

This meeting has been noticed according to the Brown Act rules. The Board of Directors meets regularly on the third Monday of each month, except in January and February. The meetings begin at 6:00 PM, *unless otherwise noted.*



AGENDA

**Special and Regular Meeting  
Board of Directors**

**Monterey Peninsula Water Management District**

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**Monday, March 20, 2023 at 5:00 p.m. [PST]**

Meeting Location: Main Conference Room  
Monterey Peninsula Water Management District  
5 Harris Court, Building G, Monterey, CA 93940  
[Hybrid: In-Person and via Zoom]

To Join via Zoom- Teleconferencing Means, please click the link below:

<https://mpwmd-net.zoom.us/j/85709479749?pwd=SW85djIxd3FZZUJSc1hUDiYNGV1dz09>

Or join at: <https://zoom.us/>

Webinar ID: 857 0947 9749

Passcode: 03202023

To Participate by Phone: (669) 900-9128

**Director Alvin Edwards may participate by Teleconferencing Means from 20166 Washburn Street, Detroit, MI 48221**

**For detailed instructions on how to connect to the meeting, please see page 6 of this agenda.**

You may also view the live webcast on AMP <https://accessmediaproductions.org/> scroll down to the bottom of the page and select AMP 1.

Staff notes will be available on the District web site at

<http://www.mpwmd.net/who-we-are/board-of-directors/bod-meeting-agendas-calendar/>  
by 5:00 P.M. on Thursday, March 16, 2023

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**CLOSED SESSION AT 5:00 P.M.**

**CALL TO ORDER / ROLL CALL**

**Board of Directors**

Mary L. Adams, Chair – Monterey County Board of Supervisors Representative  
Amy Anderson, Vice Chair – Division 5  
Alvin Edwards – Division 1  
George Riley – Division 2  
Marc Eisenhart – Division 3  
Karen Paull – Division 4  
Ian Oglesby – Mayoral Representative

**General Manager**

David J. Stoldt

This agenda was posted at the District office at 5 Harris Court, Bldg. G, Monterey, California on Thursday, March 16, 2023. After staff reports have been posted and distributed, if additional documents are produced by the District and provided to a majority of the Board regarding any item on the agenda, they will be posted on the District website. Documents distributed on the afternoon of the meeting will be available upon request, and posted to the web within five days of adjournment of the meeting. The next scheduled meetings of the MPWMD Board of Director's are set for Friday, March 31, 2023 and Monday, April 17, 2023.

**ADDITIONS AND CORRECTIONS ON THE CLOSED SESSION AGENDA BY DISTRICT COUNSEL** – *District Counsel will announce agenda corrections and proposed additions, which may be acted on by the Directors as provided in Sections 54954.2 of the California Government Code.*

**PUBLIC COMMENT ON THE CLOSED SESSION AGENDA** – *Members of the public may address the Board on the item or items listed on the Closed Session agenda.*

**CLOSED SESSION** – *As permitted by Government Code Section 54956.9 et seq., the Board may recess to closed session to consider specific matters dealing with pending or threatened litigation, certain personnel matters or certain property acquisition matters.*

CS 1. Conference with Real Property Negotiators (Government Code Sections 54954.5(b), 54956.8/  
District Representative: David Stoldt / Negotiation Affecting Properties Held by California American Water Company

CS 2. Conference with Legal Counsel – Existing Litigation [§ 54956.9(a)], (Monterey Peninsula Taxpayers Assoc. v. Monterey Peninsula Water Management District) – Monterey County Superior Court, Case No.: 21CV003066

**RECESS TO CLOSED SESSION**

*Any Closed Session Items not completed may be continued to after the end of all open session items.*

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

**CALL TO ORDER / ROLL CALL**

**PLEDGE OF ALLEGIANCE**

**ADDITIONS AND CORRECTIONS TO THE AGENDA** – *The General Manager will announce agenda corrections and proposed additions, which may be acted on by the Board as provided in Sections 54954.2 of the California Government Code.*

**ORAL COMMUNICATIONS** – *Anyone wishing to address the Board on Consent Calendar, Information Items, Closed Session items, or matters not listed on the agenda may do so only during Oral Communications. Please limit your comment to three (3) minutes. The public may comment on all other items at the time they are presented to the Board.*

**CONSENT CALENDAR** - *The Consent Calendar consists of routine items for which staff has prepared a recommendation. Approval of the Consent Calendar ratifies the staff recommendation. Consent Calendar items may be pulled for separate consideration at the request of a member of the public, or a member of the Board. Following adoption of the remaining Consent Calendar items, staff will give a brief presentation on the pulled item. Members of the public are requested to limit individual comment on pulled Consent Items to three (3) minutes. Unless noted with double asterisks “\*\*”, Consent Calendar items do not constitute a project as defined by CEQA Guidelines section 15378.*

1. Consider Adoption of Minutes of the Regular Board Meeting on Monday, February 13, 2023
2. Consider Adoption of Treasurer’s Report for January 2023
3. Consider Approving a Memorandum of Agreement to Share in the Cost of Installing a Groundwater Monitoring Well (Fort Ord 09 – Shallow)

**GENERAL MANAGER’S REPORT**

4. Status Report on California American Water Compliance with State Water Resources Control Board Order 2016-0016 and Seaside Groundwater Basin Adjudication Decision (*Verbal Report*)
5. Update on Water Supply Projects (*Verbal Report*)

6. Discussion on Pure Water Monterey Legal Expenses

**REPORT FROM DISTRICT COUNSEL**

7. Report from District Counsel and Report Out (*if any*) from the Closed Session meeting on Monday, March 20, 2023

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

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

**PUBLIC HEARING** – *Public Comment will be received. Please limit your comments to three (3) minutes per item.*

9. Consider Adoption of the 2022 MPWMD Annual Report

*Recommended Action:* The Board will conduct a public hearing and adopt the proposed 2022 MPWMD Annual Report with any changes or edits as recommended.

10. Consider Adoption of April through June 2023 Quarterly Water Supply Strategy and Budget

[CEQA Compliance: Notice of Exemption, CEQA, Article 19, Section 15301 (Class 1)  
ESA Compliance: Consistent with the September 2001 and February 2009 Conservation Agreements between the National Marine Fisheries Service and California American Water to minimize take of listed steelhead in the Carmel River and Consistent with SWRCB WR Order Nos. 95-10, 98-04, 2002-0002, and 2016-0016.]

*Recommended Action:* The Board will consider approval of a proposed production strategy for the California American Water Distribution Systems for the three-month period of April through June 2023. The strategy sets monthly goals for surface and groundwater production from various sources within the California American Water systems.

**ACTION ITEMS** – *Public Comment will be received. Please limit your comments to three (3) minutes per item.*

11. Consider Authorizing the General Manager to Enter into a Contract with Montgomery and Associates to Provide a Tularcitos Aquifer Storage and Recovery (ASR) Feasibility Study

*Recommended Action:* The Board will authorize the General Manager to enter a contract with Montgomery and Associates to provide a Tularcitos ASR Feasibility Study to the District for an amount not to exceed \$119,200.

12. Consider Approval of Additional Contingency Funds for the Sleepy Hollow Steelhead Rearing Facility Rearing Channel Rehabilitation Project

*Recommended Action:* The Board will authorize an additional \$100,000 in contingency funds for Sleepy Hollow Steelhead Rearing Facility Rehabilitation Project (Rehab Project).

13. Consider Approval of District Legislative Advocacy Plan for 2023

*Recommended Action:* The Board will review and adopt the proposed 2023 Legislative Advocacy Plan.

14. Consider Adoption of Mid-Year Fiscal Year 2022 – 23 Budget Adjustment

*Recommended Action:* The Board will consider adoption of the proposed mid-year budget adjustment for FY2022 – 2023.

**INFORMATIONAL ITEMS/STAFF REPORTS** - *The public may address the Board on Information Items and Staff Reports during the Oral Communications portion of the meeting. Please limit your comments to three minutes.*

15. Report on Activity/Progress on Contracts Over \$25,000
16. Status Report on Measure J / Rule 19.8 Phase II Spending
17. Letters Received Letters Received Supplemental Packet
18. Committee Reports
19. Monthly Allocation Report
20. Water Conservation Program Report
21. Carmel River Fishery Report for February 2023
22. 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]

**ADJOURNMENT**

<b>Board Meeting Schedule</b>			
Friday, March 31, 2023	<i>Special - Strategic Planning Workshop</i>	9:00 a.m.	In-Person
Monday, April 17, 2023	<i>Regular</i>	6:00 p.m.	Hybrid
Monday, May 15, 2023	<i>Regular</i>	6:00 p.m.	Hybrid
Thursday, May 25, 2023	<i>Special - Budget Workshop</i>	6:00 p.m.	Hybrid
<i>Hybrid: In-Person at the District Main Conference Room and via Zoom- Teleconferencing Means.</i>			

<b>Board Meeting Television and On-Line Broadcast Schedule</b>	
<b>Television Broadcast</b>	<b>Viewing Area</b>
Comcast Ch. 24   View live broadcast on meeting dates, and replays on Mondays, Tuesdays and Thursdays at 4:00 p.m.	All Peninsula Cities
Comcast Ch. 28 (Monterey County Government Channel) Replays only at 9:00 a.m. on Saturdays	Throughout the Monterey County Government Television viewing area.
<b>Internet Broadcast</b>	
AMP 1   View live broadcast on meeting dates, and replays on Mondays, Tuesdays, and Thursdays at 4:00 p.m. and at <a href="https://accessmediaproductions.org/">https://accessmediaproductions.org/</a> scroll to <b>AMP 1</b> .	
Monterey County Government Channel   Replays only at 9:00 a.m. on Saturdays at <a href="http://www.mgtvonline.com">www.mgtvonline.com</a>	
MPWMD YouTube Page – View live broadcast on meeting dates. Recording/Replays available five (5) days following meeting date - <a href="https://www.youtube.com/channel/UCg-2VgzLBmgV8AaSK67BBRg">https://www.youtube.com/channel/UCg-2VgzLBmgV8AaSK67BBRg</a>	



## Accessibility

In accordance with Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), MPWMD will make a reasonable effort to provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. MPWMD will also make a reasonable effort to provide translation services upon request. Submit requests at least 48 hours prior to the scheduled meeting date/time: (1) Joel G. Pablo, Board Clerk by e-mail at [joel@mpwmd.net](mailto:joel@mpwmd.net), or at (831) 658-5652; and (2) Sara Reyes, Sr. Office Specialist by e-mail at [sara@mpwmd.net](mailto:sara@mpwmd.net) or at (831) 658-5610.

## Provide Public Comment at the Meeting

### Attend In-Person

The Board meeting will be held in the Main Conference Room at 5 Harris Court, Building, G. Monterey, CA 93942. Please fill out a speaker card for each item you wish to speak on, and place in the speaker card box next to the Board Clerk.

**Attend via Zoom** (*For detailed instructions, please see "Instructions for Connecting to the Zoom Meeting" below.*)

- (a) Computer Audio Connection: Select the "raised hand" icon. When you are called on to speak, you may identify yourself for the record.
- (b) Phone audio connection **with** computer to view meeting: Select the "raised hand" icon. When you are called on to speak, dial \*6 to unmute and you may identify yourself for the record.
- (c) Phone audio connection only: Press \*9. Wait for the clerk to unmute your phone and you may identify yourself for the record and provide your comment. Press \*9 to end the call.

### Submission of Public Comment via E-mail

Send comments to [comments@mpwmd.net](mailto:comments@mpwmd.net) with one of the following subject lines "PUBLIC COMMENT ITEM #" (insert the item number relevant to your comment) or "PUBLIC COMMENT – ORAL COMMUNICATIONS." Staff will forward correspondence received to the Board. Correspondence is not read during public comment portion of the meeting. However, all written public comment received becomes part of the official record of the meeting and placed on the District's website as part of the agenda packet for the meeting.

### Submission of Written Public Comment

All documents submitted by the public must have no less than fifteen (15) copies to be received and distributed by the **Clerk** prior to the Meeting.

### Document Distribution

In accordance with Government Code §54957.5, any materials of public record relating to an agenda item for a meeting of the Board of Directors that are provided to a majority of the members less than 72 hours before the meeting will be made available at the District Office, 5 Harris Court, Building G., Monterey, CA, during normal business hours. Materials of public record that are distributed during the meeting shall be made available for public inspection at the meeting if prepared by the Board or a member of its legislative/advisory body, or the next business day after the meeting if prepared by some other person.

### **Instructions for Connecting to the Zoom Meeting**

**Note:** If you have not used Zoom previously, when you begin connecting to the meeting you may be asked to download the app. If you do not have a computer, you can participate by phone.

**Begin:** Within 10 minutes of the meeting start time from your computer click on this link: <https://mpwmd-net.zoom.us/j/85709479749?pwd=SW85djJxd3FZZUJSclh1UDIYNGVldz09> or copy / paste the link into your browser.

#### **DETERMINE WHICH DEVICE YOU WILL BE USING (PROCEED WITH ONE OF THE FOLLOWING INSTRUCTIONS)**

##### **USING A DESKTOP COMPUTER OR LAPTOP**

1. In a web browser, type: <https://www.zoom.us>
2. Hit the enter key
3. At the top right-hand corner, click on “Join a Meeting”
4. Where it says, “Meeting ID”, type in the Meeting ID# above and click “Join Meeting”
5. Your computer will begin downloading the Zoom application. Once downloaded, click “Run” and the application should automatically pop up on your computer. (If you are having trouble downloading, alternatively you can connect through a web browser – the same steps below will apply).
6. You will then be asked to input your name. It is imperative that you put in your first and last name, as participants and attendees should be able to easily identify who is communicating during the meeting.
7. From there, you will be asked to choose either ONE of two audio options: Phone Call or Computer Audio:

##### **COMPUTER AUDIO**

1. If you have built in computer audio settings or external video settings – please click “Test Speaker and Microphone”.
2. The client will first ask “Do you hear a ringtone?” • If no, please select “Join Audio by Phone”.
  - a. If yes, proceed with the next question:
3. The client will then ask “Speak and pause, do you hear a replay?” • If no, please select “Join Audio by Phone” • If yes, please proceed by clicking “Join with Computer Audio”

##### **PHONE CALL**

1. If you do not have built in computer audio settings or external video settings – please click “Phone Call”
2. Select a phone number based on your current location for better overall call quality.

+1 669-900-9128 (San Jose, CA)	+1 253-215-8782 (Houston, TX)
+1 346-248-7799 (Chicago, IL)	+1 301-715-8592 (New York, NY)
+1 312-626-6799 (Seattle, WA)	+1 646-558-8656 (Maryland)
3. Once connected, it will ask you to enter the Webinar ID No. and press the pound key
4. It will then ask you to enter your participant ID number and press the pound key.
5. You are now connected to the meeting.

##### **USING AN APPLE/ANDROID MOBILE DEVICE OR SMART PHONE**

1. Download the Zoom application through the Apple Store or Google Play Store (the application is free).
2. Once download is complete, open the Zoom app.
3. Tap “Join a Meeting”
4. Enter the Meeting ID number
5. Enter your name. It is imperative that you put in your first and last name, as participants and attendees should be able to easily identify who is communicating during the meeting.
6. Tap “Join Meeting”
7. Tap “Join Audio” on the bottom left-hand corner of your device

8. You may select either ONE of two options: “Call via Device Audio” or “Dial in”

**DIAL IN**

1. If you select “Dial in”, you will be prompted to select a toll-free number to call into.
2. Select a phone number based on your current location for better overall call quality.

+1 669-900-9128 (San Jose, CA)	+1 253-215-8782 (Houston, TX)
+1 346-248-7799 (Chicago, IL)	+1 301-715-8592 (New York, NY)
+1 312-626-6799 (Seattle, WA)	+1 646-558-8656 (Maryland)
3. The phone will automatically dial the number, and input the Webinar Meeting ID No. and your Password.
4. Do not hang up the call, and return to the Zoom app
5. You are now connected to the meeting.

*Refer to the Meeting Rules of the Monterey Peninsula Water Management District (Revised August 2022) at <https://www.mpwmd.net/who-we-are/board-of-directors/meeting-rules-of-the-mpwmd/>*



**ITEM: CONSENT CALENDAR****1. CONSIDER ADOPTION OF MINUTES OF THE REGULAR BOARD MEETING ON MONDAY, FEBRUARY 13, 2023****Meeting Date: March 20, 2023** **Budgeted: N/A****From: David J. Stoldt,  
General Manager** **Program/  
Line Item No.: N/A****Prepared By: Joel G. Pablo** **Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

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**SUMMARY:** The Board will review, provide suggested edits, and consider approval of the draft meeting minutes of the MPWMD Board of Director's Regular Board Meeting on February 13, 2023. The draft minutes are attached as **Exhibit 1-A** to the staff report.

**RECOMMENDATION:** The Board will consider approval of the draft minutes of the MPWMD Board of Director's Regular Board Meeting on Monday, February 13, 2023.

**EXHIBIT****1-A MPWMD Board of Director's Regular Board Meeting on Monday, February 13, 2023**





## EXHIBIT 1-A

**Draft Minutes  
Regular Meeting  
Board of Directors  
Monterey Peninsula Water Management District  
Monday, February 13, 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:*

Mary L. Adams, Chair – Monterey County Board of Supervisors Representative  
Amy Anderson, Vice Chair – Division 4 [Joined at 6:02 p.m.]  
Alvin Edwards – Division 1  
George T. Riley – Division 2  
Marc A. Eisenhart – Division 3  
Karen Paull – Division 4  
Ian Oglesby – Mayoral Representative

### ROLL CALL

*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

Joel G. Pablo, Board Clerk read the following corrections to the agenda.

### ADDITIONS AND CORRECTIONS TO THE AGENDA

Agenda Item	Information Provided / Corrected
Consent Calendar – Item No. 1	Revised Exhibit 1-A submitted
Consent Calendar – Item No. 6	Consider Approval of Annual Purchase of Internet License for Water Wise Gardening in Monterey <u>County</u>  [Inserted the word “County”]
Action Item – Item No. 15	Revised Exhibit 15-A submitted
On Meeting Agenda: Under	Strike-out: Monday, May 20, 2023 Insert: Monday, May 15, 2023

Board Meeting Schedule	
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Chair Adams opened public comment. *No comments were directed to the Board on additions and corrections made.*

A motion was offered by Director Paull with a second by Director Edwards to approve the additions and corrections read into the record. The motion passed by roll-call vote of 7-Ayes (Adams, Oglesby, Anderson, Paull, Eisenhart, Riley and Edwards), 0-Noes and 0-Absent.

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

[Written public comment was received by Margaret-Anne Coppernoll on Monday, February 13, 2023 at 2:11 p.m via E-mail. *A copy of the e-mail is available at the District office and can be found on the District website.*]

Chair Adams introduced the matter. Director Paull pulled Item No. 3 and 5 from the consent calendar for discussion. A response was provided by staff. No further requests were made by the Board and the public to pull matters off the consent calendar.

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

A motion was offered by Director Eisenhart with a second by Director Edwards to approve Consent Calendar Item Nos. 1 through 8. 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 Regular Board Meeting on Monday, January 23, 2023.

Adopted Resolution No. 2023-04.

Received and Filed the Second Quarter Financial Activity Report for Fiscal Year 2022-2023.

Approved the Second Quarter Fiscal Year 2022-2023 Investment Report.

## ORAL COMMUNICATIONS

## CONSENT CALENDAR

1. **Consider Adoption of Minutes of the Regular Board Meeting on Monday, January 23, 2023**
2. **Consider Adopting Resolution No. 2023-04 Authorizing Remote Teleconferencing Meetings of All District Legislative Bodies Through February 28, 2023 in Accord with the Ralph M. Brown Act and AB 361 (Rivas)**
3. **Receive and File Second Quarter Financial Activity Report for Fiscal Year 2022-2023**
4. **Consider Approval of Second Quarter Fiscal Year 2022-2023 Investment Report**



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

Approved the expenditure of \$5,000 to renew the internet license with GardenSoft for the Monterey County Water Wise Landscaping software.

Item Removed.

Authorized the General Manager to enter into contracts for the additional items (check valve, vegetation management, irrigation repair, or any other flood related damages to District programs) for emergency repair work and seek reimbursement for the cost of damages from the California Office Emergency Services and the Federal Emergency Management Agency at a cost not-to-exceed \$250,000.

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 February 2023” and answered board questions. *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 on the:

- a. Monterey Peninsula Water Resources System (MPWRS) from October to January Water Year (WY) 2023: The Carmel River Basin and the Seaside Groundwater Basin targets have not been actualized [Target: 1,939 Acre Feet (AF); Actual: 1,108 AF]
- b. Water Projects and Rights from October to January WY 2023: Pure Water Monterey [Target: 1,280 AF; Actual: 1,438 AF] and Table 13 [Target: 0 AF; Actual: 121 AF] targets have been met.
- c. On Monthly Production for Customer Service for Cal-Am (WY 2023): Customer demand is ahead by 38 AF from last year [WY 2022: 2,806 AF; WY 2023: 2,768 AF].
- d. On Monthly and Daily Recorded Rainfall at the San Clemente Rain Gage (WY 2023): December and January 2023 actuals have surpassed averages.
- e. Displayed Rainfall Year Types [WY 2023 vs. Recorded Rainfall at the San Clemente Gage from 1922 to the Present, Carmel Valley, CA]: Current cumulative rainfall totals indicate WY2023 to end on a ‘wet’ year absent any precipitation. To date rainfall

**5. Consider Adoption of Treasurer’s Report for December 2022**

**6. Consider Approval of Annual Purchase of Internet License for Water Wise Gardening in Monterey County**

**7. Item Removed.**

**8. Consider Additional Flood Related Repairs and Projects to be Included in Previously Approved Action Item [January 23, 2023] that Utilizes the Flood and Drought Reserve with No Change in Cost Estimate - CAP**

#### 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**

totals are coming in at above-normal levels.

- f. Displayed a graph on Estimated Unimpaired Carmel River Flow at Sleepy Hollow Weir (WY 2023).
- g. Displayed ASR Injection Summary Well WY2023 both for Daily Injection and Cumulative Injection for the year: Cumulative injections are expected to exceed 400 AF for the water year. Mentioned injection is averaging 9 to 10 AF / day, however expects it be set at 13 AF/Day once work is completed by Cal-Am.

David J. Stoldt, GM provided an update on Conditions on the River and displayed pictures via slide-deck of downed trees, debris piles, devegetated banks, debris “strainers,” Sand Deposition – San Carlos Bridge, Cobble Deposition and Devegetation and a chart on Acre-Foot Past Highway 1 Gauge and answered Board questions. *A copy of the presentation is available at the District office and can be found on the District website.*

Thomas Christensen, Environmental Resources Manager described the purpose of the District’s Vegetation Management Program is to reduce the potential for bank erosion and to remove deleterious material in the channel of the Carmel River. He commented on the program’s typical permitting processes and timelines. However, he noted due to the damages caused by the recent atmospheric rivers the District will need to compile a list of down trees and debris piles. He stated other potential problem areas need to be identified in order to apply for an emergency permit with certain regulatory agencies outside of normal permitting processes/timelines. He explained the District’s Environmental Resources field crew receives additional assistance from the CA Conservation Corps when it is beyond the District’s scope of work. *In response to Adams*, Christensen informed the Board the District is working through the application process with Federal Emergency Management Agency for federal assistance and reimbursement. *In response to Eisenhart*, he briefly described the six areas of high priority concern along the channel that will be incorporated into his list.

## 10. Conditions on the River

David C. Laredo, District Counsel informed the Board on pending legal matters, answered Board questions and made the following highlights:

- a. Cal-Am’s Request for Modification and Rehearing before the California Public Utilities Commission: *No action taken by the CPUC.*
- b. November 17, 2022; California Coastal Commission decision on Cal-Am’s Coastal Development Permit (CDP) on Desalination: *Final*

## REPORT FROM DISTRICT COUNSEL

### 11. Report from District Counsel

*conditions have not been released.*

- c. The District, Marina Coast Water District and the City of Marina have filed a suit challenging the CA Coastal Commission’s decision on Cal-Am’s CDP. The State Attorney’s Office has assigned Joel Jacobs to represent the CA Coastal Commission on the matter and has confirmed that their practice is to assemble and complete the administrative record anticipated to be completed by mid-summer 2023. *A hearing on the matter is not expected to take place in 2023.*

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

Director Riley: Informed the Board that a Seaside Basin Watermaster meeting in January 2023, the Watermaster hired a consultant to analyze the method of calculation of the Replenishment Assessment Unit Costs.

Director Edwards: Stated he attended a Monterey One Water attended by Paull and others. He requested a joint meeting of the District’s Water Supply Planning Committee, Monterey One Water’s Recycled Water Committee and Marina Coast Water District on Pure Water Monterey – Expansion delays caused by Cal-Am and options to be discussed openly.

Director Paull: Mentioned her attendance at a recent Monterey One Water meeting listened in on discussions had relating to the water purchasing agreement. She stated she made public comment during the M1W meeting and suggested a joint meeting between the M1W Board and the District’s Board. Paull is open to Edwards idea for having a joint meeting of the District’s and M1W’s committees for further discussion on the matter.

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

Suresh Prasad, Administrative Services Manager/CFO provided an overview of his staff report, answered board questions and presented via slide-deck entitled, “Receive Fiscal Year 2021-2022 Annual Comprehensive Financial Report (ACFR).” Mike Briley and Rae Gularte with Clifton Larson Allen, LLP presented via slide-deck entitled, “Audit Results for June 30, 2022.” *A copy of the presentation is available at the District office and can be found on the District website.*

**PUBLIC HEARING**

13. **Receive Fiscal Year 2021 – 2022 Annual Comprehensive Financial Report**

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

- a. Tom Rowley: Questioned if the District’s Auditors were informed and briefed on the MPTA lawsuit

against the District.

*No further comments were directed to the Board.*

A motion was offered by Director Riley with a second by Director Paull to receive the Fiscal Year 2021 – 2022 Annual Comprehensive Financial Report. The motion passed on a roll-call vote of 7-Ayes (Edwards, Riley, Eisenhart, Paull, Anderson, Adams and Oglesby), 0-Noes and 0-Absent.

## ACTION ITEMS

Stephanie Locke, Water Demand Manager provided an overview of her staff report, answered board questions, presented via slide-deck entitled, “Consider Adoption of Resolution No. 2023-05 Declaring the week of March 20 – 26, 2023 to be Fix a Leak Week” and recommended approval of Resolution No. 2023-05. *A copy of the presentation is available at the District office and can be found on the District website.*

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

- (a) Tom Rowley: Informed staff to educate the community to check their water pressure to prevent leaks from occurring.
- (b) Tammy Jennings: Requested information on how to check water pressure.

*No further comments were directed to the Board.*

A motion was offered by Director Anderson with a second by Director Oglesby to adopt Resolution No. 2023-05 declaring the week of March 20<sup>th</sup> through March 26<sup>th</sup> to be Fix a Leak Week. The motion passed on a roll-call vote of 7-Ayes (Edwards, Riley, Eisenhart, Paull, Anderson, Adams and Oglesby), 0-Noes and 0-Absent.

Stephanie Locke, Water Demand Manager provided an overview of her staff report, answered board questions, presented via slide-deck and recommended approval of Resolution No. 2023-03. *A copy of the presentation is available at the District office and can be found on the District website.*

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. 2023-03 to add a rebate for 25 percent of the cost of 20 or more smart toilet leak detector units installed in a Visitor Serving Facility or a Master Metered Multi-Family Residential Site

- 14. **Consider Adoption of Resolution No. 2023-05 Declaring the Week Of March 20 - 26, 2023, To Be Fix A Leak Week**

- 15. **Consider Adoption of Resolution No. 2023-03 Amending Rule 141, Table XIV-1, Rebate Amounts, To Add a Rebate For Smart Toilet Leak Detectors**

to a maximum rebate of \$15,000. Adoption of the Resolution will amend Table XIV-1, Rebate Amounts, To Add a Rebate for Smart Toilet Leak Detectors. 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 the board receive the 2022 Annual Report from the Ordinance No. 152 Citizen’s Oversight Panel.

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

- a. Susan Schiavone: Believes it is not time yet to sunset the Water Supply Charge.
- b. Melodie Chrislock: Stated for the record that the Panel’s majority was seven (7) vs. its minority of two (2).

A motion was offered by Director Paull with a second by Director Anderson to receive the Ordinance No. 152 Citizen’s Oversight Panel 2022 Annual Report. The motion passed on a roll-call vote of 7-Ayes (Edwards, Riley, Eisenhart, Paull, Anderson, Adams and Oglesby), 0-Noes and 0-Absent.

*No further discussion was had on Informational Items.*

**16. Receive Ordinance No. 152  
Citizen’s Oversight Panel 2022  
Annual Report**

**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**
- 20. Committee Reports**
- 21. Monthly Allocation Report**
- 22. Water Conservation Program  
Report**
- 23. Carmel River Fishery Report for  
January 2023**
- 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. **Semi-Annual Financial Report on  
the CAWD/PBCSD Wastewater  
Reclamation Project**

There being no further business, Chair Adams adjourned  
the meeting at 8:11 p.m.

