



EXHIBIT 1-A

DRAFT MINUTES
Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
October 21, 2019

Board Chair Evans called the meeting to order at 6:05 pm in the MPWMD conference room.

CALL TO ORDER/ROLL CALL

Directors Present:

Molly Evans – Chair, Division 3
Alvin Edwards, Vice Chair, Division 1
George Riley, Division 2
Gary D. Hoffmann, P.E. – Division 5
Mary Adams – Monterey County Board of Supervisors Rep.
David Potter – Mayoral Representative

Directors Absent: Jeanne Byrne – Division 4

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 by Riley, Action Item 13 was continued to the November 21, 2019 Board meeting. The motion was approved on a vote of 6 – 0 by Potter, Riley, Adams, Edwards, Evans and Hoffmann. Byrne was absent.

ADDITIONS AND CORRECTIONS TO AGENDA

The following comments were directed to the Board during Oral Communications. (a) **Dan Turner**, resident of Monterey, stated that elimination of the tiered commercial rate structure benefited hotels in the California American Water (Cal-Am) system. He maintained that if hotels were subject to residential tiered rates, they would pay four or five times more than what they currently pay. He asserted that he was unable to locate information on the previous tiered commercial rates, and that Cal-Am had not returned his calls requesting that information. (2) **Tom Rowley**, Realtor, read a letter he submitted to the California Coastal Commission (CCC) stating that without a desalination project, the continued lack of water for small business development would cripple the economy on the Monterey Peninsula. He requested that the CCC approve the desalination project. (3) **Michael Baer** requested that the Board of Directors add their signatures to a letter signed by 28 local government officials requesting that the CCC deny a permit for the desalination project.

ORAL COMMUNICATIONS

Potter offered a motion that was seconded by Adams to adopt the Consent Calendar. The motion was approved on a vote of 6 – 0 by Potter, Adams, Edwards, Evans, Hoffmann and Riley. Byrne was absent.

Adopted.

Approved.

Approved agreement with the USGS in the amount of \$15,800.

Received.

Approved.

Adopted.

Adopted.

Adopted.

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 reported that for the period of October 1, 2018 through September 30, 2019 actual water production was 9,435 acre-feet, which was 397 acre-feet below the target of 9,832 acre-feet. Therefore, the community was in compliance with the CDO and Adjudication decision. No rainfall was recorded in September 2019. However, unimpaired streamflow during July, August and September exceeded the long-term averages.

District Counsel Laredo reported that at the October 3, 2019 Closed Session, the Board met with Counsel and Special Counsel to discuss one item: Conference with Real Property Negotiators (Government Code Sections 54954.5(b), 54956.8/ District Representative: David Stoldt / Negotiation Affecting Properties Held by California American Water

CONSENT CALENDAR

1. **Consider Adoption of Minutes of the September 16, 2019 Regular Board Meeting**
2. **Consider Approval of Resolution No. 2019-16 in Support of Filing a Proposition 1 Round 1 Implementation Grant Application**
3. **Consider Extension of Cooperative Agreement with the United States Geological Survey for Streamflow Gaging in Water Year 2020**
4. **Receive and File Fourth Quarter Financial Activity Report for Fiscal Year 2018-2019**
5. **Consider Approval of Fourth Quarter Fiscal Year 2018-2019 Investment Report**
6. **Consider Adoption of Treasurer's Report for June 2019**
7. **Consider Adoption of Treasurer's Report for July 2019**
8. **Consider Adoption of Treasurer's Report for August 2019**

GENERAL MANAGER’S REPORT

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

ATTORNEY’S REPORT

10. **Report on October 3, 2019 Closed Session and October 21, 2019, 5:00 pm Closed Session of the Board**

Company. No reportable action was taken. At the October 21, 2019, 5 pm closed session, the Board considered agenda items 3 and 4. General direction was provided on both items. No reportable action was taken except to direct that item 13 on the 7 pm meeting agenda be continued to the November 18, 2019 Board meeting.

3. **Public Employee Performance Evaluation (Gov. Code 54957) – General Manager**
4. **Conference with Legal Counsel – Pending and Threatened Litigation (Gov. Code 54956.9 (b)) – One Case**

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

Director Riley reported that he attended the October 2, 2019 meeting of the Seaside Groundwater Basin Watermaster. At that meeting a resolution was adopted expressing support for Cal-Am's desalination project as the long-term water supply, instead of Pure Water Monterey Expansion. Director Edwards reported that he attended the October 15, 2019 meeting of the Monterey County Special Districts Association. The featured speaker advised attendees that Homeland Security will conduct a cybersecurity audit of the District's systems at no cost, with two-years lead time. Edwards thanked Monterey One Water for organizing the ribbon cutting ceremony for the Pure Water Monterey Project. He thanked former directors Ralph Rubio, Brenda Lewis, Bob Brower, and Andy Clarke for their support in pursuing development of the project.

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

No public hearing items were presented for Board consideration.

PUBLIC HEARINGS

Edwards offered a motion that was seconded by Potter to approve the staff recommendation. Edwards and Potter accepted an amendment from Adams to request that monthly progress updates be provided to the Board. An amendment by Edwards was also accepted, that the General Manager provide timely notification to the Board of change orders or if modifications to the project budget are eminent. This would allow the Board an opportunity to call a special meeting to approve a change-order if necessary. The motion was approved on a vote of 5 – 1 by Edwards, Potter, Adams, Evans and Riley. Hoffmann was opposed and Byrne was absent.

ACTION ITEMS

12. **Consider Expenditure for the Santa Margarita Water Treatment Facility Project Construction and Support Services**

Tom Seidel, representing Specialty Construction, contractor for construction of the Pure Water Monterey Project and low-bidder on the Water Treatment Facility project, addressed the Board during the public comment period on

this item. He stated that an engineer's estimate is rarely within 20% of the bid results. The construction team was local, and although the Monterey Peninsula has proven to be a difficult environment to work in, Specialty Construction was committed to successful completion of the project on time.

Item deferred to the November 18, 2019 Regular Board meeting. No action taken.

Discussion item 20 only.

In response to an inquiry from the Board, Thomas Christensen, Environmental Resources Manager, provided an update on the Spawning Gravel Enhancement Project at Los Padres. He reported that placement of 1,000 tons of river-run gravel was complete.

The meeting was adjourned at approximately 7:20 pm.

13. **Consider Approval of Amendment to Agreement for Employment of General Manager**

INFORMATIONAL ITEMS/STAFF REPORTS

14. **Report on Activity/Progress on Contracts Over \$25,000**
15. **Status on Measure J/Rule 19.8 Spending**
16. **Letters Received**
17. **Committee Reports**
18. **Monthly Allocation Report**
19. **Water Conservation Program Report**
20. **Carmel River Fishery Report for September 2019**

21. **Quarterly Carmel River Riparian Corridor Management Program Report**
22. **Quarterly Water Use Credit Transfer Status Report**
23. **Monthly Water Supply and California American Water Production Report**

ADJOURNMENT

Arlene M. Tavani, Deputy District Secretary