



EXHIBIT 1-A

**Draft Minutes
Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
Monday, January 23, 2023**

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.

Chair Adams called the meeting to order at 6:00 p.m.

CALL TO ORDER

Directors Present via Zoom:

ROLL CALL

Mary L. Adams, Chair – Monterey County Board of Supervisors Representative
Amy Anderson, Vice Chair – Division 4
Alvin Edwards – Division 1
George T. Riley – Division 2
Marc A. Eisenhart – Division 3
Karen Paull – Division 4
Ian Oglesby – Mayoral Representative (*Joined at 6:03 p.m.*)

Directors Absent: None

General Manager Present: David J. Stoldt

District Counsel Present: David C. Laredo with De Lay and Laredo

The Assembly recited the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

David J. Stoldt, General Manager (GM) noted Exhibit 7-A has been provided under separate cover. *A copy of the Exhibit is available at the District office and can be found on the District website.*

ADDITIONS AND CORRECTIONS TO THE AGENDA

Chair Adams opened public comment. *The following comments were directed to the Board:*

ORAL COMMUNICATIONS

- (a) Michael Baer: Wished the Board a Happy New Year. He commented on the recent atmospheric rivers (or heavy precipitation) as being a “mixed blessing.” He expressed empathy for those who have been displaced from their homes and/or are having to rebuild after the recent rain events. He noted, however the rains have replenished local groundwaters, the Carmel River and local Aquifers. In addition, he noted the underutilization

of 2 of the 4 wells and its inability to inject excess rainwater and inject into local aquifers. Lastly, he noted the concept of the three-legged stool: Desal, Aquifer Storage and Recovery AND Pure Water Monterey – Expansion. Of the latter two, he directed blame on CalAm for hampering further progress on Pure Water Monterey- Expansion and making ASR less effective. He encouraged the Board to start eminent domain proceedings based on the reasons mentioned.

- (b) Ian Crooks, Vice President of Engineering with California American Water (CalAm): Mentioned CalAm’s position of support for the Pure Water Monterey – Expansion. He stated the company, Monterey One Water (M1W) and the District have a difference of opinion on the recent decision by the CPUC as it relates to the Amended and Restated Water Purchasing Agreement. Furthermore, he noted his support and expressed the need for both the expansion and desalination.
- (c) Melodie Chrislock, Executive Director with Public Water Now: Inquired and asked Crooks to explain the \$61.6 million approved by the CPUC for CalAm. She commented Salinas Mayor Kimbley Craig was selected on January 6, 2023 by the City Selection Committee to serve as the City Member to the Local Agency Formation Commission (LAFCO) of Monterey County. She noted Craig as being the single vote preventing the District from holding a rehearing on the District’s application to LAFCO originally denied in January 2022. In addition, Chrislock mentioned Mayor Craig seemingly inferred at the first LAFCO meeting of the year that the Peninsula Mayors (Mayor Potter, Peake, Donaldson and Carbone) no longer support pursuing acquiring CalAm. She thanked Mayor Oglesbly, Williamsom and Delgado in opposing Craig’s appointment and commended their efforts in attempting to appoint Mayor Valasquez to LAFCO.
- (d) Margaret-Ann Coppernoll: Sought information on CalAms desire to have a rehearing before the CPUC on its additional \$22 million in cost recoveries.
- (e) Susan Schiavone: Provided congratulatory remarks to incoming Chair Adams and outgoing Chair Paull. She concurs with and reiterated most of Baer’s comments on CalAms delay tactics as it relates to the Water Purchasing Agreement, the underutilization of Aquifer & Storage Recovery and encouraged the board to present this information before an eminent domain judge.

- (f) Tom Rowley, Vice-President with the Monterey Peninsula Taxpayer’s Association: Stated he is anticipating a decision to be made by Judge Panetta in February/Early March 2023 on a case initiated by the MPTA on Ordinance No. 152, re: Water Supply Charge.
- (g) Marli Melton: Inquired and asked if CalAms delay in not signing off on the Water Purchasing Agreement has intended consequences for not improving the overall efficiency of Aquifer and Storage and Recovery.

No further comments were directed to the Board.

The Board Chair and the Board praised Director Paull for her leadership, her intelligence, her enthusiasm and expressed gratitude for all she accomplished during her year as Board Chair. Director Paull thanked the Board and District Staff for all the hard worked accomplished during the past year.

Chair Adams introduced the matter. Chair Adams pulled Item No. 7 from the Consent Calendar for separate discussion and vote.

