



**EXHIBIT 1-A**

**Draft Minutes  
Special and Regular Meeting  
Board of Directors  
Monterey Peninsula Water Management District  
March 21, 2022**

**CLOSED SESSION AT 5:30 PM**

Chair Paull called the meeting to order at 5:30 P.M.  
Pursuant to AB 361, the meeting was conducted with  
virtual participation via Zoom.

**CALL TO ORDER**

*Directors Present via Zoom:*

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

**ROLL CALL**

None

**ADDITIONS AND CORRECTIONS ON  
THE CLOSED SESSION AGENDA BY  
DISTRICT COUNSEL**

No comments were directed to the Board.

**PUBLIC COMMENT ON THE CLOSED  
SESSION AGENDA**

District Counsel Laredo read the Board into Closed  
Session.

**CLOSED SESSION**

**CS 1** Conference with Legal Counsel- the board  
will confer with District Counsel to review  
pending litigation pursuant to Government  
Code Section 54956.9:

- a. Jenco, Inc. (JM Electric) v. Mercer-  
Fraser Co. & MPWMD, et al.:  
Monterey County Superior Court  
Case No. 21CV002034

**CONVENE TO CLOSED SESSION**

**RECONVENE TO OPEN SESSION**

**REGULAR SESSION | 6:00 P.M.**

The meeting reconvened and was called to order at 6:02 p.m. by Chair Paull. *Pursuant to AB 361, the meeting was conducted with virtual participation via Zoom.*

**CALL TO ORDER**

*Directors Present via Zoom:*

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

**ROLL CALL**

*Directors Absent: None*

*General Manager present:* David J. Stoldt

*District Counsel present:* Dave Laredo with De Lay and Laredo

The assembly recited the Pledge of Allegiance.

**PLEDGE OF ALLEGIANCE**

*Pursuant to Government Code Sections 54954.2 of the California Government Code, the following additions and corrections were read by the General Manager:*

**ADDITIONS AND CORRECTIONS TO THE AGENDA BY THE GENERAL MANAGER**

**UNDER ACTION ITEMS**

**Item No. 10, Revised Title, Revised Recommendation and Revised Exhibits**

Title Changed to: Consider Approval of Amendment No. 5 to Agreement for Employment of General Manager

Recommended Action Changed to: The Board will consider approval of Amendment No. 5 to Agreement for Employment of General Manager.

Staff Submitted Two (2) Exhibits: A Clean Version and Red-Line Version for Exhibit 10-A.

**Item No. 11, Revised Title and Revised Recommendation**

Title Changed to: Consider Approval of Legal Services Contract with De Lay and Laredo, Attorneys at Law.

Recommended Action Changed to: The Board will consider approval of a Legal Services Contract with De Lay and Laredo, Attorneys at Law.

No comments were directed to the Board during Oral Communications.

**ORAL COMMUNICATIONS**

No requests were received by Chair Paull to pull items from the Consent Calendar.

A motion was offered by Director Malek with a second by Director Riley to approve the Consent Calendar Item Numbers 1, 2 and 3. The motion passed on a roll-call vote of 7-Ayes (Edwards, Paull, Anderson, Adams, Riley, Malek and Roberson), 0-Noes and 0-Absent.

The Board approved the meeting minutes of the February 24, 2022 Regular Board Meeting.

Adopted Resolution No. 2022-07.

Adopted the January 2022 Treasurer’s Report and financial statements, and ratification of the disbursements made during the month.

David J. Stoldt, General Manager provided introductory remarks.

Jeanne Gobalet, Ph.D with Lapkoff and Gobalet Demographic Research, Inc. (LGDR) delivered and presented via MS PowerPoint presentation entitled, “Post-2020 Census Redistricting: Orientation and Recommendation from your Redistricting Advisory Commission (RAC). *A copy of the presentation is on file at the District office and can be viewed on the District website.* Gobalet provided an overview of LGDR’s past redistricting efforts with the District in 1991 and 2011. Gobalet covered the rationale for conducting the redistricting process, reviewed current Election Districts (adopted in 2002), the Federal/State legal requirements Demographers must follow, provided the definition of and examples of communities of interests and noted Division – Director boundaries need to be adjusted to balance populations among the Districts.

Gobalet and Merrill presented the Redistricting Advisory Commission’s (Commission) recommendation made on Thursday, March 17, 2022 to have the board consider adopting Redistricting Map Plan 4, provided key elements of the recommended plan, noted that the Standard Deviation for all Division – Director Boundaries are within the legal requirements and answered Board questions.

