



**EXHIBIT 19-C**

**FINAL MINUTES**  
**Water Supply Planning Committee of the**  
**Monterey Peninsula Water Management District**  
*November 2, 2015*

**Call to Order**        The meeting was called to order at 10 am 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             Alex Lorca, DeLay & Laredo

**Comments from the Public:**        No comments.

**Action Items**

**1.        Consider Adoption of September 8 and October 8, 2015 Committee Meeting Minutes**

On a motion by Pendergrass and second of Byrne, the September 8 and October 8, 2015 Committee meeting minutes were approved on a unanimous vote of 3 – 0 by Brower, Byrne and Pendergrass.

**2.        Consider Development of Recommendation to the Board re City of Monterey Application for Local Project Grant Funding**

On a motion by Pendergrass and second of Byrne, the committee recommended that the Board of Directors approve a grant of \$85,000 to the City of Monterey and that the grant be funded through a mid-year budget increase. Funds should be shifted from Task D to Task E. The motion was approved unanimously on a vote of Pendergrass, Byrne and Brower.

Luke Coletti addressed the Board during the public comment period on this item. He stated that the project EIR described cooperation between the cities of Pacific Grove and Monterey on ASBS stormwater capture.

## Discussion Items

### 3. Update on Monterey Peninsula Airport District Local Project Funding Grant

Oliver reported that the initial phase of the project analyzed the existing remediation well system for use as a subpotable water supply. The second phase is development of an options analysis to assess the marketability of the water source. Two years ago the Board approved a \$30,000 grant, and \$15,000 was spent on the first phase. The District did not carry-over the remaining \$15,000 in grant funds. However, the District will fund the second phase in an amount up to \$15,000.

### 4. Discussion of District Activities Related to Sustainable Groundwater Management Act

Stoldt reported that a letter of intent to establish the Water Management District as a Groundwater Management Agency and to adopt a Groundwater Sustainability Plan (GSP) for the Carmel River Basin has been submitted to the State Department of Water Resources. There is no notice provision for the list of interested parties attached to the letter. If the District does begin development of a GSP, these interested parties would be notified. The District is aware that the State Water Resources Control Board (SWRCB) considers the Carmel River Basin to be surface water flowing in a known and definite channel – so it is not “groundwater.” However, the State has also determined that the Carmel River Basin is a high priority basin for preparation of a GSP. Therefore, the District has filed its notice of intent to the State, with the goal of working to correct the Department of Water Resource’s understanding of the Carmel River Basin. Regarding the Seaside Groundwater Basin, staff is organizing a meeting to discuss the basin boundaries with the Watermaster, Marina Coast Water District, Monterey County Water Resources Agency, and California American Water (Cal-Am). A recommendation should be developed for submission to the State for its consideration in establishment of new basin boundaries.

### 5. Update on Pure Water Monterey Project

Stoldt reported that in order to apply for 1% State Revolving Funds, there are two items still to be resolved: (1) A letter from Cal-Am stating that it will adhere to the Water Purchase Agreement although it is not complete; and (2) City of Salinas notice of the change petition for agricultural wash water. If the application is not submitted by December 2, 2015, State Revolving Funds will be available, but at a rate of 1.6%. The committee reviewed sections 12, 13, 14, 16, 19 and 26 of the draft water purchase agreement. Pendergrass requested that a summary of the agreement be presented to the Board when it considers approval of the final agreement.

Luke Coletti addressed the committee during the public comment period on this item. He asked how a State Revolving Loan is secured, and what the annual payment would be. Stoldt responded that there is no estimate of the annual payment; the loan could be between \$80 and \$113 million. The MRWPCA will secure the loan with revenues to be paid according to the water purchase agreement. If Cal-Am fails to pay, the Water Management District will cover the costs, possibly by the Proposition 218 funding mechanism.

Director Byrne left the meeting at 11:10 am at the conclusion of the discussion on item 5.

**6. Update on California American Water Desalination Plant**

Stoldt reported that Cal-Am's test slant well is operational. A date for release of the EIR/EIS on the project has not been set. The groundwater replenishment portion of the EIR/EIS should be available January through July 2016. If the CEQA review is completed by July 2016, and other criteria are met, construction of the project could proceed.

During the public comment period on this item, Luke Coletti expressed concern about brine discharge issues that may not have been resolved.

**7. Update on Alternative Desalination Project**

No report.

**8. Update on Status of Los Padres Dam**

Hampson stated that Cal-Am has not yet executed the agreement for funding of studies related to long-term development of Los Padres Dam. After the agreement is signed, Hampson will provide for review a scope of work for a feasibility study on fish passage. Preparation of a sediment management study will follow.

**9. Update on SWRCB Hearing re Pacific Grove Water Project**

Stoldt reported that the SWRCB will review the Pacific Grove Ocean View Boulevard project on November 17, 2015. If it is approved, an ordinance regarding use of water from this project may be brought to the Board of Directors on December 14, 2015. Stoldt stated that the Water Management District maintains that the project does not create a new potable water supply, so water available from the project is not subject to the Cease and Desist Order.

Public Comment: A member of the Carmel River Steelhead Association stated that the Association would oppose the proposed ordinance.

**Suggestions from the Public on Water Supply Project Alternatives: No Discussion**

**Set Next Meeting Date**

Stoldt noted that the Pacific Grove ordinance mentioned under item 9, would propose an allocation of 88 acre-feet of water. The Board could specify that a specific amount of the water be permanently set aside for the Carmel River. The committee should review this at its next meeting. There was consensus by the committee members that the amount of water that may be permanently set aside for the Carmel River should be consistent with requirements set for other projects.

Public Comment: Luke Coletti stated that the median golf course use over a ten-year period is 79 acre-feet, and the Pacific Grove entitlement should be set at the median.

The next meeting was set for December 9, 2015 at 10 am.

**Adjournment:** The meeting was adjourned at 11:25 a.m.