



EXHIBIT 1-A

**DRAFT MINUTES
Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
September 19, 2016**

The meeting was called to order at 7:00 pm in the MPWMD conference room.

CALL TO ORDER/ROLL CALL

Directors 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
David Potter – Monterey County Board of Supervisors

Directors Absent: None

General Manager present: David J. Stoldt

District Counsel present: David Laredo

The assembly recited the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

On a motion by Potter and second of Clarke, the agenda was approved without amendments on a vote of 7 – 0 by Potter, Clarke, Brower, Byrne, Evans, Lewis and Pendergrass. No public comment was directed to the Board on this item.

ADDITIONS AND CORRECTIONS TO AGENDA

No comments were directed to the Board during Oral Communications.

ORAL COMMUNICATIONS

On a motion by Pendergrass and second of Brower, the Consent Calendar was approved on a vote of 7 – 0 by Pendergrass, Brower, Byrne, Clarke, Evans, Lewis and Potter.

CONSENT CALENDAR

Adopted.

1. Consider Adoption of Minutes of the August 15, 2016 Board Meeting

Approved.

2. Consider Approval of Reorganization Changes to the District's Organization Chart and Addition of Hydrology Technician Position

Adopted.

3. Consider Adoption of Resolution 2016-15 - Public Records Act Policy

Approved expenditure of \$45,000.

Approved.

Approved.

Approved.

General Manager Stoldt presented the report. He described the chart titled Actual Versus Target Production for Cal-Am Oct to Aug 2016: (1) the line titled Target includes all six numbers in the total; (2) the line titled Actual includes numbers from the first three columns in the total because the revised Cease and Desist Order includes only those numbers in the calculation of Actual production. Stoldt noted that total water production as of September 1, 2016 was below the anticipated target. In reviewing the chart entitled Production for Customer Service for Cal-Am: Oct. to Aug. 2016, he reported that production was 96 percent of 2014-15 production. Rainfall was measured at 106 percent of average; streamflow was at 67 percent of long-term average; and useable storage was estimated to be 104 percent of the long-term average.

A summary of General Manager Stoldt's presentation is available for review on the MPWMD website. In response to a question from the Board, Stoldt stated that the appeal of a decision to issue water permit #34741 that had been continued from the 8/15/16 Board meeting would not move forward. The property owner withdrew the water permit, so no further action would be taken.

District Counsel Laredo reported that the Board convened at 6:20 pm for the closed session. Regarding item 3, the Board met with negotiators for the General and Management bargaining units. Direction was provided to the negotiators but no reportable action was taken. Regarding item 4, Counsel provided the Board of Directors with an update. Direction was given to Counsel but no reportable action was taken.

4. **Consider Contract with Whitson Engineers to Conduct a Survey of the Carmel River Channel**
5. **Receive and File Fourth Quarter Financial Activity Report for Fiscal Year 2015-2016**
6. **Consider Approval of Fourth Quarter Fiscal Year 2015-2016 Investment Report**
7. **Consider Approval of June 2016 Treasurer's Report**

GENERAL MANAGER'S REPORT

8. **Status Report on California American Water Compliance with State Water Resources Control Board Order 2009-0060 and Seaside Groundwater Basin Adjudication Decision**
9. **Update on Development of Water Supply Projects**

ATTORNEY'S REPORT

10. **Report on 5:30 pm Closed Session of the Board**
3. **Conference with Labor Negotiators (Gov. Code 54957.6)**
Agency Designated
Representatives: David Stoldt;
Suresh Prasad and Cynthia Schmidlin
Employee Organization: General Staff and Management Bargaining

Units Represented by United
Public Employees of
California/LIUNA, Local 792

4. **Conference with Legal Counsel – Existing Litigation (Gov. Code 54956.9 (a))**
 - A. Monterey Peninsula Water Management District v. California Public Utilities Commission (California American Water Company) (Case S208838)
 - B. MPWMD v SWRCB; Santa Clara 1-10-CV-163328 – CDO (6th District Appellate Case #H039194)

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

No reports.

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

PUBLIC HEARINGS

Pendergrass offered a motion that was seconded by Evans to adopt the first reading of Ordinance No. 174. The motion was approved on a roll-call vote of 7 – 0 by Pendergrass, Evans, Brower, Byrne, Clarke, Lewis and Potter. No comments were directed to the Board during the public hearing on this item.

12. **Consider First Reading of Ordinance No. 174 –An Ordinance of the Monterey Peninsula Water Management District Suspending Authority to Accept Water Permit Applications for New Connections Based Upon Paralta Allocation, Pre-Paralta Allocation, Quail Meadows Subdivision Annexation, and Water West Reserve**

On a motion of Brower and second by Potter, Resolution 2016-14 was adopted on a vote of 7 – 0 by Brower, Potter, Byrne, Clarke, Evans, Lewis and Pendergrass. No comments were directed to the Board during the public hearing on this item.

13. **Consider Adoption of Resolution 2016-14 – Modifying Rule 160 - Regulatory Water Production Targets for California American Water Systems**

Potter offered a motion that was seconded by Brower to adopt the October through December 2016 Quarterly Water Supply Strategy and Budget. The motion was approved on a vote of 7 – 0 by Potter, Brower, Byrne, Clarke, Evans, Lewis and Pendergrass. Kevan Urquhart, Senior Fisheries Biologist, presented the item to the Board. He noted that there were some errors in the PowerPoint and that a revised document would be posted to the MPWMD website. No comments were directed to the Board during the public hearing on this item.

14. **Consider Adoption of October through December 2016 Quarterly Water Supply Strategy and Budget**

On a motion by Potter and second of Brower, the Board voted to approve the letter with some revisions: (a) commend the Grand Jury on their efforts to develop a good report; and (b) renumber the list of Findings. The motion was approved on a unanimous vote of 7 – 0 by Potter, Brower, Byrne, Clarke, Evans, Lewis and Pendergrass. No comments were directed to the Board during the public comment period on this item.

On a motion by Brower and second of Clarke, the Water Purchase Agreement was approved on a unanimous vote of 7 – 0 by Brower, Clarke, Byrne, Evans, Lewis, Pendergrass and Potter. No comments were directed to the Board during the public comment period on this item.

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

The meeting was adjourned at 8 pm.

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ACTION ITEMS

- 15. Approve Response to 2015-2016 Monterey County Grand Jury Final Report**

- 16. Approve Water Purchase Agreement for Pure Water Monterey Project**

INFORMATIONAL ITEMS/STAFF REPORTS

- 17. Letters Received**
- 18. Committee Report**
- 19. Monthly Allocation Report**
- 20. Water Conservation Program Report**
- 21. Carmel River Fishery Report**
- 22. Monthly Water Supply and California American Water Production Report**

ADJOURNMENT

Arlene M. Tavani, Deputy District Secretary