Board Members and Commissioners Eisenhart, Malkin, and Schiavone provided comments on their experiences serving

## CONSENT CALENDAR

- 1. Consider Adoption of Minutes of the February 24, 2022 Regular Board Meeting**
- 2. Consider Adopting Draft Resolution No. 2022-07 Authorizing Remote Teleconferencing Meetings of all District Legislative Bodies for the Following 30 Days in Accord with the Ralph M. Brown Act and AB 361 (Rivas)**
- 3. Consider Adoption of Treasurer's Report for January 2022**

## PRESENTATION ON REDISTRICTING

- 4. Presentation of Census Data and Recommended Draft Redistricting Plan(s) from the Redistricting Advisory Commission**

on the Commission.

The following comments were directed to the Board:

- a. Michael Baer: Thanked the Board, Commissioners and Staff for their efforts in completing the redistricting process.

*No further comments were directed to the Board.*

David J. Stoldt, General Manager noted action on this matter will take place on Friday, April 1, 2022 at a Special Board of Director’s meeting.

David J. Stoldt, General Manager presented via MS PowerPoint entitled, “Status Report on Cal-Am Compliance with SWRCB Orders and Seaside Decision as of March 2022,” and answered Board questions. *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
  - a. Carmel River- 675 Acre Feet (AF) below target
  - b. Seaside Groundwater Basin- 20 AF Less Negative than the Prior Month
2. Water Projects and Rights for Water Year 2022 (October 2021 thru February 2022)
  - a. PWM Recovery- Added 418 AF in February 2022
  - b. Table 13- No change
3. Monthly Production from all Sources for Customer Service: WY2022 (October 2021 thru February 2022)
  - a. Customer Demand remains lower than the previous water year and during the same period.

Stoldt provided an overview of monthly and daily recorded rainfall at San Clemente Rain Gage noting that the total year to date is 9.96 of rain or 65% of the long-term average and an overview of Estimated Unimpaired River Flow at the Sleepy Hollow WEIR.

David J. Stoldt, General Manager provided a verbal status report on Pure Water Monterey (PWM) base project, Deep Injection Well (DIW) 3, DIW 4, PWM Expansion, the Amended and Restated Water Purchasing Agreement and answered Board questions. Stoldt made the following points: (1) PWM has delivered 6100 AF or 2 billion gallons in its 2nd full year of operations; (2) DIW3 and DIW 4 is expected to become usable for injection soon; (3) On PWM Expansion, 90% of the design documents were submitted on March 4, 2022; (4) Mentioned construction start dates and completion dates are dependent on when the water purchasing agreements gets approved by the California

## 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

Public Utilities Commission (CPUC); and (5) Stoldt touched upon the CPUC Schedule for Phase 1 proceedings and stated that a proposed decision from the CPUC on the Amended and Restated Water Purchase Agreement will occur within 90 days of reply briefs.

**District Counsel Laredo reported on action taken on closed session items listed on Thursday, February 24, 2022:**

CS 1 | Conference with Legal Counsel – the board will review Significant Exposure to Threatened or Potential Litigation (§ 54956.9). MPWMD v. LAFCO of Monterey County – Case No.: Not Yet Assigned

District Counsel provided background information. Counsel/Staff received general direction from the Board. No reportable action.

CS 1.1 | Conference with Legal Counsel- the board will confer with District Counsel to review pending litigation pursuant to Government Code § 54956.9:

- a. Conference with Legal Counsel- (§ 54956.9 (a))  
MPTA v. MPWMD: Case No. 21CV003066

District Counsel provided background information. Laredo mentioned on Friday, February 18, 2022 a hearing was held by Judge Panetta who denied the District’s demurrer on the matter.

The Board authorized staff to seek an Appellate Writ of Review to challenge the ruling on the demurrer. The vote was 5-Ayes (Edwards, Riley, Paull, Anderson, Adams), 0-Noes and 2-Absent (Malek and Roberson). The writ petition was filed with the 6th District Court of Appeals on Friday, March 18, 2022.

CS 2 | Conference with Labor Negotiators (Gov. Code §54957.6) – Agency Designated Representatives: the MPWMD Board of Directors Unrepresented Employee: General Manager

General direction provided. No reportable action.

CS 3 | Conference with Labor Negotiators (Gov. Code §54957.6) – Agency Designated Representatives: the MPWMD Board of Directors Unrepresented Employee: District Counsel

General direction provided. No reportable action.

**District Counsel Laredo reported on action taken on closed session matters on Monday, March 21, 2022:**

CS 1 | Conference with Legal Counsel- the board will

**REPORT FROM DISTRICT COUNSEL**

**7. Report on Action Taken During the Closed Session Meetings on Thursday, February 24, 2022 and Monday, March 21, 2022**

confer with District Counsel to review pending litigation pursuant to Government Code Section 54956.9:

a. Jenco, Inc. (JM Electric) v. Mercer- Fraser Co. & MPWMD, et al.: Monterey County Superior Court Case No. 21CV002034

District Counsel provided background information. The Board provided general direction to Counsel and District Staff, however no reportable action was taken.

