



EXHIBIT 1-A

**DRAFT MEETING MINUTES
Special and Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
September 20, 2021**

CLOSED SESSION, 5:00 PM

The meeting was called to order at 5:00 pm by Chair Edwards. Pursuant to Governor Newsom's Executive Orders N-29-20 and N-33-20, the meeting was conducted with virtual participation via Zoom.

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 Board of Supervisors Representative
Clyde Roberson – Mayoral Representative

Directors Absent: None

General Manager present: David J. Stoldt

District Counsel present: Dave Laredo and Fran Farina with De Lay and Laredo

Chair Edwards confirmed with District Counsel that the board will receive Public Comment on matters on the Closed Session agenda.

Opened Public Comment; No comments were directed to the board on matters on the Closed Session Agenda.

The Board convened to Closed Session.

CALL TO ORDER / ROLL CALL

**ADDITIONS AND CORRECTIONS FOR
CLOSED SESSION BY DISTRICT
COUNSEL**

PUBLIC COMMENT

CLOSED SESSION

CS Conference with Legal Counsel – the board will
1 confer with district counsel to review pending litigation pursuant to Government Code §54956.9.:

a. Public Employee Performance Evaluation (CA Gov Code Sec. 54957) - General Manager

b. Conference with Legal Counsel – Existing

Litigation (§ 54956.9) MPWMD v. Cal-Am – CPUC Case No. 21-05-005

c. Conference with Legal Counsel – Liability Claim (§ 54961) & Significant Exposure to Threatened Litigation (§ 54956.9 (b)) MPTA v. MPWMD – Case No. Not Yet Assigned

RECONVENE TO OPEN SESSION - REGULAR SESSION | 6:00 PM

The meeting reconvened to open session at 6:04 pm by Chair Edwards. Pursuant to Governor Newsom's Executive Orders N-29-20 and N-33- 20, the meeting was conducted with virtual participation via Zoom.

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 Board of Supervisors Representative
Clyde Roberson – Mayoral Representative

Directors Absent: None

General Manager present: David J. Stoldt

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

The assembly recited the Pledge of Allegiance.

District Counsel Laredo asked the Board to insert Report from District Counsel following the General Manager's Report. Chair Edwards acknowledged the request.

Public Comment Period Opened; No Comments Received.

A motion was made by Director Adams with a second by Director Anderson to approve the Consent Calendar. The motion passed on a roll-call vote of 7- Ayes (Edwards, Paull, Malek, Anderson, Adams, Roberson, Riley), 0-Noes and 0-Absent.

Adopted the meeting minutes of the MPWMD Board of Director's for its Regular Board Meeting on August 16, 2021, Special Board Meeting on August 26, 2021 and Special Board Meeting on September 2, 2021.

Authorized the General Manager to execute the agreement

CALL TO ORDER / ROLL CALL

PLEDGE OF ALLEGIANCE

ADDITIONS AND CORRECTIONS TO AGENDA

ORAL COMMUNICATIONS

CONSENT CALENDAR

- 1. Consider Adoption of Minutes from the August 16, 2021 Regular Board Meeting, August 26, 2021 Special Board Meeting and September 2, 2021 Special Board Meeting**
- 2. Consider Extension of Cooperative**

with the USGS providing cooperative investigation of the water resources within the District for Water Year (WY) 2022 for an amount not-to-exceed \$16,890.

Approved expenditures not-to-exceed \$15,000 to complete the Network Security Assessment. This authorization includes \$3,000 in contingency amount.

Adopted the June 2021 Treasurer’s Report and financial statements, and ratification of the disbursements made during the month.

Approved the Fourth Quarter Investment Report for Fiscal Year 2020-2021.

David J. Stoldt, General Manager (GM) presented via MS PowerPoint entitled Status Report on Cal-Am Compliance with SWRCB Orders and Seaside Decision as of September 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) is below target production by 26 Acre Feet (AF); (2) The total year-to-date for Water Projects and Rights exceeds target production by 43 AF; (3) The Monthly Demands/Deliveries for Customer Service is down by 64 AF compared to WY 2020; (4) The monthly/daily rainfall recorded at the San Clemente Rain Gage has remained flat since the end of April, 2021; and (5) provided an update on the Carmel River Flow at the Sleepy Hollow WEIR Facility.

Stoldt displayed an ad placed by in the Monterey County Weekly reminding residents of State’s Executive Order calling for a 15% Voluntary Conservation on water resources. In addition, displayed an article entitled “City Parade Moves from Last Saturday in October to Halloween Day” published in the Carmel Pine Cone. A copy of the publications is on file at the District Office and can be viewed on the district website.

