



EXHIBIT 1-A

**DRAFT MINUTES
Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
June 18, 2018**

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

CALL TO ORDER/ROLL CALL

Directors Present:

Andrew Clarke – Chair, Division 2
Ralph Rubio – Vice Chair, Mayoral Representative
Brenda Lewis, Division 1
Mary Adams – Monterey County Board of Supervisors Rep.

Directors Absent:

Molly Evans – Division 3
Jeanne Byrne – Division 4
Robert S. Brower, Sr. –Division 5

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 Rubio and second of Lewis, an Attorney's Report was added to the Board meeting agenda so that District Counsel could report on the 6:30 pm Closed Session. The motion was approved unanimously on a vote of 4 – 0 by Directors Adams, Clarke, Lewis and Rubio. Directors Brower, Byrne and Evans were absent.

ADDITIONS AND CORRECTIONS TO AGENDA

The following comments were directed to the Board during Oral Communications. **(A) Dan Turner** referenced a document titled "Top Ten Most Expensive Water Providers in the Country: 2017 Update" which categorized California-American Water as number 1 on the list. He noted that agencies shown as numbers 2 and 3 on the list advised him that their costs were high because of water purchases from the State due to drought conditions. Mr. Turner stated that Cal-Am does not purchase the water it distributes to local water users, yet costs to the ratepayer are high. **(B) Tom Rowley** stated that he could not trust the accuracy of data compiled by Food and Water Watch that was referenced by Dan Turner.

ORAL COMMUNICATIONS

On a motion by Adams and second of Rubio, the Consent Calendar was adopted unanimously on a vote of 4 – 0 by Directors Adams, Rubio, Clarke and Lewis. Directors Brower, Byrne and Evans were absent.

CONSENT CALENDAR

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| Adopted. | 1. Consider Adoption of Minutes from the May 21, 2018 Regular Meeting of the Board of Directors |
| Adopted. | 2. Consider Adoption of Resolution 2018-11 to Provide Further Direction to Monterey County Elections Department Related to the Public Water Now Initiative |
| Approved expenditure of \$160,000. | 3. Consider Approval of Service Agreement for the Provision of Election Services with Monterey County Registrar of Voters for November 6, 2018 General Election |
| Approved increase in indemnification level up to \$300,000. | 4. Consider Authorizing the General Manager to Increase the Level of Indemnification in a Right-of-Entry and Project Permission Agreement with Quail Lodge, Inc. for the Carmel River Bank Stabilization Project at Rancho San Carlos Road |
| Approved expenditure of \$60,000. | 5. Consider Approval of Expenditure for Phone System and Server Network Upgrade |
| Approved expenditure of \$70,000. | 6. Consider Approval of Amendment No. 2 to Agreement with Regional Government Services Authority for Management and Administrative Services |
| Approved expenditure of \$25,000. | 7. Consider Expenditure for Temporary Agency Employee to Assist with Electronic Document Storage During FY 2018-2019 |
| Approved expenditure of \$35,000. | 8. Consider Approval of Agreement with Lynx Technologies for Geographic Information System (GIS) Services |
| Approved expenditure of \$46,500. | 9. Authorize Funds to Contract for Limited-Term Field Positions During FY 2018-2019 |
| Approved expenditure of \$50,000. | 10. Consider Approval of Three Temporary Field Staff Positions Funded Through the Interagency Contract Between MPWMD and NMFS to Provide for a Cooperative Research and Monitoring Projects |

Approved expenditure of \$20,000.

11. **Consider Approval to Purchase Expendable PIT Tags and Other Disposable Tagging Supplies for the Remainder of Calendar Year 2018**

Approved expenditure of \$14,000.

12. **Consider Renewal of Standard License Agreement with CoreLogic Information Solutions, Inc.**

Approved expenditure of \$40,000.

13. **Approve Expenditure to Corporation Service Company - Recording Fees**

Approved expenditure of \$97,600.

14. **Authorize Expenditure for Software Maintenance Agreements for FY 2018-2019**

Approved expenditure of \$25,000.

15. **Consider Expenditure for Water Conservation Messaging Materials**

Approved expenditure of \$700,000.

16. **Consider Funding Rebates in the California American Water System Between July 1, 2018 and the Availability of Funding from the Cal-Am General Rate Case**

Approved expenditure of \$60,000.

17. **Consider Continuance of Contract with Zone 24x7 for Water Demand Database Improvements and Maintenance**

Approved expenditure of \$2,000.

18. **Consider Expenditure to Amend Contract with Pueblo Water Resources to Provide Hydrogeologic Review for Water Distribution System Permits**

Approved expenditure of \$35,000.

19. **Consider Renewal of Contract with JEA & Associates for Legislative and Administrative Services**

Approved expenditure of \$99,500.

