

MONTEREY PENINSULA  
**WATER**  
MANAGEMENT DISTRICT  
**EXHIBIT 1-A**

DRAFT MINUTES  
**Regular Meeting**  
**Board of Directors**  
Monterey Peninsula Water Management District  
*May 17, 2021*

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 Zoom.

**CALL TO ORDER/ROLL CALL**

*Directors Present via Zoom:*

Alvin Edwards, Chair – Division 1  
Karen Paull, Vice Chair – Division 4  
George Riley – Division 2  
Safwat Malek – Division 3  
Amy Anderson – Division 5  
Mary L. Adams – Monterey County  
Clyde Roberson – Mayoral Representative

*Directors Absent: None*

*General Manager present: David J. Stoldt*

*District Counsel present: David Laredo, Esq. with De Lay and Laredo*

The assembly recited the Pledge of Allegiance.

**PLEDGE OF ALLEGIANCE**

No changes.

**ADDITIONS AND CORRECTIONS TO AGENDA**

The following comments were directed to the board during Oral Communications:

**ORAL COMMUNICATIONS**

Michael Baer requested more information about whether or not Cal-Am's lawsuit against the district pertaining to CEQA/Environmental Impact was resolved. He overheard LAFCO proceedings would not take place until the suit was settled.

A motion was made by Director Paull and second by Director Anderson to approve the Consent Calendar Items No. 1 through 4. The motion passed unanimously on a roll-call vote of 7-Ayes (Edwards, Paull, Riley, Malek, Anderson, Adams and Roberson), 0-Noes and 0-Absent.  
**Approved**

**CONSENT CALENDAR**

**Adopted**

- 1. Consider Adoption of Minutes from the March 15, 2021 Regular Meeting, April 19, 2021 Regular Meeting and April 19, 2021 Special Meeting**
- 2. Consider Adoption of Treasurer's**

**Received**

**Approved**

David J. Stoldt, General Manager (GM) responded to questions from board members and provided an overview of the MS PowerPoint entitled Status Report on Cal-Am Compliance with SWRCB Orders and Seaside Decision as of May 1, 2021. A copy of the presentation is on file at the District office and can be viewed on the district website.

GM Stoldt provided an overview of the slide-deck and the following points were made: (1) The Monterey Peninsula Water Resources System (Carmel River & Seaside Groundwater Basin) still remains below target; (2) The total year to date for Monthly Deliveries/Production for Customer Service is slightly better than the previous year by 6 Acre Feet (AF). A dry month coupled with irrigation closed the 154 AF gap previously reported at the last board meeting; (3) Reported that the San Clemente Rain Gage-Monthly is falling behind historical averages and may lead towards a critically dry year; (4) For daily averages at the San Clemente Rain Gage, there were no registered numbers reported; and (5) Stressed that the Unimpaired Carmel River Flow at Sleepy Hollow WEIR is significantly under target rates or historical averages by 20%.

GM Stoldt informed the board of conservation efforts and public awareness activities to be led in preparation for a dry or critically dry year and explained the four (4) Stage Conservation Rationing Plan.

GM Stoldt stated provided the board an update on Deep Injection Well (DIW) 3 and DIW4 at Pure Water Monterey. He mentioned that the district is moving along in approving next year's company water rate at a little over \$2800 per AF.

GM Stoldt responded to questions and presented via MS PowerPoint Presentation: Study Session, Monterey Peninsula Water Management District LAFCO Application as presented before LAFCO of Monterey County. A copy of the presentation is on file with the District and is available on the district's webpage. GM Stoldt provided an overview, displayed a tentative timeline on the process and next steps with the Board as it relates to the District's application with LAFCO of Monterey County.

**Report for March, 2021**

3. **Receive and File Third Quarter Financial Activity Report for Fiscal Year 2020-21**
4. **Consider Approval of Third Quarter Fiscal Year 2020-21 Investment Report**

**GENERAL MANAGER'S REPORT**

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

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

7. **Receive an Overview of the LAFCO Study Session**

**REPORT FROM DISTRICT COUNSEL**

District Counsel Laredo explained the matter was placed on the agenda as a placeholder to provide the board with an update on the district's complaint filed with the California Public Utilities Commission (Case No. C-21-05005) on May 5, 2021. Laredo provided an update to the board and next steps going forward as it relates to the complaint. District Counsel Laredo directed attention to the meeting minutes of April 19, 2021 under Report from District Counsel for anyone seeking additional information on the complaint.