**ADJOURNMENT**

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Joel G. Pablo, Deputy District Secretary

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

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**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
TREASURER'S REPORT FOR JANUARY 2023**

<u>Description</u>	<u>Checking</u>	<u>MPWMD Money Market</u>	<u>L.A.I.F.</u>	<u>Multi-Bank Securities</u>	<u>MPWMD Total</u>	<u>PB Reclamation Money Market</u>
<b>Beginning Balance</b>	\$145,589.97	\$7,864,874.23	\$9,704,657.61	\$6,718,913.96	\$24,434,035.77	\$15,886.49
Fee Deposits		3,011,020.81			3,011,020.81	398,103.27
MoCo Tax & WS Chg Installment Pymt					0.00	
Interest Received			53,989.25	13,919.22	67,908.47	
Transfer - Checking/LAIF					0.00	
Transfer - Money Market/LAIF					0.00	
Transfer - Money Market/Checking	3,000,000.00	(3,000,000.00)			0.00	
Transfer - Money Market/Multi-Bank					0.00	
Transfer to CAWD					0.00	
Voided Checks					0.00	
Bank Corrections/Reversals/Errors					0.00	
Bank Charges/Other	-				0.00	
Credit Card Fees	(1,155.41)				(1,155.41)	
Returned Deposits	-				0.00	
Payroll Tax/Benefit Deposits	(126,186.05)				(126,186.05)	
Payroll Checks/Direct Deposits	(147,229.49)				(147,229.49)	
General Checks	(629,654.52)				(629,654.52)	
Rebate Payments	-				0.00	
Bank Draft Payments	(23,714.88)				(23,714.88)	
AP Automation Payments	(1,873,196.69)				(1,873,196.69)	
<b>Ending Balance</b>	<b>\$344,452.93</b>	<b>\$7,875,895.04</b>	<b>\$9,758,646.86</b>	<b>\$6,732,833.18</b>	<b>\$24,711,828.01</b>	<b>\$413,989.76</b>



**EXHIBIT 2-B**

15

**Check Report**

By Check Number

Date Range: 01/01/2023 - 01/31/2023



Monterey Peninsula Water Management Dist

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: APBNK	-Bank of America Checking					
Payment Type: Regular						
00993	Harris Court Business Park	01/05/2023	Regular	0.00	360.49	40755
00993	Harris Court Business Park	01/05/2023	Regular	0.00	360.77	40756
00759	Mechanics Bank	01/05/2023	Regular	0.00	109,568.00	40757
00759	Mechanics Bank	01/19/2023	Regular	0.00	500,000.00	40758
01195	California Dept. of Fish & Wildlife	01/26/2023	Regular	0.00	1,752.50	40759
05370	California Secretary of State	01/26/2023	Regular	0.00	1.50	40760
00993	Harris Court Business Park	01/26/2023	Regular	0.00	360.77	40761
00993	Harris Court Business Park	01/26/2023	Regular	0.00	360.49	40762
01197	USGS	01/26/2023	Regular	0.00	16,890.00	40763
<b>Total Regular:</b>				<b>0.00</b>	<b>629,654.52</b>	

## Check Report

Date Range: 01/01/2023 - 01/31/2023

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
<b>Payment Type: Virtual Payment</b>						
00263	Arlene Tavani	01/05/2023	Virtual Payment	0.00	1,035.20	APA001826
00224	City of Monterey	01/05/2023	Virtual Payment	0.00	697.75	APA001827
00083	Clifton Larson Allen LLP	01/05/2023	Virtual Payment	0.00	24,150.00	APA001828
01352	Dave Stoldt	01/05/2023	Virtual Payment	0.00	955.12	APA001829
08109	David Olson, Inc.	01/05/2023	Virtual Payment	0.00	832.57	APA001830
00046	De Lay & Laredo	01/05/2023	Virtual Payment	0.00	34,804.00	APA001831
18734	DeVeera Inc.	01/05/2023	Virtual Payment	0.00	952.40	APA001832
22621	Ecological Concerns Incorporated	01/05/2023	Virtual Payment	0.00	1,650.00	APA001833
00192	Extra Space Storage	01/05/2023	Virtual Payment	0.00	1,127.00	APA001834
12655	Graphicsmiths	01/05/2023	Virtual Payment	0.00	267.90	APA001835
02833	Greg James	01/05/2023	Virtual Payment	0.00	804.58	APA001836
00094	John Arriaga	01/05/2023	Virtual Payment	0.00	3,400.00	APA001837
05830	Larry Hampson	01/05/2023	Virtual Payment	0.00	2,682.90	APA001838
00259	Marina Coast Water District	01/05/2023	Virtual Payment	0.00	1,317.25	APA001839
00242	MBAS	01/05/2023	Virtual Payment	0.00	495.00	APA001840
21460	MoGo Urgent Care	01/05/2023	Virtual Payment	0.00	60.00	APA001841
00118	Monterey Bay Carpet & Janitorial Svc	01/05/2023	Virtual Payment	0.00	1,260.00	APA001842
04729	Monterey Commercial Property Owners Associati	01/05/2023	Virtual Payment	0.00	400.00	APA001843
00274	Monterey One Water	01/05/2023	Virtual Payment	0.00	292,193.25	APA001844
08700	Monterey Regional Waste Management District	01/05/2023	Virtual Payment	0.00	295.00	APA001845
13396	Navia Benefit Solutions, Inc.	01/05/2023	Virtual Payment	0.00	700.67	APA001846
00154	Peninsula Messenger Service	01/05/2023	Virtual Payment	0.00	666.00	APA001847
00262	Pure H2O	01/05/2023	Virtual Payment	0.00	65.54	APA001848
23422	Simona Mossbacher	01/05/2023	Virtual Payment	0.00	67.53	APA001849
09425	The Ferguson Group LLC	01/05/2023	Virtual Payment	0.00	6,000.00	APA001850
17965	The Maynard Group	01/05/2023	Virtual Payment	0.00	1,538.20	APA001851
18737	U.S. Bank Equipment Finance	01/05/2023	Virtual Payment	0.00	871.81	APA001852
19701	Weston Solutions, Inc.	01/05/2023	Virtual Payment	0.00	843.90	APA001853
00253	AT&T	01/13/2023	Virtual Payment	0.00	1,083.06	APA001854
05370	California Secretary of State	01/13/2023	Virtual Payment	0.00	-1.50	APA001855
05370	California Secretary of State	01/13/2023	Virtual Payment	0.00	1.50	APA001855
00028	Colantuono, Highsmith, & Whatley, PC	01/13/2023	Virtual Payment	0.00	4,688.30	APA001856
00046	De Lay & Laredo	01/13/2023	Virtual Payment	0.00	66,700.10	APA001857
18734	DeVeera Inc.	01/13/2023	Virtual Payment	0.00	6,355.48	APA001858
13431	Lynx Technologies, Inc	01/13/2023	Virtual Payment	0.00	2,850.00	APA001859
00259	Marina Coast Water District	01/13/2023	Virtual Payment	0.00	1,785.94	APA001860
00242	MBAS	01/13/2023	Virtual Payment	0.00	507.00	APA001861
18325	Minuteman Press Monterey	01/13/2023	Virtual Payment	0.00	141.48	APA001862
16182	Monterey County Weekly	01/13/2023	Virtual Payment	0.00	1,369.00	APA001863
00274	Monterey One Water	01/13/2023	Virtual Payment	0.00	1,164,211.58	APA001864
00270	Monterey Sanitary Supply	01/13/2023	Virtual Payment	0.00	24.10	APA001865
05053	Pacific Smog	01/13/2023	Virtual Payment	0.00	125.25	APA001866
00755	Peninsula Welding Supply, Inc.	01/13/2023	Virtual Payment	0.00	64.50	APA001867
06746	POSTMASTER	01/13/2023	Virtual Payment	0.00	100.00	APA001868
04709	Sherron Forsgren	01/13/2023	Virtual Payment	0.00	472.32	APA001869
19700	Shute, Mihaly & Weinberger LLP	01/13/2023	Virtual Payment	0.00	30,836.56	APA001870
20185	The Marketing Department, Inc.	01/13/2023	Virtual Payment	0.00	2,054.00	APA001871
20230	Zoom Video Communications Inc	01/13/2023	Virtual Payment	0.00	448.69	APA001872
00010	Access Monterey Peninsula	01/19/2023	Virtual Payment	0.00	12,653.37	APA001873
00760	Andy Bell	01/19/2023	Virtual Payment	0.00	631.00	APA001874
04041	Cynthia Schmidlin	01/19/2023	Virtual Payment	0.00	967.69	APA001875
23766	Dan Manson	01/19/2023	Virtual Payment	0.00	270.00	APA001876
18734	DeVeera Inc.	01/19/2023	Virtual Payment	0.00	146,924.63	APA001877
03857	Joe Oliver	01/19/2023	Virtual Payment	0.00	1,371.96	APA001878
05371	June Silva	01/19/2023	Virtual Payment	0.00	644.40	APA001879
13396	Navia Benefit Solutions, Inc.	01/19/2023	Virtual Payment	0.00	777.91	APA001880
04353	Thomas Christensen	01/19/2023	Virtual Payment	0.00	139.00	APA001881
00271	UPEC, Local 792	01/19/2023	Virtual Payment	0.00	1,188.00	APA001882
00767	AFLAC	01/26/2023	Virtual Payment	0.00	869.48	APA001883
01188	Alhambra	01/26/2023	Virtual Payment	0.00	166.37	APA001884

## Check Report

Date Range: 01/01/2023 - 01/31/2023

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
12601	Carmel Valley Ace Hardware	01/26/2023	Virtual Payment	0.00	31.24	APA001885
00083	Clifton Larson Allen LLP	01/26/2023	Virtual Payment	0.00	14,700.00	APA001886
00046	De Lay & Laredo	01/26/2023	Virtual Payment	0.00	10,730.07	APA001887
22793	ETech Consulting, LLC	01/26/2023	Virtual Payment	0.00	3,280.00	APA001888
00192	Extra Space Storage	01/26/2023	Virtual Payment	0.00	1,184.00	APA001889
04717	Inder Osahan	01/26/2023	Virtual Payment	0.00	1,371.96	APA001890
23552	LoopUp, LLC	01/26/2023	Virtual Payment	0.00	14.47	APA001891
00222	M.J. Murphy	01/26/2023	Virtual Payment	0.00	47.39	APA001892
00259	Marina Coast Water District	01/26/2023	Virtual Payment	0.00	845.48	APA001893
00270	Monterey Sanitary Supply	01/26/2023	Virtual Payment	0.00	299.81	APA001894
22201	Montgomery & Associates	01/26/2023	Virtual Payment	0.00	2,277.00	APA001895
13396	Navia Benefit Solutions, Inc.	01/26/2023	Virtual Payment	0.00	777.91	APA001896
00036	Parham Living Trust	01/26/2023	Virtual Payment	0.00	1,700.00	APA001897
07627	Purchase Power	01/26/2023	Virtual Payment	0.00	500.00	APA001898
00176	Sentry Alarm Systems	01/26/2023	Virtual Payment	0.00	309.25	APA001899
09989	Star Sanitation Services	01/26/2023	Virtual Payment	0.00	115.11	APA001900
04719	Telit Io T Platforms, LLC	01/26/2023	Virtual Payment	0.00	307.03	APA001901
09425	The Ferguson Group LLC	01/26/2023	Virtual Payment	0.00	73.67	APA001902
00024	Three Amigos Pest Control DBA Central Coast Exte	01/26/2023	Virtual Payment	0.00	104.00	APA001903
00225	Trowbridge Enterprises Inc.	01/26/2023	Virtual Payment	0.00	95.75	APA001904
18737	U.S. Bank Equipment Finance	01/26/2023	Virtual Payment	0.00	871.81	APA001905
08105	Yolanda Munoz	01/26/2023	Virtual Payment	0.00	540.00	APA001906
<b>Total Virtual Payment:</b>				<b>0.00</b>	<b>1,870,730.69</b>	

Check Report

Date Range: 01/01/2023 - 01/31/2023

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
<b>Payment Type: Bank Draft</b>						
00758	FedEx	01/03/2023	Bank Draft	0.00	-61.18	DFT0002635
00266	I.R.S.	01/03/2023	Bank Draft	0.00	4.25	DFT0002677
00266	I.R.S.	01/03/2023	Bank Draft	0.00	62.64	DFT0002678
00266	I.R.S.	01/03/2023	Bank Draft	0.00	267.84	DFT0002679
00758	FedEx	01/03/2023	Bank Draft	0.00	61.18	DFT0002681
00252	Cal-Am Water	01/05/2023	Bank Draft	0.00	157.62	DFT0002682
00252	Cal-Am Water	01/05/2023	Bank Draft	0.00	79.25	DFT0002683
00758	FedEx	01/05/2023	Bank Draft	0.00	111.90	DFT0002684
17964	SWRCB	01/05/2023	Bank Draft	0.00	2,124.00	DFT0002685
17964	SWRCB	01/05/2023	Bank Draft	0.00	-2,124.00	DFT0002685
00766	Standard Insurance Company	01/05/2023	Bank Draft	0.00	1,538.39	DFT0002686
00266	I.R.S.	01/13/2023	Bank Draft	0.00	13,853.56	DFT0002691
00266	I.R.S.	01/13/2023	Bank Draft	0.00	2,971.66	DFT0002692
00267	Employment Development Dept.	01/13/2023	Bank Draft	0.00	5,494.07	DFT0002693
00266	I.R.S.	01/13/2023	Bank Draft	0.00	186.74	DFT0002694
00277	Home Depot Credit Services	01/13/2023	Bank Draft	0.00	759.87	DFT0002698
00277	Home Depot Credit Services	01/13/2023	Bank Draft	0.00	-759.87	DFT0002698
00282	PG&E	01/13/2023	Bank Draft	0.00	37.85	DFT0002699
00282	PG&E	01/13/2023	Bank Draft	0.00	25.24	DFT0002700
18163	Wex Bank	01/13/2023	Bank Draft	0.00	1,215.91	DFT0002701
00277	Home Depot Credit Services	01/13/2023	Bank Draft	0.00	734.61	DFT0002703
00769	Laborers Trust Fund of Northern CA	01/10/2023	Bank Draft	0.00	33,800.00	DFT0002704
00252	Cal-Am Water	01/19/2023	Bank Draft	0.00	176.44	DFT0002707
00266	I.R.S.	01/27/2023	Bank Draft	0.00	14,060.40	DFT0002708
00266	I.R.S.	01/27/2023	Bank Draft	0.00	3,025.04	DFT0002709
00267	Employment Development Dept.	01/27/2023	Bank Draft	0.00	5,541.86	DFT0002710
00266	I.R.S.	01/27/2023	Bank Draft	0.00	414.92	DFT0002711
00277	Home Depot Credit Services	01/26/2023	Bank Draft	0.00	136.66	DFT0002712
00221	Verizon Wireless	01/26/2023	Bank Draft	0.00	1,377.71	DFT0002713
18163	Wex Bank	01/26/2023	Bank Draft	0.00	231.02	DFT0002714
00282	PG&E	01/26/2023	Bank Draft	0.00	3,085.79	DFT0002715
00282	PG&E	01/26/2023	Bank Draft	0.00	2,218.24	DFT0002716
00282	PG&E	01/26/2023	Bank Draft	0.00	10,374.25	DFT0002717
00256	PERS Retirement	01/06/2023	Bank Draft	0.00	18,063.05	DFT0002720
00768	MissionSquare Retirement- 302617	01/13/2023	Bank Draft	0.00	5,313.09	DFT0002721
00768	MissionSquare Retirement- 302617	01/27/2023	Bank Draft	0.00	5,313.09	DFT0002722
00256	PERS Retirement	01/13/2023	Bank Draft	0.00	17,813.84	DFT0002763
17964	SWRCB	01/06/2023	Bank Draft	0.00	2,214.00	DFT0002766
<b>Total Bank Draft:</b>				<b>0.00</b>	<b>149,900.93</b>	

Payment Type	Bank Code APBNK		Summary	
	Payable Count	Payment Count	Discount	Payment
Regular Checks	9	9	0.00	629,654.52
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	54	38	0.00	149,900.93
EFT's	0	0	0.00	0.00
Virtual Payments	101	82	0.00	1,870,730.69
	<b>164</b>	<b>129</b>	<b>0.00</b>	<b>2,650,286.14</b>

### All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	9	9	0.00	629,654.52
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	54	38	0.00	149,900.93
EFT's	0	0	0.00	0.00
Virtual Payments	101	82	0.00	1,870,730.69
	<b>164</b>	<b>129</b>	<b>0.00</b>	<b>2,650,286.14</b>

### Fund Summary

Fund	Name	Period	Amount
99	POOL CASH FUND	1/2023	2,650,286.14
			<b>2,650,286.14</b>





**EXHIBIT 2-C**

**Payroll Bank Transaction Report**



Monterey Peninsula Water Management Dist

By Payment Number

Date: 1/1/2023 - 1/31/2023

Payroll Set: 01 - Monterey Peninsula Water Management District

Payment Number	Payment Date	Payment Type	Employee Number	Employee Name	Check Amount	Direct Deposit Amount	Total Payment
6989	01/03/2023	Regular	7015	Adams, Mary L	0.00	124.67	124.67
6990	01/03/2023	Regular	7020	Anderson, Amy E	0.00	374.02	374.02
6991	01/03/2023	Regular	7022	Eisenhart, Marc A	0.00	124.67	124.67
6992	01/03/2023	Regular	7019	Paull, Karen P	0.00	374.02	374.02
6993	01/03/2023	Regular	7018	Riley, George T	0.00	623.36	623.36
6994	01/13/2023	Regular	1077	Pablo, Joel G	0.00	2,301.64	2,301.64
6995	01/13/2023	Regular	1024	Stoldt, David J	0.00	6,436.97	6,436.97
6996	01/13/2023	Regular	1044	Bennett, Corryn D	0.00	2,508.96	2,508.96
6997	01/13/2023	Regular	1078	Mossbacher, Simona F	0.00	2,376.25	2,376.25
6998	01/13/2023	Regular	1018	Prasad, Suresh	0.00	3,923.27	3,923.27
6999	01/13/2023	Regular	1019	Reyes, Sara C	0.00	2,088.69	2,088.69
7000	01/13/2023	Regular	1083	Silvas Robles, Teresa	0.00	2,087.14	2,087.14
7001	01/13/2023	Regular	1081	Banker-Hix, William C	0.00	2,351.76	2,351.76
7002	01/13/2023	Regular	1042	Hamilton, Maureen C.	0.00	3,557.16	3,557.16
7003	01/13/2023	Regular	1011	Lear, Jonathan P	0.00	4,545.83	4,545.83
7004	01/13/2023	Regular	1012	Lindberg, Thomas L	0.00	2,886.45	2,886.45
7005	01/13/2023	Regular	1080	Steinmetz, Cory S	0.00	2,213.47	2,213.47
7006	01/13/2023	Regular	1045	Atkins, Daniel N	0.00	2,254.25	2,254.25
7007	01/13/2023	Regular	1004	Chaney, Beverly M	0.00	2,868.55	2,868.55
7008	01/13/2023	Regular	6062	Chaney, Ryan D	0.00	251.20	251.20
7009	01/13/2023	Regular	1005	Christensen, Thomas T	0.00	3,407.92	3,407.92
7010	01/13/2023	Regular	1007	Hamilton, Cory R	0.00	2,460.28	2,460.28
7011	01/13/2023	Regular	1085	Hettrick, Clyde Marlin	0.00	2,084.24	2,084.24
7012	01/13/2023	Regular	6078	Kneemeyer, Cinthia A	0.00	895.06	895.06
7013	01/13/2023	Regular	1048	Lumas, Eric M	0.00	2,189.32	2,189.32
7014	01/13/2023	Regular	6079	Lupian-Deltoro, Jose A	0.00	125.60	125.60
7015	01/13/2023	Regular	1001	Bravo, Gabriela D	0.00	2,791.28	2,791.28
7016	01/13/2023	Regular	1084	Ignacio, Fredrick M	0.00	1,652.57	1,652.57
7017	01/13/2023	Regular	1076	Jakic, Tricia	0.00	2,241.78	2,241.78
7018	01/13/2023	Regular	1010	Kister, Stephanie L	0.00	2,779.29	2,779.29
7019	01/13/2023	Regular	1017	Locke, Stephanie L	0.00	3,724.30	3,724.30
7020	01/13/2023	Regular	1082	Osborn, Carrie S	0.00	2,098.02	2,098.02
7021	01/13/2023	Regular	1040	Smith, Kyle	0.00	2,795.82	2,795.82
7022	01/27/2023	Regular	1077	Pablo, Joel G	0.00	2,301.64	2,301.64
7023	01/27/2023	Regular	1024	Stoldt, David J	0.00	6,436.97	6,436.97
7024	01/27/2023	Regular	1044	Bennett, Corryn D	0.00	2,608.96	2,608.96
7025	01/27/2023	Regular	1078	Mossbacher, Simona F	0.00	2,376.24	2,376.24
7026	01/27/2023	Regular	1018	Prasad, Suresh	0.00	3,923.27	3,923.27
7027	01/27/2023	Regular	1019	Reyes, Sara C	0.00	2,088.68	2,088.68
7028	01/27/2023	Regular	1083	Silvas Robles, Teresa	0.00	2,087.14	2,087.14
7029	01/27/2023	Regular	1081	Banker-Hix, William C	0.00	2,351.76	2,351.76
7030	01/27/2023	Regular	1042	Hamilton, Maureen C.	0.00	3,557.17	3,557.17
7031	01/27/2023	Regular	6063	Hampson, Larry M	0.00	2,408.87	2,408.87
7032	01/27/2023	Regular	1011	Lear, Jonathan P	0.00	4,545.83	4,545.83
7033	01/27/2023	Regular	1012	Lindberg, Thomas L	0.00	2,886.45	2,886.45
7034	01/27/2023	Regular	1080	Steinmetz, Cory S	0.00	2,213.47	2,213.47
7035	01/27/2023	Regular	1045	Atkins, Daniel N	0.00	2,254.25	2,254.25
7036	01/27/2023	Regular	1004	Chaney, Beverly M	0.00	2,868.55	2,868.55
7037	01/27/2023	Regular	1005	Christensen, Thomas T	0.00	3,407.92	3,407.92
7038	01/27/2023	Regular	1007	Hamilton, Cory R	0.00	2,460.29	2,460.29
7039	01/27/2023	Regular	1085	Hettrick, Clyde Marlin	0.00	2,084.24	2,084.24
7040	01/27/2023	Regular	6078	Kneemeyer, Cinthia A	0.00	207.79	207.79
7041	01/27/2023	Regular	1048	Lumas, Eric M	0.00	2,189.32	2,189.32
7042	01/27/2023	Regular	1001	Bravo, Gabriela D	0.00	2,791.29	2,791.29
7043	01/27/2023	Regular	1084	Ignacio, Fredrick M	0.00	1,652.57	1,652.57
7044	01/27/2023	Regular	1076	Jakic, Tricia	0.00	2,241.78	2,241.78
7045	01/27/2023	Regular	1010	Kister, Stephanie L	0.00	2,779.29	2,779.29

Payment Number	Payment Date	Payment Type	Employee Number	Employee Name	Check Amount	Direct Deposit Amount	Total Payment
7046	01/27/2023	Regular	1017	Locke, Stephanie L	0.00	3,724.31	3,724.31
7047	01/27/2023	Regular	1082	Osborn, Carrie S	0.00	2,098.03	2,098.03
7048	01/27/2023	Regular	1040	Smith, Kyle	0.00	2,795.83	2,795.83
40754	01/03/2023	Regular	7009	Edwards, Alvin	369.77	0.00	369.77
<b>Total:</b>					<b>369.77</b>	<b>146,859.72</b>	<b>147,229.49</b>



**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
 FOR THE MONTH JANUARY 31, 2023

	<u>Mitigation</u>	<u>Conservation</u>	<u>Water Supply</u>	<u>Current Period Activity</u>	<u>Current FY Year-to-Date Actual</u>	<u>Current FY Annual Budget</u>	<u>Prior FY Year-to-Date Actual</u>
<b>REVENUES</b>							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,429,959	\$ 2,500,000	\$ 1,297,364
Water supply charge			-	-	2,022,764	3,400,000	2,031,182
User fees	261,283	101,964	61,179	424,426	3,401,962	5,500,000	2,268,622
Mitigation revenue	-			-	-	-	-
PWM Water Sales			1,475,446	1,475,446	8,312,194	12,201,000	5,505,087
Capacity fees			20,366	20,366	220,824	500,000	327,988
Permit fees	-	13,748		13,748	121,264	198,000	141,010
Investment income	15,041	15,154	23,794	53,989	115,544	80,000	10,064
Miscellaneous	-	-	-	-	14,083	15,000	19,120
<b>Sub-total district revenues</b>	<b>276,325</b>	<b>130,865</b>	<b>1,580,786</b>	<b>1,987,976</b>	<b>15,638,593</b>	<b>24,394,000</b>	<b>11,600,438</b>
Project reimbursements	-	24,225	-	24,225	277,476	2,775,200	1,137,317
Legal fee reimbursements		300		300	2,850	16,000	2,100
Grants	290,757	-	-	290,757	333,785	3,470,200	353,735
Recording fees		440		440	20,570	20,000	32,340
<b>Sub-total reimbursements</b>	<b>290,757</b>	<b>24,965</b>	<b>-</b>	<b>315,722</b>	<b>634,682</b>	<b>6,281,400</b>	<b>1,525,492</b>
From Reserves	-	-	-	-	-	2,020,000	-
<b>Total revenues</b>	<b>567,082</b>	<b>155,831</b>	<b>1,580,786</b>	<b>2,303,698</b>	<b>16,273,275</b>	<b>32,695,400</b>	<b>13,125,930</b>
<b>EXPENDITURES</b>							
<b>Personnel:</b>							
Salaries	74,714	51,521	90,124	216,359	1,544,131	2,920,500	1,503,394
Retirement	6,691	4,642	8,395	19,728	664,532	791,900	591,982
Unemployment Compensation	-	-	-	-	-	10,000	450
Auto Allowance	92	92	277	462	3,369	6,000	3,392
Deferred Compensation	161	161	482	803	5,622	10,500	5,564
Temporary Personnel	-	-	-	-	6,264	10,000	20,028
Workers Comp. Ins.	3,121	284	2,372	5,777	41,706	57,100	41,880
Employee Insurance	16,240	12,317	16,386	44,943	298,084	589,000	266,551
Medicare & FICA Taxes	1,347	796	1,331	3,475	25,907	50,500	26,376
Personnel Recruitment	-	-	-	-	513	8,000	743
Other benefits	265	233	280	778	1,378	2,000	1,378
Staff Development	-	-	-	-	6,450	32,800	1,700
<b>Sub-total personnel costs</b>	<b>102,631</b>	<b>70,047</b>	<b>119,647</b>	<b>292,324</b>	<b>2,597,956</b>	<b>4,488,300</b>	<b>2,463,438</b>
<b>Services &amp; Supplies:</b>							
Board Member Comp	757	757	780	2,295	17,010	37,000	17,685
Board Expenses	106	69	90	266	2,964	9,000	2,435
Rent	828	355	851	2,034	13,896	24,200	14,676
Utilities	999	881	1,057	2,937	20,145	33,200	17,946
Telephone	1,637	1,109	1,029	3,776	27,873	47,000	25,653
Facility Maintenance	772	681	817	2,271	19,855	55,000	22,124
Bank Charges	393	347	416	1,155	10,272	25,000	20,611
Office Supplies	291	1,472	230	1,993	19,592	24,200	6,019
Courier Expense	123	108	130	361	4,702	7,600	3,953
Postage & Shipping	204	180	216	600	2,588	7,900	1,855
Equipment Lease	357	227	288	872	6,922	18,000	6,923
Equip. Repairs & Maintenance	-	-	-	-	1,170	5,000	906
Photocopy Expense							
Printing/Duplicating/Binding	1	0	1	2	2	600	-
IT Supplies/Services	4,660	4,111	4,934	13,704	220,389	250,000	187,692
Operating Supplies	331	-	-	331	3,306	21,200	14,831
Legal Services	7,132	7,091	30,822	45,045	173,244	400,000	181,423



**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**FOR THE MONTH JANUARY 31, 2023**

	<u>Mitigation</u>	<u>Conservation</u>	<u>Water Supply</u>	<u>Current Period Activity</u>	<u>Current FY Year-to-Date Actual</u>	<u>Current FY Annual Budget</u>	<u>Prior FY Year-to-Date Actual</u>
Professional Fees	15,250	13,456	16,147	44,853	176,921	460,000	207,567
Transportation	1,174	105	203	1,482	15,928	31,000	19,828
Travel	238	-	-	238	17,862	18,000	3,456
Meeting Expenses	450	397	477	1,324	8,544	21,200	9,858
Insurance	5,777	3,755	4,911	14,443	101,152	160,000	79,032
Legal Notices	-	-	-	-	-	3,200	-
Membership Dues	261	120	144	525	30,953	42,200	30,744
Public Outreach	-	-	-	-	110	3,000	1,115
Assessors Administration Fee	-	-	-	-	-	34,000	-
Miscellaneous	-	-	-	-	393	3,200	387
<b>Sub-total services &amp; supplies costs</b>	<b>41,741</b>	<b>35,222</b>	<b>63,544</b>	<b>140,507</b>	<b>895,791</b>	<b>1,740,700</b>	<b>876,719</b>
Project expenditures	382,117	26,318	1,562,652	1,971,087	10,047,358	24,095,500	8,916,923
Fixed assets	62,356	54,306	65,382	182,045	240,519	450,000	94,011
Contingencies	-	-	-	-	-	70,000	-
Election costs	-	-	-	-	-	250,000	-
Debt service: Principal	-	-	-	-	-	-	-
Debt service: Interest	-	-	-	-	49,009	230,000	52,385
Flood drought reserve	-	-	-	-	-	-	-
Capital equipment reserve	-	-	-	-	-	408,500	-
General fund balance	-	-	-	-	270	262,400	-
Debt Reserve	-	-	-	-	-	500,000	-
Pension reserve	-	-	-	-	-	100,000	-
OPEB reserve	-	-	-	-	-	100,000	-
Other	-	-	-	-	-	-	-
<b>Sub-total other</b>	<b>444,473</b>	<b>80,624</b>	<b>1,628,035</b>	<b>2,153,132</b>	<b>10,337,156</b>	<b>26,466,400</b>	<b>9,063,319</b>
<b>Total expenditures</b>	<b>588,845</b>	<b>185,893</b>	<b>1,811,225</b>	<b>2,585,963</b>	<b>13,830,903</b>	<b>32,695,400</b>	<b>12,403,476</b>
<b>Excess (Deficiency) of revenues over expenditures</b>	<b>\$ (21,763)</b>	<b>\$ (30,063)</b>	<b>\$ (230,440)</b>	<b>\$ (282,265)</b>	<b>\$ 2,442,372</b>	<b>\$ -</b>	<b>\$ 722,454</b>

**ITEM: CONSENT CALENDAR****3. CONSIDER APPROVING A MEMORANDUM OF AGREEMENT TO SHARE IN THE COST OF INSTALLING A GROUNDWATER MONITORING WELL (FORT ORD 09 – SHALLOW)**

<b>Meeting Date:</b>	<b>March 20, 2023</b>	<b>Budgeted:</b>	<b>No</b>
<b>From:</b>	<b>David J. Stoldt General Manager</b>	<b>Program/ Line Item No.:</b>	<b>N/A</b>
<b>Prepared By:</b>	<b>David J. Stoldt</b>	<b>Cost Estimate:</b>	<b>\$46,500</b>

**General Counsel Approval: N/A****Committee Recommendation: The Water Supply Planning Committee reviewed this item on March 6, 2023 and recommended approval.****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

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**SUMMARY:** A proposed final cost sharing agreement with Marina Coast Water District and Seaside Basin Watermaster was reviewed by the Water Supply Planning Committee at its March 6, 2023 meeting. The committee unanimously recommended approval of the Memorandum of Agreement to share in the cost of installing a groundwater monitoring well (Fort Ord 09- Shallow) and to be considered by the Board at its March 2023 meeting. **Exhibit 3-A** is the proposed final agreement.

The estimated cost to the District is \$42,269.55, an amount that has not been budgeted, but will be added to the mid-year budget adjustments and reflected in the draft Fiscal Year 2023-24 Budget.

**RECOMMENDATION:** Staff recommends that the Board approve the Memorandum of Agreement and authorize up to \$46,500 inclusive of a 10% contingency.

**EXHIBIT****3-A Proposed Cost Sharing Agreement for Replacement Well FO-09 Shallow**



## MEMORANDUM OF AGREEMENT

### BETWEEN THE SEASIDE BASIN WATERMASTER THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT AND THE MARINA COAST WATER DISTRICT

### TO SHARE IN THE COSTS OF INSTALLING A GROUNDWATER MONITORING WELL

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2023, by and between the SEASIDE BASIN WATERMASTER, hereinafter referred to as the “WATERMASTER”, and the MONTEREY PENINSULA WATER MANAGEMENT DISTRICT, hereinafter referred to as the “DISTRICT”, and the MARINA COAST WATER DISTRICT, hereinafter referred to as “MARINA COAST,” as follows.

In this Agreement the terms “Party” and “Parties” refer to the WATERMASTER, the DISTRICT, and/or MARINA COAST, either individually or collectively.

#### **RECITALS:**

- A. Under Case No. M66343, California Superior Court, Monterey County, on March 27, 2006 by entry of Judgment (“Judgment”) the WATERMASTER was created. The purpose of the WATERMASTER is to assist the Court in the administration and enforcement of the provisions of the Judgment.
- B. As part of carrying out its duties and responsibilities under the Judgment, the WATERMASTER carries out a Monitoring and Management Program (M&MP). Under the M&MP groundwater level and groundwater quality data is collected from a network of monitoring and production wells.
- C. One of the monitoring wells, FO-9 Shallow, developed a casing leak and had to be destroyed. The Parties wish to install a new monitoring well to replace FO-9 Shallow.
- D. The Parties wish to enter into this Agreement to share in the cost of installing the replacement well.

#### **Terms and Conditions**

In consideration of the mutual promises contained herein, the WATERMASTER, the DISTRICT, and MARINA COAST hereby agree to the following terms and conditions:

- A. Work to be performed.** The WATERMASTER will have its consultant, Montgomery & Associates, design and install the replacement monitoring well. The Scope of Work and the estimated costs to perform this work are described in Attachment 1 to this Agreement. The staff of each of the Parties to this Agreement will be invited to attend any key meetings and/or conference calls that are held between the WATERMASTER and its consultant as the work is being performed, in order to enable each of the Parties to stay abreast of the work, raise pertinent questions in a timely manner, and provide input as appropriate.

The Parties hereto understand, as stated in Attachment 1, that it is difficult for Montgomery & Associates to accurately estimate the costs to perform the work and that the costs listed in the table in Exhibit C in Attachment 1 are Montgomery & Associates' best estimates. In the event it is determined, during the course of the work, that the cost to complete the work will be greater than the total cost listed in that table, the Parties agree to meet and confer to reach agreement on a revised cost that will be shared as described in paragraph B, so that the work can be completed. Agreement on said revised cost shall not be binding on any Party unless and until that Party formalizes its agreement to the revised cost in writing to each of the other Parties.

- B. Costs of installing the replacement well to be shared.** The costs to be shared are the Total Costs shown in the bottom row of the table in Exhibit C of Attachment 1. These costs will be shared in the following percentages:

WATERMASTER share = 42.5% (estimated to be \$119,763.73)

DISTRICT share = 15% (estimated to be \$42,269.55)

MARINA COAST share = 42.5% (estimated to be \$119,763.72)

(In the event a revised cost is agreed to, as described in paragraph A, these dollar figures will change in accordance with paragraph A).

- C. Documents to be provided.** Once the Draft Technical Specifications are prepared under Task 2 as described in Attachment 1, the WATERMASTER will provide the DISTRICT and MARINA COAST each with one copy of the Draft Technical Specifications for their review and comment. After receipt of those comments, and any comments the WATERMASTER provides, the Final Technical Specifications will be prepared incorporating any appropriate revisions to address those comments. The DISTRICT and MARINA COAST will each be provided one copy of the Final Technical Specifications that will be used for the installation of the replacement well, and will also be provided one copy of the Well Installation Report referred to in Task 3 of Attachment 1, following completion of installation of the replacement well.
- D. Payment of costs and reimbursement to the WATERMASTER.** The WATERMASTER will make progress payments to Montgomery & Associates as it satisfactorily performs the work described in Attachment 1. After the satisfactory completion of the work, the WATERMASTER will provide to the DISTRICT and to MARINA COAST, copies of the payments it made to Montgomery & Associates. Within 30 days of receiving those documents, the DISTRICT and MARINA COAST will reimburse the WATERMASTER for their percentage shares of those costs, subject to the limits set forth in sections A and B..



- E. Term of Agreement.** The term of this Agreement shall commence on the date of its execution, and shall continue in effect until the WATERMASTER has been reimbursed as described in paragraph D, , except that paragraphs F, G, H, and I shall continue in effect until the replacement well is destroyed..
- F. Hold Harmless.** Under this Agreement each of the Parties does hereby agree to indemnify, defend, and hold each of other the Parties and their Board members, officers, employees, agents, and representatives harmless from and against any and all liability, claims, suits, actions, damages, and causes of action of any kind arising out of the performance of the work described in this Agreement.
- Notwithstanding any input from DISTRICT and/or MARINA COAST, the WATERMASTER shall have sole responsibility for the design, installation, operation, monitoring, repair, and any future replacement of the replacement monitoring well.
- G. Venue.** In the event that suit shall be brought by any Party to this Agreement, the Parties agree that venue shall be exclusively vested in the state courts of the County of Monterey, or, if brought in federal court, in the United States District Court handling matters arising in Monterey County. Further, the prevailing Party shall be entitled to reasonable attorney fees and costs.
- H. Sharing of Well Data; Operational Changes.** The WATERMASTER agrees to provide the other Parties with all monitoring data and other output information from the well and in a timely manner and to consult with the other Parties on any operational and other changes proposed to be made to the well.
- I. Notices.** Written notice shall be deemed to have been duly served if delivered in person or by mail to the individuals and at the addresses listed below:

A. WATERMASTER:            Technical Program Manager  
    Seaside Basin Watermaster  
    P.O. Box 51502  
    Pacific Grove, CA 93950

B. DISTRICT:                    General Manager  
    Monterey Peninsula Water Management District  
    5 Harris Court, Building G  
    Monterey, CA 93940

B. MARINA COAST:            General Manager  
    Marina Coast Water District  
    11 Reservation Road  
    Marina, CA 93933

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the dates shown below.

