriction Regarding Limitation on Use of Water on a Property with Sub-Metering**

Approved expenditure of \$45,000.

6. **Consider Purchase of Conservation Equipment**

Approved expenditure of \$60,000.

7. **Consider Continuance of Contract with Zone 24x7 for Water Demand Database Improvement and Maintenance**

Approved expenditure of \$30,000.

8. **Consider Amendment of Contract with Golden State Planning and Environmental Consulting to Assist with Water Distribution System Permit Program**

Approved expenditure of \$7,000.

9. **Consider Amendment of Contract with Pueblo Water Resources to Provide Hydrogeologic Review for Water Distribution System Permits**

Approved expenditure of up to \$91,687.

10. **Authorize Funds to Contract for Limited Term Field Positions During FY 2015-16**

Approved expenditure of \$40,154.

11. **Authorize Expenditure for Temporary Agency Employee to Assist with Data Migration in the Water Demand Division During FY 2015-16**

Approved.

12. **Consider Adoption of Resolution 2015-12 Establishing Article XIII(B) Fiscal Year 2015-16 Appropriations Limit**

Approved.

13. **Consider Adoption of Treasurer's Report for April 2015**

A summary of General Manager Stoldt's report is on file at the District office and can be viewed on the agency website. He stated that water production in the California-American Water service area on June 1, 2015 was 800 acre-feet lower than reported on June 1, 2014. He reported the following for the

GENERAL MANAGER'S REPORT

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

period of October 1, 2014 through June 1, 2015. Total rainfall received was determined to be below normal, and at 76% of the long-term average. Streamflow was at 32% of long-term average. Useable storage was at 91% of long-term average, and estimated to be approximately 28,670 acre-feet which is a two-year supply.

Stoldt reported the following. Comments on the Monterey Peninsula Water Supply Project EIR are due to the California Public Utilities Commission by July 1, 2015. Eleven comment letters on the EIR for the Pure Water Monterey Project were received by the June 5, 2015 deadline. The City of Seaside has submitted a draft lease agreement to the Water Management District for a site to be used for Aquifer Storage and Recovery. The Notice of Preparation for the Deepwater Desal Project was recently released and scoping sessions are scheduled for June 16, 2015. The District submitted to the City of Pacific Grove an agreement for distribution of a \$100,000 grant, awarded to the City for development of water recycling facilities. The draft application for a modification to the Cease and Desist Order will be submitted soon for review by negotiating parties. On May 29, 2015, Tam Doduc of the SWRCB participated in a tour of local water production facilities.

A summary of Stephanie Locke's report is on file at the District office and can be viewed on the agency website.

Potter reported that he attended the May 29, 2015 tour of Monterey County water facilities conducted for Tam Doduc of the State Water Resources Control Board. He expressed appreciation for Dave Stoldt's leadership in organizing the event and planning the itinerary. Pendergrass noted that the tour was helpful in educating Ms. Doduc on progress that has been made towards solving the water supply situation.

On a motion by Potter and second of Pendergrass, the application was approved unanimously on a vote of 5 – 0 by Directors Potter, Pendergrass, Lewis, Markey and Clarke. Directors Brower and Byrne were absent. No public comment was directed to the Board during the public hearing on this item.

Pendergrass offered a motion that was seconded by Lewis to adopt the July through September 2015 Quarterly Water Supply Strategy and Budget. The motion was approved on a unanimous vote of 5 – 0

15. Update on Development of Water Supply Projects

16. Report on Drought Response

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

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

PUBLIC HEARINGS

18. Application to Amend California American Water Distribution System – Interconnection of Ryan Ranch and Bishop Units in Seaside Basin for Emergency Use

19. Consider Adoption of July through September 2015 Quarterly Water Supply Strategy and Budget

by Pendergrass, Lewis, Clarke, Markey and Potter. Directors Brower and Byrne were absent. No public comment was directed to the Board during the public hearing on this item.

On a motion by Potter and second of Clarke, the proposed Fiscal Year 2015-16 MPWMD Budget and Resolution 2015-09 were adopted unanimously on a vote of 5 – 0 by Potter, Clarke, Pendergrass, Lewis and Markey. Directors Brower and Byrne were absent.

Tom Rowley, representing the Monterey Peninsula Taxpayers Association (MPTA), addressed the Board during the public hearing. He noted that the MPTA appealed the court decision in the lawsuit against the Water Management District challenging collection of Water Supply Charge revenues. He stated that expenditures in the proposed budget greatly exceed those envisioned for the agency when it was formed.

No Action Items were submitted for consideration by the Board of Directors.

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

The meeting was adjourned to closed session at 8 pm.

20. Consider Adoption of Proposed FY 2015-16 MPWMD Budget and Resolution 2015-09

ACTION ITEMS

INFORMATIONAL ITEMS/STAFF REPORTS

21. Letters Received
22. Committee Report
23. Carmel River Fishery Report
24. Monthly Allocation Report
25. Water Conservation Program Report
26. 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
 - B. Application of Cal-Am to CPUC (No. 12-04-019) - Mon. Pen. Water Supply Project
 - C. MPTA v MPWMD Case No. M123512
 - D. Thum v. MPWMD; Monterey Case No. M113598; 6th District Appellate Case #HO39566
 - E. MPWMD v CPUC (Cal-Am); CA supreme Court Case No. S208838
 - F. Water Plus v. MPWMD, Case No. M125274
 - G. MPWMD v. SWRCB; Santa Clara 1-10-CV-163328 – CDO

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The closed session was adjourned at 8:15 pm.

ADJOURNMENT

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Arlene M. Tavani, Deputy District Secretary