The following comments were directed to the Board:

(a) Michael Baer: Mentioned and shared his belief that the District must move swiftly in filing a lawsuit against LAFCO of Monterey County.

*No further comments were directed to the board.*

Chair Paull and Director Anderson stated they both attended the Association of California Agencies (ACWA) 2022 Virtual Legislative Symposium held on February 18, 2022 featuring panel discussions on Drought and Resilience: A California Way of Life AND State Budget Funding for Infrastructure, Drought and Healthy Forests. The themes of discussions had include: climate change, adapting/managing water resources, funding challenges, holistic state-wide review in addressing water issues, replacing the term water conservation with water efficiency, additional public outreach to inform and educate the public on water efficiency. Director Anderson intends to provide the board an update on State Budget Funding for Infrastructure, Drought and Healthy Forest at the next regularly scheduled meeting of the Board of Directors.

Director Edwards thanked Supervisor/Director Mary L. Adams (District 5- County Supervisor) on the water forum discussions held by the Monterey County Board of Supervisors at their regularly scheduled meeting on Tuesday, March 15, 2022. Edwards echoed Riley's desire for a water bond discussion to take place at a future water forum with the Monterey County Board of Supervisors. Edwards asked staff to schedule and convene a Water Supply Planning Committee meeting to discuss several topics to include: (a) Lifting of the Cease-and-Desist Order; (b) Water for Housing Initiative; and (c) Discuss housing projects in Marina.

Director Mary L. Adams thanked the Board for their attendance at the virtual water forum. Adams informed the board the next water forum is tentatively scheduled to take place on Tuesday, June 21, 2022 and acknowledged

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

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

Director Riley’s and Edward’s request for a water bond discussion.

Jonathan Lear, Water Resources Manager provided an overview of his staff note, answered board questions, and presented via MS PowerPoint entitled, “Public Hearing Item 9: Consider Adoption of Apr – June 2022 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.*

The following comments were directed to the Board:

(a) Tom Rowley with the Monterey Peninsula Taxpayer’s Association: Encouraged and stressed the need for a diversified water portfolio that includes desalination to address present and future water needs.

(b) Anna Thompson: Informed the Board that the Irvine Ranch Water District (IRWD) has water banking as part of their water supply portfolios and encouraged the District to look into this idea of water banking.

*No further comments were directed to the Board.*

A motion was made by Director Riley with a second by Director Malek to approve the proposed production strategy for California American Water Distribution Systems for the three-month period of April through June 2022. The motion passed on a roll-call vote of 7-Ayes (Edwards, Paull, Anderson, Malek, Adams, Riley and Roberson), 0-Noes and 0-Absent.

Board Chair Paull provided an overview of the staff report, answered board questions and recommended approval of Amendment No. 5 to Agreement for Employment of General Manager. *A copy of the presentation is on file at the District office and can be viewed on the District website.*

The following comments were directed to the Board:

(a) Susan Schiavone: Voiced support for an amendment to the David J. Stoldt’s amendment to his contract and thanked him for his service with the District.

*No further comments were directed to the Board.*

Chair Paull and the Board expressed confidence in the General Manager.

A motion was made by Director Malek with a second Director Anderson to approve Amendment No. 5 to agreement for employment of General Manager. The motion passed on a roll-call vote of 7-Ayes (Edwards,

## **PUBLIC HEARINGS**

### **9. Consider Adoption of April through June 2022 Quarterly Water Supply Strategy and Budget**

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

Paull, Anderson, Malek, Adams, Riley and Roberson), 0-Noes and 0-Absent.

David J. Stoldt, General Manager provided an overview of the staff report, answered board questions and recommended approval of a Legal Services Contract with De Lay and Laredo, Attorneys at Law.

The following comments were directed to the Board:

Anna Thompson and Susan Schiavone: Voiced support for approval of the Legal Services Contract with De Lay and Laredo and shared their appreciation of David Laredo’s work with the District.

*No further comments were directed to the Board.*

Chair Paull and the Board expressed confidence in David Laredo, General Counsel.

A motion was made by Director Malek with a second by Director Anderson to approve the proposed contract for legal services with De Lay and Laredo with a retainer of \$6,500 per month and \$275 per hour for special services with an annual increase of 4.0% commencing on January 1, 2023 and 2024 for the period covering January 1, 2022 through December 31, 2024. The motion passed on a roll-call vote of 7-Ayes (Edwards, Paull, Anderson, Malek, Adams, Riley and Roberson), 0-Noes and 0-Absent.

Larry Hampson, District Engineer provided an overview of his staff report, answered board questions and presented via MS PowerPoint entitled, “Action Item 12. Consider Approval of Funds and a Contract for the Sleepy Hollow Steelhead Rearing Facility Quarantine Tanks Replacement Project.” *A copy of the presentation is on file at the District office and can be viewed on the District website.*

The following comments were directed to the Board:

(a) John Tilley: Recommended approval of the matter.

