



EXHIBIT 19-C

FINAL MINUTES

Ordinance No. 152 Oversight Panel of the Monterey Peninsula Water Management District March 24, 2021

*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 The virtual meeting was called to order at 2:01 pm via Zoom by David J. Stoldt, General Manager / Chair to the Panel

Roll Call

Committee Members Present via Zoom:

Susan Schiavonne
Jason Campbell
Melodie Chrislock
Marli Melton
Mike Rachel
Kevan Urquhart
Scott Dick
Rudy Fischer

MPWMD Staff members present:

David J. Stoldt, General Manager / Chair to the Panel
Suresh Prasad, Administrative Services Manager/CFO
Joel G. Pablo, Executive Assistant/Board Clerk

District Counsel Present:

David Laredo, Esq. with Delay and Laredo

Committee Members Absent:

Bill Peake

Comments from the Public:

The following comments were directed to the board during this time:

- (a) **Division 3 / Director Alvin Edwards:** Thanked new and continuing committee members for their commitment on the Ordinance No. 152 Oversight Panel.

Action Items

1. **Consider Adoption of October 27, 2020 Committee Meeting Minutes**

No public comment was directed to the panel for Action Item No. 1.

A motion was made by Fischer and seconded by Schiavone to approve the draft committee meeting minutes of October 27, 2020. The motion passed on a roll-call vote of 8-Ayes (Schiavonne, Campbell, Chrislock, Melton, Rachel, Urquhart, Dick and Fisher), 0-Noes and 1-Absent (Peake).

Discussion Items

2. **Discuss Role and Purpose of the Committee**

David J. Stoldt, General Manager discussed the role and purpose of the committee and directed attention to Exhibits 2-A (Committee Charge) and 2-B (Ordinance No. 152).

Stoldt briefly discussed the committee's purpose and touched upon the following:

(a) Provided historical context as to the formation of the Ordinance No. 152 Citizen's Oversight Panel and the Water Supply Charge.

(b) Stoldt explained that the proceeds of the water supply charge include the physical, personnel and services costs related to water supply projects.

(c) The committee is charged with drafting, reviewing, and finalizing an Annual Report in October, 2021. The report will be forwarded to the Board in or around the beginning of Calendar Year 2022.

(d) Summarized past discussions and debate regarding the administrative overhead charge and sunseting of the water supply charge partially or completely

(e) Recommendation/Achievements made by the Ordinance No. 152 Oversight Panel to include various local water funding projects for Pacific Grove, the Pebble Beach Company- Golf Course and the Monterey Peninsula Airport District.

3. **Discuss Key Issues in the Past and Annual Report to the Board of Directors**

David J. Stoldt, General Manager discussed past key issues highlighted in annual reports to the Board of Directors to include: (1) Measure J Costs and whether the Water Supply Charge should be used to fund any of the costs related to the voter approved initiative; (2) Retiring the Mechanic Bank (formerly Rabobank) loan to pay for the Aquifer Storage and Recovery Water Supply Project; (3) Dual Collection of the Water Supply Charge and District User Fee- the board had a policy to collect both; (4) Reserve Policies; (5) Local Projects; (6) 2017 Annual Report: Dual Collection of the Reinstatement of District User Fee; (7) 2017 Annual Report: 15% Overhead Calculation; and (8) 2017 Annual Report: Deficit Spending.

Stoldt responded to questions from the Panel.

(1) *In response to Susan Schiavonne:* Stoldt advised the members that a 2020 Annual Report will be brought forward to the panel on October, 2021 and to be received by the Board on January, 2022.

(2) *In response to Melodie Chrislock:* Stoldt/Prasad advised the members that the funds collected through the water supply planning charge/fund was used to pay for the Pure Water Monterey Supplement Environmental Impact Report (SEIR).

4. **Review Sources and Uses of District Water Supply Funding to Date**

David J. Stoldt, General Manager summarized his staff note and answered questions from the committee. Stoldt noted that over the course of 9 years the total expended on water supply projects is a little under \$55 million dollars on various activities. Stoldt provided a breakdown of expenditures/collected revenues and explained the district board's policy on user fee collections that if User fee collections in a fiscal year exceed the budget, then the excess will be carried over to the following fiscal year. Discussion ensued regarding various uses and potential uses of the District's Water Supply funding to include costs as it relates to Pure Water Monterey Expansion, continued conservation/mitigation activities, legal fees as it relates to Measure J and other tangible projects in the future.

5. **Review of Revenue and Expenditures of Water Supply Charge Related to Water Supply Activities**

Prasad reviewed Exhibits 5-A and 5-B that were submitted with the committee packet and answered questions from the committee.

- (1) Prasad/Stoldt responded to Rachel and explained that the Water Supply Charge has remain unchanged since inception of the charge.
- (2) Stoldt responded to Chrislock and provided estimates of a homeowners Water Supply Charge based on square footage of a home. Chrislock expressed concerned many property owners may not be aware of the charge and how the cost appearing on property tax statements is contributing to various activities in resolving the water shortage.

6. **Discuss Performance of District User Fee to Date**

Prasad reviewed Exhibits 6-A that were submitted with the committee packet and answered questions from the committee.

Other Items

7. **Water Supply Project Update**

No verbal report provided on Item No. 7

Adjourn: Chair Stoldt adjourned the meeting at 2:30 pm

/ s/ Joel G. Pablo, Executive Assistant / Board Clerk

Approved at the Ordinance No. 152 Oversight Panel on July 8, 2021

Received by the MPWMD Board of Directors on July 19, 2021

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