



**EXHIBIT 1-A**

**Draft Minutes  
Special and Regular Meeting  
Board of Directors  
Monterey Peninsula Water Management District  
May 16, 2022**

*As a precaution to protect public health and safety, and pursuant to provisions of AB 361 (Rivas),  
this meeting was conducted via Zoom Video/Teleconference only.*

**CLOSED SESSION**

Chair Paull called the meeting to order at 5:01 p.m.

**CALL TO ORDER**

**ROLL CALL**

*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

*Directors Absent:* None

*General Manager present:* David J. Stoldt

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

None

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

None

**PUBLIC COMMENT ON THE CLOSED  
SESSION AGENDA**

District Counsel Laredo read the Board into Closed  
Session.

**CLOSED SESSION**

**CS 1 Conference with Legal Counsel- As  
permitted by Government Code §54956.9 –  
the board will review one case of pending  
litigation:**

**(a) MPWMD, Plaintiff v. LAFCO of  
Monterey County, et  
al., Defendants; Monterey County  
Superior Court Case No.:  
22CV000925.**

**CS 2 Conference with Real Property Negotiators  
- As permitted by Government Code  
§54956.7 to review real property  
negotiations:**

- (a) The board will meet with its real property negotiators, General Manager Stoldt and General Counsel Laredo, to consider acquisition of private utility properties owned by California American Water Company (and described in Measure J of 2018); the conference will address both price and terms of payment.**

**CS 3 Conference with Legal Counsel – Existing  
Litigation (Government Code §54956.9):**

- (a) Cal-Am Application to Obtain Approval of the Amended and Restated Water Purchase Agreement for the Pure Water Monterey Groundwater Replenishment Project. California Public Utilities Commission: Case No.: A. 21-11-024**

**CS 4 Conference with Legal Counsel –  
Anticipated Litigation Significant exposure  
to litigation pursuant to Government Code  
§54956.9(b): Two (2) potential cases  
involving:**

- (a) Mercer- Fraser Co. & MPWMD, et al.**
- (b) Threatened breach of contact relating to the Storage and Recovery Agreement and the Water Purchase Agreement between Cal-Am and MPMWD.**

**CONVENE TO CLOSED SESSION**

**REGULAR SESSION**

The Regular Session was called to order at 6:02 p.m. by Chair Paull.

**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**

None

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

None

**ORAL COMMUNICATIONS**

A motion was offered by Director Anderson with a second by Director Malek to approve Consent Calendar Items No. 1 through 9. The motion passed on a roll-call vote of 7-Ayes (Edwards, Paull, Adams, Riley, Malek, Roberson and Anderson), 0-Noes and 0-Absent.

**CONSENT CALENDAR**

Approved the Minutes of the April 18, 2022 Regular Board Meeting.

**1. Consider Adoption of Minutes of the April 18, 2022 Regular Board Meeting**

Adopted Resolution No. 2022-12.

**2. Consider Adopting Draft Resolution No. 2022-12 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)**

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

**3. Consider Adoption of Treasurer’s Report for March 2022**

Received and Filed the Third Quarter Financial Activity Report for Fiscal Year 2021-2022

Approve the Third Quarter Fiscal Year 2021-2022 Investment Report.

Approved contingency funds of up to \$10,000 for additional free mulch vouchers and advertising, if needed.

Approved the spending of \$15,100 to renew the District’s stock of water conservation equipment.

Authorized the General Manager or the Chief Financial Officer to enter into an agreement with Accela Inc. in an amount not to exceed \$52,000 (\$45,960 for the actual contract plus contingencies) to increase functionality of the WDD database system.

Authorized expenditure of funds to purchase Ford F-150 truck from Cypress Coast Ford at a not-to-exceed price of \$42,000, which includes contingencies for documentation and additional taxes as required by law. The Board authorized the trading-in the old vehicle.