Director George Riley provided an update and informed the board that the Seaside Groundwater Basin Watermaster has hired a consultant to provide a report on the functionality of the well and ascertain if the well is faulty or has evidence of seawater intrusion. Riley plans to make the watermaster aware of his concerns over the methodology over replenishment and is seeking real solutions.

Chair Alvin Edwards highlighted that the district received a letter on replacing FO-09S and rebuilding a new well out in the Seaside Basin. Edwards noted that the General Manager/District Counsel is working on a letter to the State Water Resources Control Board over the 1000 A/F withdrawals on the Carmel River. Lastly, he thanked all the supporters of and the Monterey One Water Board for certifying the SEIR.

GM Stoldt summarized his staff report on the 2020 MPWMD Annual Report and next steps to be taken by district staff.

No public comment was received for Item No. 10.

A motion was made by Director Riley and second by Director Anderson to adopt the 2020 MPWMD Annual Report. The motion passed unanimously on a roll-call vote of 7-Ayes (Edwards, Paull, Riley, Malek, Anderson, Adams and Roberson), 0-Noes and 0-Absent.

GM Stoldt and Jonathan Lear, Water Resources Division Manager responded to questions from board members and presented via MS PowerPoint Presentation: Receive and Confirm Water Supply Forecast for May 1, 2021 through September 30, 2022 Period. A copy of the presentation is on file at the District office and can be viewed on the district website.

No public comment was received for Item No. 11.

A motion was made by Director Roberson and second by

8. **Status Report on a Complaint filed with the California Public Utilities Commission Monterey Peninsula Water Management District, Complainant v. California-American Water Company (U210W), Defendant).**

#### **DIRECTORS REPORTS (INCLUDING AB 1234 REPORTS ON TRIPS, CONVERENCE ATTENDANCE AND MEETINGS)**

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

#### **PUBLIC HEARINGS**

10. **Consider Adoption of the 2020 MPWMD Annual Report**

11. **Receive and Confirm Water Supply Forecast for Period of May 1, 2021 -- September 30, 2022 – and Consider Adopting Draft Resolution 2021-04 to Amend Rationing Table XV-4.**

Director Adams to Adopt Resolution No. 2021-04 modifying Rule 160- Rationing Table XV-4 for Remainder Water Year 2021 and All of Water Year 2022. The motion passed unanimously on a roll-call vote of 7-Ayes (Edwards, Paull, Riley, Malek, Anderson, Adams and Roberson), 0-Noes and 0-Absent.

Stephanie Locke, Water Demand Division Manager responded to questions from board members and presented via MS PowerPoint Presentation. A copy of the presentation is on file at the District office and can be viewed on the district website.

No public comment was received for Item No. 12.

- (a) Captain Paull Dale, Commanding Officer of Naval Support Activity in Monterey thanked the board for delaying the approval of said ordinance and thanked district staff on providing analysis and education with his staff.
- (b) Tania Leisten, Chief/Directorate of Public Works/Environmental Division: acknowledged and thanked District Staff's time and knowledge on this matter.
- (c) Tom Rowley, Resident of Monterey/Retired Navy: Recognized and thanked Stephanie Locke and staff on getting this completed.

A motion was made by Director Adams and second by Director Paull to approve the second first reading of Ordinance No. 187. The motion passed unanimously on a roll-call vote of 7-Ayes (Edwards, Paull, Riley, Malek, Anderson, Adams and Roberson), 0-Noes and 0-Absent.

GM Stoldt provided an overview of his staff note and explained necessary changes to said draft resolution.

The following comments were directed to the board for Item No. 13:

- (a) Tom Rowley: Directed attention to two operating plans that were criticized in October and noted that this has not been completed.
- (b) Susan Schiavone: Thanked GM Stoldt for his work and supports the resolution. In addition, thanks district staff for all the incredible work as noted in the MPWMD Annual Report.