**WATERMASTER**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
(Name) Chair, Board of Directors

**DISTRICT**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
David Stoldt, General Manager

**MARINA COAST**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Remleh Scherzinger, General Manager

# **ATTACHMENT 1**

## **Scope of Work and Cost** **to** **Design and Install the Replacement Monitoring Well**

### Notes:

1. The Scope of Work in Exhibit A was taken from Montgomery & Associates' Proposal Letter Dated August 3, 2022
2. The well driller's cost quote dated 02/01/2023 is in Exhibit B.
3. The table showing the total estimated costs is in Exhibit C.

**EXHIBIT A**

August 3, 2022

Mr. Bob Jaques  
Seaside Watermaster Technical Program Manager  
83 Via Encanto  
Monterey, CA 93940

**SUBJECT: SCOPE AND FEE FOR REPLACEMENT MONITORING WELL FO-9 SHALLOW**

Dear Mr. Jaques,

Montgomery & Associates (M&A) is pleased to submit this scope, fee, and schedule proposal to the Seaside Groundwater Basin Watermaster (Watermaster) to provide hydrogeological support and construction management services for a replacement monitoring well for FO-9 shallow. The current FO-9 shallow monitoring well is constructed of 2-inch diameter PVC well casing with a screen intake from 610 to 650-feet below ground surface. This proposal assumes a borehole depth of 660-feet below ground surface (bgs), total well depth of 650-feet bgs, and proposes 2.5-inch Schedule 80 PVC well casing and screen. The deeper depth assumed is because the replacement well may not be located at the location of the original FO-9 shallow monitoring well. The actual location of the well will be determined during Task 2. Schedule 80 PVC is proposed to increase the lifespan of the replacement well.

M&A currently anticipates retaining the support of Maggiora Brothers Drilling (Maggiora) of Watsonville, CA, for well installation and development services. The drilling contractor is subject to change based on project requirements and with prior approval from Watermaster. Martin Feeney will additionally be retained to provide hydrogeological review and monitoring well design recommendations based on his history with Watermaster, as requested.

**SCOPE OF WORK**

The scope of work includes technical specifications, bidding and contract support, construction management, and reporting. M&A proposes the following tasks to complete the project:

- Task 1 – Project Management
- Task 2 – Technical Specifications
- Task 3 – Construction Management
- Task 4 – Reporting

These tasks are described individually below.

*Estimated Drilling Costs*

Estimated costs for the construction and development of monitoring well FO-9 shallow are included for budgetary purposes. These costs will be revised based on the selection of the well site and the final details of the technical specifications under Task 2. Costs included herein represent good-faith estimates based on current project understanding and/or assumptions, but may be revised to account for adjustments based on site conditions, well construction details and/or logistics, project duration, changes in labor or material rates, and other such factors. The technical specifications prepared under Task 2 will include a detailed bid schedule and timeline which will be used to refine M&A and Maggiora cost estimates. M&A will

provide revised costs for Task 3 and negotiate any required contract changes prior to beginning well construction activities.

**Task 1: Project Management**

M&A will provide administrative and budgetary management duties throughout the duration of the project; including but not limited to coordination with Watermaster, attendance at project meetings, assistance with site selection, permitting and providing information needed for Watermaster to obtain approvals from the landowner, budget management, and schedule management.

This task assumes a contract completion date of December 31, 2023. Progress reports will be included with invoice submittals.

**Task 2: Technical Specifications**

M&A will prepare technical specifications for the FO-9 shallow monitoring well to describe well design features, construction logistics, and installation and development procedures. Technical specifications will be used to gain agreement on the well design, construction logistics, and construction approach. Key components of the well design include borehole drilling, borehole geophysics, well installation, well development, and surface completion.

Task 2 includes preparation of draft technical specifications, one round of comments from Watermaster on the draft, and finalization. Draft and final technical specifications will be transmitted electronically. This task includes costs for one visit to the proposed well site with Watermaster and Maggiora to assess access and other site logistics.

M&A will assist the Watermaster with site selection for the well, including assistance in providing the information needed for Watermaster to obtain any necessary permits and approvals from the landowner. Watermaster is ultimately responsible for obtaining necessary permits.

**Task 3: Construction Management**

M&A will retain Maggiora to complete well installation and development, and will provide construction management during these activities. M&A will observe and document construction activities, including development of a lithologic log and determination of the final well design based on observations during drilling.

**ASSUMPTIONS**

- M&A can reasonably rely on the accuracy, timeliness, and completeness of information provided by Watermaster.
- M&A is responsible for tracking, cataloging, and approving submittals. M&A will provide Watermaster copies of all approved contractor submittals.
- Fieldwork will generally be conducted during 12-hour workdays on a standard 5-day workweek.
- Equipment rentals and fieldwork consumable purchases may be required. These may include but are not limited to field notebooks, chip trays and other miscellaneous project supplies. Costs for these items are included herein.
- M&A will assist the Watermaster in coordinating property access with the property owner.



- Prior to the start of drilling activities, M&A will coordinate and oversee subsurface utility locating by a Subtronic Corporation or equally qualified subsurface utility locating company. M&A is specifically not responsible for damages to buried utilities not identified by the property owner, Watermaster, Underground Service Alert of Northern California or the private utility locator.
- M&A and Maggiora will pay for and secure the Monterey County well permit.
- Costs for wellhead surveying (latitude, longitude, and elevation), groundwater sampling and well equipping (datalogger, sample pump, etc.) are not included in this proposal. Costs for these services can be provided upon request.

Construction management costs provided herein are estimated based on anticipated durations for each activity. The following durations are assumed for cost estimating purposes, for a total of approximately 24 field days:

- Utility clearance – 1 day
- Mobilization – 2 days
- Borehole drilling – 13 days
- Well installation – 3 days
- Well development – 3 days
- Well completion and demobilization – 2 days

Actual durations are subject to site conditions, drilling progress, weather and other factors not controlled by M&A. As such, actual costs are subject to increase or decrease based on actual durations. Field oversight costs are based on the Scientist 2 hourly rate, but efforts will be made to use the most cost-efficient, responsible staff level where feasible.

#### **Task 4: Reporting**

M&A will prepare a Well Installation Report following completion of site activities. The report will include a description of the work completed, description of the methods and procedures used, results and discussion of drilling and testing activities, conclusions and relevant appendices. A draft well installation report will be prepared in Microsoft Word format for Watermaster comment. Final submittal of this report will include one hardcopy and one PDF copy. The hardcopy report will additionally include long-form print outs of downhole logging (geophysical, caliper, alignment, spinner), a copy of the complete video survey in MP4 format (provided on DVD or flash drive), and one set of drill cutting chip trays.

Maggiora will file the Well Installation Report with the appropriate agency(s) including Monterey County Department of Health.

#### **SCHEDULE**

M&A assumes Task 2 will be completed by the end of calendar year 2022, provided the contract is executed by mid-October 2022 and that site selection is also completed during this time period. Well construction would occur in 2023 according to driller availability. The Well Installation Report will be completed within approximately 45 days following the completion of field activities.

# EXHIBIT B

## MAGGIORA BROS. DRILLING, INC.

**DRILLING CONTRACTORS - PUMP SALES & SERVICE**  
CALIFORNIA CONTRACTOR'S LICENSE NO. 249957

Corporate Office  
595 Airport Blvd.  
Watsonville, CA 95076

Tel: (831) 724-1338  
Tel: (800) 728-1480  
Fax: (831) 724-3228

Contractor Bid - 02/01/2023  
**Montgomery & Associates**  
**1970 Broadway, Suite 225**  
**Oakland, Ca 94612**  
**Attn. Bill DeBoer P.G., C.Hg.**

Re: Construction of 2.5" Dia. x 655', PVC cased, monitoring well in Seaside, Ca.

The following is Maggiora Bros. Drilling, Inc. proposal:

1 Mobilization, includes permits	LS	1	\$10,000.00	\$10,000.00
2 Drill 10.75" bore hole	LF	670	\$92.00	\$61,640.00
3 E-log	EA	1	\$4,500.00	\$4,500.00
4 Caliper Log	EA	1	\$3,500.00	\$3,500.00
5 2.5" Sch 80, FT, Blank Casing F&I	LF	615	\$25.00	\$15,375.00
6 2.5", Sch80, FT, .030" screen F&I	LF	40	\$35.00	\$1,400.00
7 F & I Gravel Pack	LF	75	\$56.00	\$4,200.00
8 F & I sanitary seal	LF	595	\$55.00	\$32,725.00
9 Well Development - Airlift	HR	8	\$550.00	\$4,400.00
10 Video well	EA	1	\$3,500.00	\$3,500.00
11 Disposal of fluids & cuttings	LS	1	\$12,000.00	\$12,000.00
12 Install flush box and 4' x 4' pad	EA	1	\$1,950.00	\$1,950.00
13 Standby time	HR	0	\$550.00	\$0.00

**Price: includes labor, equipment, material, taxes, & freight: \$155,190.00**  
**Adder, if needed: 12", .250 wall x 60', MS Conductor: \$12,480.00**

1. Customer is to provide access to site and to mark location of well.
2. Drilling Contractor will USA for drilling. We recommend that the customer have a private locator verify utilities at well location if needed.
3. Customer to provide a source of water for drilling at site and provide a level site for the well drilling equipment.
4. Cuttings and drill fluids to remain on site and are the responsibility of the Customer, unless other provisions have been made.
5. Temp fencing, sound-walls, traffic control, or other BMP's are not included. These can be provided at an additional cost.
6. Drilling Contractor will provide a drilling permit from the County. All other permits are excluded.
7. Test hole destruction, if required, will be \$75/ft. If drilling slows to < 8' in two hours, drilling converts to hourly at \$550.00

# MAGGIORA BROS. DRILLING, INC.

DRILLING CONTRACTORS - PUMP SALES & SERVICE  
CALIFORNIA CONTRACTOR'S LICENSE NO. 249957

Page 2

8. Bonding is not included in this proposal, but can be provided on a cost/plus basis.
9. Maggiora Bros. Drilling, Inc. current backlog is such that we may not be able to start the project for 4 to 5 months.
10. Proposal is valid for 30 days.
11. Due to the volatility of material & fuel costs in the current market, Maggiora Bros. Drilling, Inc. reserves the right to adjust pricing based on the actual cost of materials at the time of order.

Maggiora Bros. Drilling, Inc is a Union company; Operating Engineers, Local #3, as well as, a Certified Small Business. (34073)

If you have any questions, feel free to contact us!

Sincerely,

*Michael F. Maggiora*



## EXHIBIT C

	\$/hr	Bill DeBoer	Field/Staff Hydrogeologi	Editing	Labor Costs	Expenses	Subcontractors			M&A	TOTAL
		Scientist 6	Scientist 2	Technical Editor			Martin Feeney	Maggiora Bros.	Subtronic Locating	10% Markup	
<b>1 Project Management</b>		\$228	\$138	\$80							
Progress tracking, coordination, meeting and		32	-	-	\$ 7,296	\$ -	-	-	-	-	\$ 7,296
<b>Task 1 Subtotals</b>		<b>32</b>	<b>0</b>	<b>0</b>	<b>\$ 7,296</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,296</b>
<b>2 Technical Specifications</b>											
Site Visit		14	10	-	\$ 4,572	\$ 300	-	-	-	\$ 300	\$ 4,902
Draft Technical Specifications		18	32	4	\$ 8,840	\$ -	\$ 1,000	-	-	\$ 1,000	\$ 9,940
Final Technical Specifications		-	-	-	\$ -	\$ -	\$ 500	-	-	\$ 500	\$ 550
Construction Management cost revisions		4	-	-	\$ 912	\$ -	-	-	-	\$ -	\$ 912
<b>Task 2 Subtotals</b>		<b>36</b>	<b>42</b>	<b>4</b>	<b>\$ 14,324</b>	<b>\$ 300</b>	<b>\$ 1,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 180</b>	<b>\$ 16,304</b>
<b>3 Construction Management</b>											
Subsurface Utility Locating		2	10	-	\$ 1,836	\$ 200	-	-	\$ 1,600	\$ 180	\$ 3,816
Mobilization, Drilling, Well Installation*		12	216	-	\$ 32,544	\$ 4,500	\$ 500	\$ 145,820	-	\$ 15,082	\$ 198,444
Well Development		2	36	-	\$ 5,424	\$ 750	-	\$ 7,900	-	\$ 865	\$ 14,933
Wellhead Completion, Demobilization, Waste		2	24	-	\$ 3,768	\$ 500	-	\$ 13,950	-	\$ 1,445	\$ 19,663
<b>SUBTOTAL COST</b>					<b>\$ 43,572</b>	<b>\$ 5,950</b>	<b>\$ 500</b>	<b>\$ 167,670</b>	<b>\$ 1,600</b>	<b>\$ 17,572</b>	<b>\$ 236,864</b>
Contingency (5%) **					\$ 2,179	\$ 298	\$ 25	\$ 8,384	\$ 80	\$ 879	\$ 11,844
<b>Task 3 Subtotals</b>		<b>18</b>	<b>286</b>	<b>0</b>	<b>\$ 45,751</b>	<b>\$ 6,248</b>	<b>\$ 525</b>	<b>\$ 176,054</b>	<b>\$ 1,680</b>	<b>\$ 18,451</b>	<b>\$ 248,707</b>
<b>4 Reporting</b>											
Draft Well Installation Report		16	24	2	\$ 7,120	\$ -	\$ 500	-	-	\$ 500	\$ 7,670
Final Well Installation Report		4	6	1	\$ 1,820	\$ -	-	-	-	\$ -	\$ 1,820
<b>Task 4 Subtotals</b>		<b>20</b>	<b>30</b>	<b>3</b>	<b>\$ 8,940</b>	<b>\$ -</b>	<b>\$ 500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 500</b>	<b>\$ 9,490</b>
<b>TOTAL HOURS</b>		<b>106</b>	<b>358</b>	<b>7</b>							
<b>TOTAL COST</b>		<b>\$24,168</b>	<b>\$49,404</b>	<b>\$560</b>	<b>\$76,311</b>	<b>\$6,548</b>	<b>\$2,525</b>	<b>\$176,054</b>	<b>\$1,680</b>	<b>\$18,681</b>	<b>\$281,797</b>
* Includes addition of 12" conductor, if needed.											
** To provide for uncertainties in field conditions and cost changes mentioned in well driller's quote Footnote 11.											



**ITEM: GENERAL MANAGER'S REPORT****6. DISCUSSION ON PURE WATER MONTEREY LEGAL EXPENSES****Meeting Date: March 20, 2023** **Budgeted: N/A****From: David J. Stoldt** **Program/**  
**General Manager** **Line Item No.: N/A****Prepared By: David J. Stoldt** **Cost Estimate: N/A****General Counsel Approval: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

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**SUMMARY:** On December 1, 2021 the District signed Amendment 6 to the Pure Water Monterey (PWM) Cost Sharing Agreement for pre-construction costs related to the PWM Expansion project. At that time the District Board authorized \$1.2 million of expenditures. The District's FY 2021-22 mid-year budget carried PWM Expansion costs of \$850,000 and the FY 2022-23 budget included \$1,000,000 for a total of \$1.85 million budgeted. However, to date only \$729,594 has been expended by the District.

The budget for PWM Expansion, as of March 2022, was \$1.5 million as shown below:

<b>Work Description</b>	<b>Entity</b>	<b>Budget</b>
IW Phase 4 Deep Injection Wells Exploratory Borings <sup>1</sup>	Specialty Construction Inc.	\$301,500
DIW-6 Engineering Design <sup>1</sup>	Kennedy Jenks/Todd Groundwater	\$52,960
DIW-6 CEQA Addendum to SEIR <sup>1</sup>	M1W staff/DD&A	\$29,500
PWM and Water Purchase Agreement Legal Support	Perkins Coie	\$226,000
Expanded PWM Feasibility Study (for USBR grant)	Carollo Engineers	\$85,000
Engineering Design of IW Phase 4 Trenchless Pipeline	Kennedy Jenks/Bennett/Pacific Crest	\$217,268
PM, SCADA Integration & Fiscal Asset Management Plan	GHD	\$347,194
Compliance, Permits & Environmental Documentation	Larry Walker Associates/Others	\$97,125
Injection Well Facilities Property Appraisal	Stephen Brown	\$12,500
Procurement Documents & Construction Legal Support	Best Best & Krieger	\$50,000
Staff Implementation Activities	M1W Staff	\$80,000
	<b>FY 21/22 Encumbrances Total</b>	<b>\$1,499,047</b>

Since that time, in August 2022 the Monterey One Water (M1W) board authorized an increase in the budget for the Perkins Coie law firm of \$285,000 due to the increased costs related to the California Public Utilities Commission (CPUC) proceeding regarding the PWM Expansion Amended and Restated Water Purchase Agreement. In September 2022 M1W authorized an additional \$115,000 to Best Best and Krieger for legal expenses related to procurement for PWM Expansion. Finally, in January 2023 M1W authorized another \$119,900 to Perkins Coie for expected work related to the CPUC proceedings and \$64,975 to Larry Walker Associates for regulatory related services.

The total revised budget to date is therefore \$2,083,922.

Under Amendment 6 to the Cost Sharing Agreement, the District will be responsible for 75% or \$1,562,941.

At its March 20, 2023 meeting, the Board will be asked to increase the authorized expenditures under Amendment 6 of the Cost Sharing Agreement to \$1.8 million to cover increases known to date and potential future requirements.

Specifically as it pertains to legal expenses on PWM Expansion, the following best explains budget and expenditures to date by the District:

Law Firm	Budget	Expended	Remaining
Perkins Coie	\$630,900	\$206,828	\$424,072
Best Best & Krieger	\$165,000	\$6,828	\$158,172
TOTAL	795,900	\$213,656	\$582,244

During the Board meeting the General Manager will discuss these expenditures with the Board.

#### **EXHIBIT**

None









Monterey Peninsula  
Water Management District  
**2022 ANNUAL REPORT**







## A More Affordable Water Supply Solution

Because of legal and regulatory constraints on the Carmel River and Seaside Aquifer over the last decade, long-term water supplies available to Monterey Peninsula customers from those sources have been reduced. New, permanent replacement water supplies are now required.

Cal-Am continues to pursue a 6,252 acre-foot per year (AFY) desalination plant in North Marina, which was originally projected to become operational by December 2021. Cal-Am received a conditional Coastal Development Permit from the California Coastal Commission in November 2022, but with 20 onerous conditions they must comply with, it may be years before they receive final approval.

The Pure Water Monterey project, funded and built by Monterey One Water, MPWMD, and Marina Coast Water, now provides one-third of the Peninsula's water. The District believes that the expansion of Pure Water Monterey is more affordable and better for the environment than desal, and can provide all the drinking water needed for growth and drought mitigation for the next 30 years. The California Public Utilities Commission approved a Water Purchase Agreement to support the 2,250 AFY expansion in December 2022. Within days, Cal-Am refused to sign the Agreement. Now the Peninsula waits.

## Monterey Peninsula Water Production Data

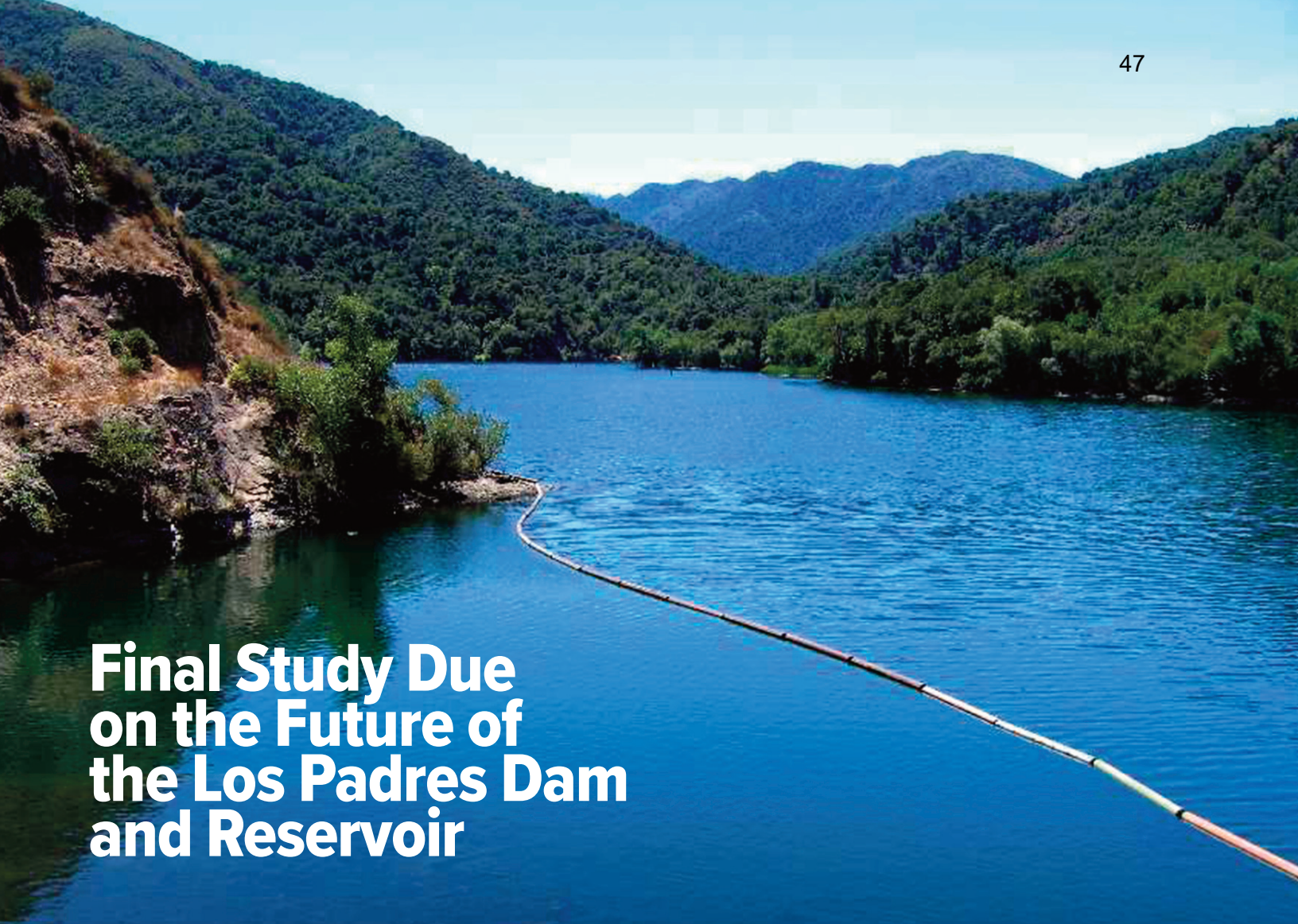
In Water Year 2022, production for customer service was 9,559 acre-feet (AF) of water, including 3,683 AF from Pure Water Monterey, 4,107 AF from the Carmel River, 1,649 from Seaside Groundwater sources, and 120 AF from the Sand City Desalination Facility. At the end of the year, the District had 1,207 AF stored in the Pure Water Monterey Operating Reserve, and 1,392 AF in the Aquifer Storage and Recovery banked storage.

# Pure Water Monterey Expansion









# Final Study Due on the Future of the Los Padres Dam and Reservoir

~ The District and Cal-Am are working with engineering and science consultants to investigate the technical, biological, and economic feasibility of a broad suite of alternatives for the Los Padres Dam and Reservoir. Alternatives include removal, sediment management, storage expansion by dredging, and fish passage improvements. This study has been partially funded by Cal-Am, the owner and operator of the dam. The final report is anticipated to be completed in April of 2023.

## Simulations Demonstrate Impact of Groundwater Pumping on Carmel River

~ The District completed developing models to help understand how changes in groundwater pumping impact Carmel River flows. In cooperation with the United States Geological Survey (USGS), the District finished an integrated groundwater/surface water model known as GSFLOW/MODFLOW. In addition, the District completed an instream flow

study and hydraulic model to simulate flow requirements for steelhead in the Carmel River. These models allow the District to simulate different water supply scenarios and their impacts on the Carmel River environment. The simulations are being used in the current Los Padres Dam alternatives study.

## Study Evaluates Effect of Climate Change on Water Basins

~ The District continued work on a Basin Study to evaluate future water demands, supplies, and the effects of climate change. The study includes the Salinas River Valley through Monterey and San Luis Obispo Counties, the Monterey Peninsula, and the Carmel River Basin. The U.S. Bureau of Reclamation is providing \$1.8 million in grant funds. The study began in 2017 and is expected to be completed in 2023. In 2022, a review of the Technical Memorandum “Develop Adaptation and Mitigation Strategies” was completed.



## Restaurants Permitted to Provide Outdoor Seating for Another Year

The District readopted its Urgency Ordinance (from Covid-19 response) to allow for another year for unregulated outdoor seating at restaurants. The Urgency Ordinance will expire in April 2023.

## Permits and Rebates Encourage Water Efficiency

The District approved one Water Distribution System Permit amendment for a replacement well for Carmel Unified School District. Six Confirmation of Exemptions from the Water Distribution System permit requirements were issued for private properties that met criteria established in District Rules and Regulations. Applications were reviewed for potential impacts on the water resource system and other water users.

The District also approved 642 rebate applications for \$248,863, for quantifiable annual savings of 6.858 acre-feet of water. Properties transferring ownership continued to self-certify compliance with the water efficiency requirements, and the District provided a Certification of Compliance as verification.

The District issued 738 Water Permits and 88 Water Use Permits to Benefited Properties (i.e., properties eligible to receive a portion of a Water Entitlement).

As the regional entity responsible for compliance with State landscaping regulations, the District issued 51 Water Permits for new and refurbished landscapes. A total of 116,651 square feet of new landscape area was permitted. Rehabilitated area totaled 388,252 square feet. Staff completed 1,164 property inspections to verify compliance with water efficiency standards for changes of ownership and use and 557 inspections were done to verify compliance with Water Permits. Staff mailed 60 notices to property owners and businesses and conducted 37 Non-Residential property inspections to verify compliance with water efficiency standards.

## District Hosts 15 Virtual Classes on Water Conservation

Topics for the classes included rainwater capture, composting to improve soil water holding capacity, landscape design, and removing lawns. Staff distributed water conservation devices at various community events, including the Carmel Valley Fiesta, Monterey County Fair, and the West End Celebration. The District posted regular updates to its Facebook page and Twitter account. As a partner with the Water Awareness Committee for Monterey County, the District participated in presentations and assemblies at local schools. The District also ran monthly ads covering District activities in local media.



## Summer Splash Challenge a Big Hit

Now in its third year, the District, in partnership with Cal-Am, again sponsored a fun family-oriented conservation game called Summer Splash Challenge. The Challenge was to complete an educational gameboard where participants visited the event website and watched water efficiency videos to find the answers to the gameboard questions.

The Challenge was designed for families and launched in the summer when children are out of school. Completed gameboards could be submitted for an entry into a sweepstakes to win prizes. The prizes included a High-Efficiency Clothes Washer, a Cistern, and Amazon Gift Cards.





# Steelhead and Streambank Restoration Shows Promising Results

The District implemented the mitigation program associated with its Water Allocation Environmental Impact Report. It includes rescue and rearing of threatened steelhead from drying portions of the Carmel River, streambank restoration and maintenance, and lagoon habitat monitoring. This report is required by the California Environmental Quality Act and is designed to offset the impacts associated with water extraction in the Carmel River Alluvial Aquifer and, ultimately, the flows in the Carmel River.

The District successfully rescued 10,645 steelhead from the Carmel River Basin in 2022, which were taken to the Sleepy Hollow Steelhead Rearing Facility (SHSRF). Approximately 8,696 were released back into the Carmel River from SHSRF in January 2023, including 1,500 implanted with radio tags.

A total of 72 adults were counted at the District's steelhead counting station in 2022. Of those, 57 were implanted with a tag to collect data on fish migration and survival. These data assist with ongoing studies that the District and NOAA Fisheries have been collaborating on. The District also

monitors the health of the juvenile population, which is continuing to increase since the last drought, which ended in 2015.

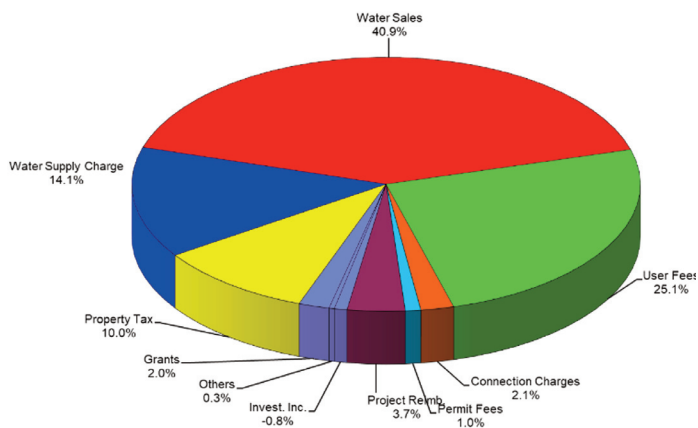
District crews carry out a Vegetation Management Program in the active channel of the Carmel River to prevent debris dams and erosion. This includes trimming back encroaching vegetation and reducing the hazard of downed trees in preparation for winter flows. Trash was removed from the active channel of the river before winter rains washed it into the ocean. District staff also planted native trees on exposed banks to improve habitat value, protect water quality, and reduce bank erosion.

District staff continued revegetation and irrigation at the Carmel River Bank Stabilization Project just downstream of Rancho San Carlos Road. This work has prevented the streambank from further collapsing during high-flow events. The District employed an environmentally friendly stabilization technique consisting of logs, rocks, and native plantings built into a cribwall at the site.

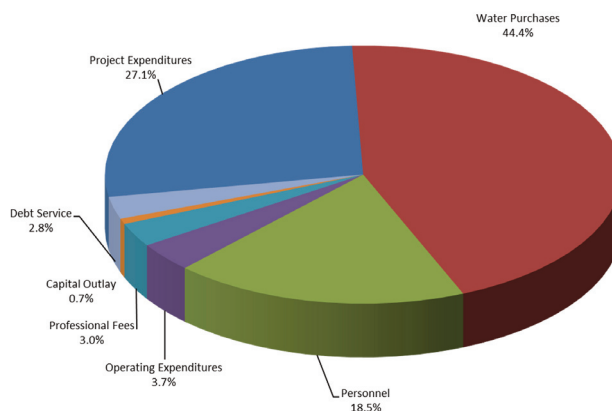




## 2021-2022 Revenues \$23,630,304



## 2021-2022 Expenditures \$21,856,723



## District Awarded Certificate of Excellence for Financial Reporting

The District prepared its eighth consecutive Annual Comprehensive Financial Report (ACFR). The report includes a set of government financial statements that comply with the accounting requirements promoted by the Government Accounting Standards Board and include relevant statistical information about the District. The District received a clean financial audit report with no material weaknesses or deficiencies.

Clifton Larson Allen, an independent auditing firm, conducted the audit for the fiscal year 2021-2022. The Government Finance Officers Association of the United States and Canada

(GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its ACFR for the fiscal year ending June 30, 2021. The District has received the ACFR award for seven consecutive years.

As shown here, total revenues in Fiscal Year 2021-2022 were \$23,630,304, while expenditures totaled \$21,856,723, generating an increase in fund balance of \$1,773,581. As of June 30, 2021, the District's total fund balance was \$21,384,374. The budget for Fiscal Year 2022-2023 anticipates revenues of \$30,675,400 and expenditures of \$32,695,400, with \$2,020,000 coming from the fund balance.

## New Round of System Improvement Grants Prepared for Peninsula

The District continued to manage an Integrated Regional Water Management (IRWM) program on the Monterey Peninsula. The Implementation Round 1 Grant agreement amounted to \$2,238,904. As "Grantee," the District duties include: (a) Administration of the agreement with the California Department of Water Resources; (b) Invoicing, with documentation, on behalf of the Local Project Sponsors; and (c) Progress reporting.

Three non-district projects are being supported by this Grant: 1. The Coe Avenue Recycled Water Pipeline in Seaside sponsored by Marina Coast Water District; 2. The Del Monte Manor Low Impact Development Project located in a disadvantaged community and sponsored by the City of

Seaside; and 3. The West End Stormwater Improvement Project located in a disadvantaged community and sponsored by the City of Sand City.

The District has prepared an IRWM Implementation Round 2 Grant application for the Monterey Peninsula region for \$1,488,961, to be submitted in January 2023. The District will be the Grantee and administer the grant on behalf of the Local Project Sponsors. The two applicant projects are 1. Carmel River Floodplain Restoration and Environmental Enhancement (Carmel River FREE), sponsored by Monterey County, and 2. the Olivier Street Stormwater Diversion Project, sponsored by the City of Monterey.





According to the Seaside Basin Adjudication Decision, CalAm's production has been reduced to 0 AF. It is recognized that CalAm will need to produce water to serve its customers in the Hidden Hills Distribution System and production in Laguna Seca will be tracked as a ministerial component of tracking production against the Adjudication Decision. CalAm has completed an intertie between the Monterey Main System and the Bishop and Ryan Ranch Systems that allows for transfer of water between the systems.

**RECOMMENDATION:** The Board should receive public input, close the Public Hearing, and discuss the proposed quarterly water supply budget. District staff recommends adoption of the proposed budget. The budget is described in greater detail in **Exhibit 10-B**, Quarterly Water Supply Strategy Report: **April – June 2023**.

**BACKGROUND:** The Water Supply Strategy and Budget prescribes production within CalAm's Main and Laguna Seca Subarea systems and is developed on a quarterly schedule. Staff from the District, CalAm, the National Marine Fisheries Services (NMFS), State Water Resources Control Board's Division of Water Rights (SWRCB-DWR), and the California Department of Fish and Wildlife (CDFW) cooperatively develop this strategy to comply with regulatory requirements and maximize the environmental health of the resource system while meeting customer demand. To the greatest extent pumping in the Carmel Valley is minimized in the summer months and the Seaside wells are used to meet demand by recovering native water and banked Carmel River water. Also, it was agreed that CalAm will operate its wells in the Lower Carmel Valley in a downstream to upstream order.