David J. Stoldt, General Manager (GM) provided an update and presented by MS PowerPoint a “Status Report on Cal-Am Compliance with SWRCB Orders and Seaside Basin Decision as of April 1, 2022.” *A copy of the presentation is available at the District office and can be found 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 (October thru April 2022):
  - a. Carmel River Basin- 2,362 Acre Feet actual reported and is below the target of 3,198 AF.
  - b. MPWRS- 605 AF difference and below the target of 3,348 AF.
2. Water Projects and Rights for Water Year 2022 (October 2021 thru April 2022)
  - a. To date, 71 AF has been produced and injected into ASR in December 2021.
  - b. PWM 2,259 AF actual reported exceeds the target.
3. Monthly Production from all Sources for Customer Service: Water Year 2022
  - a. Customer Demand: For the first seven (7) months of the Water Year 5,017 AF total reported or 81 AF lower than

4. **Receive and File Third Quarter Financial Activity Report for Fiscal Year 2021-2022**
5. **Consider Approval of Third Quarter Fiscal Year 2021-2022 Investment Report**
6. **Consider Approval of “Mulch Madness” Contingency Funding**
7. **Consider Expenditure of Budget Funds for Water Conservation Equipment**
8. **Consider Approval of Expenditure for Functionality Improvements to the Accela Water Demand Division Database**
9. **Consider Approval of Expenditure for Purchase of Ford F150 4X4 Truck**

**GENERAL MANAGER’S REPORT**

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

the previous water year.

4. Monthly Recorded Rainfall at San Clemente Rain Gage- 1.15 inches of precipitation reported.

5. Daily Rainfall at the San Clemente Rain Gage: 12.8 inches of total rainfall and 63% of the long-term average.

6. Provided an overview of Estimated Unimpaired Carmel River Flow at Sleepy Hollow WEIR.

David J. Stoldt, General Manager presented via MS PowerPoint on an Update on Development of Water Supply Projects and answered Board questions. *A copy of the presentation is on file at the District office and can be viewed on the District website.*

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

Stoldt discussed Phase 1 and 2 timing on California American Water’s application on the Pure Water Monterey Expansion: Water Purchasing Agreement before the California Public Utilities Commission. A decision on Phase 1 is highly likely to occur in or around September 20, 2022. Phase 2: Long-Term Supply and Demand issues starts in July 2022 and ending on April 2, 2023.

David J. Stoldt, General Manager presented via MS PowerPoint on Senate Bill (SB) 1157- Hertzberg and answered Board questions. *A copy of the presentation is on file at the District office and can be viewed on the District website.*

**12. Discussion on SB 1157 Hertzberg**

Stoldt provided the board a status report on SB 1157 (Hertzberg) bill, 2023-2031 Draft Regional Housing Needs Allocation (RHNA) Goals by Local Jurisdiction, Estimated Water to Meet RHNA Goals, Pure Water Monterey Expansion and reported population numbers as reported by the California Department of Finance showing the population declines in California.

Stephanie Locke, Water Demand Manager presented via MS PowerPoint Presentation on Drought Messaging and Funding and entitled, “Item 13: Executive Order N-7-22, Pending Action by State Water Board” and answered board questions. *A copy of the presentation is on file at the District office and can be viewed on the District website.*

**13. Drought Messaging and Funding**

Locke informed the Board of the Governor’s Executive Order N-7-22 directing the State Water Resources Control Board to consider adopting emergency regulations by May 25, 2022 and noted staff will present a report at the Board’s Special Meeting on Thursday, May 26, 2022 in response to potential action by the SWRCB to move to Stage 2. Locke provided an overview of the State’s anticipated schedule and stated she intends to work with California American Water and the hospitality groups in the area.

District Counsel Laredo reported out from the Monday, May 16, 2022, 5:00 p.m. Closed Session Hearing.