A motion was made by Director Malek and second by Director Riley to adopt Resolution 2021-03 that would authorize the District to file an application with LAFCO for authorization to activate its latent powers for operation of the Monterey Water System, and to obtain a boundary adjustment. The motion passed unanimously on a roll-call vote of 7-Ayes (Edwards, Paull, Riley, Malek, Anderson, Adams and Roberson), 0-Noes and 0-Absent.

## ACTION ITEMS

**12. Consider First Reading of Ordinance 187 – (1) Establishing the Department of Defense as a Jurisdiction and adding a Water Use Credit Process Specific to the Department of Defense, and (2) Authorizing the General Manager to Extend Water Use Credits for One Year for Justifiable Cause (Ratification of January 25, 2021 First Reading)**

**13. Consider Adoption of Resolution 2021-03, 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**

GM Stoldt provided an overview of his staff note, rationale and need to contract with Property Tax Consultant as it relates to the voter-approved Measure J initiative and the LAFCO Process.

**14. Consider Authorizing Staff to Contract with Property Tax Consultant for Measure J/LAFCO Process**

The following comments were directed to the board for Item No. 14:

(a) Melodie Chrislock: Thanked the Board/District Staff on further ongoing efforts to make this matter a reality for ratepayers.

(b) Michael Baer: Echoed Melodie Chrislock and commended the board/district staff on its work on proceeding on the Measure J initiative as approved by the voters.

A motion was made by Director Malek and second by Director Edwards to authorize staff to contract a property tax consultant in the amount not to exceed \$55,000.00. The motion passed unanimously on a roll-call vote of 7-Ayes (Edwards, Paull, Riley, Malek, Anderson, Adams and Roberson), 0-Noes and 0-Absent.

GM Stoldt provided an overview of his staff note, rationale and need for additional expenditures for LAFCO Process Related to Measure J.

**15. Consider Authorization of Additional Expenditure for LAFCO Process Related to Measure J**

No comments were directed to the board for Item No. 15:

A motion was made by Director Riley and second by Director Paull to authorize staff to continue to pay LAFCO Fees and pass-throughs due other agencies for the District's application process in a total amount not to exceed \$80,000 which includes the already expended deposit of \$7,200.00. The motion passed unanimously on a roll-call vote of 7-Ayes (Edwards, Paull, Riley, Malek, Anderson, Adams and Roberson), 0-Noes and 0-Absent.

GM Stoldt provided an overview on the effect of Post COVID-19 Reopening on District Meeting Format and Work Environment. The following points were made by the Directors:

**DISCUSSION ITEMS**

**16. Discuss Effect of Post-COVID-19 Reopening on District Meeting Format and Work Environment (Verbal Report)**

(1) Director Anderson: Suggest board/committee meetings to continue to take place virtually to allow for members of the public to provide input at public meetings. Recommends for the district to observe how reopening will play out in various places in the ensuing months.

(2) Director Malek: Recommends seeking out and wait for additional guidance from the State of California prior to reopening.

(3) Vice-Chair Paull: Recommends management to accommodate staff with children at home and children who will be attending school in the fall. She would like for additional time to pass to allow others who have not received their shot to become vaccinated.

(4) Director Riley: Recommends and understands that General Manager/Staff needs additional time to investigate technologies needed for hybrid meetings of the Board of Directors/committee meetings and would like to revisit this in August, 2021. Riley would for the GM to devise a plan and work with district staff on hybrid work schedules.

(5) Supervisor/Director Adams: Concurs with Directors on conducting meetings virtually and reconsider conducting hybrid meetings at future meeting. Also, echoed Vice-Chair Paull's regarding employees with children at home and/or returning to school in fall. Adams noted that the GM should be the one who makes the determination on hybrid work schedules.

(6) Chair Edwards: Requested the General Manager to have staff on-site at the Water Demand Division to service members of the public.

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

The meeting was adjourned at 8:08 pm.

#### **INFORMATIONAL ITEMS/STAFF REPORTS**

- 17. Status Report on Measure J / Rule 19.8 Phase II Spending**
- 18. Report on Activity / Progress on Contracts Over \$25,000**
- 19. Letters Received**
- 20. Committee Reports**
- 21. Monthly Allocation Report**
- 22. Water Conservation Program Report**
- 23. Carmel River Fishery Report for April, 2021**
- 24. Monthly Water Supply and California American Water Production Report**

#### **ADJOURNMENT**