

MONTEREY PENINSULA
WATER
MANAGEMENT DISTRICT
EXHIBIT 1-A

DRAFT MINUTES
Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
July 20, 2020

The meeting was called to order at 6:00 pm. Pursuant to Governor Newsom's Executive Orders N-29-20 and N-33-20, the meeting was conducted with virtual participation via WebEx.

CALL TO ORDER/ROLL CALL

Directors Present via WebEx:

Alvin Edwards, – Chair, Division 1
Jeanne Byrne – Vice Chair, Division 4
George Riley, Division 2
Molly Evans, Division 3
Gary D. Hoffmann, P.E. – Division 5
Mary Adams – Monterey County Board of Supervisors Rep.
David Potter – Mayoral Representative

Directors Absent: None

General Manager present: David J. Stoldt

District Counsel present: David Laredo

The assembly recited the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

The assembly observed a minute of silence in remembrance of Ralph Rubio former Mayor City of Seaside, deceased July 19, 2020; and Joe Gunter, Mayor City of Salinas, deceased June 29, 2020

**MOMENT OF SILENCE IN
REMEMBRANCE OF RALPH RUBIO AND
JOE GUNTER**

On a motion by Byrne and second of Riley, the agenda was accepted with no corrections on a unanimous vote of 7 – 0 by Byrne, Riley, Evans, Hoffmann, Adams, Potter and Edwards.

**ADDITIONS AND CORRECTIONS TO
AGENDA**

No comments were directed to the Board during Oral Communications.

ORAL COMMUNICATIONS

Evans offered a motion that was seconded by Adams to approve the Consent Calendar except for Item 3 that was pulled for separate consideration. The motion to approve included revised minutes of the June 15, 2020 Board meeting that were submitted after the Board packet had been distributed. The motion was approved on a vote of 7 – 0 by Evans, Adams, Edwards, Byrne, Hoffmann, Potter and Riley.

CONSENT CALENDAR

Revised minutes adopted.

Approved a contract in the amount of \$11,000 and a 10% contingency.

On a motion by Edwards and second of Riley, a contract in the amount of \$25,000 was approved on a vote of 5 – 2 by Riley, Edwards, Adams, Evans and Potter. Voting in opposition were Byrne and Hoffmann.

Public Comment: Jeff Davi expressed opposition to ratification of the contract for CEQA legal services, noting that he did not support an expenditure for the Pure Water Monterey Expansion project.

In response to a question from the Board. District Counsel Laredo noted that the summary in the staff note was slightly misworded in stating that at the Closed Session of June 15, 2020 the Board “directed” the General Manager to secure legal services. At that meeting, the General Manager stated his intent to do so. The Board did not take direct action on the matter. Nevertheless, the Board could consider ratification of the agreement as recommended by the Administrative Committee.

Adopted.

Adopted.

A summary of General Manager Stoldt’s presentation can be viewed on the District’s website. He reported that for the period of October 1, 2019 through June 30, 2020 water production within the Monterey Peninsula Water Resources System was 118 acre-feet below the target of 7,452 acre-feet. Rainfall was measured at 84% of long-term average, and unimpaired flow was a 68% of long-term average which equated to normal-year conditions.

Stoldt reported that to date, the Pure Water Monterey Project produced 825 acre-feet of water for injection into the Seaside Basin. By late August, 1,000 acre-feet of water should be injected to complete the operating reserve. Delivery of water for customer service should begin in early September.

Stoldt reported the following changes to the report: (a) Goal 1, second bullet “commencement of the Cal-Am Desalination project” was checked as accomplished. Stoldt stated that the District did nothing to commence the project.

1. **Consider Adoption of Minutes of the June 15, 2020 Regular Board Meetings**
2. **Consider Authorization to Contract with RJA Management Services for General Manager Annual Performance Evaluation**
3. **Consider Approval of Contract with Shute, Mihaly & Weinberger LLP for Strategic CEQA Legal Services**

4. **Consider Adoption of Revisions to District Investment Policy**
5. **Consider Adoption of Treasurer's Report for May 2020**

GENERAL MANAGER’S REPORT

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

7. **Update on Development of Water Supply Projects**

8. **Report on Progress on Strategic Goals Adopted on May 20, 2019**

The notation was related to the second part of that item “develop Financing Order and timing for the “Ratepayer Relief Bonds;” and (b) Goal 1, fifth bullet, “Address rule changes to create additional supplies in short term.....” Stoldt stated that all items mentioned had been completed except for “easing transfers.”

Counsel Laredo reported that the full report on the closed session was provided in the revised minutes of the June 15, 2020 Board meeting. He summarized the action by stating that a motion was made by Director Evans, on the second of Director Edwards, to initiate the dispute resolution process specified in Section G 16 of the May 20, 2013 Cost Sharing Agreement between MPWMD and Monterey One Water. The motion was approved on a 6 – 1 vote, with Director Hoffmann dissenting.

Chair Edwards thanked District staff for providing the Directors with iPads to enable efficient connection to virtual Board and committee meetings. He urged all Directors to take advantage of the equipment provided by the District.