Stoldt responded to Riley and explained the ad placed in the Monterey County Weekly are on top of the district’s ongoing efforts to educate the public in conserving water resources and briefly described water rationing phases. In addition, Stoldt responded to Adams and explained ramifications of rationing have not been had with members of the public and suggested to bring the matter back to the board at a later time.

District Counsel Laredo provided a report out from the

Agreement with the United States Geological Survey for Streamflow Gaging in Water Year 2022

3. Consider Expenditure for Network Security Assessment

4. Consider Adoption of Treasurer’s Report for June, 2021

5. Consider Approval of Fourth Quarter Fiscal Year 2020-2021 Investment Report

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

REPORT FROM DISTRICT COUNSEL

Closed Session meeting on Thursday, September 2, 2021 at 9:00 AM. He reported all directors were present except for Director Adams and provided the following updates to the below matters:

a. MPWMD v. California-American; CPUC Case No. C. 21-05-005

No reportable action.

b. California American Water Co. v. MPWMD; Monterey County Superior Court Case No. 20CV003201

No reportable action.

c. One matter of threatened litigation: Monterey Peninsula Taxpayers' Association, Inc. and Richards J. Heuer III v. the Monterey Peninsula Water Management District, et al. Monterey County Superior Court Case Number not assigned (Added via Addendum)

On a motion by Director Riley with a second by Director Paull the board directed the district to retain Special Counsel Michael G. Colantuono with Colantuono, Highsmith & Whatley, PC. The motion passed on a roll-call vote of 6-Ayes (Edwards, Paull, Anderson, Malek, Roberson and Riley), 0-Noes and 1-Absent (Adams).

District Counsel Laredo provided a report out from the Closed Session meeting on Monday, September 21, 2021. He provided the below updates on the matters listed below:

a. Public Employee Performance Evaluation (CA Gov Code Sec. 54957) - General Manager

No reportable action taken.

b. Conference with Legal Counsel – Existing Litigation (§ 54956.9) MPWMD v. Cal-Am – CPUC Case No. 21-05-005

A status report was provided to the board. The board provided direction to the negotiating team to return back to the bargaining table on a potential settlement and to bring the matter back on a future board agenda dependent on a successful negotiation.

c. Conference with Legal Counsel – Liability Claim (§ 54961) & Significant Exposure to Threatened Litigation (§ 54956.9 (b)) MPTA v. MPWMD – Case No. Not Yet Assigned

Laredo reported that Special Counsel Michael G. Colantuono with Colantuono, Highsmith & Whatley, PC has accepted and is representing the district on the matter. No reportable action taken.

Director Adams reported that at the MPWMD Water Supply Planning Committee and the Seaside Groundwater Basin Watermaster Board Meetings a presentation was provided on the progress on development of the Monterey Subbasin Groundwater Sustainability Plan and noted the draft has been released to allow for public comment over the next 90 days. In addition, she noted the Monterey County Board of Supervisors will have a hearing on Tuesday, September 21, 2021 on Supervisor John M. Phillip’s Board Referral – to amend County Code 10.72.

Director Riley attended the Watermaster meeting and found the presentation by Sarah Hardgrave and discussion had as informative. He shared concerns over development proposals in the Corral De Tierra area and its affects on the Seaside Groundwater.

David J. Stoldt, General Manager provided Introductory Remarks and Jonathan Lear, Water Resources Manager provided an overview of his staff note, answered board questions and presented via slide-deck entitled, “Public Hearing Item 8: Consider Adoption of Oct to Dec 2021 Quarterly Water Supply Strategy and Budget for California American Water.” *A copy of the presentation is on file at the District Office and can be viewed on the district website.*

Opened Public Comment Period for Item No. 8. The following comments were directed to the Board:

a. John Tilley: Thanked Board Members for their work and asked the board to think about and develop a long term water supply strategy to meet community needs.

A motion was made by Director Riley with a second by Director Malek to approve a proposed production strategy for the California American Water Distribution Systems for the three-month period of October through December 2021. The strategy sets monthly goals for surface and groundwater production from various sources within the California American Water systems. The motion passed on a roll call vote of 7-Ayes (Edwards, Paull, Malek, Anderson, Adams, Riley and Roberson), 0-Noes and 0-Absent.