Chair Adams opened Public Comment. *No comments were directed to the Board.*

A motion was offered by Director Paull with a second by Director Anderson to approve Consent Calendar Item Nos. 1, 2, 3, 4, 5, 6 and 8. The motion passed by roll-call vote of 7-Ayes (Adams, Oglesby, Anderson, Paull, Eisenhart, Riley and Edwards), 0-Noes and 0-Absent.

Item No. 7

Chair Adams and the Board reviewed Exhibit 7-A: Proposed Committee Assignments for Calendar Year 2023.

Chair Adams opened public comment; *no comments were directed to the Board.*

Motion No. 1:

A motion was offered by Director Riley and seconded by Director Edwards to remove the appointment of Amy Anderson and insert Alvin Edwards as the appointee to the Monterey Peninsula Water Supply Project Governance Committee as found in Exhibit 7-A. The motion passed by roll-call vote of 7-Ayes (Adams, Oglesby, Anderson, Paull, Eisenhart, Riley and Edwards), 0-Noes and 0-Absent.

**PRESENTATION TO KAREN PAULL,
DIRECTOR DIVISION 4 | 2022 BOARD
CHAIR**

CONSENT CALENDAR

Motion No. 2

A motion was offered by Director Anderson and seconded by Director Edwards to ratify the Board Committee Assignments for Calendar Year 2023 (as amended). The motion passed by roll-call vote of 7-Ayes (Adams, Oglesby, Anderson, Paull, Eisenhart, Riley and Edwards), 0-Noes and 0-Absent.

Approved the meeting minutes of the Special and Regular Board Meeting on Monday, December 12, 2022.

Adopted Resolution No. 2023-01.

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

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

Reviewed Annual Disclosure Statement of Employee/Board Reimbursements for FY 2021-2022

Approved the District’s Annual Investment Policy.

Ratified the Board Committee Assignments for Calendar Year 2023.

Ratified the appointment of Susan Schiavone, Alison Kerr, Rebecca Lindor, Melodie Chrislock, Marli Melton, Kevan Urquhart and John Tilley to serve two-year terms on the Ordinance No. 152 Citizen’s Oversight Panel.

David J. Stoldt, General Manager presented via MS PowerPoint entitled, “Status Report on Cal-Am Compliance with SWRCB Orders and Seaside Basin Decision as of December 1, 2022” and answered board questions. *A copy of the presentation is available at the District office and can be found on the District website.*

1. Consider Adoption of Minutes of the Special and Regular Board Meeting on Monday, December 12, 2022

2. Consider Adopting Draft Resolution No. 2023-01 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 October 2022

4. Consider Adoption of Treasurer’s Report for November 2022

5. Review Annual Disclosure Statement of Employee/Board Reimbursements for FY 2021-2022

6. Consider Approval of Annual Update of Investment Policy

7. Ratify Board Committee Assignments for Calendar Year 2023

8. Ratify Appointments to the Ordinance No. 152 Citizen’s Oversight Panel

GENERAL MANAGER’S REPORT

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

GM Stoldt provided an overview of the slide-deck and the following points were made on the:

1. Monterey Peninsula Water Resources System (MPWRS) from October to December Water Year (WY) 2023: With three months into the WY, the Carmel River Basin [Actual: 680 Acre Feet (AF); Target 975] and the Seaside Groundwater Basin [Actual: 230 AF; Target 375 AF] total targets have not been actualized.
2. Water Projects and Rights from October to December WY 2023: Reported ASR Recovery is at 0 AF; Pure Water Monterey Recovery [Actual: 1,098 AF; Target 930 AF] and Table 13 [Actual: 20 AF; Target: 0 AF] exceeded its target.
3. On Monthly Production for Customer Service for Cal-Am (WY 2023): With three months into the WY, customer demand is ahead by 60 AF from last year.
4. On Monthly and Daily Recorded Rainfall at the San Clemente Rain Gage (WY 2023): Approximately 23 inches of precipitation reported for the year.
5. Displayed Rainfall Year Types: The driest year on record is 1924 and the wettest occurring in 1998. Based on assessments made on recorded cumulative rainfall the year may be classified as a wet or an extremely wet year.
6. Displayed a graph on Estimated Unimpaired Carmel River Flow at Sleepy Hollow Weir (WY 2023): Estimates provided and noted numbers found on the graph will be solidified at the February 2023 Board meeting.
7. Displayed ASR Injection Summary Well WY2023 both for Daily Injection and Cumulative Injection for the year.

Chair Adams opened public comment. *The following comments were directed to the Board:*

- (a) Michael Baer: Looks forward to receiving more information as it relates to injection and full capacity at ASR.