If flows exceed 20 cfs at the District's Don Juan Gage, CalAm is allowed to produce from its Upper Carmel Valley Wells, which are used to supply water for injection into the Seaside Groundwater Basin. The permitted diversion season for ASR is between December 1 and May 31. Diversions to storage for ASR will be initiated whenever flows in the river are above permit threshold values. For planning purposes, the QWB group schedules diversions to ASR storage based on operational days that would occur in an average streamflow year. CalAm may also divert under Table 13 Water Rights for in-basin use within Carmel Valley when flows are adequate. This schedule is estimated with average year streamflow conditions and daily demand for Carmel Valley. CalAm will schedule the recovery of Pure Water Monterey water stored in the Seaside Basin with the goal of removing all water injected over the operational reserve for WY 2023. There is also a projected goal of producing 25 AF of treated brackish groundwater from the Sand City Desalination Plant in each of these three months.

Rule 101, Section B of the District Rules and Regulations requires that a Public Hearing be held at the time of determination of the District water supply management strategy. Adoption of the quarterly water supply strategy and budget is categorically exempt from the California Environmental Quality Act (CEQA) requirements as per Article 19, Section 15301 (Class 1). A Notice of Exemption will be filed with the Monterey County Clerk's office, pending Board action on this item.

## **EXHIBITS**

**10-A** Quarterly Water Supply Strategy and Budget for Cal-Am Main System: April-June 2023

**10-B** Quarterly Water Supply Strategy and Budget Report: April - June 2023

**California American Water Main Distribution System**  
**Quarterly Water Supply Strategy and Budget: April - June 2023**  
**Proposed Production Targets by Source and Projected Use in Acre-Feet**

SOURCE/USE	MONTH			YEAR-TO-DATE		
	Apr-23	May-23	Jun-23	Oct-22 to Feb-23	% of YTD	% of Annual Budget
<b>Source</b>						
	ASR Injection					
<b>Carmel Valley Aquifer</b>						
Upper Subunits	0	0	0	17		
Lower Subunits	150	250	400	775	73%	23%
ASR Diversion	300	300	0	282		
Table 13 Diversion (Service)	0	0	0	121		
<b>Total</b>	<b>450</b>	<b>550</b>	<b>400</b>	<b>1,195</b>		
<b>Seaside Groundwater Basin</b>						
Coastal Subareas	235	550	450	277	54%	19%
ASR Recovery	0	0	0	0		
Sand City Desalination	25	25	25	70	70%	23%
Pure Water Monterey	355	0	0	1,438		
<b>Total</b>	<b>615</b>	<b>575</b>	<b>475</b>	<b>347</b>		
<b>Use</b>						
Customer Service	765	825	875	1,139	31%	23%
Table 13 In Basin use	0	0	0			
ASR Injection	300	300	0	282		
<b>Total</b>	<b>1,065</b>	<b>1,125</b>	<b>875</b>			

## Notes:

- The annual budget period corresponds to the Water Year, which begins on October 1 and ends on September 30 of the following Calendar Year.
- Total monthly production for "Customer Service" in CAW's main system was calculated by multiplying total annual production (4,850 AF) times the average percentage of annual production for April, May, and June (8.2%, 9.0%, and 8.9%, respectively). According to District Rule 160, the annual production total was based on the assumption that production from the Coastal Subareas of the Seaside Groundwater Basin would not exceed 1,474 AF and production from Carmel River sources, without adjustments for water produced from water resources projects, would not exceed 3,376 AF in WY 2023. The average production percentages were based on monthly data for customer service from WY 2015 to 2020.
- Maximum daily diversion values for ASR are based on an average diversion rate of approximately 13 AF per day from CAW's sources in the Carmel River Basin. Total monthly production is estimated by multiplying the maximum daily production by operational days per month for "Wet" flow conditions at the Sleepy Hollow Weir.
- The production targets for CAW's wells in the Seaside Coastal Subareas are based on the assumption that sufficient flow will occur in the Carmel River at the targeted levels, to support ASR injection. It is planned that Coastal Subarea pumping will not occur, or will be proportionally reduced, if ASR injection does not occur at targeted levels.
- The production targets for CAW's wells in the Seaside Coastal Subareas are based on the need for CAW to produce its full Standard Allocation to be in compliance with SWRCB WRO No. 2016-0016.
- It should be noted that monthly totals for Carmel Valley Aquifer sources may be different than those shown in MPWMD Rule 160, Table XV-3. These differences result from monthly target adjustments needed to be consistent with SWRCB WRO 98-04, which describes how Cal-Am Seaside Wellfield is to be used to offset production in Carmel Valley during low-flow periods. Adjustments are also made to the Quarterly Budgets to ensure that compliance is achieved on an annual basis with MPWMD Rule 160 totals.
- Table 13 values reflect source/use estimates based on SWRCB Permit 21330, which allows diversions from the CVA for "In Basin use" (3.25 AFD) when flows in the River exceed threshold values. In accordance with Water Rights Permits 21330 and CDO2009-0060, water produced and consumed under this right is subtracted from the CVA annual base amount. Actual values will be dependant on the number of days flows exceed minimum daily instream flow requirements.



## EXHIBIT 10-B

### **Quarterly Water Supply Strategy and Budget Report California American Water Main Water Distribution System: April – June 2023**

#### 1. Management Objectives

The Monterey Peninsula Water Management District (District) desires to maximize the long-term production potential and protect the environmental quality of the Carmel River and Seaside Groundwater Basins. In addition, the District desires to maximize the amount of water that can be diverted from the Carmel River Basin and injected into the Seaside Groundwater Basin while complying with the instream flow requirements recommended by the National Marine Fisheries Service (NMFS) to protect the Carmel River steelhead population. To accomplish these goals, a water supply strategy and budget for production within California American Water's (CalAm's) Main and Laguna Seca Subarea water distribution systems is reviewed quarterly to determine the optimal strategy for operations, given the current hydrologic and system conditions, and legal constraints on the sources and amounts of water to be produced.

#### 2. Quarterly Water Supply Strategy: April - June 2022

On March 11, 2023 the Quarterly Water Budget Group including staff from the District, CalAm, the National Marine Fisheries Services (NMFS), State Water Resources Control Board's Division of Water Rights (SWRCB-DWR), and the California Department of Fish and Wildlife (CDFW) met and discussed the proposed water supply strategy and related topics for upcoming quarter.

**Carmel River Basin** CalAm will operate its wells in the Lower Carmel Valley in a downstream to upstream sequence, as needed to meet customer demand. It was recognized by the group that WY 2023 began as an extremely wet year, and the storms in early January resulted in large sustainable flows on that Carmel River that would triggered sustained ASR Operations and Table 13 Diversions. The River dropped below flow triggers for diversion of ASR and Table 13 on December 16 and returned to flows allowing injection on December 31. For this quarterly water budget, it was agreed that CalAm would plan to produce water from the wells in the Upper Carmel Valley to support ASR diversions. It was assumed that the low flow trigger would not be met at some point during this quarter and continued rainfall in the forecast would push the trigger into July or August as it did in 2017, the group decided to assume the trigger would happen in July 2022 to be conservative. The group will be watching streamflow and when the low flow trigger occurs, to the maximum extent, pumping will be shifted away from the river wells and the Seaside well field will be used to meet system demand in the summer months. Any new sources of water reduce the water available to be pumped from the river on a one to one basis consistent with SBO 2016-0016.

**Seaside Groundwater Basin** Because production limits off the River are greatly reduced when compared to last Water Year, the Seaside Well Field is being used to recover a mix of Native

Groundwater and Pure Water Monterey. The bypass pipeline is currently being utilized to allow for simultaneous PWM recovery and ASR injection. At that time, the Seaside wells will be utilized to recover Seaside Native Groundwater, stored Pure Water Monterey water, and inject in ASR 1 and 2. There is also a goal to produce 25 AF of treated brackish groundwater from the Sand City Desalination Plant in each of these three months.

It is recognized that, based on recent historical use, CalAm's production from the Laguna Seca Subarea during this period cannot be reduced to zero, as is set by CalAm's allocation specified in the Seaside Basin Adjudication Decision. In this context, the production targets represent the maximum monthly production that should occur so that CalAm remains within its adjudicated allocation for the Laguna Seca Subarea. Under the amended Seaside Basin Decision, CalAm is allowed to use production savings in the Coastal Subareas to offset over-production in the Laguna Seca Subarea. However, the quarterly budget was developed so that CalAm would produce all native groundwater in the Coastal Subareas and Laguna Seca production would be over the Adjudication allotment. On February 5, 2020 the Seaside Groundwater Basin Watermaster Board voted to allow CalAm to claim carryover credits to cover the pumping over the Laguna Seca allotment in the interim prior to establishing a physical solution. Because of this decision, the Quarterly Water Budget Group decided that the table presenting the Laguna Seca allotment of zero would no longer be necessary as the Watermaster is now planning to handle the pumping over allotment with a different mechanism.



**ITEM: ACTION ITEM****11. CONSIDER AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A CONTRACT WITH MONTGOMERY AND ASSOCIATES TO PROVIDE A TULARCITOS AQUIFER STORAGE AND RECOVERY (ASR) FEASIBILITY STUDY**

<b>Meeting Date:</b>	<b>March 20, 2023</b>	<b>Budgeted:</b>	<b>Yes</b>
<b>From:</b>	<b>Dave Stoldt General Manager</b>	<b>Program/ Line Item No.:</b>	<b>1-1-3, 1-7-1 35-03-786038, 35-04-786016</b>
<b>Prepared By:</b>	<b>Maureen Hamilton</b>	<b>Cost Estimate:</b>	<b>\$119,200</b>

**General Counsel Approval:** N/A

**Committee Recommendation:** The Water Supply Planning Committee reviewed this item on March 6, 2023 and recommended approval on a 3-0 vote. The Finance and Administration Committee reviewed this item on March 9, 2023 and unanimously approved the matter.

**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

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**SUMMARY:** MPWMD holds a suite of water right permits that originated with the proposed New Los Padres Dam on the Carmel River. Water rights (WR) 20808 A and C are used for ASR diversions to injection; WR 20808 B remains unused.

A condition for maintaining WR 20808 B is that the permittee (MPWMD) must demonstrate that a project is diligently pursued within a time period defined in the WR. In 2020 MPWMD requested an extension of 15 years to show progress on a project that would result in WR 20808 B beneficial use. If progress is not demonstrated, the water right may be revoked.

The Tularcitos ASR project (Project) was selected for a feasibility study (Feasibility Study) to determine whether it should be pursued. The Feasibility Study will determine the viability of the Project to divert water from the Carmel River, inject it into ASR wells located in the Tularcitos Creek subwatershed, and recover the water during dry periods. Groundwater modeling provides the basis of the proposed Feasibility Study.

The Feasibility Study cost estimate is \$119,200. Staff proposes \$80,000 be funded by budgeted Permit 20808 B Alternatives Analysis program 1-7-1, and the remaining \$39,200 be funded by the modeling budget program 1-1-3.

Consultant work will be conducted on a time and materials basis not to exceed \$119,200.

**RECOMMENDATION:** The Finance and Administration Committee recommends that the Board authorize the General Manager to enter a contract with Montgomery and Associates to provide a Tularcitos ASR Feasibility Study to the District for an amount not to exceed \$119,200.

**BACKGROUND:** The water right process has three phases: (a) application, (b) permit, and (c) license. A permit is the legal authorization to divert water in accordance with conditions and within a time frame, and to develop the project. When that time frame elapses, a permittee should either:

- (1) request revocation of the permit if the project has been abandoned or cannot be diligently completed due to personal or financial reasons;
- (2) petition for an extension of time to extend the development schedule if the construction and use of water under the permit has been diligently pursued and additional time is necessary to complete full anticipated beneficial use of water; or,
- (3) notify the State Water Board that the permitted project is complete and ready for licensing.

It is difficult to show diligence in pursuing a new large dam on the Carmel River after 2003. However, the District could cite evidence that a new large dam would not be permitted and show progress toward planning for smaller projects, as was done for the existing ASR projects.

On April 20, 2020 the Board directed District Staff to respond to an State Water Board letter that MPWMD would file a Petition for Extension of Time to show beneficial use for WR 20808 B and withdraw the Petition for Extension of Time to construct New Los Padres Dam. Once the District has identified viable project(s), staff would file a Petition for Change to modify the water right to apply to the new project(s).

A suite of potential projects was identified and ranked by ability to utilize water under WR 20808 B. Potential projects must include facilities to extract water from the Carmel River, convey the water, and store the water. Because conveyance from the Carmel River to the Seaside Groundwater Basin is constrained and may change, projects sited in the Carmel River watershed were prioritized.

The Project would divert water from the Carmel River at the confluence with Tularcitos Creek at a property owned by California American Water Company (Cal-Am). The water would then be injected into and recovered from ASR wells screened in an unnamed Miocene sandstone unit in the upland portions of the Tularcitos Creek subwatershed that is bound by faults. Please refer to **Exhibit 11-B** for a map of the potential project location.

The Feasibility Study groundwater modeling will simulate different project configurations using the Carmel River Basin Hydrologic Model (Model) to evaluate ASR feasibility in the area of interest. Work to complete the proposed Feasibility Study includes:

- Analyzing the availability of Carmel River water for ASR diversion
- Developing a hydrogeological framework and cross sections of the area of interest
- Model-based evaluations for ASR well feasibility and project sizing
- Selecting hydrogeologic units and sites for further analysis and field testing if preliminary screening indicates potential project feasibility

Montgomery was founded in 1984 and specializes in groundwater. Its services include water supply, water recharge, water resource planning, groundwater modeling, and water rights. Montgomery maintains the Seaside Basin model for the Watermaster and Monterey One Water.

**EXHIBITS**

**11-A** Letter Proposal from Montgomery and Associates to provide a Tularcitos ASR Feasibility Study to the District

**11-B** Tularcitos ASR Map





November 3, 2022

Mr. Jonathan Lear  
Monterey Peninsula Water Management District  
P.O. Box 85  
Monterey, CA 93942-0085

**SUBJECT: LETTER PROSOPAL FOR TULARCITOS ASR FEASIBILITY  
STUDY**

Dear Mr. Lear:

Montgomery & Associates (M&A) is pleased to present this letter proposal to the Monterey Peninsula Water Management District (MPWMD) for an initial feasibility study on the potential use of Aquifer Storage and Recovery (ASR) in the Tularcitos Creek subbasin of the Carmel River groundwater basin.

MPWMD currently holds 3 water rights (WR), WR-20808 A, B, and C, which originated with the proposed New Los Padres Dam on the Carmel River. WR-20808 A and C are used to divert water to support the existing Monterey Peninsula ASR Project that injects water diverted from the Carmel River into the Seaside groundwater subbasin. WR-20808 B is the water right to impound water behind the proposed New Los Padres Dam, which might not be built. MPWMD is evaluating several projects – including the Tularcitos ASR Project (the Project) – that would use a portion of the 20808 B water right for alternative water storage through the Petition for Change of Use process. The Project would divert water from the Carmel River at the confluence with Tularcitos Creek at a property owned by California American Water Company (Cal-Am). The water would then be injected into and recovered from ASR wells screened in an unnamed Miocene sandstone unit in the upland portions of the Tularcitos Creek subwatershed that is bound by faults. The proposed diversion site and 3 potential ASR investigation areas are shown on Figure 1.

In 2013 MPWMD contracted with Right On Q, Inc. (ROQ) consultants to perform a preliminary data compilation effort and to develop a reconnaissance level understanding of the region that could later support a full feasibility investigation of the Project. This initial Phase 1 work was started but not completed due to budgetary constraints. Completed Phase 1 tasks included a data compilation and inventory from multiple sources including geologic maps, relevant technical reports, well logs, water quality reports, well test results, and streamflow records; the development of Microsoft Access database of existing well and boring records; and the beginnings of GIS database of project information.

Between 2014 and 2021, MPWMD worked with the U.S. Geological Survey (USGS) and a consultant team that included ROQ to develop the Carmel River Basin Hydrologic Model (CRBHM) using the USGS Groundwater Surface Water Flow (GSFLOW) model. GSFLOW is a coupled Groundwater and Surface-water flow model based on the integration of the USGS Precipitation-Runoff Modeling System (PRMS) and the USGS Modular Groundwater Flow Model (MODFLOW). The goal of the CRBHM is to help evaluate hydrologic effects on the Carmel River Basin related to changes in water supply, groundwater pumping, and climate change. The CRBHM covers the entire Carmel River watershed and groundwater basin and is calibrated to a 25-year period with daily records of rainfall, temperature, evapotranspiration, runoff, groundwater elevations, and diversions in the basin (MPWMD *et al.*, 2022).

M&A understands that as part of the preliminary project feasibility evaluation, MPWMD would like to use the CRBHM to simulate several different possible project configurations to evaluate ASR feasibility and potential project sizing in the area of interest. The model-based evaluations will complement other hydrogeological data analysis and synthesis tasks that include the following:

- Developing a preliminary water budget for the area of interest
- Analyzing the availability of Carmel River water for ASR diversion
- Developing a hydrogeological framework and cross sections of the area of interest
- Selecting hydrogeologic units and sites for further analysis and field testing if preliminary screening indicates potential project feasibility

These tasks are described more fully in the scope of work below.

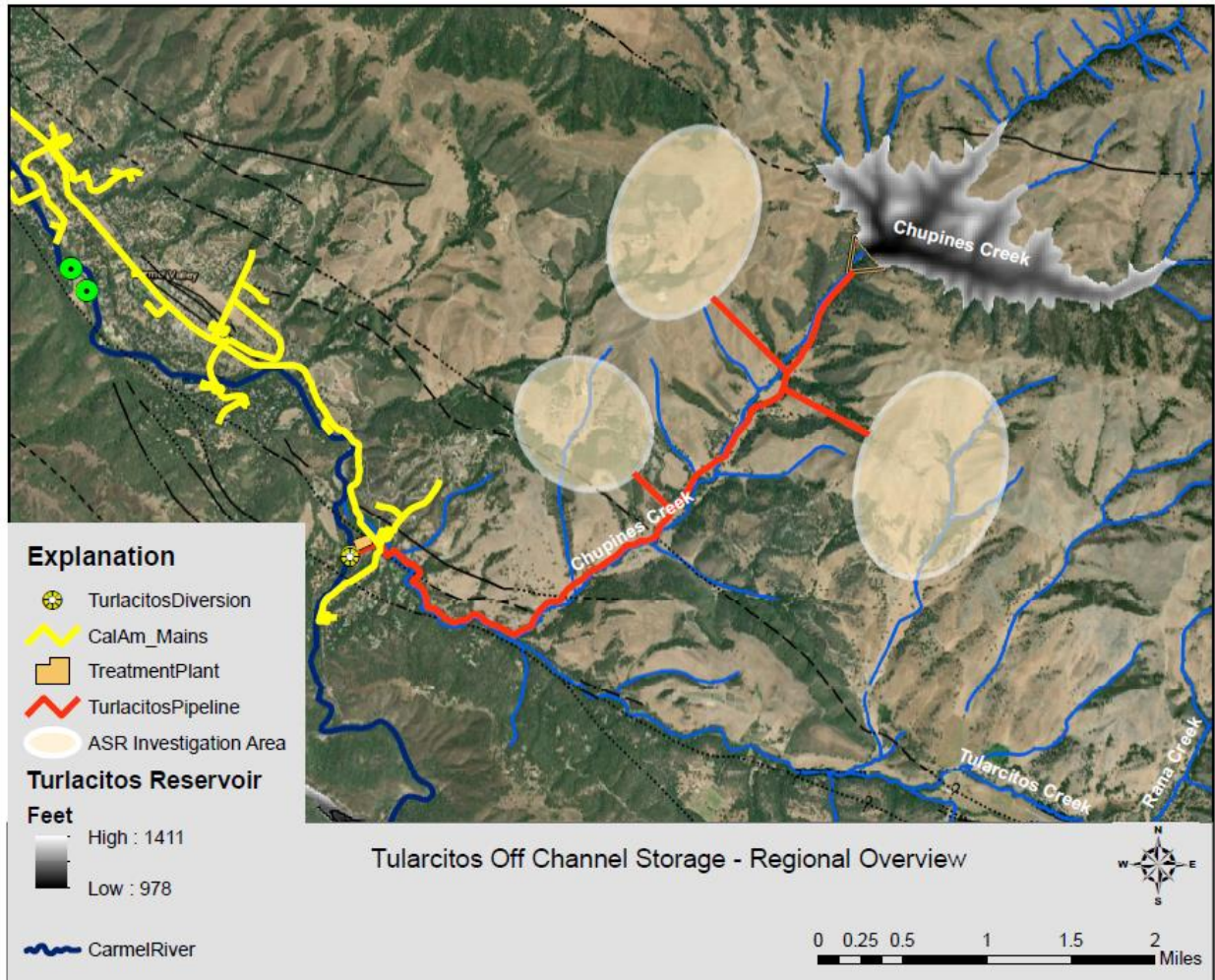


Figure 1. Proposed Potential ASR Investigation Areas (MPWMD, 2020)

## SCOPE OF WORK

### Task 1: Kick-Off Meeting, Data Transfer, Inventory, and Review

M&A will attend a kick-off meeting with MPWMD staff to review the project goals and tasks, establish preliminary criteria for evaluating initial ASR project feasibility, and coordinate transfer of existing project data previously compiled as part of earlier investigations by MPWMD and other consultants. These data will include the data assembled as part of the Phase 1 scope of work completed by ROQ consultants in 2013 and subsequent work conducted by MPWMD and the consultant team in the development of the CRBHM, including geologic maps, relevant technical reports, water quality reports, well test pumping data, streamflow records, MS Access database, and GIS databases. M&A will review all relevant data and reports and will develop an updated data inventory and combined GIS database. M&A will prepare summary notes of the kick-off meeting and the data transferred.



**Task 2: Summarize existing land uses, well production, water rights**

In support of evaluating water sources and demand in the project area, M&A will investigate and summarize all water rights, water use patterns and land uses associated with the area of interest. M&A will develop a preliminary water budget for the area of interest by processing and analyzing output of the calibrated CRBHM historical model using the USGS MODFLOW ZoneBudget tools.

**Task 3: Describe basin surface water hydrology and availability of Carmel River diversions for ASR**

M&A will develop a description of the surface water hydrology of the basin and will assess the availability of Carmel River water for ASR diversions by analyzing historic flow records at existing diversion points associated with permit WR-20808 B. The streamflow and stream diversion analysis will be developed for daily data, and summarized into monthly and annual totals. The annual summaries will be classified by Carmel River water year type.

Assumptions:

- MPWMD will provide daily historical streamflow records in digital format and will provide detailed guidance on diversion criteria such as diversion seasons and/or minimum instream flow requirements.

**Task 4: Develop hydrogeologic framework with maps and cross sections**

M&A will synthesize the available hydrogeologic data collected from previous investigations and studies to produce hydrogeologic maps and cross sections of the area of interest. This hydrogeologic framework will be used to evaluate the amount of potential underground storage available and to identify target units for ASR injection wells. In Task 6, this framework will be compared against the regional hydrogeologic framework developed for the CRBHM.

Assumptions:

- One hydrogeologic map and up to 3 cross sections will be developed.
- Cross sections will be developed by integrating land surface topography from the digital elevation model, subsurface projection of geology from surface mappings based on mapped strike and dip information of sedimentary units, and incorporation of boring logs and other available data.



## **Task 5: Evaluate ASR potential based on current hydrogeologic understanding using CRBHM modeling**

M&A will perform a sensitivity analysis of the number of ASR wells, location of ASR wells, and volume of injected water using the District's CRBHM to investigate the feasibility and potential size of an ASR project in the area of interest.

ASR feasibility and potential will be evaluated based on the following proposed criteria:

- The formation has capacity to accommodate the injected water volumes without groundwater levels rising above ground level (or some other pre-determined depth below ground level).
- The injected water stays in the vicinity of the ASR wells for a long enough time that it can be recovered by the ASR wells (or alternately by downstream recovery wells); or alternatively, even if injected water moves down gradient, the increased water levels remain high enough for a sufficiently long time that an equivalent volume of native groundwater can be recovered by the ASR wells.
- The number of wells needed to inject required volumes would not be prohibitively expensive.
- Other feasibility criteria – such as potential slope stability issues or downstream impacts of increased ASR diversion on Carmel River streamflows – can be evaluated in the next phase of work.

The timing and volumes of potential ASR diversion and injection will vary seasonally depending on precipitation and streamflow and will change from year to year depending on hydrologic conditions. Maximum volumes of ASR diversion and injection would be expected during very wet years when groundwater levels are highest, which could also create maximum mounding from ASR injection. The feasibility analysis simulations should then consider the hydraulic response of ASR injection under a range of varying hydrologic conditions that will capture a range of potential site conditions.

M&A will develop a baseline scenario with input from MPWMD based on projected future pumping and hydrologic conditions. For this initial screening level analysis M&A proposes that the projected climate will be based on repeating the historical climate inputs (precipitation, temperature, and streamflow). Climate change projections can be incorporated into an updated baseline scenario in future phases of work. The baseline simulation will be used to determine expected seasonal water levels without the ASR project and serve as the basis for evaluating the hydraulic response due to ASR injection and for defining the water level criteria to be evaluated.

The modeling incorporates various assumptions:

- The effort needed for M&A staff to familiarize themselves with running the CRBHM is part of a separate existing scope of work associated with updating the CRBHM
- No additional model update or calibration will be performed as part of this scope of work.
- The hydrological and climatological inputs for the GSFLOW simulations will be based on repeating the historical climate time series of rainfall and temperature used in the existing calibrated historical model as developed by the USGS.
- M&A will work with MPWMD to develop projected future pumping schedules that include pumping at existing production wells, and injection and recovery of ASR water at the proposed ASR sites. The baseline simulation's purpose is only to review operations under a range of hydrologic conditions, and therefore M&A proposes that the future municipal and rural pumping be based on repeating the pumping from the calibrated historical model period.
- Simulated operations of the Los Padres Reservoir will be repeat operations simulated in the calibrated historical model.
- Potential ASR wellfield sites will be evaluated at each of the 3 areas of interest shown on Figure 1, separately.
- Up to 2 different combinations of total number of ASR wells and ASR injection rates per well will be evaluated at each wellfield site.
- For this high-level feasibility evaluation M&A will not incorporate the projected ASR stream diversion into the model streamflow routing package or evaluate the potential impacts of the additional<sup>1</sup> ASR diversions on the streamflows downgradient of the Diversion site. Impacts on streamflow can be evaluated in the next phase of evaluation if the initial feasibility study shows that there is good ASR potential.

Modeling Outputs:

- Hydrographs of simulated water level (or depth-to-water) at each simulated well field for baseline each ASR scenario
- Representative head contour (or change in head) maps
- Maximum mounding for each scenario

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<sup>1</sup> "Additional" relative to the existing Carmel River ASR diversions that are part of the Seaside ASR program.

## **Task 6: Evaluate Limitations & Uncertainty associated with CRBHM Hydrogeological Framework & Calibration**

The hydrogeological framework developed for use in the CRBHM, as well as the CRBHM calibration process, was based on specific modeling objectives, data sources, and assumptions, and was geared primarily toward representing water levels in the alluvial aquifer and streamflows in the lower reaches of the Carmel River during low flow conditions.

M&A understands that the CRBHM was calibrated with a greater priority on groundwater levels from wells in the alluvial deposits close to the Carmel River—and to matching downstream Carmel River streamflows during low flow periods—rather than to matching non-alluvial groundwater levels in the upland areas of the basin. M&A also notes that the proposed ASR areas are in an upland region of the basin where there are very few wells and limited or no calibration data for the CRBHM.

Based on M&A's preliminary review of the CRBHM documentation, the source of lithologic groupings for the hydrogeological framework model used in CRBHM appears to have been based on the generalized state-wide geology map of Ludington *et al.* (2007) which combines all the Miocene marine formations into a single grouping, rather than the more localized county-scale geological maps (such as those prepared by Dibblee & Minch, 2007) that map out individual Miocene units including the Santa Margarita Sandstone, Monterey Formation Shale, and the unnamed marine sandstone cited as the target aquifer for ASR. From the draft documentation report, it is not immediately clear if or how the differences between Miocene units or the stratigraphic dip of the Miocene units are represented in the CRBHM hydrogeologic framework. There are limitations and uncertainties associated with using the CRBHM as the only means of evaluating the feasibility of an ASR project at the specific areas of interest. For example, if the model construction and calibration was not sensitive to the specific spatial distribution of hydraulic properties representative of Monterey Shale versus Miocene sandstone in the upland areas, then the simulated hydraulic response at potential sites could be very different and not representative of the expected response.

M&A understands that one of the reasons for choosing the unnamed Miocene sandstone as potential target for ASR injection is because it is potentially bounded by faults. M&A notes that the hydrogeologic framework described in the CRBHM documentation does not mention what hydrogeological role, if any, the numerous regional faults that run parallel to the valley axis play, or if they are represented in the model. It is possible that the faults may play a very limited role in the shallow alluvial aquifer and would thus not greatly affect the current model calibration but could potentially play a larger role in the hydrogeology of the deeper Miocene unit aquifers.

M&A will review the CRBHM model construction and calibration and compare it to the hydrogeological framework developed in Task 4 to provide a qualitative evaluation of the

limitations and sources of potential uncertainty in the results of the model simulations conducted in Task 5.

To help bracket the possible range of uncertainty in the CRBHM, M&A will perform non-model-based calculations using analytical equations for the hydraulic response to injection under a range of parameters (including the values used in the model). By using upper and lower bounds of possible aquifer parameters representative of the target aquifer these calculations will provide an upper and lower bound of possible hydraulic responses to supplement the hydraulic responses simulated in the CRBHM.

### **Task 7: Select hydrogeologic units and sites for further analysis/ field testing**

If Tasks 5 & 6 show that an ASR project may be feasible, M&A will identify areas where field testing should take place to investigate site specific hydrogeologic conditions. M&A will also suggest a testing program to assess the ASR program as the next phase of this program.

M&A notes that the currently proposed ASR investigation areas shown on Figure 1 include areas that have been mapped as being at high risk for deep-seated landslides by both Monterey County (2018) and the California Geological Survey (2015) due to the combination of steep slopes and rock types. A geotechnical evaluation will likely also be a necessary component of any future analysis to understand the potential increase in landslide risk associated with the increased groundwater levels and pore pressures that would develop due to ASR injection operations. This may be especially important as maximum ASR injection would occur during the wettest periods of wettest years, when landslide risks would already be higher.

### **Task 8: Prepare a report summarizing work and conclusions related to previous tasks and Phase 2 work**

M&A will prepare a report summarizing all work completed, and if ASR is found feasible, suggesting a field work plan and additional modeling that would be the next phase of the project.

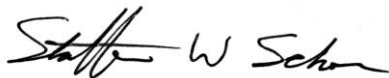
## **STAFFING PLAN**

Staffan Schorr, Principal Hydrogeologist at M&A with extensive experience in groundwater flow modeling and development of conceptual hydrogeologic models, will serve as project manager; and Pascual Benito, Ph.D., will oversee the work as technical lead. Pascual is an experienced hydrogeologist who is currently supporting the Pure Water Monterey indirect potable reuse project and as-needed hydrogeological services for the Seaside Basin Watermaster. He has also provided modeling support for the Salinas and Pajaro Valley Groundwater Sustainability Plans. Pascual will be supported by a junior level hydrogeologist, and Cameron Tana, P.E., will provide senior review and GSFLOW modeling technical expertise. Derrik Williams, P.G. will serve as senior technical advisor.

## BUDGET & SCHEDULE

The total estimated cost for all the above-described tasks is \$119,200. The attached cost estimate, shown in Table 1, provides a breakdown of costs by task and subtask. Work will begin with the kick-off meeting after contracting is finalized and is expected to be completed within a 6-month period. Please feel free to contact us with any questions about the proposed scope of work and budgets.

Sincerely,  
MONTGOMERY & ASSOCIATES



Staffan Schorr  
Principal Hydrogeologist



Pascual Benito  
Senior Hydrogeologist

## REFERENCES

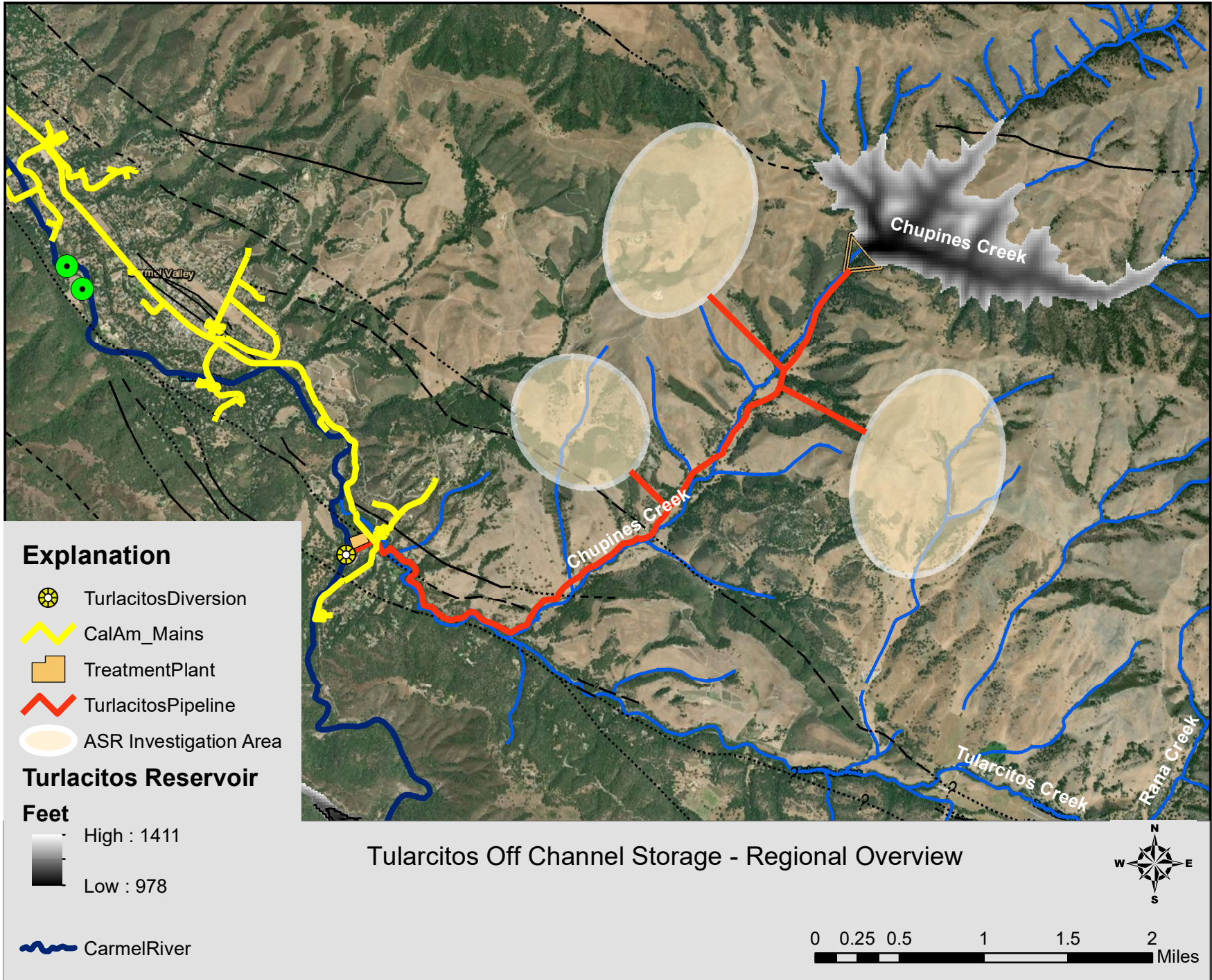
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- \_\_\_\_\_, 2022. Overview of the Development and Calibration of the Carmel River Basin Hydrologic Model, MPWMD Technical Memorandum 2022-01, June 1, 2022.

