



EXHIBIT 1-B

DRAFT MINUTES
**Special Joint Meeting of the
Monterey Peninsula Water Management District and
Monterey Regional Water Pollution Control Agency
Board of Directors
January 14, 2016**

The Special Joint Meeting of the Board of Directors of the Monterey Peninsula Water Management District and Monterey Regional Water Pollution Control Agency and was called to order by MRWPCA Chair De La Rosa at 1:01 pm, on Monday, January 14, 2016 in the Board Room at 5 Harris Court, Building D, Monterey, California

1. Call to Order

Following the roll call, Chair De La Rosa called for a minute of silence in memory of Rich Smith who passed away on December 27, 2015. Chair De La Rosa described Mr. Smith as a man who left a great legacy for our valley.

2. Roll Call

MPWMD Board Members Present:

Jeanne Byrne – Chair, Division 4
Robert S. Brower, Sr. – Vice Chair, Division 5
Brenda Lewis – Division 1
Andrew Clarke – Division 2
Molly Evans – Division 3
David Pendergrass – Mayoral Representative

MPWMD Directors Absent:

David Potter – Monterey County Board of Supervisors Representative

General Manager present: David J. Stoldt

District Counsel present: David Laredo

MRWPCA Board Members Present

Gloria De La Rosa, Chair – Salinas
Rudy Fischer, Vice Chair – Pacific Grove
Linda Grier – Boronda County Sanitation District
Ron Stefani – Castroville Community Services District
Dennis Allion – Del Rey Oaks
Thomas P. Moore – Marina Coast Water District
Libby Downey – Monterey
Tom Razzeca – Moss Landing County Sanitation District
Dave Pendergrass – Sand City
Ralph Rubio – Seaside
Vacant – Ex-Officio – United States Army

MRWPCA Board Members Absent:

John M. Phillips – County of Monterey

MRWPCA Staff Present

Paul Sciuto – General Manager
Stephen Hogg – Assistant General Manager
Tori Hannah – Chief Financial Officer
Bob Holden – Principal Engineer
Rob Wellington – Legal Counsel
Mike McCullough – Gov. Affairs Administrator
Chayito Ibarra – Executive Assistant

Others Present

Keith Vandermaaten, Marina Coast Water District
Rebecca Lee – Public Member

No public comments were received.

Chair De La Rosa recessed the Open Session at 1:05 pm, and commenced Closed Session at 1:06 pm

Chair De La Rosa adjourned the Closed Session at 2:52 pm, and reconvened Open Session at 2:53 pm

MPWMD Counsel Laredo reported that in the Closed Session the MRWPCA and MPWMD Board of Directors, pursuant to an executed joint defense agreement, on the listed agenda item of 4-A (Application of California American Water to CPUC (No. 12-04-019) Monterey Peninsula Water Supply Project), the Boards received information about matters related to the CPUC proceeding, gave general direction to staff and legal counsel, and no reportable action was taken.

Chair De La Rosa led the Pledge of Allegiance.

Chair De La Rosa called for public comments.

Rebecca Lee, spoke in favor of the increased use of pervious surface paving materials. She suggested that a new rebate program be funded for every city in the Monterey Peninsula that will cover the cost difference between impervious and pervious surface materials in normal repairs and replacements.

MPWMD General Manager Stoldt stated that the Water Purchase agreement was presented to the Boards for approval, subject to the following two edits. (1) Section 7. Obligation to Pay Design and Construction Costs, sentence 2, should be

3. Public Comment on Closed Session Items

4. Adjourn to Closed Session

- A. Conference with Legal Counsel – Existing Litigation
Pursuant to Government Code 54956.9 (a)
1. Application of California American Water to CPUC (No.12-04-019) – Monterey Peninsula Water Supply Project

5. 2:00 P.M. Reconvene Open Session

6. Announcements from Closed Session

7. Pledge of Allegiance

8. Public Comments

9. Action Items

- A. Provide Direction to Staff on Pure Water Monterey Purchase Agreement and Cost Issues

edited as shown in bold, italicized text: “Title to the structures, improvements, fixtures, machinery, equipment, ~~and~~ materials, ***and pipeline capacity rights***....” (2) Exhibit B, Description of Project, the section titled Product Water Facilities, should be amended as shown in the bold, italicized text: “new pipelines, ***pipeline capacity rights***, booster pump station(s) appurtenant facilities.....”

Chair De La Rosa asked for questions from the Board, hearing none she asked for public comments. There were no public comments received.

Mr. Rubio made a motion to approve the staff recommendation, including the amendments to Section 7 and Exhibit B.

ACTION TAKEN: It was moved by Member Rubio, seconded by Member Downey, to approve form of the Water Purchase Agreement for Pure Water Monterey project, subject to amendments to Section 7 and Exhibit B, and direct submittal to the California Public Utilities Commission and carried by the following roll call vote:

Ayes: De La Rosa, Fischer, Grier, Stefani, Allion, Downey, Pendergrass, Rubio

Noes: None

Absent: Moore, Phillips

ACTION TAKEN: It was moved by Director Byrne and seconded by Director Brower to approve form of the Water Purchase Agreement for Pure Water Monterey Project, subject to amendments to Section 7 and Exhibit B, and direct submittal to the California Public Utilities Commission and carried by the following roll call vote:

Ayes: Byrne, Brower, Clarke, Evans, Lewis and Pendergrass

Noes: None

Absent: Potter

No Board Comments/Reports

At 3:00 p.m. with no further business, Chair De La Rosa adjourned the meeting to the next regularly scheduled MRWPCA Board Meeting to be held in the Board Room at 5 Harris Court, Building D, in Monterey, California on Monday, January 25, 2016 at 6:00 p.m.

10. Board Member Comments/Reports

11. Adjournment