No further comments were directed to the Board.

David J. Stoldt, GM provided a verbal Update on Water Supply Projects and presented via MS PowerPoint entitled, "Update on Water Supply Projects." *A copy of the presentation is available at the District office and can be found on the District website.*

10. Update on Water Supply Projects

David J. Stoldt provided an overview of the Cal-Am Service Area by Roads and Jurisdiction, the Cal-Am Distribution System, a simplified Cal-Am Distribution System – August 2019, System Constraints on ASR Injection, ASR Current Year Compared to 2017, Historical Long-Term Averages for Aquifer Storage and Recovery from 1991 through 2023; and ASR Optimization.

The following comments were directed to the Board:

- (a) Kevin Dayton: Thanked the General Manager for his presentation on ASR and being prompt in responding to his recent records request. He believes ASR has been neglected as a direct consequence between the ongoing battles and focus on desal and Pure Water Monterey. He hopes the Board will explore the idea of maximizing ASR and seeks a further update on the matter.
- (b) Thomas Rowley, Vice President with the Monterey Peninsula Taxpayer’s Association: Noted that the Association has been following ASR. He requested the District correctly publicize its ASR numbers and stated the ASR system has not been at 1,300 AF per year.
- (c) Michael Baer: Thanked the General Manager for his presentation. He stated that for observers and/or decision makers to fully understand the complexity of the Monterey Peninsula Water system is to buy and acquire CalAm. Acquisition will allow the District to anticipate and prioritize short and long-term needs and projects for the system. He commented that the old ASR system produced more water than the new system in place. Baer reiterated his call to pursue the buy-out of Cal-Am.
- (d) Chris Cook, Director of Operations with CalAm: Reported that the parallel pipeline allows for the company to inject and is a critical component of the system. He stated the company is looking for ways to maximize the system. Cooks stated the company is exploring the idea of adding in two new wells in the Carmel Valley area and additional extraction wells on General Jim Moore Boulevard. He stated the company is looking at better preparing for future emergency events, and still provide for clean and safe water for the community.
- (e) Melodie Chrislock, Executive Director with Public Water Now: Pointed out that the ASR project is operated jointly by CalAm and the District. She asked if the company should disclose its part of

the operations to the public as being a partner with the District. Lastly, she responded to Tom Rowley and Kevin Dayton’s comments.

- (f) Marli Melton: Believes to better avert another emergency is to prepare for and construct an adequate storage facility to capture excess rainwater.
- (g) Susan Schiavone: Seeks information and it is her understanding that with the construction of additional wells it would allow for injection during the winter and fully maximize the ASR system.

No further comments were directed to the Board.

David J. Stoldt, GM reported on the District’s Legislative Outreach for Calendar Year 2022. He provided an overview of his staff note. For the upcoming year, the District will focus on preserving the \$4.8 million approved by the Governor for Pure Water Monterey- Expansion | Water Purchase Agreement. In addition, he mentioned embedded into the Water Resources Development Act was \$20 million approved in December 2022 for water and wastewater projects on the Monterey Peninsula. Stoldt said he will coordinate efforts during the year to qualify projects for this federal funding.

11. Report on Legislative Outreach for Calendar Year 2022

District Counsel Laredo provided a report on pending litigation and presented via Slide-Deck. *A copy of the presentation is available at the District office and can be found on the District website.* He provided a litigation status report on the following cases:

REPORT FROM DISTRICT COUNSEL

12. Update on Pending Litigation and Report Out from the Monday, December 12, 2022 Closed Session Meeting

- A. CPUC Case: A. 21-11-024 Cal-Am Application re Water Purchase Agreement (WPA) for Pure Water Expansion
- B. City of Marina, MPWMD, MCWD & Marina Coast Water District Groundwater Sustainability Agency v. California Coastal Commission; Cal-Am Real Party; Monterey Superior Court; Case No. #22CV004063
- C. MPWMD v. LAFCO; Case No. 22CV000925
- D. Monterey Peninsula Taxpayers Assoc. II v. MPWMD – Case: 21CV003066
- E. Monterey Peninsula Taxpayers Assoc. III v. MPWMD – Case: 22CV002113

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

Director Adams: Announced at the most recent Board of Supervisors meeting, the board appointed Supervisor Askew and Church as the County Representatives on LAFCO with Adams serving as the alternate. In addition, she added Supervisor Askew will serve as the primary representative and Adams serving as the alternate on the Seaside Groundwater Basin Watermaster. Lastly, she added Federal Emergency Management Agency (FEMA) staff is available at the Veterans’ Memorial Hall in Spreckels, CA to assist homeowners and businessowners.