Table 1. Proposed Cost Estimate

MPWMD: Turlacitos ASR Feasibility Study	Montgomery & Associates Estimate of Hours, Fees and Expenses										
	Scientist VIII	Scientist VII	Scientist VI	Scientist V	Scientist III	GIS II	Editor	Total Hours	Total Prof. Fees	Expenses	Total Estimated Fees & Expenses
	DW	CT	SS	PB	PW						
<b>2022 Professional Billing Rates</b>	\$283	\$265	\$240	\$211	\$165	\$149	\$82				
<b>Task 1. Kick-Off Meeting and Data Transfer &amp; Inventory</b>											
1 - Attend Kickoff Meeting	1	1	2	2	0	0	0	6	\$1,500		\$1,500
2 - Review data and tabulate data inventory, create combined GIS database	0	0	1	16	16	16	0	49	\$8,600	\$100	\$8,700
Subtotal	1	1	3	18	16	16	0	55	\$10,100	\$100	\$10,200
<b>Task 2. Summarize existing land uses, well production, water rights</b>											
1 - Summarize land use well production and water rights	0	0	1	4	4	4	0	13	\$2,300		\$2,300
2 - Develop Preliminary Water Budget from Baseline Historical Model Simulation	0	1	1	8	24	4	0	38	\$6,700		\$6,700
Subtotal	0	1	2	12	28	8	0	51	\$9,000	\$0	\$9,000
<b>Task 3. Carmel River Water Diversion Availability Analysis</b>											
1 - Describe basin hydrology	0	0	0	4	8	0	0	12	\$2,200		\$2,200
2 - ASR diversion availability analysis of historical hydrology data	0	0	1	4	16	0	0	21	\$3,700		\$3,700
Subtotal	0	0	1	8	24	0	0	33	\$5,900	\$0	\$5,900
<b>Task 4. Develop hydrogeological framework with maps and cross sections</b>											
1 - Review & synthesize hydrogeological data, develop map and up to 3 XS's	1	0	2	24	32	32	0	91	\$15,900		\$15,900
Subtotal	1	0	2	24	32	32	0	91	\$15,900	\$0	\$15,900
<b>Task 5. Evaluate ASR potential using CRBHM modeling</b>											
1 - Develop baseline scenario	0	0	1	8	8	0	0	17	\$3,200		\$3,200
2 - Develop & Run ASR Scenarios	0	1	2	24	40	0	0	67	\$12,400		\$12,400
3 - Process and Analyze Baseline and Scenario Results	0	1	2	24	40	8	0	75	\$13,600	\$0	\$13,600
Subtotal	0	2	5	56	88	8	0	159	\$29,200	\$0	\$29,200
<b>Task 6. Evaluate Limitations &amp; Uncertainty associated with CRBHM Simulations</b>											
1 - Compare Hydrogeologic Frameworks & Local Parameter Calibration	1	2	2	16	24	8	0	53	\$9,800		\$9,800
2 - Analytic Calculations of upper and lower bound hydraulic response	0	2	2	16	32	0	0	52	\$9,700		\$9,700
Subtotal	1	4	4	32	56	8	0	105	\$19,500	\$0	\$19,500
<b>Task 7. Select hydrogeologic units and sites for further analysis/ field testing</b>											
1 - Select target units and sites for further analysis & testing	1	1	2	8	4	4	0	20	\$4,000		\$4,000
Subtotal	1	1	2	8	4	4	0	20	\$4,000	\$0	\$4,000
<b>Task 8. Prepare a report summarizing work and conclusions related to previous tasks and Phase 2 work</b>											
1 - Prepare Draft Report and 1 Set of Revisions based on MPWMD review	4	4	8	40	48	24	16	144	\$25,400	\$100	\$25,500
Subtotal	4	4	8	40	48	24	16	144	\$25,400	\$100	\$25,500
<b>Total (hours)</b>	<b>8</b>	<b>13</b>	<b>27</b>	<b>198</b>	<b>296</b>	<b>100</b>	<b>16</b>	<b>658</b>			
<b>Total (\$)</b>	<b>\$2,264</b>	<b>\$3,445</b>	<b>\$6,480</b>	<b>\$41,778</b>	<b>\$48,840</b>	<b>\$14,900</b>	<b>\$1,312</b>		<b>\$119,000</b>	<b>\$200</b>	<b>\$119,200</b>







Tularcitos Off Channel Storage - Regional Overview



**ITEM: ACTION ITEM****12. CONSIDER APPROVAL OF ADDITIONAL CONTINGENCY FUNDS FOR THE SLEEPY HOLLOW STEELHEAD REARING FACILITY REARING CHANNEL REHABILITATION PROJECT**

<b>Meeting Date:</b>	<b>March 20, 2023</b>	<b>Budgeted:</b>	<b>No</b>
<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program/ Line Item No.:</b>	<b>Protect Environmental Quality 2-3-1-L</b>
<b>Prepared By:</b>	<b>Larry Hampson</b>	<b>Cost Estimate:</b>	<b>\$100,000</b>

**General Counsel Review: N/A****Committee Recommendation: The Finance and Administration Committee reviewed this item on March 13, 2023 and recommended approval and requested an update from staff at the April 10, 2023 Finance and Administration Committee meeting.****CEQA Compliance: Exempt under §15301 Existing Facilities.**

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**SUMMARY:** On November 14, 2022, the District Board approved a not-to-exceed amount of \$739,500 for contract work at the District's Sleepy Hollow Steelhead Rearing Facility (Facility), including \$96,500 for contingencies. With that approval, it was noted that a mid-year budget adjustment would be required. As of early March 2023, \$2,000 in contingency funds remained due to several unforeseen conditions encountered at the site. Because more than 30% of the project remains to be completed, additional funds may be needed to cover additional changes that may be required. Staff requests the Board authorize \$100,000 in additional contingency funding, which would require increasing the line item in the mid-year budget adjustment up to \$872,500 or an increase of \$122,500 over the FY 2022-23 budget adopted in June 2022.

**RECOMMENDATION:** The Finance and Administration Committee recommends that the Board authorize an additional \$100,000 in contingency funds for Sleepy Hollow Steelhead Rearing Facility Rehabilitation Project (Rehab Project).

**DISCUSSION:** The Facility was initially constructed in 1996 and was intended to be operated on a temporary basis to mitigate for impacts to Carmel River steelhead from water diversions until a replacement water supply was constructed. The original construction and modifications made on several occasions to address issues with operations have not been well documented.

Unforeseen conditions encountered with the Rehab Project work include:

- 1) Evidence that root penetration through and under the rearing channel walls and liner was present along about 80% of the channel; it was determined that the new French drain used to reduce moisture under the rearing channel should be extended an additional 100 feet to intercept any water near the headworks of the channel;

- 2) The original construction had not included a specified filler in 32 ½-inch expansion joints along the rearing channel walls; nearly all the joints were filled with roots that likely compromised the liner; the rearing channel walls required hand digging, cleaning of the joints, and placement of a sealer and patch on both sides of the rearing channel wall at each joint:
- 3) After the existing 6-inch drain at the end of the channel was exposed, it became clear that the proposed new French drain could not be connected to the existing 6” drain due to a vertical conflict; the French drain outlet needed to be rerouted and extended;
- 4) Some of the underground portions of the air blower piping system showed signs of overheating; it was determined that (more expensive) galvanized pipe (instead of PVC) should be placed in the underground portion of the piping system;
- 5) A felt liner under the Hypalon liner was discovered that helped prevent excess wear in key areas; construction of the new EPDM liner had not included installation of a liner; it was determined that a liner should be installed along the new concrete portion of the rearing channel.

Staff negotiated several changes to the contract work in order to reduce costs; however, the change orders required to address these unforeseen conditions have nearly exhausted the contingency funds authorized for the Rehab Project. As of early March 2023, approximately 30% of the project remained to be completed. If additional changes are required to complete this work, the project would have to be halted until the funding issue is resolved.

**IMPACTS ON STAFF AND RESOURCES:** Funds for the Rehab Project are budgeted under Sleepy Hollow Operations Budget Program line item 2-3-1-L Design/Construct Rearing Channel and Quarantine Tank Improvements. The FY 2022-23 budget adopted on June 20, 2022, included \$750,000 for planning and engineering and rearing channel work. If this item is approved, the total authorized funds for the program line item would be \$872,500, an increase of \$122,500 over the budgeted amount. This amount includes up to \$33,000 for planning and engineering services and up to \$839,500 for the Rehab Project.

The work would be performed under the direction of the Project Engineer.

## **EXHIBIT**

None

**ITEM: ACTION ITEM****13. CONSIDER APPROVAL OF DISTRICT LEGISLATIVE ADVOCACY PLAN FOR 2023****Meeting Date: March 20, 2023 Budgeted: N/A****From: David J. Stoldt, General Manager Program/ Line Item No.: N/A****Prepared By: David J. Stoldt Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: On March 9, 2023 the Legislative Advocacy Committee voted 3-0 to recommend approval.****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

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**SUMMARY:** Attached as **Exhibit 13-A** is a draft 2023 Legislative Advocacy Plan. The Legislative Advocacy Committee discussed state and federal priorities for the year at its March 9, 2023 meeting and recommended approval of the Plan.**RECOMMENDATION:** The Legislative Advocacy Committee recommends the Board of Directors review and adopt the proposed 2023 Legislative Advocacy Plan.**EXHIBIT****13-A Draft 2023 Legislative Advocacy Plan**







## **EXHIBIT 13-A**

### **2023 DRAFT Legislative Advocacy Plan**

#### **Purpose**

The purpose of the Plan is to guide District officials and staff in considering legislative or regulatory proposals that are likely to have an impact on the District, and to allow for a timely response to important legislative issues. Although the expenditure of public funds for the purpose of supporting or opposing a ballot measure or candidate is prohibited, the expenditure of public funds is allowed to advocate for or against proposed legislation or regulatory actions which will affect the public agency expending the funds.

The purpose for identifying legislative advocacy procedures is to provide clear direction to District staff with regard to monitoring and acting upon bills during state and federal legislative sessions. Adherence to such procedures will ensure that legislative inquiries and responses will be administered consistently with “one voice” as to the identified advocacy priorities adopted by the Board of Directors. The advocacy priorities will provide the District General Manager, or other designee, discretion to advocate in best interests in a manner consistent with the goals and priorities adopted by the Board of Directors. This Plan is intended to be manageable, consistent, and tailored to the specific needs and culture of the District.

#### **Plan Goals**

- Advocate the District’s legislative interests at the State, County, and Federal levels.
- Inform and provide information to the Board and staff on the legislative process and key issues and legislation that could have a potential impact on the District.
- Serve as an active participant with other local governments, the Association of California Water Agencies (ACWA), the California Special Districts Association (CSDA), and local government associations on legislative and regulatory issues that are important to the District and the region.
- Seek grant and funding assistance for District projects, services, and programs to enhance services for the community.

#### **Plan Principles**

The Board recognizes the need to protect District interests and local control, and to identify various avenues to implement its strategic and long-term goals. It is the policy of the District to proactively monitor and advocate for legislation as directed by the advocacy priorities and by the specific direction of the Board of Directors.

This Plan provides the District General Manager, or other designee, the flexibility to adopt positions on legislation in a timely manner, while allowing the Board of Directors to set advocacy priorities to provide policy guidance. The Board of Directors shall establish various advocacy priorities and, so long as the position fits within the advocacy priorities, staff is authorized to take a position without board approval.

Whenever an applicable advocacy priority does not exist pertaining to legislation affecting the District, the matter shall be brought before the Board of Directors at a regularly scheduled board meeting for formal direction from the Board of Directors. The Board of Directors has chosen to establish a standing committee of three Directors, known as the “Legislative Advocacy Committee”, with the authority to adopt a position when consideration by the full Board of Directors is not feasible within the time-constraints of the legislative process.

Generally, the District will not address matters that are not pertinent to the District’s local government services, such as social issues or international relations issues.

### **Advocacy Priorities**

#### ***Revenue, Finances, and Taxation***

Ensure adequate funding for the Districts’ safe and reliable core local service delivery. Protect Districts’ resources from the shift or diversion of revenues without its consent. Promote financial independence and afford access to revenue opportunities equal to that of other types of local agencies. Protect and preserve the Districts’ property tax allocation and local flexibility with revenue and diversify local revenue sources.

Support opportunities that allow the District to compete for its fair share of regional, state, and federal funding, and that maintain funding streams. Opportunities may include competitive grant and funding programs. Opportunities may also include dedicated funding streams at the regional, state, or federal levels that allow the District to maximize local revenues, offset and leverage capital expenditures, and maintain District goals and standards.

#### ***Governance and Accountability***

Enhance the Districts’ ability to govern as an independent, local government body in an open and accessible manner. Encourage best practices that avoid burdensome, costly, redundant or one-size-fits all approaches. Ensure local services meet the unique needs, priorities, and preferences of the community.

Oppose additional public meeting and records requirements that unnecessarily increase the burden on public resources without effectively fostering public engagement and enhancing accountability of government agencies.

Promote local-level solutions, decision-making, and management concerning service delivery and governance structures while upholding voter control.



### ***Human Resources and Personnel***

Promote policies related to hiring, management, and benefits and retirement that afford flexibility, contain costs, and enhance the ability to recruit and retain highly qualified, career-minded employees to public service. As public agency employers, support policies that foster productive relationships between management and employees.

Maintain the Districts' ability to exercise local flexibility by minimizing state-mandated contract requirements. Oppose any measure that would hinder the ability of special districts to maximize local resources and efficiencies through the use of contracted services.

### ***Infrastructure, Innovation, and Investment***

Encourage prudent planning for investment and maintenance of innovative long-term infrastructure. Support the contracting flexibility and fiscal tools and incentives needed to help special districts meet California's changing demands. Promote the efficient, effective, and sustainable delivery of core local services.

Prevent restrictive one-size-fits-all public works requirements that increase costs to taxpayers and reduce local flexibility.

### **Legislative Advocacy Procedures**

It is the Plan of the District to proactively monitor and advocate for legislation as directed by the advocacy priorities and by the specific direction of the Board of Directors. This process involves interaction with local, state, and federal government entities both in regard to specific items of legislation and to promote positive intergovernmental relationships. Accordingly, involvement and participation in regional, state, and national organizations is encouraged and supported by the District.

Monitoring legislation is a shared function of the Board of Directors and General Manager or designated staff. Legislative advocacy procedures are the process by which staff will track and respond to legislative issues in a timely and consistent manner. The General Manager, or other designee, will act on legislation utilizing the following procedures:

1. The General Manager or other designee shall review requests that the District take a position on legislative issues to determine if the legislation aligns with the district's current approved advocacy priorities.
2. The General Manager or other designee will conduct a review of positions and analysis completed by ACWA, CSDA, WateReuse, and other local government associations when formulating positions.
3. If the matter aligns with the approved priorities, District response shall be supplied in the form of a letter to the legislative body reviewing the bill or measure. Advocacy methods

utilized on behalf of the District, including but not limited to letters, phone calls, emails, and prepared forms, will be communicated through the General Manager or designee. The General Manager or designee shall advise staff to administer the form of advocacy, typically via letters signed by the General Manager, or designee, on behalf of the Board of Directors.

4. All draft legislative position letters initiated by the General Manager or designee shall state whether the district is requesting “support”, “support if amended”, “oppose”, or “oppose unless amended” action on the issue, and shall include adequate justification for the recommended action. If possible, the letter should include examples of how a bill would specifically affect the district, e.g. “the funding the district will lose due to this bill could pay for X capital improvements.”
  - a. Support – legislation in this area advances the district’s goals and priorities.
  - b. Oppose – legislation in this area could potentially harm, negatively impact or undo positive momentum for the district, or does not advance the district’s goals and priorities.
5. The General Manager may also provide a letter of concern or interest regarding a legislative issue without taking a formal position on a piece of legislation. Letters of concern or interest are to be administered through the General Manager or designee.
6. When a letter is sent to a state or federal legislative body, the appropriate federal or state legislators representing the District shall be included as a copy or “cc” on the letter. The appropriate contacts at ACWA or the CSDA and other local government associations, if applicable, shall be included as a cc on legislative letters.
7. A position may be adopted by the General Manager or designee if any of the following criteria is met:
  - a. The position is consistent with the adopted advocacy priorities;
  - b. The position is consistent with that of organizations to which the District is a member, such as ACWA or CSDA; or
  - c. The position is approved by the Board of Directors or the Legislative Advocacy Committee.
8. All legislative positions adopted via a process outside of a regularly scheduled Board Meeting shall be communicated to the Board of Directors at the next regularly scheduled Board Meeting. When appropriate, the General Manager or other designee will submit a report (either written or verbal) summarizing activity on legislative measures to the Board of Directors.

## Federal Delegation



Senator Dianne Feinstein



Senator Alex Padilla



Rep. Jimmy Panetta, 19<sup>th</sup> Dist.

## Federal Strategy

- 1) Continue relationship and services with The Ferguson Group
  - Identifying legislation or proposed regulatory changes that may impact the District.
  - Submit and pursue WRDA earmarks; Work with Army Corps of Engineers San Francisco regional office.
  - Consider additional requests under Community Project Funding program.
  - Consult with staff to develop positions on relevant legislation.
  - Advocate the District's position on bills and matters of interest.
  - Identify funding opportunities and notify of timing, requirements, and advocate on behalf of District or District's partners (e.g. WaterSMART) for, but not limited to:
    - ✓ Fisheries and watersheds
    - ✓ Pure Water Monterey Expansion
  - Prepare materials for briefing – talking points, briefing books, letters, as necessary
  - Coordinate with other water district lobbyists and organizations
  - Maintain close relationships with Monterey legislative delegation
- 2) Maintain Washington DC profile:
  - Work with The Ferguson Group to organize timely trips as needed, but at least once a year separate from ACWA trip
  - Both Congressional delegation and regulatory departments related to water, including but not limited to BLM, NOAA (NMFS), USBR, USDA, and EPA.
  - Develop relationships with new legislative staff.
  - Attend ACWA trip each year or every other year
  - Direct contact with associations including ACWA, WateReuse, etc.
- 3) Provide support for relevant legislation.
- 4) Perform on existing federal grants:
  - \$10.3 million Pure Water Monterey Expansion USBR Title XVI grant – M1W

- WIFIA loan through the EPA – M1W
- Salinas and Carmel Rivers Basin Study (\$900,000 USBR to be completed in 2023)

### State of California Delegation



John Laird, Senate District 17



Dawn Addis, Assembly District 30

Also: Anna Caballero (Senate District 12) and Robert Rivas (Assembly District 29)

### State of California Strategy

- 1) Monitor and pursue grant opportunities:
  - \$11.94 Million Urban Community Drought Relief Grant – MPWMD
  - \$4.8 Million Budget Act of 2022 (Governor’s 2022-23 Budget earmark) – MPWMD
  - \$15 Million State Revolving Fund grant for PWM Expansion – M1W
  - Fisheries Restoration Grant Program (FRGP): Position the District for a 2023 application for Monitoring Watershed Restoration (MO) for Carmel River in the aftermath of the San Clemente dam removal.
  - IRWM: Will maintain our effort to attain State funding in the next IRWM round
- 2) Maintain Sacramento profile:
  - Work with JEA Associates to organize timely trips as needed, but at least once a year separate from needs-based visits.
  - Follow through on the “Water for Housing” application to SWRCB and develop and execute advocacy plan.
  - Pursue other grant and/or special legislation opportunities.
  - Visit w/ Governor Newsom’s appointee’s in relevant key positions
  - Meet with legislative team locally
  - Attend CSDA, ACWA, and/or WateReuse legislative days
- 3) Provide support/opposition for relevant legislation.
  - Maintain JEA bill-tracking
  - Provide letters of support or opposition on legislation and regulations that affect the water industry. Current effort on proposed SWRCB regulations.

- 4) Develop helpful relationships: ACWA, WateReuse, others

### **Local Strategy**

- 1) Maintain District role in regional water issues related to:
  - Pure Water Monterey expansion
  - Los Padres Dam and Reservoir studies
  - Manage local IRWM and WRDA efforts
  - Groundwater Sustainability
  - Regionalism in water, generally
- 2) Encourage information flow and public participation in Rule 19.8/Measure J feasibility analysis where possible.
- 3) Participate in County-wide efforts (CEQA, OES, Water planning, Carmel River/Lagoon)
- 4) Maintain outreach to local associations government affairs committees (Chambers, MCAR, MCHA, Coalition of Peninsula Businesses, jurisdictions' mayors and councils); Meet new councilmembers and board members.
- 5) Better articulate CPUC activities to local ratepayer groups





Carry Forward/Use of Reserves	1,323,000	0	1,323,000
From Flood/Drought Reserves	0	250,000	250,000
From Capital Equipment Reserve	197,000	0	197,000
From Debt Reserve	500,000	0	500,000
From Fund Balance	0	0	0
<b>Total Revenues</b>	<b>\$32,695,400</b>	<b>(\$3,118,000)</b>	<b>\$29,577,400</b>

<u>Expenditures</u>	<u>Adopted</u>	<u>Change</u>	<u>Amended</u>
Personnel	\$4,488,300	\$0	\$4,488,300
Supplies & Services	1,740,700	16,000	1,756,700
Project Expenditures	24,095,500	(5,191,000)	18,904,500
Fixed Assets	450,000	0	450,000
Debt Service	230,000	1,920,000	2,150,000
Capital Equip. Reserve	408,500	0	408,500
General Fund Balance	262,400	387,000	649,400
Pension Reserve	100,000	0	100,000
OPEB Reserve	100,000	0	100,000
Mechanics Bank Reserve	500,000	(500,000)	0
Flood/Drought Reserve	0	250,000	250,000
Election Expense	250,000	0	250,000
Contingency	70,000	0	70,000
<b>Total</b>	<b>\$32,695,400</b>	<b>(\$3,118,000)</b>	<b>\$29,577,400</b>

As the table above indicates, most of the change is attributed to decrease in project expenditures. Additionally, this budget anticipates making a payment of \$2,150,000 (principal & interest) to Mechanics Bank (formerly Rabobank) paying off debt in full. An increase in setting aside of reserves compared to the original budget because of the decrease in project expenditures. Detailed information regarding all other proposed changes, as well as their effect on reserves, is detailed in the background section of this report.

**RECOMMENDATION:** Following a presentation by District staff and a public hearing, staff recommends adoption of the proposed mid-year budget adjustment for FY 2022-2023.

**BACKGROUND:** The Board of Directors adopted the original FY 2022-2023 budget on June 20, 2022. The paragraphs below summarize the original budget, proposed mid-year adjustments to the budget and projected reserves accounts.

### Revenues

The 2022-2023 adopted budget anticipated revenue sources in the amount of \$32,695,400. Through January 31, 2022, actual revenue collections totaled \$16,273,275 or 50% of the budgeted amount. District staff has analyzed the revenue activity for the first seven months of the FY, as well as activities scheduled for the remainder of the FY, and recommends various adjustments to the revenue portion of the budget as shown in **Exhibit 14-A** and discussed below:

- Decrease of \$164,000 in California American Water reimbursement revenue based on actual collections through the first half of the FY.



- Decrease of \$3,204,000 in grants based on actual collections through the first half of the FY. Both the project expenditures related to the grant and the revenue have been deferred to next fiscal year based on the timing of the project.
- Increase of \$250,000 in Flood/Drought Reserve Fund. Since there has been a reduction in project expenditures allowing surplus funds to be set aside towards this reserve fund to offset the authorized use towards flood damage earlier in the year.

The cumulative effect of these revenue adjustments is a decrease of \$3,118,000 in projected revenues for FY 2022-2023.

### Expenditures

The original budget envisioned expenditures of \$32,695,400 in the fiscal year ending June 30, 2023. Through January 31, 2023, actual expenditures totaled \$13,831,250, or 42% of the budgeted amount. The spending pattern at mid-way point of the fiscal year is not unusual because most of the project expenditures for the first half of each fiscal year are low. District staff has analyzed the expenditure activity for the first seven months of the fiscal year, as well as activities scheduled for the remainder of the fiscal year, and recommends various adjustments to the expenditure portion of the budget as discussed below:

- The personnel services portion of the budget had no adjustments as shown on **Exhibit 14-B**.
- The supplies and services portion of the budget increased by \$16,000 as shown on **Exhibit 14-C**.
- The fixed assets portion of the budget had no adjustments as shown on **Exhibit 14-D**.
- As presented on **Exhibit 14-E**, project expenditures decreased by a net amount of \$5,191,000. Some of the larger adjustments are as follows:
  1. Decrease of \$105,000 towards Cal-Am Desal and Water Allocation Process as this is deferred to next fiscal year.
  2. Increase of \$250,000 towards flood damage work as previously authorized by the Board.
  3. Increase of \$90,000 towards Sleepy Hollow rearing channel project.
  4. Reduction of \$398,000 for ASR related project as the work will not be completed in this fiscal year.
  5. Reduction of \$1,750,000 for near term production capacity project as this is no longer needed.
  6. Reduction of \$3,199,000 for IRWM implementation project as this is deferred to next fiscal year.
  7. Other adjustments to the project expenditures as noted in the exhibit.

The cumulative effect of the adjustments to the expenditure side of the budget is a net decrease of \$5,191,000.

## Reserves

The District's reserve balance is projected to be as follows:

### **Monterey Peninsula Water Management District Analysis of Reserves 2022-2023**

Reserves	Projected Balance 6/30/2022	Actual Balance 6/30/2022	FY 2022-23 Budget Changes	Est. Balance 06/30/2023
Litigation/Insurance Reserve	250,000	250,000	0	\$250,000
Capital Equipment Reserve	1,083,300	1,083,300	211,500	\$1,294,800
Flood/Drought Reserve	328,944	328,944	0	\$328,944
Debt Reserve	222,654	222,743	0	\$222,743
Pension Reserve	400,000	400,000	100,000	\$500,000
OPEB Reserve	400,000	400,000	100,000	\$500,000
Debt Service Reserve (Mechanics Bank)	500,000	500,000	(500,000)	\$0
General Operating Reserve	15,163,095	18,199,387	(673,600)	\$17,525,787
Totals	<u>\$18,347,993</u>	<u>\$21,384,374</u>	<u>(\$762,100)</u>	<u>\$20,622,274</u>

The above adjustments will result in an estimated reserve balance of \$20,622,274 at June 30, 2023 as shown on **Exhibit 14-F**. This amount meets the minimum 5% of the operating budget established by the Board during the 2005-06 budget process. The original adopted budget had a projected reserve balance of \$18,198,893 for the fiscal year.

Use of reserve (carry forward of project funds from prior year) in the amount of \$1,323,000 remains unchanged for the mid-year budget. Original budget had anticipated setting aside general reserve in the amount of \$262,400, while the mid-year budget increased it to \$649,400.

## **EXHIBITS**

- 14-A** Revenues
- 14-B** Personnel Costs
- 14-C** Supplies & Services Costs
- 14-D** Capital Assets
- 14-E** Project Expenditures
- 14-F** Reserves Analysis

**EXHIBIT 14-A**

**Monterey Peninsula Water Management District  
Mid-Year Budget Adjustment  
Revenues  
2022-2023**

<u>Description</u>	<u>Original Budget</u>	<u>Adjustment</u>	<u>Amended Budget</u>
Reimbursements - CAW	1,192,600	(164,000)	1,028,600
Grants	3,470,200	(3,204,000)	266,200
 Total	 <u>4,662,800</u>	 <u>(3,368,000)</u>	 <u>1,294,800</u>



**EXHIBIT 14-B**

**Monterey Peninsula Water Management District  
 Mid-Year Budget Adjustment  
 Personnel Costs  
 2022-2023**

<u>Description</u>	<u>Original Budget</u>	<u>Adjustment</u>	<u>Amended Budget</u>
No Adjustments			
Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>



**EXHIBIT 14-C**

**Monterey Peninsula Water Management District  
 Mid-Year Budget Adjustment  
 Supplies & Services  
 2022-2023**

<u>Division</u>	<u>Description</u>	<u>Original Budget</u>	<u>Adjustment</u>	<u>Amended Budget</u>
ASD	Rent	11,000	2,000	13,000
ASD	Insurance	160,000	14,000	174,000
	Total	<u>\$171,000</u>	<u>\$16,000</u>	<u>\$187,000</u>





**EXHIBIT 14-D****Monterey Peninsula Water Management District  
Mid-Year Budget Adjustment-Capital Assets/Other  
2022-2023**

<u>Division</u>	<u>Description</u>	<u>Original Budget</u>	<u>Adjustment</u>	<u>Amended Budget</u>
	No Adjustments			
	Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>



**EXHIBIT 14-E**

**Monterey Peninsula Water Management District  
Mid-Year Budget Adjustment-Project Expenditures  
2022-2023**

<u>Division</u>	<u>Description</u>	<u>Original Budget</u>	<u>Adjustment</u>	<u>Amended Budget</u>
GMO	1-9-1 Cal-Am Desal Project	30,000	(30,000)	0
GMO	1-15-1 Water Allocation Process	75,000	(75,000)	0
ERD	1-1-2 B Alternatives Analysis and Sediment Management	80,000	2,500	82,500
ERD	2-1-1 B Operate and maintain District project systems	17,000	5,000	22,000
ERD	2-1-4 Address Vegetation Hazards, Permitting, and Remove Trash	20,000	30,000	50,000
ERD	2-3-1 A General operations and maintenance	50,000	105,000	155,000
ERD	2-3-1 C Road maintenance	20,000	50,000	70,000
ERD	2-3-1 F Facility upgrade (construction)	45,000	(33,000)	12,000
ERD	2-3-1 L Design/Construct Rearing Channel and Quarantine Tank Improvements	750,000	122,500	872,500
ERD	2-3-4 A Resistance Board Weir Maintenance & Permitting	7,000	60,000	67,000
WRD	1-1-3 PWM/MPWSP Operations Model (CRBHM & SGBM)	98,000	(44,000)	54,000
WRD	1-2-1 A1 UXO Support	22,000	(20,000)	2,000
WRD	1-2-1 A2 Land easement	110,000	(110,000)	0
WRD	1-2-1 A3 Site landscaping	70,000	(60,000)	10,000
WRD	1-2-1 B1 Operations support	80,000	(78,000)	2,000
WRD	1-2-1 B2 Water quality lab analysis	50,000	(39,000)	11,000
WRD	1-2-1 B4 Supplemental Sampling and Analysis Plan (SSAP)	120,000	(47,000)	73,000
WRD	1-5-1 A Other Seaside Basin Model	75,000	(51,000)	24,000
WRD	1-5-1 B Geochemical Mixing Study	30,000	(11,000)	19,000
WRD	1-16-1 A Near Term Production Capacity	1,750,000	(1,750,000)	0
WRD	2-6-1 C Implementation Grant	1,885,000	(1,735,000)	150,000
WRD	2-6-1 D Implementation Grant Round 2	1,489,000	(1,464,000)	25,000
WDD	4-1-1 B CEQA Compliance	6,000	(4,000)	2,000
WDD	4-2-1 B CII Outreach	5,000	(5,000)	0
WDD	4-2-2 E Conservation & efficiency workshops/training	40,000	(10,000)	30,000
WDD	4-2-2 N Rain Barrel Giveaway Program	5,000	(5,000)	0
WDD	4-2-2 O Mulch Program	10,000	5,000	15,000
	<b>Total</b>	<b>\$6,939,000</b>	<b>(\$5,191,000)</b>	<b>\$1,748,000</b>



**EXHIBIT 14-F**

**Monterey Peninsula Water Management District  
Analysis of Reserves  
2022-2023**

Reserves	Projected Balance 6/30/2022	Actual Balance 6/30/2022	FY 2022-2023 Budget Changes	Est. Balance 06/30/2023
Litigation/Insurance Reserve	250,000	250,000	0	\$250,000
Capital Equipment Reserve	1,083,300	1,083,300	211,500	\$1,294,800
Flood/Drought Reserve	328,944	328,944	0	\$328,944
Debt Reserve	222,654	222,743	0	\$222,743
Pension Reserve	400,000	400,000	100,000	\$500,000
OPEB Reserve	400,000	400,000	100,000	\$500,000
Debt Service Reserve (Mechanics Bank)	500,000	500,000	(500,000)	\$0
General Operating Reserve	15,163,095	18,199,387	(673,600)	\$17,525,787
Totals	<u>\$18,347,993</u>	<u>\$21,384,374</u>	<u>(\$762,100)</u>	<u>\$20,622,274</u>