Jonathan Lear, Water Resources Manager provided an overview of his staff note, answered board questions and presented via slide-deck entitled, “Consider Adoption of Resolution Modifying Rule 160 – Regulatory Water Production Targets for California American Water Systems

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

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

PUBLIC HEARINGS

8. **Consider Adoption of October through December 2021 Quarterly Water Supply Strategy and Budget**

9. **Consider Adoption of Resolution No. 2021-12 Modifying Rule 160 – Regulatory Water Production Targets for California American Water System. (Exempt from**

.” A copy of the presentation is on file at the District Office and can be viewed on the district website.

David J. Stoldt, General Manager recommended adding language to the Draft Resolution, Table XV-1- Footnote and as previously approved by the Board via Board Resolution No. 2021-10 at their meeting on June 21, 2021: “For purposes of Rule 163.A.3 and Rule a64.A.3 the annual production limit shall add the expected production from all water supply projects, including Pure Water Monterey and the Sand City Desalination Facility.”

Opened Public Comment Period for Item No. 9. No comments were directed to the board on this matter.

A motion was made by Director Malek with a second by Director Roberson to consider adopting Resolution No. 2021-12 modifying Rule 160 and inserting the following sentence to the footnote found in Attachment 1, Table XV-1: “For purposes of Rule 163.A.3 and Rule a64.A.3 the annual production limit shall add the expected production from all water supply projects, including Pure Water Monterey and the Sand City Desalination Facility.” The motion passed on a roll call vote of 7-Ayes (Edwards, Paull, Malek, Anderson, Adams, Riley and Roberson), 0-Noes and 0-Absent.

Jonathan Lear, Water Resources Manager introduced and provided an overview of his staff note.

Opened Public Comment Period for Item No. 10. No comments were directed to the board on this matter.

A motion was made by Director Paull with a second by Director Adams to consider authorizing the General Manager to contract with Maggiora Brothers in the amount not to exceed \$25,000 to destroy FO-09 Shallow. The motion passed on a roll call vote of 7-Ayes (Edwards, Paull, Malek, Anderson, Adams, Riley and Roberson), 0-Noes and 0-Absent.

David J. Stoldt, General Manager provided an overview of his staff report and answered board questions. Stoldt mentioned the expenditure was not budgeted for and monies for the services will come from District reserves.

Opened Public Comment Period for Item No. 11. No comments were received.

A motion was made by Director Malek and second by Director Riley to authorize the expenditure of funds to Rutan + Tucker (not to exceed \$120,000), Raftelis (not to exceed \$230,000), Chris Carneghi (not to exceed \$50,000) and Psomas (not to exceed \$28,000) Related to the

environmental review per SWRCB Order Nos. 95-10 and 2016-0016, and the Seaside Basin Groundwater Basin adjudication decision, as amended and Section 15268 of the California Environmental Quality Act (CEQA) Guidelines, as a ministerial project; Exempt from Section 15307, Actions by Regulatory Agencies for Protection of Natural Resources.)

ACTION ITEMS

10. Consider recommending to the Board to contract with Maggiora Brothers Drilling for the amount of \$25,000 to destroy Monitor Well Fort Ord 9 Shallow

11. Consider Authorization of Expenditure of Funds for Services Related to the Acquisition of the Monterey Water System (Measure J) as follows:

- a. Not to Exceed \$120,000 for Additional Legal Services by Rutan + Tucker**
- b. Not to Exceed \$230,000 for Additional Appraisal and Cost of Service Analysis by Raftelis**
- c. Not to Exceed \$50,000 for**

Acquisition of the Monterey Water System. (Measure J). The motion passed on a roll call vote of 7-Ayes (Edwards, Paull, Malek, Anderson, Adams, Riley and Roberson), 0-Noes and 0-Absent.

Additional Real Estate Appraisal Services by Chris Carneghi MAI d. Not to Exceed \$28,000 for Survey Services by Psomas

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

INFORMATIONAL ITEMS/STAFF REPORTS

- 12. Report on Activity/Progress on Contracts Over \$25,000**
- 13. Status Report on Measure J/Rule 19.8 Phase II Spending**
- 14. Letters Received / Supplemental Packet**
- 15. Committee Reports**
- 16. Monthly Allocation Report**
- 17. Water Conservation Program Report**
- 18. Carmel River Fishery Report for August, 2021**
- 19. Monthly Water Supply and California American Water Production Report**

Chair Alvin Edwards adjourned the MPWMD Board of Director's Special and Regular Meeting at 7:22 PM.

ADJOURNMENT

Joel G. Pablo, Deputy District Secretary

U:\staff\Boardpacket\2021\20211018\Consent Calendar\01\Item-1-Exh-A.docx