Director Edwards: He announced his attendance at the first City of Seaside City Council meeting and provided them update on the District’s business. He attended and noted at the last Recycled Water Committee meeting conversations were had on the Water Purchasing Agreement and CalAms absent signature on the document. Lastly, he is happy to see both Mayor Oglesby and Supervisor Adams recuse themselves from the LAFCO closed session meeting due to the District’s lawsuit against the LAFCO found on its meeting agenda.

David J. Stoldt, GM provided introductory remarks.

Larry Hampson, Project Manager and Thomas Christensen, Environmental Resources Manager presented via MS PowerPoint, answered Board questions, and recommended approval of the matter. *A copy of the presentation is available at the District office and can be found on the District website.*

Hampson displayed graphics on the Carmel River Flows, Flood Elevation at SHSRF, Inside RAS Building and Sleepy Hollow Inroad damages as of January 9, 2023. He reported that the status of the intake screen is currently unknown. Total Estimated Damage Repair Costs is \$130,000. *In response to Adams, Hampson stated in 1995 and 1998, the District has been successful in receiving reimbursements from FEMA. Currently, he mentioned staff is exploring reimbursement from FEMA, CAL Office of Emergency Services, or other sources, if available.*

Christensen provided an overview and update on damage to the Carmel River Resistance Board Weir, ideal conditions for the steelhead counting station, displayed images, and noted estimated damage repair costs for the Weir is \$27,800.00.

Chair Adams opened public comment. *No comments were*

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

ACTION ITEMS

14. **Consider Approval of Expenditures for Repair of Flood Damage at the Sleepy Hollow Steelhead Rearing Facility and Carmel River Resistance Board Weir, Authorize Withdrawals from the Flood/Drought Reserve, and Direct General Manager to Explore Reimbursement from FEMA, CAL Office of Emergency Services, or other sources, if available**

[Exempt under §15269 Emergency Projects.]

directed to the Board.

A motion was offered by Director Eisenhart with a second by Director Paull to approve expenditures for repair of flood damage at the Sleepy Hollow Steelhead Rearing Facility and Carmel River Resistance Board Weir, authorize withdrawals from the Flood/Drought Reserve, and directed the General Manager to explore reimbursement from FEMA, CAL Office of Emergency Services or other sources (if available) and enter into contracts for emergency repair work. The motion passed on a roll-call vote of 7-Ayes (Edwards, Riley, Eisenhart, Paull, Anderson, Adams and Oglesby), 0-Noes and 0-Absent.

David J. Stoldt, GM provided an overview of the staff note, answered board questions and recommended approval of Resolution No. 2023-02 authorizing the District’s Administrative Services Manager/Chief Financial Officer and Human Resources Coordinator/Contract Specialist to serve as authorized agents to act on behalf of the District in obtaining disaster assistance from OES.

Chair Adams opened public comment. *No comments were directed to the Board.*

A motion was offered by Director Eisenhart with a second by Director Anderson to adopt Resolution No. 2023 – 02 authorizing the designation of MPWMD’s agents and allowing them to act on the District’s behalf in obtaining disaster assistance. The motion passed on a roll-call vote of 7-Ayes (Edwards, Riley, Eisenhart, Paull, Anderson, Adams and Oglesby), 0-Noes and 0-Absent.

David J. Stoldt, GM provided an overview of his staff note, Exhibits 16-A and B and sought general board direction. After much deliberation, the Board agreed to have a Special Board Meeting (Strategic Planning Session) to be conducted off-site, in February 2023 and direct staff to solicit local facilitators for the Board to consider.

No further discussion was had on Informational Items.

15. Consider Adoption of Resolution No. 2023-02 Authorizing Designation of Authorized Agents for Office of Emergency Services (OES) Application of State Disaster Financial Assistance

[This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.]

DISCUSSION ITEM

16. Discuss Preferred Approach to Development of District Strategic Goals and Objectives for 2023

INFORMATIONAL ITEMS/STAFF REPORTS

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

24. Monthly Water Supply and California American Water Production Report

[Exempt from 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]

25. Quarterly Water Use Credit Transfer Status Report

26. Quarterly Carmel River Riparian Corridor Management Program Report

There being no further business, Chair Adams adjourned the meeting at 9:00 p.m.

ADJOURNMENT

Joel G. Pablo, Deputy District Secretary

Minutes Approved by the MPWMD Board of Directors on Monday, February XX, 2023

U:\staff\Boardpacket\2023\20230213\Consent Calendar\01\Item-1-Exh-1-A.docx