Current Fiscal Year Use of Reserves	\$ -
Current Fiscal Year Excess Revenue	\$ 649,400
Carry Forward Projects from Prior Year	(1,323,000)
Net Change in General Reserve for Current Fiscal Year	<u>\$ (673,600)</u>



**ITEM: INFORMATIONAL ITEM/STAFF REPORT****15. REPORT ON ACTIVITY/PROGRESS ON CONTRACTS OVER \$25,000****Meeting Date: March 20, 2023 Budgeted: N/A****From: David J. Stoldt, General Manager Program/ Line Item No.: N/A****Prepared By: Suresh Prasad Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: The Finance and Administration Committee reviewed this item on March 13, 2023.****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

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**SUMMARY:** Attached for review as **Exhibit 15-A**, monthly status report on contracts over \$25,000 for the period January 2023. This status report is provided for information only, no action is required.**EXHIBIT****15-A** Status on District Open Contracts (over \$25k)





**EXHIBIT 15-A**

**Monterey Peninsula Water Management District  
Status on District Open Contracts (over \$25K)  
For The Period January 2023**

Contract	Description	Date Authorized	Contract Amount	Prior Period	Current Period	Total	Expected Completion	Current Period Activity	P.O. Number	
				Expended To Date	Spending	Expended To Date				
1	Tyman Construction Inc.	Emergency Road Debris Clearance Sleepy Hollow	1/23/2023	\$ 47,910.00	\$ -	\$ 47,910.00	\$ 47,910.00		Current period billing for emergency road repairs	PO03252
2	Cypress Coast Ford	Purchase Ford 150 4X4 Truck	5/16/2022	\$ 42,000.00	\$ -		\$ -			PO03244
3	City of Monterey	MPWMD Local Water Project Development Grant	10/17/2022	\$ 25,000.00	\$ -		\$ -			PO03242
4	DeVeera Inc.	HP Smart Array 2062 SAN Server	12/12/2022	\$ 160,000.00	\$ -	\$ 148,273.63	\$ 148,273.63		Current period billing for purchase of Storage Area Network (SAN) server	PO03222
5	DeVeera Inc.	Board Conference Room A/V Upgrade	12/12/2022	\$ 30,000.00	\$ -		\$ -			PO03221
6	Access Monterey Peninsula	Board Conference Room A/V Upgrade	12/12/2022	\$ 25,000.00	\$ -	\$ 12,653.37	\$ 12,653.37		Current period billing for upgrade of A/V Room equipment	PO03220
7	Tyman Construction Inc.	Sleepy Hollow Rearing Channel Rehabilitation	11/14/2022	\$ 693,000.00	\$ -		\$ -			PO03195
8	Montgomery & Associates	Annual Groundwater Modeling Support	6/20/2022	\$ 50,000.00	\$ -		\$ -			PO03193
9	Clifton Larson Allen LLP	Audit for FYE 06/30/2022	6/15/2020	\$ 71,000.00	\$ 34,300.00	\$ 25,200.00	\$ 59,500.00		Current period billing for audit work	PO03160
10	WellmanAD	Public Outreach Consultant	10/10/2022	\$ 70,875.00	\$ 23,625.00	\$ 7,875.00	\$ 31,500.00		Current period retainer billing for outreach services	PO03155
11	Telemetrix	Consultant Services for Sleepy Hollow Facility	6/20/2022	\$ 27,060.00	\$ 5,115.00		\$ 5,115.00			PO03121
12	ETech Consulting, LLC	Accela Improvements	5/16/2022	\$ 52,000.00	\$ 30,880.00	\$ 7,680.00	\$ 38,560.00		Current period billing for Accela upgrade	PO02969
13	De Lay & Laredo	Measure J/Rule 19.8 Appraisal/Water Rights Phase 3	8/15/2022	\$ 75,000.00	\$ 8,800.00	\$ 36,690.46	\$ 45,490.46		Current period billing for Measure J water rights services	PO03113
14	De Lay & Laredo	Measure J/Rule 19.8 Appraisal/Real Estate Phase 3	8/15/2022	\$ 80,000.00	\$ 20,000.00	\$ 33,309.64	\$ 53,309.64		Current period billing for Measure J real estate appraisal services	PO03112
15	De Lay & Laredo	Measure J/Rule 19.8 Appraisal/Rate Study Phase 3	8/15/2022	\$ 160,000.00	\$ 89,120.85		\$ 89,120.85			PO03111
16	Rutan & Tucker, LLP	Measure J/Rule 19.8 Eminent Domain Phase 3	12/16/2019	\$ 175,000.00	\$ 1,912.50	\$ 600.00	\$ 2,512.50		Current period billing for Measure J eminent domain services	PO03110
17	Lynx Technologies, Inc	GIS Consultant Contract for 2022-2023	6/20/2022	\$ 35,000.00	\$ 11,475.00	\$ 2,325.00	\$ 13,800.00		Current period billing for GIS services	PO03048
18	Regional Government Services	HR Contracted Services for FY 2022-2023	6/20/2022	\$ 35,000.00	\$ 8,576.15		\$ 8,576.15			PO03047
19	Monterey One Water	PWM Expansion Project Amd #6	11/15/2021	\$ 1,200,000.00	\$ 483,114.17		\$ 483,114.17			PO03042
20	Martin B. Feeney, PG, CHG	Installation of sampling pump in Paralta Test for RWQCB Permit Sampling	7/18/2022	\$ 30,000.00	\$ 29,915.69		\$ 29,915.69			PO03040
21	JEA & Associates	Legislative and Administrative Services - FY 2022-2023	7/18/2022	\$ 44,300.00	\$ 17,000.00	\$ 3,400.00	\$ 20,400.00		Current period retainer billing	PO03037
22	The Ferguson Group LLC	Contract for Legislative Services for FY 2022-2023	7/18/2022	\$ 75,500.00	\$ 36,391.40	\$ 6,053.16	\$ 42,444.56		Current period retainer billing	PO03036
23	DeVeera Inc.	IT Managed Services Contract FY 2022-2023	6/15/2020	\$ 60,480.00	\$ 30,240.00	\$ 5,040.00	\$ 35,280.00		Current period billing for IT managed services	PO03028
24	DeVeera Inc.	BDR Datto Services Contract FY 2022-2023	9/6/2019	\$ 26,352.00	\$ 13,176.00		\$ 13,176.00			PO03027
25	CSC	Recording Fees	7/22/2022	\$ 50,000.00	\$ 20,000.00		\$ 20,000.00			PO03010
26	Pueblo Water Resources, Inc.	ASR Operations Support	6/20/2022	\$ 75,000.00	\$ -		\$ -			PO02983
27	MBAS	ASR Water Quality FY 2022-2023	6/20/2022	\$ 40,000.00	\$ 6,084.00	\$ 507.00	\$ 6,591.00		Current period billing for ASR related water quality testing	PO02982

**Monterey Peninsula Water Management District**  
**Status on District Open Contracts (over \$25K)**  
**For The Period January 2023**

Contract	Description	Date Authorized	Contract Amount	Prior Period	Current Period	Total	Expected Completion	Current Period Activity	P.O. Number
				Expended To Date	Spending	Expended To Date			
28	Monterey Peninsula Engineering	Install quarantine tanks at the Sleepy Hollow facility	3/21/2022	\$ 262,500.00	\$ 227,855.12		\$ 227,855.12		PO02967
29	City of Sand City	IRWM Grant Reimbursement	3/28/2022	\$ 1,084,322.50	\$ 3,283.75	\$ 1,315.00	\$ 4,598.75	Current period payment for IRWM related reimbursement	PO03093
30	Marina Coast Water District	IRWM Grant Reimbursement	3/28/2022	\$ 83,079.00	\$ 2,255.50		\$ 2,255.50		PO02947
31	City of Seaside	IRWM Grant Reimbursement	3/28/2022	\$ 578,987.90	\$ 33,303.32	\$ 283,887.00	\$ 317,190.32	Current period IRWM Grant reimbursement	PO02948
32	Montgomery & Associates	Annual Groundwater Modeling support	11/15/2021	\$ 50,000.00	\$ 31,941.00		\$ 31,941.00		PO02849
33	DUDEK	Grant administration services for the Proposition 1 IRWM Implementation	12/14/2020	\$ 114,960.00	\$ 27,992.50	\$ 4,305.00	\$ 32,297.50	Current period billing for Prop 1 IRWM grant administration services	PO02847
34	Shute, Mihaly & Weinberger LLP	Measure J LAFCO Litigation Legal Services	1/1/2022	\$ 250,000.00	\$ 198,126.33		\$ 198,126.33		PO02843
35	Reiff Manufacturing	Quarantine tanks with for the Sleepy Hollow steelhead facility	10/18/2022	\$ 48,000.00	\$ 40,350.00		\$ 40,350.00		PO02824
36	Psomas	Measure J/Rule 19.8 MPWMD Survey Services	9/20/2021	\$ 28,000.00	\$ 25,900.00		\$ 25,900.00		PO02791
37	Tetra Tech, Inc.	Engineering services Sleepy Hollow Facility Upgrade	6/21/2021	\$ 67,500.00	\$ 44,243.86		\$ 44,243.86		PO02693
38	Zim Industries, Inc.	ASR 1 Rehabilitation	2/25/2021	\$ 113,350.00	\$ 106,277.25		\$ 106,277.25		PO02650
39	Monterey One Water	PWM Deep Injection Well #4 Design/Construction	9/21/2020	\$ 4,070,000.00	\$ 1,662,829.66		\$ 1,662,829.66		PO02604
40	Goodin, MacBride, Squeri & Day, LLP	Legal Fee Related MPWSP	4/1/2021	\$ 50,000.00	\$ 29,848.31		\$ 29,848.31		PO02601
41	Local Agency Formation Commission (LAFCO) of Monterey County	Measure J/Rule 19.8 MPWMD LAFCO Application Proces	5/17/2021	\$ 232,800.00	\$ 210,584.62		\$ 210,584.62		PO02598
42	Shute, Mihaly & Weinberger LLP	Measure J CEQA Litigation Legal Services	12/23/2020	\$ 200,000.00	\$ 140,933.56		\$ 140,933.56		PO02490
43	Weston Solutions, Inc.	UXO Support Services	6/15/2020	\$ 26,378.70	\$ 6,521.66		\$ 6,521.66		PO02371
44	Denise Duffy & Assoc. Inc.	CEQA addendum for ASR Parallel Pipeline	4/20/2020	\$ 28,567.00	\$ 25,970.44		\$ 25,970.44		PO02363
45	Norton Rose Fulbright	Cal-Am Desal Structuring & Financing Order	4/20/2015	\$ 307,103.13	\$ 38,557.29		\$ 38,557.29		PO02197
46	Pueblo Water Resources, Inc.	ASR SMWTF Engineering Services During Construction	10/21/2019	\$ 148,100.00	\$ 142,709.87		\$ 142,709.87		PO02163
47	U.S. Bank Equipment Finance	Copier machine leasing - 60 months	7/15/2019	\$ 52,300.00	\$ 34,990.03	\$ 871.81	\$ 35,861.84	6/30/2024 Current period billing for photocopy machine lease	PO02108
48	Monterey One Water	Supplemental EIR Costs for PWM Expansion Project	3/18/2019	\$ 750,000.00	\$ 731,336.70		\$ 731,336.70		PO02095
49	Monterey One Water	Pre-Construction Costs for PWM Expansion Project	11/13/2017	\$ 360,000.00	\$ 312,617.94		\$ 312,617.94		PO02094
50	DUDEK	Consulting Services for Prop 1 grant proposal	4/15/2019	\$ 95,600.00	\$ 94,315.05		\$ 94,315.05		PO01986
51	Denise Duffy & Associates	Consulting Services IRWM plan update	12/17/2018	\$ 55,000.00	\$ 53,322.32		\$ 53,322.32		PO01985
52	Tetra Tech, Inc.	Engineering services Sleepy Hollow Facility Upgrade	7/16/2018	\$ 30,000.00	\$ 26,878.87		\$ 26,878.87		PO01880
53	Ecology Action of Santa Cruz	IRWM HEART Grant	4/16/2018	\$ 152,600.00	\$ 86,362.33		\$ 86,362.33		PO01824
54	Pueblo Water Resources, Inc.	ASR Backflush Basin Expansion, CM services	7/16/2018	\$ 96,034.00	\$ 68,919.39		\$ 68,919.39		PO01778

**Monterey Peninsula Water Management District**  
**Status on District Open Contracts (over \$25K)**  
**For The Period January 2023**

Contract	Description	Date Authorized	Contract Amount	Prior Period	Current Period	Total	Expected Completion	Current Period Activity	P.O. Number	
				Expended To Date	Spending	Expended To Date				
55	Rural Community Assistance Corporation	IRWM DAC Needs Assessment	4/16/2018	\$ 100,000.00	\$ 99,250.00		\$ 99,250.00			PO01777
56	Mercer-Fraser Company	Sleepy Hollow Intake upgrade project	7/16/2018	\$ 2,075,000.00	\$ 2,047,318.58		\$ 2,047,318.58			PO01726
57	Colantuono, Highsmith, & Whatley, PC	MPTA Legal Matter	7/1/2018	\$ 150,000.00	\$ 131,999.55	\$ 6,272.05	\$ 138,271.60		Current period billing for MPTA legal matter	PO01707
58	Pueblo Water Resources, Inc.	Seaside Groundwater Basin Geochemical Study	1/24/2018	\$ 68,679.00	\$ 57,168.85		\$ 57,168.85			PO01628
59	Pueblo Water Resources, Inc.	SSAP Water Quality Study	8/21/2017	\$ 94,437.70	\$ 44,318.11		\$ 44,318.11			PO01510
60	Normandeau Associates, Inc.	Assistance with IFIM Study	11/13/2017	\$ 35,000.00	\$ 31,482.50		\$ 31,482.50			PO01509
61	Balance Hydrologics, Inc	Design Work for San Carlos Restoration Project	6/19/2017	\$ 51,360.00	\$ 50,894.32		\$ 50,894.32			PO01321
62	AECOM Technical Services, Inc.	Los Padres Dam Alternatives Study	1/25/2017	\$ 794,920.00	\$ 785,389.80		\$ 785,389.80			PO01268
63	Denise Duffy & Assoc. Inc.	MMRP Services for Monterey Pipeline	1/25/2017	\$ 80,000.00	\$ 73,144.06		\$ 73,144.06			PO01202
64	Goodin,MacBride,Squeri,Day,Lamprey	User Fee PUC Proceedings Legal Fee	7/1/2016	\$ 50,000.00	\$ 49,318.05		\$ 49,318.05	6/30/2023		PO01100
65	Whitson Engineers	Carmel River Thawleg Survey	9/19/2018	\$ 52,727.43	\$ 49,715.00		\$ 49,715.00			PO01076
66	HDR Engineering, Inc.	Los Padres Dam Fish Passage Study	4/18/2016	\$ 320,000.00	\$ 316,085.56		\$ 316,085.56			PO01072
67	Michael Hutnak	GS Flow Modeling for Water Resouces Planning	8/19/2013	\$ 71,800.00	\$ 65,880.00		\$ 65,880.00			PO00123
68	Justin Huntington	GS Flow Modeling for Water Resouces Planning	8/19/2013	\$ 59,480.00	\$ 53,918.98		\$ 53,918.98			PO00122







**Monterey Peninsula Water Management District**  
**Status on Measure J/Rule 19.8 Spending Phase III**  
**Through January 2023**

	<b>Contract</b>	<b>Date Authorized</b>	<b>Contract/Approved Amount</b>	<b>Prior Period Spending</b>	<b>Current Period Spending</b>	<b>Total Expended To Date</b>	<b>Spending Remaining</b>	<b>Project No.</b>
1	Eminent Domain Legal Counsel	12/16/2019	\$ 175,000.00	\$ 140,303.06	\$ 600.00	\$ 140,903.06	\$ 34,096.94	PA00007-01
2	Appraisal Services	12/16/2019	\$ 160,000.00	\$ 89,120.85		\$ 89,120.85	\$ 70,879.15	PA00007-03
3	District Legal Counsel	12/16/2019	\$ 100,000.00	\$ 12,855.00	\$ 8,341.00	\$ 21,196.00	\$ 78,804.00	PA00007-05
4	Real Estate Appraiser	12/16/2019	\$ 80,000.00	\$ 20,000.00	\$ 33,309.64	\$ 53,309.64	\$ 26,690.36	PA00007-06
5	Water Rights Appraisal	12/16/2019	\$ 75,000.00	\$ 8,800.00	\$ 36,690.46	\$ 45,490.46	\$ 29,509.54	PA00007-10
6	Contingency/Miscellaneous	12/16/2019	\$ -	\$ -		\$ -	\$ -	PA00007-20
	<b>Total</b>		<b>\$ 590,000.00</b>	<b>\$ 271,078.91</b>	<b>\$ 78,941.10</b>	<b>\$ 350,020.01</b>	<b>\$ 239,979.99</b>	
1	Measure J CEQA Litigation Legal Services	12/23/2020	\$ 200,000.00	\$ 140,303.06		\$ 140,303.06	\$ 59,696.94	PA00005-15
1	Measure J LAFCO Litigation Legal Services	1/1/2022	\$ 250,000.00	\$ 198,126.33		\$ 198,126.33	\$ 51,873.67	PA00005-16

**Monterey Peninsula Water Management District**  
**Status on Measure J/Rule 19.8 Spending Phase II**  
**Through September 2022**

	<b>Contract</b>	<b>Date Authorized</b>	<b>Contract/Approved Amount</b>	<b>Prior Period Spending</b>	<b>Current Period Spending</b>	<b>Total Expended To Date</b>	<b>Spending Remaining</b>	<b>Project No.</b>
1	Eminent Domain Legal Counsel	12/16/2019	\$ 345,000.00	\$ 168,265.94		\$ 168,265.94	\$ 176,734.06	PA00005-01
2	CEQA Work	12/16/2019	\$ 134,928.00	\$ 134,779.54		\$ 134,779.54	\$ 148.46	PA00005-02
3	Appraisal Services	12/16/2019	\$ 430,000.00	\$ 188,683.75		\$ 188,683.75	\$ 241,316.25	PA00005-03
4	Operations Plan	12/16/2019	\$ 145,000.00	\$ 94,860.00		\$ 94,860.00	\$ 50,140.00	PA00005-04
5	District Legal Counsel	12/16/2019	\$ 40,000.00	\$ 162,254.16		\$ 162,254.16	\$ (122,254.16)	PA00005-05

6	MAI Appraiser	12/16/2019	\$ 170,000.00	\$ 76,032.00		\$ 76,032.00	\$ 93,968.00	PA00005-06
7	Jacobs Engineering	12/16/2019	\$ 87,000.00	\$ 86,977.36		\$ 86,977.36	\$ 22.64	PA00005-07
8	LAFCO Process	12/16/2019	\$ 240,000.00	\$ 217,784.62		\$ 217,784.62	\$ 22,215.38	PA00005-08
8	PSOMAS	9/20/2021	\$ 28,000.00	\$ 25,308.49		\$ 25,308.49	\$ 2,691.51	PA00005-09
9	Contingency/Miscellaneous/Uncommitted	12/16/2019	\$ 289,072.00	\$ 39,298.59		\$ 39,298.59	\$ 249,773.41	PA00005-20
	<b>Total</b>		<b>\$ 1,909,000.00</b>	<b>\$ 1,194,244.45</b>	<b>\$ -</b>	<b>\$ 1,194,244.45</b>	<b>\$ 714,755.55</b>	

**Phase I Costs**  
**Status on Measure J/Rule 19.8 Spending**  
**Through November 2019**

	<b>Contract</b>	<b>Date Authorized</b>	<b>Contract Amount</b>	<b>Prior Period Spending</b>	<b>Current Period Spending</b>	<b>Total Expended To Date</b>	<b>Spending Remaining</b>	<b>Project No.</b>
1	Eminent Domain Legal Counsel	12/17/2018	\$ 100,000.00	\$ 148,802.21	\$ 12,195.95	\$ 160,998.16	\$ (60,998.16)	PA00002-01
2	Investment Banking Services	2/21/2019	\$ 30,000.00	\$ -	\$ 27,000.00	\$ 27,000.00	\$ 3,000.00	PA00002-02
3	Valuation & Cost of Service Study Consulta	2/21/2019	\$ 355,000.00	\$ 247,690.63	\$ 39,274.54	\$ 286,965.17	\$ 68,034.83	PA00002-03
4	Investor Owned Utility Consultant	2/21/2019	\$ 100,000.00	\$ 84,221.69		\$ 84,221.69	\$ 15,778.31	PA00002-04
5	District Legal Counsel		\$ 35,000.00	\$ 33,763.61	\$ 8,133.98	\$ 41,897.59	\$ (6,897.59)	PA00002-05
6	Contingency/Miscellaneous		\$ 30,000.00	\$ 9,931.83	\$ 33,814.12	\$ 43,745.95	\$ (13,745.95)	PA00002-10
	<b>Total</b>		<b>\$ 650,000.00</b>	<b>\$ 524,409.97</b>	<b>\$ 120,418.59</b>	<b>\$ 644,828.56</b>	<b>\$ 5,171.44</b>	



**ITEM: INFORMATIONAL ITEM/STAFF REPORT****17. LETTERS RECEIVED****Meeting Date:** March 20, 2023 **Budgeted:** N/A**From:** David J. Stoldt,  
General Manager **Program/** N/A  
**Line Item No.:****Prepared By:** Joel G. Pablo **Cost Estimate:** N/A**General Counsel Review:** N/A**Committee Recommendation:** N/A**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

A list of letters sent by and/or received by the Board Chair and/or General Manager between February 8, 2023 and March 14, 2023 is shown below.

The purpose of including a list of these letters in the Board packet is to inform the Board and interested citizens. Copies of the letters are available for public review at the District office. If a member of the public would like to receive a copy of any letter listed, please contact the District office. Reproduction costs will be charged. The letters can also be downloaded from the District's website at [www.mpwmd.net](http://www.mpwmd.net).

Author	Addressee	Date	Topic
<b>Margaret-Anne Coppernoll</b>	General Manager	February 13, 2023	Public Input
<b>Melodie Chrislock</b>	Board of Directors and General Manager	February 19, 2023	California's Best New Source of Water?
<b>Melodie Chrislock</b>	Board of Directors and General Manager	February 21, 2023	Monterey City Council Letter to CPUC
<b>Melodie Chrislock</b>	Board of Directors	February 27, 2023	Monterey Herald – It's Official a 'Wet' Year
<b>Susan Schiavone</b>	Board of Directors	February 27, 2023	Letter to CPUC- re: Proceeding A.21-11-024 Cal-Am Water Purchase Agreement









**EXHIBIT 18-A**

**Final Minutes**

**Legislative Advocacy Committee of the  
Monterey Peninsula Water Management District  
Tuesday, December 7, 2021 at 2:00 p.m.**

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

**Call to Order**

Chair Riley called the meeting to order at 2:00 p.m.

**Committee members present:**

George Riley, Chair  
Karen Paull  
Safwat Malek

**Committee members absent:**

None

**Staff members present:**

David J. Stoldt, General Manager  
Joel G. Pablo, Board Clerk

**District Counsel present:**

David C. Laredo with De Lay and  
Laredo

**Legislative Consultant:**

John Arriaga, JEA & Associates  
Laurie Johnson, JEA & Associates  
Roger Gwinn, The Ferguson Group  
Chris Kearney, The Ferguson Group  
Stephanie Missert, The Ferguson Group  
Rebecca Bliss, The Ferguson Group

**Comments from the Public:**

No comments were directed to the committee.

**Action Item**

**1. Consider Adoption of May 25, 2021 Committee Meeting Minutes**

Chair Riley introduced the item and suggested one editorial change.

*Chair Riley opened public comment. No comments were directed to the committee.*

A motion was made by Riley with a second by Paull to approve the May 25, 2021 Committee Meeting Minutes. The motion passed on a roll-call vote of 3-Ayes (Riley, Paull and Malek), 0-Noes and 0-Abstain.

## Discussion Items

### 2. Report from JEA & Associates on Legislative Status and Bill Tracking

John Arriaga provided introductory remarks. Arriaga commented 2021 has been quite the productive year for the California State Legislature with a \$100 billion surplus, a healthy revenue stream and addressing statewide issues to include climate change, fires, drought and the COVID-19 pandemic. Arriaga and his group have been working with ACWA and explained efforts are being had to funnel monies into climate resiliency and housing programs through 2021 and well into 2022.

Johnson provided an overview of the MPWMD 2021 End of the Year Report. She informed the committee SB 129 provides for a Climate Resiliency package worth \$2.4 billion for general funding in areas such as wastewater, water recycling, dams and more. Johnson stated she intends to bring further updates on: (1) discussions had with Senator Laird's office in respect to environmental priorities; (2) funding opportunities and (3) new and carry-over legislation.

Stoldt added the District: (1) signed a letter of support for IRWM funding; (2) had submitted a members request (earmark) with Laird's office to obtain funding for Deep Injection Well No. 4 and (3) will track down additional funding mechanisms with JEA and Associates. *In response to a question raised by Riley*, Stoldt mentioned agencies can jointly apply for grants on projects such as Pure Water Monterey and Expansion of Pure Water Monterey.

Johnson noted efforts to mitigate Condition II of the Cease-and-Desist Order in regards to the housing requirement have been ongoing issue. Johnson said she has been in contact with and worked with the State Water Resources Control Board, State Housing and Community Development Department and Sen. Laird's office just to name a few on gaining traction on the matter. Stoldt added he is drafting a letter on behalf of Sen. Laird's office requesting a status on the appeal and requesting a workshop on the matter.

*Opened public comments; no comments were directed to the Committee.*

### 3. Report from The Ferguson Group on Federal Legislative and Regulatory Activities

David J. Stoldt, General Manager provided introductory remarks and directed attention to Exhibit 3-A and 3-B.

Roger Gwinn with The Ferguson Group informed the committee federal legislators are working together to increase the nation's debt ceiling by \$2 Trillion to fund the federal government through the mid-term elections in 2022.

Chris Kearney provided a verbal status report on the Infrastructure Investment and Jobs Act, Reconciliation Bill (e.g. touches upon immigration, healthcare, tax deductions/incentives and various social program) and believes the latter bill be vetted out and likely to be adopted. Mark Limbaugh informed the board of a number of reoccurring/new grants to include: (1) the WaterSmart Grant Program (for water conservation/management); of which, \$100 million is to be allocated for nature based features that conserve waterbed features; (2) Watershed Management Project; (3) Aquatic Ecosystem Restoration Grant; (4) Fish passage resources via the Fish and Wildlife Service; and (5) Department of transportation.

Rebecca Bliss stated the President signed a resolution on December 3, 2022 effectively averting a government shutdown while Congress works on moving through and adopting appropriation bills. She stated she will be working with the District soon on project priorities for Fiscal Year 2023 and noted appropriations for 2022 will be completed during the Spring.

*Opened public comments; no comments were directed to the Committee.*

**4. Report from General Manager on Recent or Upcoming Legislative Actions**

David J. Stoldt, General Manager directed attention to Exhibit 3-A and 3-B. He provided a summary of the funding and grant opportunities offered through the Infrastructure Investment and Jobs Act and the criterion used would effectively rule out the District in those opportunities and others would be competitively evaluated among the applicant pool. Stoldt stated he will continue working jointly with Monterey One Water to apply for and secure funding for the State Revolving Fund and WIFIA loan through the Bureau of Reclamation. He mentioned the District signed onto a letter with the Alliance for Water Efficiency on language contained within the Build Back Better Act adding a federal tax on water rebates.

*Opened public comments; no comments were directed to the Committee.*

**5. Suggest Items to be Placed on Future Agendas**

*None*

**Adjournment:** There being no further business, Chair Riley adjourned the meeting at 2:58 p.m.

/ s/ Joel G. Pablo

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Joel G. Pablo, Board Clerk to the  
*MPWMD Legislative Advocacy Committee*

Approved by the MPWMD Legislative Advocacy Committee on March 9, 2023  
Received by the MPWMD Board of Director's on March 20, 2023







## EXHIBIT 18-B

### Final Minutes Legislative Advocacy Committee of the Monterey Peninsula Water Management District Thursday, June 16, 2022

*Pursuant to AB 361, the meeting was conducted with virtual participation via Zoom.*

#### Call to Order

Chair Paull called the meeting to order at 11:00 a.m.

**Committee members present:** Karen Paull, Chair  
Alvin Edwards  
Safwat Malek

**Committee members absent:** None

**Staff members present:** David J. Stoldt, General Manager  
Joel G. Pablo, Board Clerk

**District Counsel present:** David C. Laredo with De Lay and Laredo

**Legislative Consultant:** None

**Comments from the Public:** No comments were directed to the committee.

#### Action Items

##### 1. Consider Adoption of March 29, 2022 Committee Meeting Minutes

Chair Paull introduced the matter.

*Opened Public Comment; no comments were directed to the Committee.*

A motion was offered by Edwards with a second from Malek to approve the March 29, 2022 Committee meeting minutes. The motion passed on a roll-call vote of 3-Ayes (Paull, Edwards and Malek), 0-Noes and 0-Absent.

#### Discussion Items

##### 2. Discuss Federal Lobbyist Consultant Contract

David J. Stoldt, General Manager introduced the matter, provided a brief overview of past accomplishments by The Ferguson Group (TFG) and answered committee questions. He commented TFG would like to continue working with the District and they recognized the needs of the District has been reduce thus they have agreed to reduce their monthly fixed rate fee to \$6,000.

Based on discussions had, Director Paull and Edwards are comfortable with keeping TFG as the District's federal lobbyist. Director Edwards stated he would like for the District to conduct an RFP for a federal lobbyist in the future and who can provide grant writing services to find funding opportunities for replenishment in the Seaside Basin. *In response to Committee Member Edwards*, Stoldt commented TFG can be tasked with writing grants on behalf of the District. After much deliberation, committee consensus was reached to keep TFG as the District's federal lobbyist for the current Fiscal Year.

*Opened Public Comment; no comments were directed to the Committee.*

### **3. Discuss State Lobbyist Consultant Contract**

David J. Stoldt, General Manager provided introductory remarks, provided a brief overview of past accomplishments by JEA and Associates with the District and the Association of California Water Agencies, and answered committee questions. Director Edwards requested for JEA and Associates to provide: (1) Grant Writing Services; and (2) lobby and attempt to receive funding to subsidize replenishment water in the Seaside Basin. After much deliberation, committee consensus was reached to keep JEA and Associates as the District's state lobbyist for the current Fiscal Year.

*Opened Public Comment; no comments were directed to the Committee.*

### **4. Update on Recent Legislative and Regulatory Activities**

David J. Stoldt, General Manager introduced the item, provided an overview of his staff note and answered committee questions. The following points were made:

1. SB1157 (Hertzberg): The District signed onto a coalition letter of opposition to the bill. The bill changes the standards for interior water use and commented going from 52 to 42 would difficult to achieve.
2. Edwards requested clarification on Exhibit 4-A: Proposed Water Resources Development Act (WRDA) language. *In response to Edwards*, Stoldt commented the bill is moving along in the process with the House and Senate working out their differences in the various versions submitted and deliberated on. If successful further discussion with the Army Corps of Engineers will be had and access to the funding to be made available in the Fiscal 2024 appropriation.
3. Stoldt stated the District previously submitted and was denied for a fish barrier removal grant offered through the California Fish Passage Forum. He noted the District intends to apply for a similar grant funding opportunity through the National Marine Fisheries Services.

### **Other Items**

#### **5. Suggest Items to Place on a Future Committee Agenda**

Chair Paull remarked that she would like to hear an update on funding to subsidize replenishment water in the Seaside Basin.

### **Adjournment:**

There being no further business, Chair Paull adjourned the meeting at 12:20 p.m.

*/ s/ Joel G. Pablo, Board Clerk for the MPWMD Legislative Advocacy Committee*



**EXHIBIT 18-C**

Final Minutes

**Monterey Peninsula Water Management District  
Public Outreach Committee  
Monday, August 22, 2022**

*Pursuant to AB 361, the meeting was conducted with virtual participation via Zoom.*

**Call to Order | Roll Call**

Chair Riley called the meeting to order at 4:01 p.m.

Committee members present: George T. Riley - Chair  
Amy Anderson  
Karen Paull

Committee members absent: None

District staff members present: David J. Stoldt, General Manager  
Stephanie Locke, Water Demand Manager  
Joel G. Pablo, Board Clerk

District Counsel present: None

Comments from the Public: Chair Riley opened public comment; *no comments were directed to the committee.*

**Action Items**

**1. Consider Adoption of June 27, 2022 Committee Meeting Minutes**

Chair Riley introduced Item No. 1. Stoldt directed the committee to page 2 of 3 of the June 27, 2022 draft committee meeting minutes. He recalls at the last committee meeting it was discussed that the in-house public outreach position to perform basic outreach tasks and for the Public Outreach Consultant to focus on the thematic needs of the District. He asked the committee to approve the draft meeting minutes and to allow the minutes to be further amended by District Staff to accurately reflect the consensus made at the last meeting

Chair Riley opened public comment; *No public comment was received on the matter.*

A motion was offered by Riley with a second by Anderson to approve the June 27, 2022

Committee meeting minutes with corrections and amendments to be made by District Staff. The motion passed on a roll-call vote of 2-Ayes (Anderson and Riley), 0-Noes, 1-Abstain (Paull) and 0-Absent.

## Discussion Items

### 2. Identify Priority Need- Board Driven

Riley provided an opening statement and mentioned that the Committee has met on prior occasions on the District's need to hire a Public Outreach individual(s) to conduct public outreach services on behalf of the District. He expressed his hope that the committee can and will provide two (2) recommendations to the Board to: (1) Consider adding an in-house Public Outreach position to the District's organizational chart; and (2) To consider hiring a Public Outreach Consultant (Contractor).