Adams offered a motion that was seconded by Evans to approve the variance and adopt the Findings of Approval. The Conditions of Approval were also adopted with revisions to be made by staff based on new ownership of the property. Development of a three-party indemnification agreement with the new owner and the City of Seaside would be required. The motion was approved on a unanimous vote of 7 – 0 by Adam, Evans, Byrne, Edwards, Hoffmann, Potter and Riley.

Public Comment: Susan Schiavone expressed concern that low-income persons in sub-metered buildings would not qualify for reduced California-American water rates because their water use was not associated with an account in the water user’s name.

On a motion by Potter and second of Evans, Resolution 2020-12 was adopted on a unanimous vote of 7 – 0 by Potter, Evans, Adams, Byrne, Edwards, Hoffmann and Riley.

Public Comment: Wayne Kelly expressed support for adoption of Resolution No. 2020-12.

REPORT FROM DISTRICT COUNSEL ON JUNE 15, 2020 BOARD CLOSED SESSION

- 1. Anticipated Initiation of Litigation by MPWMD - CA Government Code Sec. 54956.9(g) – One Case**

DIRECTORS REPORTS (INCLUDING ab 1234 REPORTSS ON TRIPS, CONVERENCE ATTENDANCE AND MEETINGS)

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

PUBLIC HEARINGS

- 10. Consider Application for Variance from Separate Water Meter Requirement for Multi-Family Housing Project at 1193 Broadway, Seaside (APNS: 012-191-001, 002, 003, 004, 013, 016, 017, 021, 022, 023, 024, 025, 028, and 029)**

- 11. Consider Adoption of Resolution 2020-12, A Resolution of the Board of Directors of the Monterey Peninsula Water Management District Seeking Authorization to Activate Latent District Powers and to Adopt A Sphere of Influence Amendment and Annexation**

Motion #1 – Byrne offered a motion to adopt the Addendum.

Motion #2 – Riley offered a substitute motion that the item be continued for one month so that staff could confirm the project cost, confer with MCWD on their concerns, and develop a recommendation to the Board. The motion was seconded by Adams.

Motion #3 – Edwards offered a motion to amend Motion #2 to continue Board consideration of this item for two weeks to July 31, 2020 at 3 pm. Directors Riley and Adams agreed to the amendment. The amended motion was approved on a unanimous vote of 7 – 0 by Riley, Edwards, Adams, Byrne, Evans, Hoffmann and Potter.

Public Comment: **(a) Howard Wilkins**, District Council for the Marina Coast Water District (MCWD), referenced a letter he submitted to the District at 6:45 pm that had not been viewed by staff or the Board. He expressed support for the District’s ASR project but noted concerns with the pipeline as it appeared to be sized and planned for the same location as the pipeline for the proposed Pure Water Monterey Expansion project. He requested that the District delay a decision on this item and meet with MCWD to resolve the perceived conflicts between the proposed pipeline and MCWD’s pipeline. **(b) Melodie Chrislock** requested that the Board delay a decision on this item and meet with the MCWD to resolve their concerns.

Byrne offered a motion to approve the letter with additional language suggested by the General Manager which was to describe the administrative delays that were beyond the applicant’s control as: (a) Superior Court issuing a stay related to permits issued by the County of Monterey, and (b) the California Coastal Commission delay in consideration of the local coastal development permit. The motion was seconded by Evans and approved on a unanimous vote of 7 – 0 by Byrne, Evans, Adams, Edwards, Hoffmann, Potter and Riley. There was no public comment.

There was no discussion of these items.

ACTION ITEMS

12. Consider Adoption of an Addendum to the District’s Prior ASR Environmental Impact Report for Construction of a Bypass Pipeline to Allow Simultaneous Pure Water Monterey Recovery and ASR Injection (Subject to CEQA Review per CEQA Guideline Sections 15162 and 15164)

13. Consider Sending the State Water Resources Control Board Correspondence Addressing Timelines and Penalties Under the Cease and Desist Order WR2016-0016

INFORMATIONAL ITEMS/STAFF REPORTS

- 14. Report on Activity/Progress on Contracts Over \$25,000**
- 15. Status Report on Measure J/Rule 19.8 Phase II Spending**
- 16. Monthly Progress Report – Santa Margarita Water Treatment Facility**
- 17. Legislation Advocacy Committee’s State and Federal Bill Tracking**
- 18. Letters Received**
- 19. Committee Reports**
- 20. Monthly Allocation Report**
- 21. Water Conservation Program Report**

22. **Quarterly Water Use Credit Transfer Status Report**
23. **Carmel River Fishery Report for July 2020**
24. **Quarterly Carmel River Riparian Corridor Management Program Report**
25. **Monthly Water Supply and California American Water Production Report**
26. **Draft Water Year 2019 Aquifer Storage and Recovery Project Summary of Operations Report**

The meeting was adjourned in memory of former Mayor of the City of Seaside, Ralph Rubio; and Mayor of the City of Salinas, Joe Gunter.

ADJOURNMENT

U:\staff\Boardpacket\2020\20200817\ConsentCalendar\01\Item-1-Exh-A.doc

Arlene M. Tavani, Deputy District Secretary