



EXHIBIT 19-B

FINAL MINUTES

Legislative Advocacy Committee of the Monterey Peninsula Water Management District *December 14, 2015*

Call to Order

The meeting was called to order at 8:30 am in the MPWMD conference room.

- Committee members present:** David Potter, Chair
Robert S. Brower, Sr.
Andrew Clarke
- Staff members present:** David J. Stoldt, General Manager
Arlene Tavani, Executive Assistant
- District Counsel present:** David C. Laredo
- Consultant present:** John Arriaga, JEA and Associates
- Comments from the Public:** No comments.

Presentations

1. Overall Legislative Status Report from John Arriaga

Arriaga reported that in 2014 and 2015 Assembly and Senate legislation was focused on water and obtaining approval for a water bond. In 2015, drought response legislation was considered early in the year. Legislation that would fund development of potable water supplies for financially depressed rural areas, and fund food assistance for workers affected by drought related job losses was also approved. The state is expected to receive \$11 billion in unbudgeted revenues through 2019 and 2020. For 2016, there will be some activity towards development of an initiative on Proposition 218 funding for stormwater reuse projects.

Stoldt reported that at the federal level, discussions will begin in January 2016 on legislation that would de-authorize projects that had been approved for funding, but had not been constructed. This would make funds available for new projects, such as Pure Water Monterey (PWM).

It was suggested that the Legislative Committee members should meet with Congressional and Assembly candidates in January or February 2016 to brief them on the Water Management District's proposals. In February 2016, Water Management District representatives will attend the ACWA conference in Washington D.C. Members of the Fort Ord Reuse Authority (FORA) will also be in Washington D.C. over the same time period for a different conference. This could offer a good opportunity for Water Management District and Monterey County representatives to meet with federal legislators on regional priorities.

Action Items

2. **Adopt Minutes of April 8, 2016 Committee Meeting**

On a motion by Brower and second of Clarke, the minutes were approved on a vote of 3 – 0 by Brower, Clarke and Potter.

Discussion Items

3. **Report on Legislative Status and Tracking from John Arriaga**

Arriaga reported that there is legislation underway that would require a public vote on any project that would propose to utilize bond funding in excess of \$2 billion. This is intended to impede progress on the Interlake Tunnel and High Speed Rail projects.

4. **Regional Approach to State Water Bond (Prop. 1)**

Stoldt stated that he would like to meet with local water agency managers to identify regional priorities. This would assist in his efforts to inform local legislators about those priorities. Stoldt noted that this is a difficult subject because agencies are competing against each other for state and federal funds. The Water Management District and Monterey Regional Water Pollution Control Agency submitted an application for use of State Revolving Funds for PWM. After the application is accepted, the agencies could apply for Proposition 1 funds.

Arriaga stated there is support for the PWM project among California legislators. It was agreed that staff should make contact with John Laird and Governor Brown's office about the need to support PWM. They must be made aware of the project benefits, so that funding for the project will not be delayed. The concern is that there is not much cost differential between Cal-Am's desalination project and PWM. If the desalination project moved forward first, it could delay funding of PWM; a project that if approved would provide water to the community prior to completion of a desalination facility. Assembly member Monning was scheduled to tour the Pure Water Monterey demonstration facility on December 15, 2016.

5. **Plan of Action for Meetings with State on the Cease and Desist Order (CDO)**

An application to extend the CDO has been submitted. Due to ex parte rules there can be no discussions with the State Water Resources Control Board (SWRCB) on the extension. Stoldt distributed a handout that outlined conditions the SWRCB placed on the loan issued to the City of Pacific Grove for development of its Local Water Project. The conditions specify that the SWRCB must consent to the use of any recycled water from the project for new service connections. Stoldt explained that draft MPWMD Ordinance No. 168 proposes to establish entitlements from the project for the City of Pacific Grove and the Water Management District. The entitlements could be utilized whenever the City is authorized to access the water, and there is no plan to circumvent the CDO. It was suggested that Water Management District representatives might meet with the SWRCB to explain the purpose of the ordinance. Stoldt stated that he would contact Commissioner D'Adamo's office to determine if a meeting would be appropriate.

6. **Development of Annual State and Federal Priorities for District**

Stoldt distributed a draft 2016 Legislative Agenda for review by the committee. Additional discussion and refinement of this document would occur at the next committee meeting. Stoldt stated that the Water Management District has received a Drought Contingency Planning Grant and a Basin Study Grant. The County of Monterey has cooperated with the Water Management District on the Basin Study, but has not provided the same level of cooperation on Drought Contingency Planning. Potter stated that he would convene a joint meeting of the Legislative Advocacy Committee, his ad-hoc committee of the Board of Supervisors, and ad-hoc water resources committee of the Monterey County Water Resources Agency to facilitate coordination on water issues.

Other Items: No other items were discussed.

Set Next Meeting Date

No follow-up meeting was scheduled.

Adjournment

The meeting was adjourned at 9:40 am.

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