David J. Stoldt, General Manager verbally shared the District does not have the delivery infrastructure in place to provide consistent outreach messaging. He noted print media, newspaper publications and direct mail can be costly and may not reach a wide audience. He believes an effective way to deliver information and to educate its residents is by e-mail. He stated messaging could include one or all the messaging needs found in his staff note to include: (1) Building Support for Measure J; (2) Counter Cal-Am's Messaging; (3) Promote the District's Narrative; and (4) Telling the District Story. He envisions the District can deliver effective outreach messaging similar to that of LandWatch of Monterey County and Marina Coast Water District. He sought committee direction and steered committee conversation to focus on the following:

- a. The District's Narrative
- b. The Delivery Infrastructure Vehicles
- c. Obtain and advance the Committee's general direction to the Board of Directors

Riley believes a Public Outreach Consultant can supply the District with fresh perspectives, ideas and strategies. Paull added messaging can touch on a wide array of topics to include: Measure J, Water Supply, Carmel River Mitigation and Conservation just to name a few. She noted, however the District must prioritize and hone-in on outreach topics most critical and relevant to the District. Stoldt touched briefly on outreach tactics used by the District, Cal-Am and Mark Millan. Stoldt emphasized the need to locate a local public outreach consultant to collaborate with on mailing lists, conservation messaging and the District website. *In response to Riley*, Stoldt clarified his use of the term delivery infrastructure as platforms or delivery mechanisms such as Constant Contact and MailChimp that enable an end-user to create branded e-mails to inform and educate others. Riley added delivery infrastructure could include labor or the ability of staff [both in-house and consultant] to deliver on the outreach needs of the District. After much deliberation, Riley affirms his support to add an in-house public outreach staff member. He stressed the District has and continues to miss opportunities to highlight newsworthy material that is both relevant and published timely.

*[Chair Riley announced all Discussion Items listed on the Committee Agenda will be discussed as a whole; and not taken on separately]*

Chair Riley proposes the committee to deliberate on the following:

(1) Public Outreach: Staff Member (In-House) and seek public input.

(2) Public Outreach: Consultant (Contracted) and seek public input.

*No objections were raised by the committee members.*

### **Topic 1: Public Outreach- Staff Member (In-House)**

Chair Riley opened public comment. *No comments were directed to the committee.*

#### **Motion 1**

A motion was offered by Riley and second by Paull to support adding a Public Outreach Specialist to the District’s Organizational Chart and refer the matter to the full Board on September 2022 for their consideration. The motion passed on a roll-call vote of 3-Ayes (Riley, Paull and Anderson), 0-Noes and 0-Absent.

#### **Motion 2**

A motion was offered by Riley and second by Paull to allow staff to hire a Public Outreach Coordinator, a senior position, or a Public Outreach Specialist, a journey-level position at either 0.5 Full Time Employee (FTE) or 1.0 FTE. The motion passed on a roll-call vote of 3-Ayes (Riley, Paull and Anderson), 0-Noes and 0-Absent.

David J. Stoldt, General Manager clarified this was not a named **Action Item** on the Committee Meeting Agenda and decisions made by the Committee are simply general direction.

### **Topic 2: Public Outreach Consultant (Contractor)**

Riley suggested for the Committee to consider a method for hiring an outside consultant for Public Outreach Services. Riley voiced his support for Phil Wellman with WellmanAd for consultant services. He mentioned Wellman’s local career highlights with the Monterey-Salinas Transit and Monterey Jazz Festival. Anderson shared her concerns for supporting Wellman as the District’s outreach consultant due to his support for Measure J and affiliation with Public Water Now. Paull concurred with Anderson’s comments and added that she would like a running list of Public Outreach Consultants to consider from.

Chair Riley opened public comment. *No comments were directed to the Committee.*

After much deliberation, the committee unanimously recommended that the Board consider contracting with an outside consultant for public outreach services to include considering WellmanAd, Spoke Consulting, Raunch Communication Consultant, Rally and KP Public Affairs.

### **3. Models for Provision of Public Outreach Services**

[Chair Riley announced all Discussion Items listed on the Committee Agenda will be discussed as a whole; and not taken on separately]

**4. Scope of Services – Examples**

[Chair Riley announced all Discussion Items listed on the Committee Agenda will be discussed as a whole; and not taken on separately]

**Suggest Items to be Placed on a Future Agenda**

None

**Adjournment**

Chair Riley adjourned the meeting at 5:37 p.m.

/s/ Joel G. Pablo

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Joel G. Pablo, Board Clerk

Received by the MPWMD Board of Director's on March 20, 2023

Approved by the MPWMD Public Outreach Committee on February 27, 2023

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## EXHIBIT 18-D

Final Minutes  
**Monterey Peninsula Water Management District**  
**Public Outreach Committee**  
**Thursday, December 15, 2022**

*Pursuant to AB 361, the meeting was conducted with virtual participation via Zoom.*

### Call to Order | Roll Call

Committee Member Anderson called the meeting to order at 10:00 a.m.

Committee members present:      George T. Riley – Chair (*Joined at 10:05 a.m.*)  
    Amy Anderson  
    Karen Paull

Committee members absent:      None

District staff members present:    David J. Stoldt, General Manager  
    Stephanie Locke, Water Demand Manager  
    Joel G. Pablo, Board Clerk  
    Phil Wellman, WellmanAd

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

Comments from the Public:        Anderson opened public comment; *no comments were directed to the committee.*

### Action Items

#### 1.      **Consider Adoption of October 24, 2022 Committee Meeting Minutes**

Director Anderson introduced the matter. Anderson opened public comment. *No public comment was received by the committee.*

A motion was offered by Anderson with a second by Paull to approve the October 24, 2022 Committee meeting minutes. The motion passed on a roll-call vote of 2-Ayes (Anderson and Paull), 0-Noes, and 1-Absent (Riley).

### Discussion Items

#### 2.      **Review Progress by Wellman Ad**

David J. Stoldt, General Manager provided introductory remarks. He commented on

Wellman's performance to date and is pleased with progress had with Wellman on the following:

- (a) E-mail Distribution List – Expanded and Updated
- (b) Weekly E-mail Newsletter Notifications
- (c) Number of Received/Opened E-mails [25,000 e-mails transmitted; approximately 11,000 e-mails opened]

He stated the community overall has welcomed and responded positively to the District's e-mail messaging with relatively few comments from others offering differing viewpoints.

Wellman provided introductory remarks and stated he is happy to work with the District. He commented that he is working on understanding the District's role in the community and its issues to allow him to better articulate the District's work, its achievements and its issues. He briefly touched upon in-progress or completed projects to date to include:

- (1) Countered Cal-Am in advance of the California Coastal Commission hearing on November 17, 2022 by placing display ads in local newspapers.
- (2) Informed and positioned the District as a water supply leader through the e-mail newsletters / messaging. He reported of the 25,000 e-mails sent approximately 11,000 of those communications were received and opened.
- (3) Updated various social media platforms to include Facebook, Instagram and Twitter.
- (4) Created and ran branding ads on the Carmel River Aquifer Storage and Recovery with the Monterey County Weekly.
- (5) Collaborated with Maureen Hamilton, District Engineer on the creating a mock-up of a proposed design signage for the Aquifer Storage and Recovery.

Lastly, Wellman thanked District Staff and the committee for their support.

### **3. Discuss Outreach Needs for Measure J Appraisal and Offer to Purchase**

David J. Stoldt, General Manager reported that he has received and will review the real estate and water rights appraisal. He stated after his review of said appraisals he will transmit over to Doug Dennington with Rutan and Tucker, LLP [District's Special Legal Counsel] for additional analysis. He commented a final work product based on those appraisals to be produced by Raftelis likely by the end of January 2023 and an offer to purchase may be presented at the February or March 2023 Board Meetings. Stoldt anticipates the Board to consider reviewing and adopting a Resolution of Public Necessity to be placed on the Board Agenda in June or July of 2023. *In response to Paull*, Laredo and Stoldt commented the resolution will need to be drafted, thoroughly vetted, and thought through and cannot be produced sooner than the anticipated timeline. Further discussions ensued among staff and committee members on the eminent domain process. Dave envisions further additional outreach messaging to focus on bringing awareness on the District's commitment to



pursuing Measure J; and prior to the Board’s decision and consideration on the offer to buy and the resolution of public necessity.

**4. Discuss Style, Format and Content for 2022 MPWMD Annual Report**

Stephanie Locke, Water Demand Manager provided an overview of past practices and processes for drafting and publishing the MPWMD Annual Report. She had suggested a method to transmit the Annual Report is by utilizing the existing electronic mailing list through Wellman to reach a wider reader base. Locke said she will present a draft of the annual report in January or February 2023 for the committee’s consideration.

*Joel Pablo, Board Clerk announced that no public comment was received during the virtual meeting as there were no public attendees present during the entire duration of the meeting.*

**Suggest Items to be Placed on a Future Agenda**

None

**Adjournment**

Chair Riley adjourned the meeting at 11:11 a.m.

/s/ Joel G. Pablo

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Joel G. Pablo, Board Clerk

Received by the MPWMD Board of Director’s on March 20, 2023

Approved by the MPWMD Public Outreach Committee on February 27, 2023

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**EXHIBIT 18-E**

**Final Minutes  
Water Supply Planning Committee of the  
Monterey Peninsula Water Management District  
Wednesday, December 14, 2022**

*Pursuant to AB 361, this meeting was conducted using teleconferencing means.*

**Call to Order:** Chair Edwards called the meeting to order at 11:00 a.m.

**Committee Members Present:** Alvin Edwards, Chair  
Karen Paull  
George Riley

**Committee Members Absent:** None

**Staff Members Present:** David J. Stoldt, General Manager (*Left meeting at 12:25 p.m.*)  
Jonathan Lear, Water Resources Division Manager  
Maureen Hamilton, District Engineer  
Joel G. Pablo, Board Clerk

**District Counsel Present:** David C. Laredo and Fran Farina with De Lay & Laredo

**Comments from the Public:** Chair Edwards opened public comment.

*No comments were directed to the Committee*

**Action Items**

**1. Consider Adoption of the October 3, 2022 Committee Meeting Minutes**

David J. Stoldt, General Manager introduced Item No. 1.

Chair Edwards opened public comment. *No comments were directed to the Committee.*

A motion was offered by Paull with a second by Riley to approve the October 3, 2022 Committee Meeting Minutes. The motion passed on a roll-call vote of 3-Ayes (Riley, Paull and Edwards), 0-Noes and 0-Abstain.

## Discussion Items

### 2. Aquifer Storage and Recovery (ASR) Preparation for Winter 2022 – 23 Operations

David J. Stoldt provided introductory remarks.

Jonathan Lear, Water Resources Manager briefly described ASR Preparations for Winter 2022 – 23 Operations and made the following points:

- a) Monday, December 12: Successfully connected the parallel pipeline to ASR Well No. 3 and 4. Started injecting water to the pit.
- b) Tuesday, December 13: Flushed water until the appropriate silt density index has been achieved in order to inject water. Once actualized, ASR Well No. 2 was turned on to commence injecting at a rate of 1,000 gallons per minute. Lastly, turned on the Upper Valley Wells for Cal-Am to support the extra extraction out of the river.
- c) Wednesday, December 14: Staff determined ASR 1 is ready for injection. ASR 2 has been set and turned up to 1,500 gallons per minute with a set target of 2,800 gallons per minute moving forward. Lastly, the gauge off Highway 1 is measured at 350 cubic feet (cu ft) and injection to begin once measurements fall below 120 cu ft.

*In response to Edwards*, Lear stated currently all four ASR wells cannot be run at the same time due to ASR 3 and 4 being utilized as production wells. However, noted pipeline exists to operate all four. Lear mentioned Well No. 3 and 4 may present an issue in the future if Cal Am's practice continues. He commented the intention of said wells was to harvest water from the Carmel River during the winter months and not to be used as recovery wells.

Chair Edwards opened public comment. *No public comments were received.*

### 3. Status of Fort Ord Well No. 9 Replacement

David J. Stoldt, General Manager provided a verbal status report on Fort Ord Well No. 9 Replacement. Stoldt directed attention to Attachment 3-A and shared the costs for replacing FO-09 Shallow to be in the following percentages: Seaside Basin Groundwater Watermaster (42.5%); Marina Coast Water District (42.5%) and the District (15%). Stoldt stated Marina Coast Water District's need to replace the monitoring well has been to keep track of data points. *In response to Edwards*, Lear stated the District alone paid the approximately \$60,000 in destruction costs for FO-09 Shallow. Chair Edwards highlighted that the cost share of 15% for a replacement well is justified as a result of the District paying for the total cost for the destruction of FO-09 Shallow. Paull concurred with Edwards comments. Riley thanked Edwards for his reminder of the destruction costs

incurred by the District.

*Chair Edwards opened public comment. No comments were directed to the committee.*

**4. Condition Report on Fort Ord Well No. 10**

David J. Stoldt, General Manager provided a brief overview of Exhibit 4-A: Wells in the Seaside Basin. Lear informed the committee the District gained access to Fort Ord, a *former U.S. Army military base* and wells were drilled in the area to understand the hydrostratigraphy of the northern area of the District boundary. He described the need to destroy the aging well that has not returned useful data. Lear indicated the financial costs of destroying the well will be incurred by the District. *In response to Edwards*, Lear commented a good faith effort has been made to identify potential underlying issues with geophysical equipment (*tools that test for sand and clay*) to further assess the condition of the well. . He believes the root cause may have to do with rusted metals found in the well and will not be picked up with geophysical testing tools.

*Chair Edwards opened public comment. No comments were directed to the committee.*

**5. Update on MPWSP Desalination Project – Coastal Commission and Other Conditions**

David J. Stoldt, General Manager provided an overview of his staff report on actions taken at the California Coastal Commission hearing on November 17, 2022 on CalAm’s Coastal Development Permit for the MPWSP Desalination Project and answered committee questions. He directed the committee to Exhibit 5-A: Coastal Commission Preliminary Conditions on MPWSP Approval and noted that each of the listed conditions for approval are standard conditions and best management practices for most projects. He mentioned three other conditions were added during the hearing, as listed as bulleted points in the staff note. He noted final Conditions have not yet been released in written form. Stoldt briefly covered conditions requiring action by the California Public Utilities Commission (CPUC) as listed in the staff note. The CA Coastal Commission decision calls for a final determination on Phase 2 of the CPUC proceedings on supply and demand AND desalination. As a result of the hearings and approval of the Coastal Development Permit, the District has joined other entities in a lawsuit challenging the California Coastal Commission decision on procedural grounds and CEQA issues. Director Paul thanked the General Manager for his reminding the committee of the conditions in the Commission decision and noted that some of the conditions fall under the authority and jurisdiction of the CPUC. District Counsel Laredo commented that the Coastal Commission has issued a Notice of Determination but the final conditions have not been released to the public. *In response to Riley*, Stoldt recounts Josh Stratton, Manager of External Affairs for California American Water stated that an update on desal costs will be provided. Stoldt is not sure whether Stratton misspoke or if an update on costs will be released.

Chair Edwards opened public comment. *The following comments were directed to the Committee:*

- a) Saoirse Folsom: Thanked Committee Member Paull and Edwards for acknowledging the false promises made by the CA Coastal Commission on CalAm's Coastal Development Permit Conditions as it relates to low-income ratepayers. She briefly mentioned the income thresholds placed by Cal-Am relative to her household's income and the threats of shut off notices she has received.

*No further comments were directed to the Committee.*

Director Edwards emphasized that the District advocates for all ratepayers and not just low-income ratepayers.

## **6. Update on Pure Water Monterey Expansion – Status of Water Purchase Agreement; Alternate Financing Options**

David J. Stoldt provided a verbal update on Pure Water Monterey- Expansion, Water Purchasing Agreement, Alternative Financing Options and answered committee questions. He stated the District will transmit the signed Water Purchasing Agreement to Cal-Am in San Diego, CA, however noted the company has indicated their unwillingness to sign off on the agreement due to their belief that the CPUC's recent decision created a shortfall in cost recoveries. He noted that on January 19, 2023; the District will respond to the application for rehearing as submitted by Cal-Am to the CPUC and may produce additional filings based on the status of status of the application. Currently, Stoldt stated the Expansion project is at a standstill. *In response to Edwards*, Stoldt stated the District can proceed on the Expansion without Cal-Am. He described the WIFIA credit rating process, and future challenges he foresees as it relates to the MPTA lawsuit and conversion to an enterprise fund. Stoldt mentioned to move forward with the Expansion, the District would need to raise revenues and initiate a Proposition 218 process.

Laredo provided a brief status update on the MPTA 2 and 3 lawsuits. Judge Panetta will hold a hearing in December 2022 on the MPTA 2 lawsuit and anticipates an appeal will be filed by either the District or MPTA on her ruling, *when it is made*.

*David J. Stoldt, General Manager left the meeting at 12:25 p.m.*

Further discussions ensued regarding water reserves and supplies; and Cal-Am's statement indicating that it may have to over-pump the Seaside Basin and may potentially violate Condition 2 of the Cease-and-Desist-Order 95-10.

Chair Edwards opened public comment. *The following comments were directed to the committee:*

- (a) Melodie Chrislock, Executive Director with Public Water Now: Inquired if the District can build the expansion and operate the plant and if the CPUC can compel to sign off on the agreement.
- (b) Saoirse Folsom: Concurs with Chrislock’s and Edward’s comments. Raised the question if the District can make the CPUC aware of the Cal-Am’s misuse of the two ASR Wells mentioned earlier in the meeting in order to compel the company to sign-off on the agreement.
- (c) Jason Campbell: Agrees with Edwards that the District should find avenues to finance and purchase the expansion and bring it online.
- (d) Tammy Jennings: Questioned if anyone can make a complaint before the CPUC and concurs with Edwards on his comments on an alternative plan absent Cal-Am.

Laredo commented rate-payers can make a complaint against the CPUC.

*No further comments were directed to the committee.*

### **Suggest Items to be Placed on Future Agendas**

None.

### **Adjournment**

There being no further business, Chair Edwards adjourned the meeting at 12:37 p.m.

/ s/ Joel G. Pablo

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Joel G. Pablo, Board Clerk  
*MPWMD Water Supply Planning Committee*

Approved by the MPWMD Water Supply Planning Committee on March 7, 2023  
Received by the MPWMD Board of Director’s on March 20, 2023







**EXHIBIT 18-F**

**FINAL MINUTES  
Monterey Peninsula Water Management District  
Finance and Administration Committee  
February 6, 2023**

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

**Call to Order**

The virtual meeting was called to order at 2:00 PM via Zoom.

Committee members present: Amy Anderson, Chair  
Alvin Edwards  
Marc Eisenhart

Committee members absent: None

District staff members present: David Stoldt, General Manager  
Suresh Prasad, Administrative Services Manager/Chief Financial Officer  
Stephanie Locke, Water Demand Manager  
Thomas Christensen, Environmental Resources Manager  
Joel Pablo, Board Clerk/Executive Assistant  
Sara Reyes, Sr. Office Specialist

District Counsel present: David Laredo with De Lay and Laredo

**Additions / Corrections to Agenda: None**

**Comments from the Public: None**

**Items on Board Agenda for February 13, 2023**

**1. Consider Adoption of January 17, 2023 Committee Meeting Minutes**

On a motion by Edwards and second by Anderson, the minutes of the January 17, 2023 meeting were approved on a roll call vote of 2 – 0 by Edwards and Anderson. Director Eisenhart abstained from the vote since he did not attend the January 17, 2023 Finance and Administration Committee meeting.

**2. Consider Adoption of Resolution 2023-03 Amending Rule 141, Table XIV-1, Rebate Amounts, To Add a Rebate for Smart Toilet Leak Detectors**

On a motion by Edwards and second by Eisenhart, the Finance and Administration Committee recommended the Board approve Resolution No. 2023-03 to add a rebate for 25 percent of the cost of 20 or more smart toilet leak detector units installed in a Visitor Serving Facility or a Master Metered Multi-Family Residential Site to a maximum rebate of \$15,000. The motion was approved on a roll call vote of 3 – 0 by Edwards, Eisenhart and Anderson.

**3. Consider Approval of Annual Purchase of Internet License for Water Wise Gardening in Monterey County**

On a motion by Eisenhart and second by Edwards, the Finance and Administration Committee recommended that the Board approve the expenditure of \$5,000 to renew the internet license with GardenSoft for the Monterey County Water Wise Landscaping software. The motion was approved on a roll call vote of 3 – 0 by Eisenhart, Edwards and Anderson.

**4. Receive and File Second Quarter Financial Activity Report for Fiscal Year 2022-2023**

On a motion by Eisenhart and second by Edwards, the Finance and Administration Committee recommended that the Board receive and file the Second Quarter Financial Activity Report for Fiscal Year 2022-2023. The motion was approved on a roll call vote of 3 – 0 by Eisenhart, Edwards and Anderson.

**5. Consider Approval of Second Quarter Fiscal Year 2022-2023 Investment Report**

On a motion by Edwards and second by Eisenhart, the Finance and Administration Committee recommended that the Board approve the Second Quarter Fiscal Year 2022-2023 Investment Report. The motion was approved on a roll call vote of 3 – 0 by Edwards, Eisenhart and Anderson.

**6. Consider Adoption of Treasurer’s Report for December 2022**

On a motion by Anderson and second by Edwards, the Finance and Administration Committee recommended that the Board adopt the December 2022 Treasurer’s Report and financial statements, and ratification of the disbursements made during the month. The motion was approved on a roll call vote of 3 – 0 by Eisenhart, Edwards and Anderson.

**7. Semi-Annual Financial Report on the CAWD/PBCSD Wastewater Reclamation Project**

This item was presented as information to the committee. No action was required or taken by the committee.

**8. Report on Activity/Progress on Contracts Over \$25,000**

This item was presented as information to the committee. No action was required or taken by the committee.

**9. Status Report on Measure J/Rule 19.8 Phase II Spending**

This item was presented as information to the committee. No action was required or taken by the committee.

**10. Adopt 2023 Committee Meeting Schedule**

The committee reviewed and agreed on the 2023 committee meeting schedule.

**Review Draft February 13, 2023 Regular Board Meeting Agenda**

Joel Pablo, Board Clerk/Executive Assistant reviewed a revised agenda with the committee and pointed out additions to the Consent Calendar and Action Items as requested by the committee. The committee made no other changes to the agenda.

**Suggest Items to be Placed on Future Agendas**

None

**Adjournment**

The meeting adjourned at 3:04 PM.

**ITEM: INFORMATIONAL ITEM/STAFF REPORT****19. MONTHLY ALLOCATION REPORT**

<b>Meeting Date:</b>	<b>March 20, 2023</b>	<b>Budgeted:</b>	<b>N/A</b>
<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program:</b>	<b>N/A</b>
		<b>Line Item No.:</b>	
<b>Prepared By:</b>	<b>Gabriela Bravo</b>	<b>Cost Estimate:</b>	<b>N/A</b>

**General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.**

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**SUMMARY:** As of February 28, 2023, a total of **26.471** acre-feet (**7.8%**) of the Paralta Well Allocation remained available for use by the Jurisdictions. Pre-Paralta water in the amount of **31.105** acre-feet is available to the Jurisdictions, and **28.333** acre-feet is available as public water credits.

**Exhibit 19-A** shows the amount of water allocated to each Jurisdiction from the Paralta Well Allocation, the quantities permitted in February 2023 (“changes”), and the quantities remaining. The Paralta Allocation had no debits in February 2023.

**Exhibit 19-A** also shows additional water available to each of the Jurisdictions. Additional water from expired or canceled permits that were issued before January 1991 are shown under “PRE-Paralta.” Water credits used from a Jurisdiction’s “public credit” account are also listed. Transfers of Non-Residential Water Use Credits into a Jurisdiction’s Allocation are included as “public credits.” **Exhibit 19-B** shows water available to Pebble Beach Company and Del Monte Forest Benefited Properties, including Macomber Estates, Griffin Trust. Another table in this exhibit shows the status of Sand City Water Entitlement and the Malpaso Water Entitlement.

**BACKGROUND:** The District’s Water Allocation Program, associated resource system supply limits, and Jurisdictional Allocations have been modified by a number of key ordinances. These key ordinances are listed in **Exhibit 19-C**.

**EXHIBITS****19-A** Monthly Allocation Report**19-B** Monthly Entitlement Report**19-C** District’s Water Allocation Program Ordinances



**EXHIBIT 19-A**  
**MONTHLY ALLOCATION REPORT**  
 Reported in Acre-Feet  
 For the month of February 2023

Jurisdiction	Paralta Allocation*	Changes	Remaining	PRE-Paralta Water	Changes	Remaining	Public Credits	Changes	Remaining	Total Available
<b>Airport District</b>	8.100	0.000	5.197	0.000	0.000	0.000	0.000	0.000	0.000	5.197
<b>Carmel-by-the-Sea</b>	19.410	0.000	1.398	1.081	0.000	1.081	0.910	0.000	0.182	2.661
<b>Del Rey Oaks</b>	8.100	0.000	0.000	0.440	0.000	0.000	0.000	0.000	0.000	0.000
<b>Monterey</b>	76.320	0.000	0.298	50.659	0.000	0.181	38.121	0.000	2.451	2.920
<b>Monterey County</b>	87.710	0.000	10.578	13.080	0.000	0.352	7.827	0.000	1.181	12.121
<b>Pacific Grove</b>	25.770	0.000	0.000	1.410	0.000	0.014	15.874	0.000	0.002	0.016
<b>Sand City</b>	51.860	0.000	0.000	0.838	0.000	0.000	24.717	0.000	23.373	23.373
<b>Seaside</b>	65.450	0.000	0.000	34.438	0.110	29.477	2.693	0.000	1.144	30.621
<b>District Reserve</b>	9.000	0.000	9.000	N/A			N/A			9.000
<b>TOTALS</b>	<b>342.720</b>	<b>0.000</b>	<b>26.471</b>	<b>101.946</b>	<b>0.000</b>	<b>31.105</b>	<b>90.142</b>	<b>0.000</b>	<b>28.333</b>	<b>85.909</b>

Allocation Holder	Water Available	Changes this Month	Total Demand from Water Permits Issued	Remaining Water Available
<b>Quail Meadows</b>	33.000	0.000	32.320	0.680
<b>Water West</b>	12.760	0.000	9.892	2.868

\* Does not include 15.280 Acre-Feet from the District Reserve prior to adoption of Ordinance No. 73.



**EXHIBIT 19-B**  
**MONTHLY ALLOCATION REPORT**  
**ENTITLEMENTS**  
**Reported in Acre-Feet**  
**For the month of February 2023**

**Recycled Water Project Entitlements**

Entitlement Holder	Entitlement	Changes this Month	Total Demand from Water Permits Issued	Remaining Entitlement/and Water Use Permits Available
<b>Pebble Beach Co. *</b>	199.610	0.100	32.282	167.328
<b>Del Monte Forest Benefited Properties (Pursuant to Ord No. 109)</b>	165.390	0.159	72.058	93.332
<b>Macomber Estates</b>	10.000	0.000	10.000	0.000
<b>Griffin Trust</b>	5.000	0.000	4.829	0.171
<b>CAWD/PBCSD Project Totals</b>	<b>380.000</b>	<b>0.259</b>	<b>119.169</b>	<b>260.831</b>

Entitlement Holder	Entitlement	Changes this Month	Total Demand from Water Permits Issued	Remaining Entitlement/and Water Use Permits Available
<b>City of Sand City</b>	206.000	0.000	7.946	198.054
<b>Malpaso Water Company</b>	80.000	0.000	21.285	58.715
<b>D.B.O. Development No. 30</b>	13.950	0.000	3.908	10.042
<b>City of Pacific Grove</b>	38.390	0.000	8.453	29.937
<b>Cypress Pacific</b>	3.170	0.000	3.170	0.000

\* Increases in the Del Monte Forest Benefited Properties Entitlement will result in reductions in the Pebble Beach Co. Entitlement.





## EXHIBIT 19-C

### **District's Water Allocation Program Ordinances**

**Ordinance No. 1** was adopted in September 1980 to establish interim municipal water allocations based on existing water use by the jurisdictions. Resolution 81-7 was adopted in April 1981 to modify the interim allocations and incorporate projected water demands through the year 2000. Under the 1981 allocation, Cal-Am's annual production limit was set at 20,000 acre-feet.

**Ordinance No. 52** was adopted in December 1990 to implement the District's water allocation program, modify the resource system supply limit, and to temporarily limit new uses of water. As a result of Ordinance No. 52, a moratorium on the issuance of most water permits within the District was established. Adoption of Ordinance No. 52 reduced Cal-Am's annual production limit to 16,744 acre-feet.

**Ordinance No. 70** was adopted in June 1993 to modify the resource system supply limit, establish a water allocation for each of the jurisdictions within the District, and end the moratorium on the issuance of water permits. Adoption of Ordinance No. 70 was based on development of the Paralta Well in the Seaside Groundwater Basin and increased Cal-Am's annual production limit to **17,619** acre-feet. More specifically, Ordinance No. 70 allocated 308 acre-feet of water to the jurisdictions and 50 acre-feet to a District Reserve for regional projects with public benefit.

In addition to releasing water from the development of the Paralta Well, Ordinance No. 70 established a "special reserve" of 12.76 acre-feet of water saved by system improvements to the former Water West System when it was purchased and integrated into Cal-Am. This reserve was made available to properties in the former Water West System on a first-come, first-served basis. The ordinance also increased Cal-Am's production limit for savings related to the annexation of the Quail Meadows subdivision.

**Ordinance No. 73** was adopted in February 1995 to eliminate the District Reserve and allocate the remaining water equally among the eight jurisdictions. Of the original 50 acre-feet that was allocated to the District Reserve, 34.72 acre-feet remained and was distributed equally (4.34 acre-feet) among the jurisdictions.

**Ordinance No. 74** was adopted in March 1995 to allow the reinvestment of toilet retrofit water savings on single-family residential properties. The reinvested retrofit credits must be repaid by the jurisdiction from the next available water allocation and are limited to a maximum of 10 acre-feet. This ordinance sunset in July 1998.

**Ordinance No. 75** was adopted in March 1995 to allow the reinvestment of water saved through toilet retrofits and other permanent water savings methods at publicly owned and operated facilities. Fifteen percent of the savings are set aside to meet the District's long-term water conservation goal and the remainder of the savings are credited to the jurisdictions allocation. This ordinance sunset in July 1998.

**Ordinance No. 83** was adopted in April 1996 and set Cal-Am's annual production limit at **17,621** acre-feet and the non-Cal-Am annual production limit at **3,046** acre-feet. The modifications to the production limit were made based on the agreement by non-Cal-Am water users to permanently reduce annual water production from the Carmel Valley Alluvial Aquifer in exchange for water service from Cal-Am. As part of the agreement, fifteen percent of the historical non-Cal-Am production was set aside to meet the District's long-term water conservation goal.

**Ordinance No. 87** was adopted in February 1997 as an urgency ordinance establishing a community benefit allocation for the planned expansion of the Community Hospital of the Monterey Peninsula (CHOMP). Specifically, a special reserve allocation of 19.60 acre-feet of production was created exclusively for the benefit of CHOMP. With this new allocation, Cal-Am's annual production limit was increased to **17,641** acre-feet and the non-Cal-Am annual production limit remained at **3,046** acre-feet.

**Ordinance No. 90** was adopted in June 1998 to continue the program allowing the reinvestment of toilet retrofit water savings on single-family residential properties for 90-days following the expiration of Ordinance No. 74. This ordinance sunset in September 1998.

**Ordinance No. 91** was adopted in June 1998 to continue the program allowing the reinvestment of water saved through toilet retrofits and other permanent water savings methods at publicly owned and operated facilities.

**Ordinance No. 90 and No. 91** were challenged for compliance with CEQA and nullified by the Monterey Superior Court in December 1998.

**Ordinance No. 109** was adopted on May 27, 2004, revised Rule 23.5 and adopted additional provisions to facilitate the financing and expansion of the CAWD/PBCSD Recycled Water Project.

**Ordinance No. 132** was adopted on January 24, 2008, established a Water Entitlement for Sand City and amended the rules to reflect the process for issuing Water Use Permits.

**Ordinance No. 165** was adopted on August 17, 2015, established a Water Entitlement for Malpas Water Company and amended the rules to reflect the process for issuing Water Use Permits.

**Ordinance No. 166** was adopted on December 15, 2015, established a Water Entitlement for D.B.O. Development No. 30.

**Ordinance No. 168** was adopted on January 27, 2016, established a Water Entitlement for the City of Pacific Grove.

**ITEM: INFORMATIONAL ITEM/STAFF REPORT****20. WATER CONSERVATION PROGRAM REPORT**

<b>Meeting Date:</b>	<b>March 20, 2023</b>	<b>Budgeted:</b>	<b>N/A</b>
<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program/ Line Item No.</b>	<b>N/A</b>
<b>Prepared By:</b>	<b>Kyle Smith</b>	<b>Cost Estimate:</b>	<b>N/A</b>

**General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.**

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**I. MANDATORY WATER CONSERVATION RETROFIT PROGRAM**

District Regulation XIV requires the retrofit of water fixtures upon Change of Ownership or Use with High Efficiency Toilets (HET) (1.28 gallons-per-flush), 2.0 gallons-per-minute (gpm) Showerheads, 1.2 gpm Washbasin faucets, 1.8 gpm Kitchen, Utility, and Bar Sink faucets, and Rain Sensors on all automatic Irrigation Systems. Property owners must certify the Site meets the District's water efficiency standards by submitting a Water Conservation Certification Form (WCC), and a Site inspection is occasionally conducted to verify compliance. Properties that do not require an inspection are issued a Conservation Certification document.

**A. Changes of Ownership**

Information is obtained monthly from *Realquest.com* on properties transferring ownership within the District. The information is compared against the properties that have submitted WCCs. Details on **58** property transfers that occurred between February 1, 2023, and February 28, 2023, were added to the database.