20. **Consider Renewal of Contract with Ferguson Group for Legislative and Administrative Services**

Approved expenditure of \$19,652.

21. **Consider Entering Into an Agreement for an Addendum to the MPWMD Aquifer Storage and Recovery Project Environmental Impact Report/Environmental Assessment**

Approved expenditure of \$44,000.

22. **Consider Entering Into Agreements for ASR Expansion Project Storm Water Pollution Prevention Plan**

Development and Monitoring Services

Approved expenditure of \$42,000.

23. **Consider Renewal of Contract for District Public Outreach and Communications Services with TBC Communications and Media**

Adopted.

24. **Consider Adoption of Resolution 2018-12 Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges**

Adopted.

25. **Consider Adoption of Resolution 2018-13 Establishing Article XIII (B) Fiscal Year 2018-2019 Appropriations Limit**

Adopted.

26. **Consider Adoption of Resolution 2018-14 Update to Rule 24, Table 3, Capacity Fee History**

Adopted.

27. **Consider Adoption of Treasurer's Report for April 2018**

GENERAL MANAGER'S REPORT

A summary of General Manager Stoldt's report is on file at the District office and can be viewed on the agency's website. Mr. Stoldt noted that in May 2018, production from the Sand City Desalination plant was 25 acre-feet, which is the first month in 2018 that the project has produced the budgeted amount. For the period of October 1, 2017 the June 1, 2018, rainfall totaled 13.52 inches which is 65% of the long-term average and is defined as dry-year conditions. For the same time period, streamflow was measured at 30,000 acre-feet which is 40% of long-term average and is defined as below normal conditions. Storage remains at 96% of long-term average.

28. **Status Report on California American Water Compliance with State Water Resources Control Board Order 2016-0016 and Seaside Groundwater Basin Adjudication Decision**

A summary of General Manager Stoldt's report is on file at the District office and can be viewed on the agency's website. He noted that by August 1, 2018 the California Public Utilities Commission (CPUC) should issue a proposed decision on a Certificate of Public Necessity and Convenience for the desalination plant proposed by California-American Water. In September 2018 the final decision should be issued.

29. **Update on Development of Water Supply Alternatives**

District Counsel Laredo reported that he provided a status report to the Board on Item 3 and received general direction. No reportable action was taken.

ATTORNEY'S REPORT

Report on 6:30 pm Closed Session of the Board

3. Conference with Legal Counsel – Existing Litigation (Gov. Code 54956.9(a))

Application of California American Water to CPUC (No. 12-04-019) – Monterey Peninsula Water Supply Project

No reports were presented.

On a motion by Rubio and second of Lewis, the July through September 2018 Quarterly Water Supply Strategy and Budget was adopted on a unanimous vote of 4 – 0 by Directors Adams, Clarke, Lewis and Rubio. Directors Brower, Byrne and Evans were absent. No comments were directed to the Board during the public hearing on this item.

On a motion by Rubio and second of Adams, the FY 2018-19 MPWMD Budget and Resolution No. 2018-10 were adopted on a unanimous vote of 4 – 0 by Directors Adams, Clarke, Lewis and Rubio. Directors Brower, Byrne and Evans were absent. No comments were directed to the Board during the public hearing on this item.

Director Rubio offered a motion that was seconded by Director Lewis to authorize \$2 million from reimbursement of preconstruction costs to be reserved as contingency for Monterey One Water to be used towards the Pure Water Monterey Project. The motion was approved on a unanimous vote of 4 – 0 by Directors Adams, Clarke, Lewis and Rubio. Directors Brower, Byrne and Evans were absent.

Tom Rowley, representing the Monterey Peninsula Taxpayers Association (MPTA), addressed the Board during the public comment period on this item. He stated that the entire cost for Pure Water Monterey Project (PWM) construction was not clearly defined, because the cost for construction of a new pipeline that would be used by PWM and the MPWSP desalination plant is being charged to the desalination project. Rowley opined that funding a project without voter approval was a violation of the District’s enabling legislation.

There was no discussion of these items.

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

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

PUBLIC HEARINGS

31. Consider Adoption of July through September 2018 Quarterly Water Supply Strategy and Budget

32. Consider Adoption of Proposed FY 2018-19 MPWMD Budget and Resolution 2018-10

Not a project – CEQA Section 15378

ACTION ITEMS

33. Consider Authorization to Provide Funds to Monterey One Water for the Pure Water Monterey Project

INFORMATIONAL ITEMS/STAFF REPORTS

34. Letters Received

35. Committee Report

36. Monthly Allocation Report

- 37. Water Conservation Program Report**
- 38. Carmel River Fishery Report**
- 39. Monthly Water Supply and California American Water Production Report**

The meeting was adjourned at 8:05 pm.

ADJOURNMENT

Arlene M. Tavani, Deputy District Secretary

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