



EXHIBIT 26-D

FINAL MINUTES
Water Supply Planning Committee of the
Monterey Peninsula Water Management District
September 8, 2015

Call to Order The meeting was called to order at 3:00 pm in the MPWMD conference room.

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

Committee members absent: None

Staff members present: David Stoldt, General Manager
 Larry Hampson, Planning & Engineering Division Manager
 Joe Oliver, Water Resources Division Manager
 Arlene Tavani, Executive Assistant

District Counsel present: Heidi Quinn

Comments from the Public: No comments.

Action Items

- 1. Consider Adoption of August 4, 2015 Committee Meeting Minutes**
On a motion by Pendergrass and second of Byrne, the August 4, 2015 committee meeting minutes were approved unanimously on a vote of 3 – 0 by Pendergrass, Byrne and Brower.

- 2. Develop Recommendation to the Board re Adoption of Resolution 2015-17 Establish MPWMD as Groundwater Sustainability Agency for the Carmel Valley Alluvial Aquifer**
On a motion by Pendergrass and second of Byrne, the committee agreed to recommend that the Board of Directors adopt Resolution 2015-17 and direct the General Manger to file a Notice of Intent with the State Department of Water Resources to become the GSA for the Carmel Valley Alluvial Aquifer. The motion was approved on a vote of 3 – 0 by Pendergrass, Byrne and Brower.

- 3. Develop Recommendation to the Board on Selection of Recipients – FY 2015-16 Local Water Projects/Grants**
On a motion by Byrne and second of Pendergrass, the committee requested that the Pebble Beach Company application be considered at the October Water Supply

Planning Committee meeting; and that the committee consider the applications of City of Monterey, City of Seaside and Pacific Grove at its November meeting. The motion was approved on a vote of 3 – 0 by Byrne, Pendergrass and Brower.

Comments from the Committee. (A) Will not support Pacific Grove or Monterey applications if they include a wastewater component. (B) We should fund all the applications but reduce the grants by 15.5 or 16 percent. (C) Must determine if water savings proposed by the Seaside application is from the Cal-Am system.

Public Comment: **(A) Michael McCullough**, Government Affairs Administrator, Monterey Regional Water Pollution Control Agency (MRWPCA), expressed support for funding studies proposed in the City of Monterey application but he did not support the following: proposal to send concentrated wastewater flows to the MRWPCA thereby reducing flows to the treatment plant, and use of a bi-directional pipeline which is not feasible due to public health concerns. As for the Pacific Grove application, the MRWPCA has no capacity to store the 417 acre-feet of stormwater that is to be delivered to the treatment plant. Pacific Grove must consider right-sizing the project. **(B) David Chardavoine**, General Manager of the Monterey County Water Resources Agency (MCWRA), expressed concern that concentrated flows from the City of Monterey and Pacific Grove projects would result in poor quality recycled water available for use on agricultural fields. There is no requirement for local communities to send 100% of their wastewater flows to the MRWPCA treatment plant. He stated that the Pure Water Monterey project would include use of Blanco Drain Water, but in the winter that water would go through primary and secondary treatment and then be sent to the ocean because there is no storage or need for the water. He asked how the community would benefit by paying for treatment of additional water from Monterey or Pacific Grove in the winter months and then sending it to the ocean. He stated that these proposals are a hindrance to development of the Pure Water Monterey agreements and plans.

Discussion Items

4. Update on Pure Water Monterey Project

Stoldt reported the following. Agreements are being forged between the MCWRA and MRWPCA. The City of Salinas is supportive of the project, and is studying costs associated with its participation. The Water Purchase Agreement is needed to apply for project financing but Cal-Am is progressing slowly on completion of the agreement. The externalities study may be done by November 2015. As yet, there has been no release of cost data.

Public Comment: **(A) David Chardavoine** stated that a good draft agreement has been developed with the MCWRA, and that County Counsel must review it. He proposed development of an umbrella agreement that incorporates the 6 agreements that pertain to this project. This umbrella agreement may be assigned to David Laredo for completion. **(B) Mike McCullough** reported that the Pure Water Monterey demonstration facility is under construction. The National Water Resources Association was given a tour of the facility on August 6, 2015, and a tour is planned on September 21, 2015 for the California Special District's Association.

5. Update on California American Water Desalination Plant

Stoldt advised the committee that in October 2015, the California Coastal Commission will consider Cal-Am's revised application for test slant well operation. The comment period on the project EIR has been extended through September 30, 2015. The Water Management District, Cal-Am, and the Monterey Peninsula Regional Water Authority have a meeting set to develop a schedule related to PWM and the desalination project that can be presented to the California Public Utilities Commission.

6. Update on Alternative Desalination Project

DeepWater Desal has begun work on the RFQ for the environmental consultant. The Water Management District recently issued a check to DeepWater Desal for \$325,000 to be placed in escrow to fund 50% of the environmental review. A draft EIR may be completed within 10 months.

7. Update on Status of Los Padres Dam

Hampson reported that Cal-Am has not yet signed the reimbursement agreement with the Water Management District for funding the Los Padres Dam Long Term Plan. Once the agreement is signed, he can finalize plans to contract for assistance with studies on sediment management alternatives and fish passage. He reported that a study of upstream volitional fish passage for steelhead was prepared for the Santa Felicia Dam upgrade. The result was that trap and truck was recommended as the most feasible fish passage alternative.

Suggestions from the Public on Water Supply Project Alternatives

No comments.

Set Next Meeting Date

The meeting was scheduled for October 9, 2015 at 9 am.

Adjournment

The meeting was adjourned at 4:30 p.m.

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