## REPORT FROM DISTRICT COUNSEL

CS 1 (a): MPWMD, Plaintiff v. LAFCO of Monterey County, et al., Defendants; Monterey County Superior Court Case No.: 22CV000925.

The Board received a verbal status report on the matter. Laredo mentioned that on June 17, 2022 at 8:30 a.m. in Department 15 of the Monterey County Superior Court, a hearing and a decision will be rendered on California-American Water motion to intervene and request to be a real party in interest.

No reportable action taken.

CS 4 (a): Mercer- Fraser Co. & MPWMD, et al.

A motion was offered by Director Paull with a second by Director Adams to authorize settlement of the contract dispute in the amount of \$47,000. The motion passed on a roll-call vote of 6-Ayes (Paull, Adams, Riley, Malek, Roberson and Anderson), and 1-Noe (Edwards).

Laredo stated the Board will reconvene and finish the remaining matters listed on the Closed Session Agenda.

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

Director Riley stated he attended the Seaside Groundwater Basin Watermaster meeting on Wednesday, May 4, 2022 and provided highlights from the meeting.

### 14. Oral Reports on Activities of County, Cities, Other Agencies/ Committees/Associations

Director Edwards made it known and is aware of discussions had at the Ordinance No. 152 Citizen's Oversight Panel meeting on Thursday, May 12, 2022 and Water Demand Committee meeting on Thursday, May 5, 2022.

The following comments were made by:

(a) John Tilley: Commented on the Carmel Pine Cone headline found on the May 13-19, 2022 issue on Aquifer and Storage Recovery Unit 1 (ASR-1) and travel times. Tilley requested the District speak with the public on the matter.

(b) Kevin Dayton with the Monterey Peninsula Chamber of Commerce: Dayton mentioned he has compiled 26 documents on the ASR-1 issue and asked the District to inform the public on the matter.

(c) Melodie Chrislock: Stated the Carmel Pine Cone article is a scare tactic and discredits Monterey One Water and Monterey Peninsula Water Management District’s efforts.

(d) Susan Schiavone: Concurs with Chrislock’s comments. Schiavone shared her disappointment with California American Water (CalAm) and believes this is a scare tactic CalAm is using to push their desalinization project.

There were no further comments directed to the Board.

Jonathan Lear, Water Resources Manager presented via MS PowerPoint entitled, “Receive and Confirm Water Supply Forecast for May 1, 2022 through September 30, 2023 Period.” *A copy of the presentation is on file at the District office and can be viewed on the District website.*

*Opened Public Comment; no public comments received.*

A motion was offered by Director Riley with a second by Director Edwards to receive a report on the available water supply and determine whether water-rationing triggers have been met and adopted Resolution No. 2022-13. The motion passed on a roll-call vote of 7-Ayes (Edwards, Paull, Adams, Riley, Malek, Roberson and Anderson), 0-Noes and 0-Absent.

There was no discussion on Informational Items.

Chair Paull adjourned the Regular Session at 7:15 p.m.

Chair Paull called the Closed Session Meeting at 7:25 p.m.

#### **PUBLIC HEARINGS**

- 15. Receive and Confirm Water Supply Forecast for Period of May 1, 2022 – September 30, 2023 – and Consider Adopting Resolution 2022-13 to Amend Rationing Table XV-4**

#### **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 April 2022**
- 23. Monthly Water Supply and California American Water Production Report**

**ADJOURNMENT OF THE REGULAR SESSION**

**CONVENE TO CLOSED SESSION (Continued from the 5:00 p.m.)**

*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 and Fran Farina  
with De Lay and Laredo

The Board reconvened on Item No. CS 2(a), CS 3(a) and  
CS 4(b).

**CLOSED SESSION**

There being no further business, Chair Paull adjourned the  
meeting at 8:24 p.m.

**ADJOURNMENT**

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Joel G. Pablo, Deputy District Secretary

Minutes Approved by the MPWMD Board of  
Directors on Thursday, May XX, 2022