



**EXHIBIT 1-B**

DRAFT MINUTES  
**Regular Meeting**  
**Board of Directors**  
**Monterey Peninsula Water Management District**  
*November 14, 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  
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:*

Robert S. Brower, Sr. – Vice Chair, Division 5

*General Manager present:* David J. Stoldt

*District Counsel present:* David Laredo

The assembly recited the Pledge of Allegiance.

**PLEDGE OF ALLEGIANCE**

No action.

**ADDITIONS AND CORRECTIONS TO AGENDA**

(A) **Ken Dursa**, representing 700 passive-sewer rate payers in Spreckels and Oak Hills, spoke about California-American Water Company (Cal-Am) general rate case application to the California Public Utilities Commission (CPUC) No. A16-07-002. He expressed concern that the CPUC had not scheduled public hearings on the application within Monterey County. He requested that the Water Management District file a motion for hearings to be conducted locally. *In response to the comment by Mr. Dursa, District Counsel Laredo noted that at a recent pre-hearing conference regarding A16-07-002, the Administrative Law Judge expressed intent to issue rulings that specify a schedule for public hearings. Laredo anticipated hearings would be scheduled in January in Monterey.* (B) **Jacob Green**, student attending California State University Monterey Bay studying molecular biology; a volunteer at Monterey Bay Aquarium; participant in the Undergraduate Research Opportunities Center Scholars Program; and a McNair Scholar. He expressed concern that development of the proposed desalination project component of the Monterey Peninsula Water Supply Project would increase the occurrence of harmful algae blooms in the

**ORAL COMMUNICATIONS**

Monterey Bay, with a corresponding increase in levels of demoi acid which is toxic to the local crab fishery and humans. He requested that desalination project plans include a monitoring program to address harmful toxins from algae blooms and brine disposal.

On a motion by Pendergrass and second of Potter, the Consent Calendar was approved except for items 2, 3 and 4 that were pulled for separate consideration. The motion was approved on a vote of 6 – 0 by Pendergrass, Potter, Byrne, Clarke, Evans and Lewis. Brower was absent.

Approved.

On a motion by Potter and second of Clarke, the Board authorized the purchase or lease of two new electric vehicles and approved the Incentive Replacement Program reimbursement agreement. The motion was approved on a vote of 6 – 0 by Potter, Clarke, Byrne, Evans, Lewis and Pendergrass. Brower was absent.

On a motion by Evans and second of Clarke, the Board approved an expenditure of \$871,785 on a unanimous vote of 6 – 0 by Evans, Clarke, Byrne, Lewis, Pendergrass and Potter. Brower was absent.

Clarke offered a motion that was seconded by Lewis to receive the report. The motion was adopted unanimously on a vote of 6 – 0 by Clarke, Lewis, Byrne, Evans, Pendergrass and Potter. Brower was absent.

Approved.

Adopted.

No report.

A summary of General Manager Stoldt’s report is on file at the Water Management District office and can be viewed on the agency website.

## CONSENT CALENDAR

1. **Consider Adoption of Resolution 2016-18 Amending Rule 60 - Fees and Charges Table**
2. **Authorize Purchase or Lease of Two New Electric Vehicles and Approve Electric Vehicle Incentive Replacement Program Reimbursement Agreement with the Monterey Bay Air Resources District**
3. **Consider Funding Additional Expenditures for Pure Water Monterey Project**
4. **Receive 2016 Ordinance 152 Oversight Panel Annual Report**
5. **Consider Approval of First Quarter Fiscal Year 2016-2017 Investment Report**
6. **Consider Adoption of Treasurer's Report for September 2016**

## GENERAL MANAGER’S REPORT

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

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

**Director Clarke** stated that he attended a meeting of the California Water Association. The theme was disaster preparedness, and the Soberanes Fire was one topic of discussion. **Director Potter** announced that Kathleen Lee, his Chief of Staff, would leave her post to serve as District Director for Congressman Leon Panetta.

Pendergrass offered a motion that was seconded by Lewis to adopt the second reading of Ordinance No. 175 and: (a) revise the Implementation Guidelines and application forms for Water Distribution System Permits and Exemptions; and (b) update the 2006 District policy for setting a historical baseline for production limits from the Carmel Valley Alluvial Aquifer as described in the staff recommendation. The motion was approved on a roll-call vote of 6 – 0 by Pendergrass, Lewis, Byrne, Clarke, Evans and Potter. Brower was absent. No comments were directed to the Board during the public hearing on this item.

Lewis offered a motion that was seconded by Evans to adopt the second reading of Ordinance No. 176. The motion was approved on a roll-call vote of 6 – 0 by Lewis, Evans, Byrne, Clarke, Pendergrass and Potter. Brower was absent. No comments were directed to the Board during the public hearing on this item.

Potter offered a motion that was seconded by Evans to: (a) accept written Response to Comments; (b) Adopt CEQA Findings to Certify the Final Initial Study/Mitigated Negative Declaration; (c) Adopt Resolution 2016-19 certifying the Initial Study/Mitigated Negative Declaration and approving the project; (d) adopt the revised Mitigation and Monitoring and Reporting Plan with one modification: Bio MM-7, Seasonal Avoidance, would include the words, “work outside of the channel or at other times of the year would be carried out in consultation with permitting agencies; and (e) prepare a Final Initial Study/Mitigated Negative Declaration and file a Notice of Determination. The motion was approved on a vote of 6 – 0 by Potter, Evans, Byrne, Clarke, Lewis and Pendergrass. Brower was absent. No comments were directed to the Board during the public hearing on this item.

No Action Items were submitted to the Board for consideration.

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

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

**PUBLIC HEARINGS**

**10. Consider Second Reading and Adoption of Ordinance No. 175 – Amending Regulation of the System Capacity of Water Distribution Systems in the Carmel Valley Alluvial Aquifer (Rules 11, 20, 20.4, 21, 22, 40 and 60)**

**11. Consider Second Reading and Adoption of Ordinance No. 176 - Amending Rules 11, 21, 24, 25.5, 60, 64, 141, 143 and 144**

**12. Consider Certification of Initial Study/Mitigated Negative Declaration for Sleepy Hollow Steelhead Rearing Facility Upgrade Including Adoption of CEQA Findings and Mitigation Measures**

**ACTION ITEMS**

**INFORMATIONAL ITEMS/STAFF REPORTS**

- 13. Letters Received**
- 14. Committee Report**
- 15. Monthly Allocation Report**
  
- 16. Water Conservation Program Report**
- 17. Carmel River Fishery Report**

**18. Monthly Water Supply and  
California American Water  
Production Report**

The meeting was adjourned at 8:05 pm.

**ADJOURNMENT**

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Arlene M. Tavani, Deputy District Secretary