*No further comments were directed to the Board.*

A motion was made by Director Edwards with a second by Director Riley authorizing the General Manager to enter into a contract with Monterey Peninsula Engineering, Inc. for the work in an amount not-to-exceed \$233,500 and approved a contingency amount of \$29,000 (12.5% of the contract amount) for unforeseen circumstances. The motion passed on a roll-call vote of 6-Ayes (Edwards, Paull, Anderson, Adams, Riley and Roberson), 1-Noes (Malek) and 0-Absent.

Jonathan Lear, Water Resources Manager provided an overview of his staff note, answered board questions and

**11. Consider Approval of Amendment to Agreement for Employment of District Counsel**

**12. Consider Approval of Funds and a Contract for the Sleepy Hollow Steelhead Rearing Facility Quarantine Tanks Replacement Project**

**13. Consider Adopting Resolution No. 2022-09 Modifying Rule 160 to**



presented via MS PowerPoint entitled, “Consider Adoption of Resolution Modifying Rule 160 – Regulatory Water Production Targets for California American Water Systems.” A copy of the presentation is on file with the District and can be viewed on the District website.

No comments were directed to the Board.

A motion was made by Director Edwards with a second by Director Riley to adopt Resolution No. 2022-09 adding the monthly and year-to-date at month-end values for all operational water resources projects to Tables XV-1, XV-2, and XV-3 for District Rule 160 and change Table XV-2 to report water supply from water projects and not production from the Satellite Systems. The motion passed on a roll-call vote of 7-Ayes (Edwards, Paull, Anderson, Malek, Adams, Riley and Roberson), 0-Noes and 0-Absent.

Stephanie Locke, Water Demand Manager provided an overview of her staff note, answered board questions and recommended approval of Resolution No. 2022-08.

No comments were directed to the Board on this matter.

A motion was made by Director Anderson with a second by Director Edwards to adopt Resolution 2022-08 amending Rule 25.5, Table 4 to eliminate the credit for installation of a rainwater/Greywater system to flush toilets and wash laundry. The motion passed on a roll-call vote of 7-Ayes (Edwards, Paull, Anderson, Malek, Adams, Riley and Roberson), 0-Noes and 0-Absent.

Karen Paull, Board Chair and David J. Stoldt, General Manager provided an overview of the staff report/exhibits. Chair Paull noted one area of contention between the subcommittees desire to allow committees to set a meeting calendar and staffs need to have a consistent scheduling for each of the District’s committees. Thomas Christensen, Environmental Resources Manager provided background information on the Carmel River Advisory Committee (CRAC) and discussed that it is through the Carmel River Watershed Conservancy – the Carmel River Task Force meets three times each year to discuss issues concerning the Carmel River Watershed comprising of representatives from various public agencies.

The following comments were directed to the Board:

a. John Tilley: Recommended that the Ordinance No. 152 Citizen’s Oversight Panel first meeting should be in March as opposed to January of each calendar year.

b. Susan Schiavone: Concurred with Tilley’s recommendation. She stated she would find it acceptable if the Panel met three or four times a year.

**Incorporate All Water Resources Projects to Tables XV-1, XV-2 and XV-3 and modify Table XV-2 to Report Yield from Water Supply Projects Instead of Production from Satellite Systems**

**14. Consider Adoption of Resolution 2022-08 Amending Rule 25.5, Table 4: High Efficiency Appliance Credits, To Delete Credit for Graywater/Rainwater Toilet Flushing and Clothes Washing**

**15. Streamlining and Scheduling of Committee Meetings**

*No further comments were directed to the Board.*

A motion was offered by Director Riley with a second by Director Paull to approve the Exhibit 15-B: The Subcommittee’s Recommendation to the Board subject to one condition that the Ordinance No. 152 Citizen’s Oversight Panel will at the next meeting determine the Panel’s meeting frequency. The motion passed on a roll-call vote of 7-Ayes (Edwards, Paull, Anderson, Malek, Adams, Riley and Roberson), 0-Noes and 0-Absent.

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

**INFORMATIONAL ITEMS/STAFF REPORTS**

16. **Report on Activity/Progress on Contracts Over \$25,000**
17. **Status Report on Measure J/Rule 19.8 Phase II Spending**
18. **Letters Received**
19. **Committee Reports**
20. **Monthly Allocation Report**
21. **Water Conservation Program Report**
22. **Carmel River Fishery Report for January 2022**
23. **Monthly Water Supply and California American Water Production Report**

There being no further business, Chair Paull adjourned the meeting at 9:13 p.m.

**ADJOURNMENT**

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Joel G. Pablo, Deputy District Secretary

Minutes Approved by the MPWMD Board of Directors on Monday, April XX, 2022