**B. Certification**

The District received **93** WCCs between February 1, 2023, and February 28, 2023. Data on ownership, transfer date, and status of water efficiency standard compliance were entered into the database.

**C. Verification**

From February 1, 2023, and February 28, 2023, **68** properties were verified compliant with Rule 144 (Retrofit Upon Change of Ownership or Use). Of the **68** verifications, **44** properties verified compliance by submitting certification forms and/or receipts. District staff completed **36** Site inspections. Of the **36** properties verified, **24 (33%)** passed.

**D. CII Compliance with Water Efficiency Standards**

Effective January 1, 2014, all Non-Residential properties were required to meet Rule 143, Water Efficiency Standards for Existing Non-Residential Uses. To verify compliance with these requirements, property owners and businesses are sent notification of the requirements

and a date that inspectors will be on Site to check the property. In February, District inspectors performed **no** verification inspections.

MPWMD is forwarding its CII inspection findings to California American Water (Cal-Am) for their verification with the Rate Best Management Practices (Rate BMPs) that are used to determine the appropriate Non-Residential rate division. Compliance with MPWMD's Rule 143 achieves Rate BMPs for indoor water uses. Properties with landscaping must also comply with Cal-Am's outdoor Rate BMPs to avoid Division 4 (Non-Rate BMP Compliant) rates. In addition to sharing information about indoor Rate BMP compliance, MPWMD notifies Cal-Am of properties with landscaping. Cal-Am then conducts an outdoor audit to verify compliance with the Rate BMPs. During February 2023, MPWMD referred **no** properties to Cal-Am for verification of outdoor Rate BMPs.

E. Water Waste Enforcement

The District has a Water Waste Hotline 831-658-5653 or an online form to report Water Waste occurrences at [www.mpwmd.net](http://www.mpwmd.net) or [www.montereywaterinfo.org](http://www.montereywaterinfo.org). There was **two** Water Waste responses during the past month. There were **no** repeated incidents that resulted in a fine.

## II. WATER DEMAND MANAGEMENT

A. Permit Processing

As of July 6, 2021, the District has been processing both electronic and in person applications for Water Permits. Information can be found at <https://www.mpwmd.net/regulations/water-permits>.

District Rule 23 requires a Water Permit application for all properties that propose to expand or modify water use on a Site, including New Construction and Remodels. District staff processed and issued **50** Water Permits from February 1, 2023, and February 28, 2023. **Two** Water Permits were issued using Water Entitlements (Pebble Beach Company, Malpas Water, etc.). **No** Water Permits involved a debit to a Public Water Credit Account. In addition to those Water Permits issued in February, **six** Meter Permits and **eight** Hydrant Meter Permits were issued. All Water Permits have a disclaimer informing applicants of the Cease-and-Desist Order against California American Water and that MPWMD reports Water Permit details to California American Water.

District Rule 24-3-A allows the addition of a second Bathroom in an existing Dwelling Unit. Of the **50** Water Permits issued from February 1, 2023, and February 28, 2023, **two** were issued under this provision.

B. Permit Compliance

District staff completed **no** conditional Water Permit finals during February 2023. Staff completed **63** site inspections. **42** properties passed and **nine** failed due to unpermitted fixtures.

C. Deed Restrictions

District staff prepares deed restrictions that are recorded on the property title to provide notice of District Rules and Regulations, enforce Water Permit conditions, and provide notice of public access to water records. In April 2001, the District Board of Directors adopted a policy regarding the processing of deed restrictions. District staff provided Notary services for **53** Water Permits with deed restrictions.

D. Rebates

The full list of available rebates can be found in Rule 141:

<https://www.mpwmd.net/rules/Rule141-TableXIV-1.pdf>. Below is the rebate information for February 1, 2023 to February 28, 2023.

**EXHIBIT**

**20-A** Rebate information for February 1, 2023 to February 28, 2023



**EXHIBIT 20-A**

<b>REBATE PROGRAM SUMMARY</b>		February-2023				2023 YTD		1997 - Present	
<b>I. Application Summary</b>									
A.	Applications Received	60				161		30,220	
B.	Applications Approved	43				123		23,604	
C.	Single Family Applications	40				115		26,508	
D.	Multi-Family Applications	3				8		1,612	
E.	Non-Residential Applications	0				0		361	
<b>II. Type of Devices Rebated</b>									
		Number of Devices	Rebate Paid	Estimated AF	Gallons Saved	Year to Date Number	Year to Date Paid	Year to Date Estimated AF	
A.	High Efficiency Toilet (HET)	12	\$900.00	0.060000	19,551	23	\$1,725.00	0.11500	
B.	Ultra HET	2	\$250.00	0.020000	6,517	6	\$750.00	0.06000	
C.	Toilet Flapper			0.000000	0	0	\$0.00	0.00000	
D.	High Efficiency Dishwasher	7	\$875.00	0.021000	6,843	31	\$3,875.00	0.09300	
E.	High Efficiency Clothes Washer - Res	16	\$8,000.00	0.257600	83,939	53	\$26,500.00	0.85330	
F.	High Efficiency Clothes Washer - Com			0.000000	0	0	\$0.00	0.00000	
G.	Instant-Access Hot Water System	1	\$199.98	0.005000	1,629	3	\$599.98	0.01500	
H.	Zero Use Urinals			0.000000	0	0	\$0.00	0.00000	
I.	Pint Urinals			0.000000	0	0	\$0.00	0.00000	
J.	Cisterns	3	\$453.75	0.000000	0	3	\$453.75	0.00000	
K.	Smart Controllers	2	\$198.28	0.000000	0	6	\$634.45	0.00000	
L.	Rotating Sprinkler Nozzles			0.000000	0	0	\$0.00	0.00000	
M.	Moisture Sensors			0.000000	0	0	\$0.00	0.00000	
N.	Lawn Removal & Replacement			0.000000	0	0	\$0.00	0.00000	
O.	Graywater			0.000000	0	0	\$0.00	0.00000	
R.	Other - Smart Flowmeter	5	\$995.00	0.000000	0	10	\$1,910.00	0.00000	
<b>III. TOTALS</b>		48	\$11,872.01	0.363600	118,479	135	\$36,448.18	1.13630	
<b>IV. TOTALS Since 1997</b>									
						Paid Since 1997:	\$ 6,395,203	593.4	Acre-Feet Per Year Saved Since 1997 (from quantifiable retrofits)





**ITEM: INFORMATIONAL ITEM/STAFF REPORT****21. CARMEL RIVER FISHERY REPORT FOR FEBRUARY 2023****Meeting Date: March 20, 2023 Budgeted: N/A****From: David J. Stoldt, General Manager Program/ Line Item No.: N/A****Prepared By: Beverly Chaney Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

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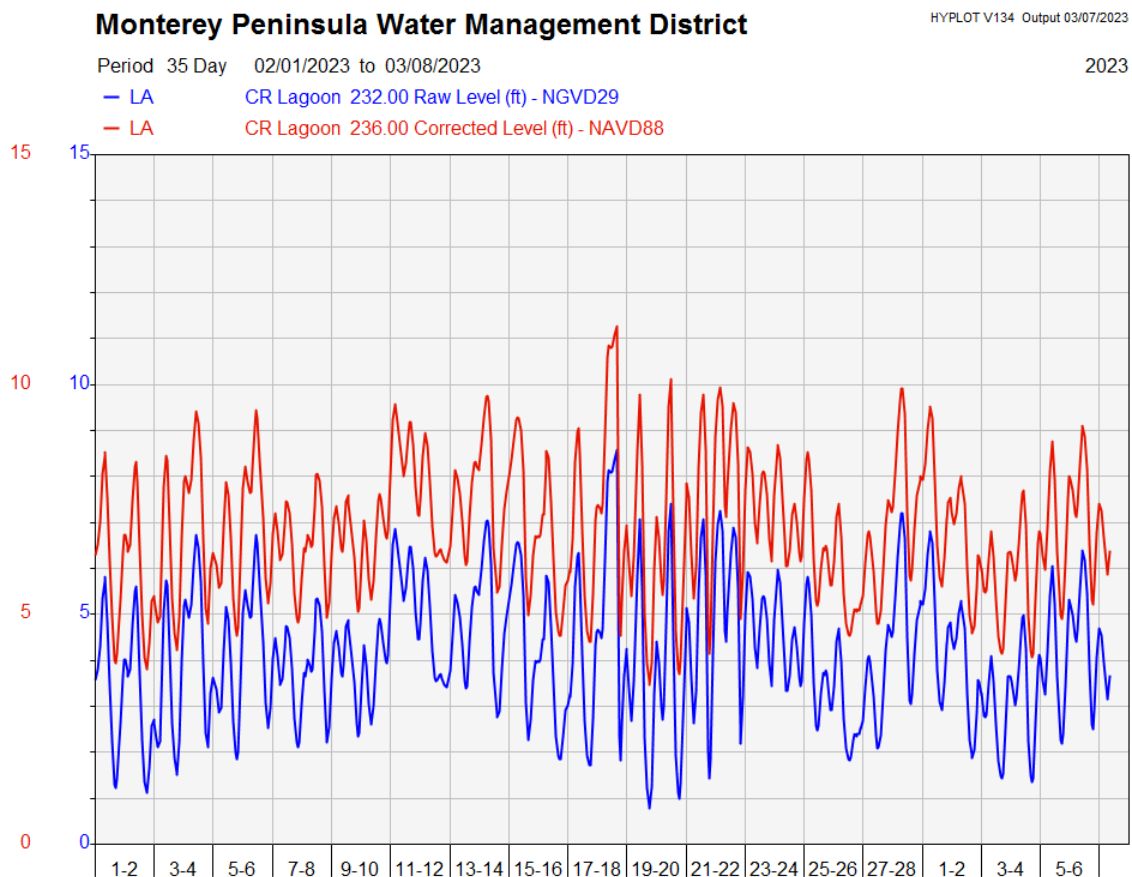
**AQUATIC HABITAT AND FLOW CONDITIONS:** Compared to January, February seemed dry with slightly below normal precipitation. However, river flows remained high due to the saturated condition of the watershed. Especially cold weather also brought significant snow to much of the upper watershed. All major tributaries were flowing well. Adult migration conditions were excellent and rearing conditions were good to excellent throughout the watershed.

February's mean daily streamflow at the Sleepy Hollow Weir gaging station ranged from 170 to 455 cfs (monthly mean 247 cfs) resulting in 13,720 acre-feet (AF) of runoff, while flows at the Highway 1 gage ranged from 171 to 401 cfs (monthly mean 238 cfs), resulting in 13,190 acre-feet (AF).

There were 3.55 inches of rain in February as recorded at the San Clemente gauge. The rainfall total for WY 2023 (which started October 1, 2022) is 27.25 inches, or 175.5% of the long-term year-to-date average of 15.53 inches.

**CARMEL RIVER LAGOON:** The lagoon water surface elevation (WSE) ranged from approximately 3.5 to 11.3 feet in February, largely due to tidal and wave action (North American Vertical Datum of 1988; NAVD 88) (See graph below).

Carmel River Lagoon Plot:



**ITEM: INFORMATIONAL ITEM/STAFF REPORT****22. MONTHLY WATER SUPPLY AND CALIFORNIA AMERICAN WATER PRODUCTION REPORT**

<b>Meeting Date:</b>	<b>March 20, 2023</b>	<b>Budgeted:</b>	<b>N/A</b>
<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program/ Line Item No.:</b>	<b>N/A</b>
<b>Prepared By:</b>	<b>Jonathan Lear</b>	<b>Cost Estimate:</b>	<b>N/A</b>

**General Counsel Review:** N/A**Committee Recommendation:** N/A

**CEQA Compliance:** 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.

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**Exhibit 22-A** shows the water supply status for the Monterey Peninsula Water Resources System (MPWRS) as of **March 1, 2023**. This system includes the surface water resources in the Carmel River Basin, the groundwater resources in the Carmel Valley Alluvial Aquifer and the Seaside Groundwater Basin. **Exhibit 22-A** is for Water Year (WY) 2023 and focuses on three factors: rainfall, runoff, and storage. The rainfall and Streamflow values are based on measurements in the upper Carmel River Basin at Sleepy Hollow Weir.

**Water Supply Status:** Rainfall through **February** 2023 totaled **3.55 inches** and brings the cumulative rainfall total for WY 2023 to **27.25 inches**, which is **176%** of the long-term average through **February**. Estimated unimpaired runoff through **February** totaled **13,720 acre-feet (AF)** and brings the cumulative runoff total for WY 2023 to **105,232 AF**, which is **283%** of the long-term average through **February**. Usable storage for the MRWPRS was **32,580 acre-feet**, which is **102%** of average through **February**, and equates to **98%** percent of system capacity.

**Production Compliance:** Under State Water Resources Control Board (SWRCB) Cease and Desist Order No. 2016-0016 (CDO), California American Water (Cal-Am) is allowed to produce no more than 3,376 AF of water from the Carmel River in WY 2023. Through **February**, using the CDO accounting method, Cal-Am has produced **796 AF** from the Carmel River (excluding **212 AF** of Table 13 and **38 AF** of Mal Paso.) In addition, under the Seaside Basin Decision, Cal-Am is allowed to produce 1,474 AF of water from the Coastal Subareas and 0 AF from the Laguna Seca Subarea of the Seaside Basin in WY 2023. Through **February**, Cal-Am has produced **353 AF** from the Seaside Groundwater Basin. Through **February**, **605 AF** of Carmel River Basin groundwater have been diverted for Seaside Basin injection; **0 AF** have been recovered for customer use, **212 AF** have been diverted under Table 13 water rights, and **1,875 AF** of Pure Water Monterey recovered. Cal-Am has produced **3,343 AF** for customer use from all sources through **February**. **Exhibit 22-B** shows production by source. Some of the values in this report may be revised in the future as Cal-Am finalizes their production values and monitoring data.

**EXHIBITS****22-A** Water Supply Status: **March 1, 2023****22-B** Monthly Cal-Am production by source: WY 2023



**EXHIBIT 22-A**

**Monterey Peninsula Water Management District  
Water Supply Status  
March 1, 2023**

<b>Factor</b>	<b>Oct – Feb 2023</b>	<b>Average To Date</b>	<b>Percent of Average</b>	<b>Oct – Feb 2022</b>
<b>Rainfall (Inches)</b>	27.25	15.52	176%	9.96
<b>Runoff (Acre-Feet)</b>	105,232	37,204	283%	18,771
<b>Storage<sup>5</sup> (Acre-Feet)</b>	32,580	31,840	102%	29,720

**Notes:**

1. Rainfall and runoff estimates are based on measurements at San Clemente Dam. Annual rainfall and runoff at Sleepy Hollow Weir average 21.22 inches and 67,246 acre-feet, respectively. Annual values are based on the water year that runs from October 1 to September 30 of the following calendar year. The rainfall and runoff averages at the Sleepy Hollow Weir site are based on records for the 1922-2022 and 1902-2022 periods respectively.
2. The rainfall and runoff totals are based on measurements through the dates referenced in the table.
3. Storage estimates refer to usable storage in the Monterey Peninsula Water Resources System (MPWRS) that includes surface water in Los Padres and San Clemente Reservoirs and ground water in the Carmel Valley Alluvial Aquifer and in the Coastal Subareas of the Seaside Groundwater Basin. The storage averages are end-of-month values and are based on records for the 1989-2022 period. The storage estimates are end-of-month values for the dates referenced in the table.
4. The maximum storage capacity for the MPWRS is currently 33,130 acre-feet.



### Production vs. CDO and Adjudication to Date: WY 2023

(All values in Acre-Feet)

Year-to-Date Values	MPWRS					Water Projects and Rights				Water Projects and Rights Total
	Carmel River Basin <sup>2, 6</sup>	Seaside Groundwater Basin		Ajudication Compliance	MPWRS Total	ASR Recovery	PWM Recovery	Table 13 <sup>7</sup>	Sand City <sup>3</sup>	
		Coastal	Laguna Seca							
Target	1,975	565	0	565	<b>2,540</b>	0	1,630	0	125	<b>1,755</b>
Actual <sup>4</sup>	796	307	46	353	<b>1,149</b>	0	1,875	212	70	<b>2,157</b>
Difference	1,179	258	-46	212	<b>1,391</b>	0	-245	-212	55	<b>-402</b>
WY 2022 Actual	1,861	155	38	203	<b>2,064</b>	0	1,459	68	36	<b>1,563</b>

1. This table is current through the date of this report.
2. For CDO compliance, ASR, Mal Paso, and Table 13 diversions are included in River production per State Board.
3. Sand City Desal, Table 13, and ASR recovery are also tracked as water resources projects.
4. To date, 605 AF and 212 AF have been produced from the River for ASR and Table 13 respectively.
5. All values are rounded to the nearest Acre-Foot.
6. For CDO Tracking Purposes, ASR production for injection is capped at 600 AFY.
7. Table 13 diversions are reported under water rights but counted as production from the River for CDO tracking.

### Monthly Production from all Sources for Customer Service: WY 2023

(All values in Acre-Feet)

	Carmel River Basin	Seaside Basin	ASR Recovery	PWM Recovery	Table 13	Sand City	Mal Paso	Total
Oct-22	269	105	0	405	0	20	7	805
Nov-22	223	87	0	334	0	27	7	677
Dec-22	189	38	0	359	20	9	9	624
Jan-23	111	86	0	340	102	14	8	661
Feb-23	4	37	0	436	91	0	7	575
Mar-23								
Apr-23								
May-23								
Jun-23								
Jul-23								
Aug-23								
Sep-23								
<b>Total</b>	<b>796</b>	<b>353</b>	<b>0</b>	<b>1,875</b>	<b>212</b>	<b>70</b>	<b>38</b>	<b>3,343</b>
<b>WY 2022</b>	<b>1,704</b>	<b>203</b>	<b>0</b>	<b>1,459</b>	<b>68</b>	<b>36</b>	<b>27</b>	<b>3,497</b>

1. This table is produced as a proxy for customer demand.
2. Numbers are provisional and are subject to correction.



## Supplement to March 20, 2023 MPWMD Board Packet

Attached are copies of letters sent and/or received between **February 8, 2023 and March 8, 2023**. These letters are listed in the **Monday, March 20, 2023** Board Packet under Letters Received / Sent.

Author	Addressee	Date	Topic
<b>Margaret-Anne Coppernoll</b>	General Manager	February 13, 2023	Public Input
<b>Melodie Chrislock</b>	Board of Directors and General Manager	February 19, 2023	California's Best New Source of Water?
<b>Melodie Chrislock</b>	Board of Directors and General Manager	February 21, 2023	Monterey City Council Letter to CPUC
<b>Melodie Chrislock</b>	Board of Directors	February 27, 2023	Monterey Herald – It's Official a 'Wet' Year
<b>Susan Schiavone</b>	Board of Directors	February 27, 2023	Letter to CPUC- re: Proceeding A.21-11-024 Cal-Am Water Purchase Agreement





## Joel Pablo

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**From:** Dave Stoldt  
**Sent:** Monday, February 13, 2023 2:56 PM  
**To:** Mary L. Adams; Alvin Edwards; Amy Anderson; George Riley; Ian Oglesby; Karen Paull; Marc Eisenhart; District 5  
**Cc:** Dave Laredo; Fran Farina; Joel Pablo  
**Subject:** FW: Public Input

FYI

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**From:** mcopperma@aol.com <mcopperma@aol.com>  
**Sent:** Monday, February 13, 2023 2:11 PM  
**To:** Dave Stoldt <dstoldt@mpwmd.net>  
**Subject:** Public Input

Hello Dave,

Since I am unable to attend the meeting this evening due to another prior commitment, I would like to ask a question or make a comment for you, the board directors and legal counsel to consider.

Given the cascade of bad actor (CalAm) behaviors, it seems that there could be, or should be, a legal way to request court action based on an emergency declaration of relief or other procedure that could propel the Measure J action forward more speedily.

Added to all the other past actions, CalAm is now defying and dishonoring its agreement to sign the WPA. It has declared it will again over pump the Seaside Basin, implying it will continue to abuse ASR injection wells as extraction wells, thereby jeopardizing drought protection/water security and impeding rain water capture for storage - all to maintain leverage for its desal project, so declared CalAm President Kevin A.Tilden. CalAm also stated it intends to "negotiate" its way around the Coastal Commission's twenty conditions attached to the project approval.

Additionally, CalAm defies state mandates to recycle all possible water resources and to provide workforce affordable housing. By refusing to sign, CalAm deliberately and obstinately brings more angst and harm to our communities. Their public statement before the Coastal Commission last Nov 17th that it fully supports the PWM Expansion was merely a ploy to induce approval, albeit conditional, for its desal project. All the while, CalAm intended to refuse to sign the WPA, proof of which is apparent in their actions to deprive ratepayers of the \$42 million in grant funds for Expansion construction - obviously to make water even more costly to ratepayers and increase profits via rehearing demands being made of the CPUC, for more funds for their desal plant, not for the PWM Expansion. CalAm used this same withdrawal from agreement tactic during the regional water project. CalAm did not like MCWD's grant received for pipeline infrastructure as it meant less profit for CalAm. Shortly after its abrupt departure from this regional water project, CalAm magically announced its MPWMP and invaded Marina's aquifers with its test slant well, despite having no water rights to the SVGB, Marina's potable water supply. Water rights formed the basis for project feasibility, according to the MPWSP EIR, without which the project could not proceed. The CPUC obviously has chosen to ignore that EIR requirement while the Coastal Commission overrides its own environmental justice policy and declaration to favor the most environmentally just project. PWM Expansion provided that viable, and only viable, alternative water project ready to go. CalAm wants to

derail this save-the-day recycled water project, thinking it can succeed, all due to "political clout and pressure", in my opinion, and unabashed greed.

A master at deceit and pernicious strategies, CalAm is showing its true colors again and must be stopped from even more treacherous actions that will only continue to hurt residents and cause divisiveness due to unfairness and environmental injustice practices.

CalAm wants more millions, yet it has, according to my understanding, gained a seventy-five percent increase in millions of dollars of profits this past year, added to all the other millions in profits from previous years. Rampant greed is at play along with manipulative propaganda and fear mongering. People are weary of seeing their money being used against them in political ploys and "charitable" donations to bolster CalAm's public image, but paid for by stressed ratepayers. Of course, this is an outrage.

If there is any legal means available, I pray that a declaration of relief on an emergency basis can be filed in court as part of the proceedings filed to date so MPWMD can execute its own action to move forward with public water distribution and Expansion construction. If MPWMD can obtain emergency approval, it can itself be eligible for the \$42 million grant, without CalAm's signature, which in turn can support the buyout, probably eminent domain. Now is the time, it seems, to strike while the iron is hot, so-to-speak. We cannot afford to lose more rain water capture for ASR or risk more CalAm violations of the Seaside Basin Adjudication stipulations.

CalAm is "caught in the act" and has exposed its malevolent intentions to defy state mandates and impede progress in water security and desperately needed affordable housing. Putting the whole picture together, a court would be hard pressed to deny an emergency relief action. Too much is at stake, so I am submitting, with all humility, this simple comment for your consideration, knowing that you and your staff are far more capable than I and have more than likely already formulated a plan more comprehensive and workable.

My comment is meant to show support and appreciation, with admiration and respect for the truly outstanding job you all are doing for our communities. We salute you and applaud all your efforts that require the "blood, sweat, and tears" that all of us are suffering to achieve justice and right action.

Bravissimo!!! God bless you and your inspirational work!

Very respectfully,  
Margaret-Anne Coppernoll

**From:** mwchrislock@redshift.com <mwchrislock@redshift.com>  
**Sent:** Sunday, February 19, 2023 8:05 AM  
**To:** Alvin Edwards <alvinedwards420@gmail.com>; Amy Anderson <carmelcellogal@comcast.net>; George Riley <georgetriley@gmail.com>; Karen Paull <karenppaull@gmail.com>; District 5 <district5@co.monterey.ca.us>; Marc Eisenhart <mae@gedlaw.com>; Ian Oglesby <ioglesby@ci.seaside.ca.us>; Dave Stoldt <dstoldt@mpwmd.net>; Joel Pablo <Joel@mpwmd.net>  
**Subject:** CALIFORNIA'S BEST NEW SOURCE OF WATER?

WATER & THE WEST | February 8, 2023

## **IN TIMES OF SCARCITY, CALIFORNIA'S BEST NEW SOURCE OF WATER? REUSE.**

While expensive solutions like new reservoirs and seawater desalination grab attention, California communities are quietly building up their capacity to clean stormwater and wastewater for reuse for irrigation, industry and, yes, drinking water too.

**By Caroline M. Reinhart**

[https://andthewest.stanford.edu/2023/in-times-of-scarcity-californias-best-new-source-of-water-reuse/?mc\\_cid=f4295a9a14&mc\\_eid=8da9b80349](https://andthewest.stanford.edu/2023/in-times-of-scarcity-californias-best-new-source-of-water-reuse/?mc_cid=f4295a9a14&mc_eid=8da9b80349)

### **WATER & THE WEST**

**In times of scarcity, California's best new source of water? Reuse.**

While expensive solutions like new reservoirs and seawater desalination grab attention, California communities are quietly building up their capacity to clean stormwater and wastewater for reuse for irrigation, industry and, yes, drinking water too.

- By & the West, Stanford University
- February 8, 2023

**Not a drop wasted?** The Hyperion sewage treatment plant in Los Angeles is the world's largest. A **\$3 billion proposal** would have it capture 100% of storm and sewer water for drinking water supply by 2035. This would help LA catch up with Orange County, a leader in the practice. *Doc Searls via Flickr*

**By Caroline M. Reinhart**

As California has struggled with drought, Governor Gavin Newsom's fundamental solution: find more water by diversifying the state's public water supply. Because of the proximity of the Pacific Ocean, one of the most frequently mentioned sources is seawater desalination. A few communities are trying it, despite environmental concerns.

But another potential source gets less public attention, even though water providers are showing increasing interest thanks to its early successes: reuse.

“...when you want more supply, you have to think about alternatives. The best, most reliable alternative is treated wastewater.”

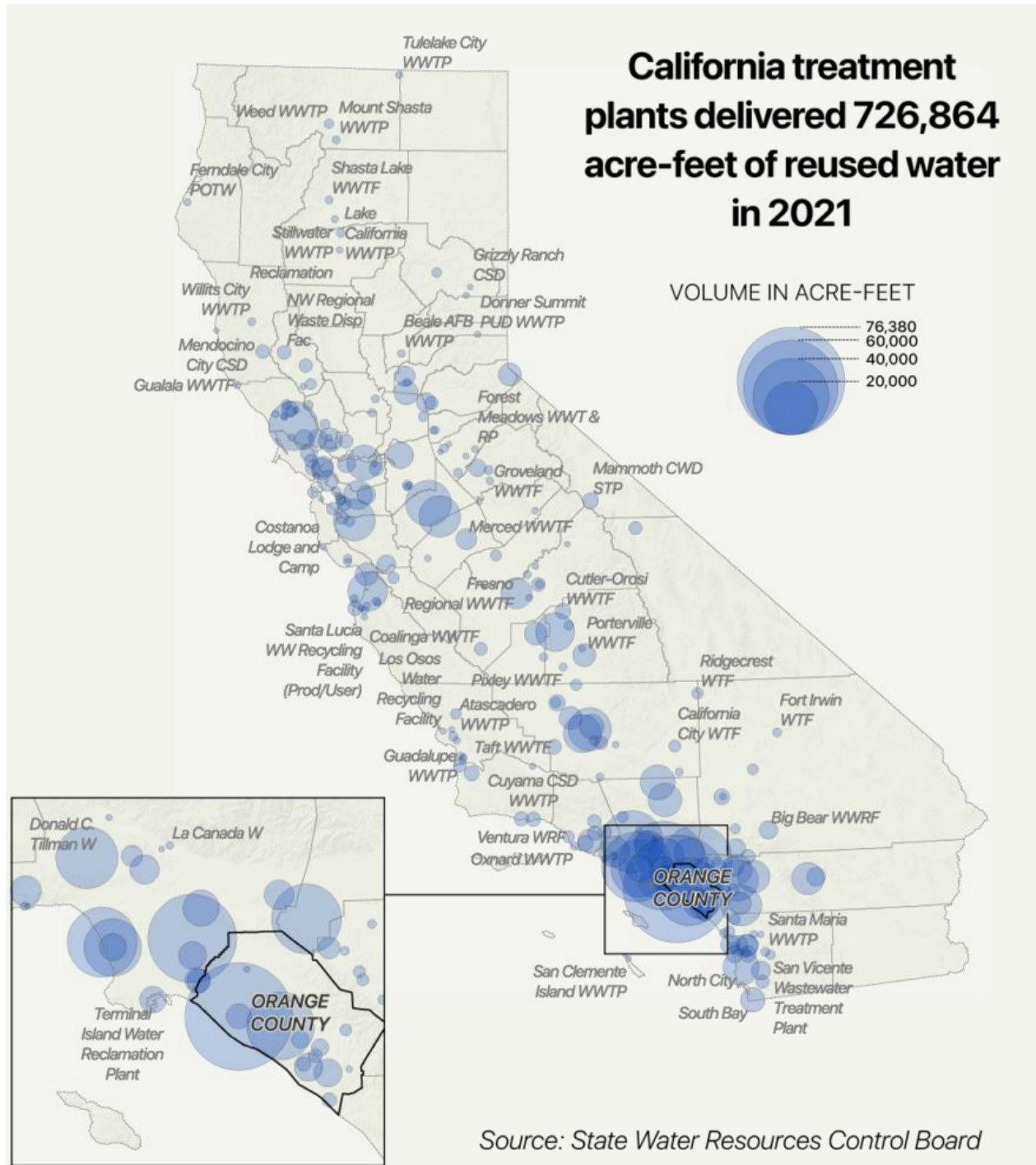
**Peter Gleick, The Pacific Institute**

“In many regions we’re running up against limits on natural water availability of the traditional sources of supply,” said Peter Gleick, the co-founder of the Pacific Institute, an environmental research organization. “And when that’s the case, and when you want more supply, you have to think about alternatives. The best, most reliable alternative is treated wastewater.” Californians use approximately 6.6 million acre-feet of water per year in urban areas. To meet this demand, the state’s water utilities identified a range of options including recycled water, desalination, and conservation.

Using less water is the quickest, cheapest and easiest alternative. “Conservation is still one of the biggest things we can do,” said Mehul Patel, the executive director of operations for Orange County Water District’s Groundwater Replenishment System. “Use less, be smarter, think about why we’re using the water we’re using and the volumes we are using it. That would go a long way.” But reused water may be the next best option.

**The new goal: doubling the volume of reclaimed water**

Reclaimed water is largely used in two ways: first, for industrial machines, irrigation, and agriculture and second, for eventual human consumption after treatment and a period of retention time in an aquifer. These types of reuse, non-potable and indirect potable reuse, already supply approximately 728,000 acre-feet of reused municipal wastewater in California per year. This constitutes 11 percent of total public water system use, and uses less than a quarter of the state’s wastewater leaving room for considerable growth.



& the West

Current reuse efforts use less than a quarter of the state’s wastewater leaving room for considerable growth. Gov. Newsom’s goal, 1.8 million acre-feet by 2040, would double the amount of recycled water used in 2021.

According to the Pacific Institute, California has the potential to increase their water supply by an additional 1.8 to 2.1 million acre-feet per year if they expand water reuse. Newsom’s reuse goal, 1.8 million acre-feet by 2040, would double the amount of recycled water used in 2021.

To meet this goal, two Bay Area agencies, Pure Water Soquel in Santa Cruz and the Santa Clara Valley Water District are working to supplement their groundwater aquifers with recycled water that has already been through their system. A state mandate to maintain the sustainability of California groundwater basins by 2040 motivated Pure Water Soquel's project while Valley Water, which [serves the San Jose area](#), is seeking both to prevent seawater from contaminating aquifers and to augment dwindling supplies. Their advanced water treatment projects will come online in 2024 and 2028, respectively.

Representatives of Pure Water Soquel and Valley Water said they were emboldened by the success of reuse efforts in Orange County, in southern California. Oakland and San Francisco also say they are considering reuse projects, but they haven't gone as far as a cluster of smaller agencies around them. Pending groundwater augmentation projects would add about 356,500 acre-feet per year when completed.

Monterey One Water's project, Pure Water Monterey, is a regional pioneer of a more ambitious form of water recycling: indirect potable reuse. The process directs treated wastewater through groundwater aquifers, which are a key source of drinking water. Moreover, the process helps buffer freshwater aquifers from the contamination impact of seawater intrusion.

To combat seawater intrusion, Pure Water Monterey injects purified recycled water back into the groundwater aquifer to correct the water's chemical composition. It can then be used to augment the drinking water system's supply.





The central coast town of Cambria is one of the first communities in California to recycle sewage water into an eventual drinking-water source through indirect potable reuse. Treated water is added to groundwater supply for later use. *Florence Low/California Department of Water Resources*

Mike McCullough, the director of external affairs for Monterey One Water, reflected on how their advanced water treatment facility began with the help of the Orange County Water District, “using water once and discharging it is just not good stewardship.” Calling the Orange County Water District a “leader,” he added, “now we’re just trying to follow and do the same thing that they did just on a lot smaller scale.”

### **The secret of Orange County’s reuse success**

Orange County Water District’s recycling system is the world’s largest water purification system, with the capability to produce up to about 307 acre-feet — or 100 million gallons — of wastewater per day. But their success required overcoming significant obstacles, involving both engineering and psychology.

*Orange County Water District via Instagram*

**Orange County Water District’s success required overcoming significant obstacles, involving both engineering and psychology.**

San Diego’s decades-long struggle to establish a system of reuse stood in sharp contrast to Orange County’s achievement. In the early 2000s, San Diego residents balked at the thought of drinking wastewater. At the time, San Diego attempted to install a recycling system but opponents’ objections — the “yuck factor” — won out. [Miller Brewery](#) led the opposition,



expressing fears that the idea of wastewater in their products would scare away customers. Using the evocative slur [“toilet-to-tap,”](#) their campaign halted the facility’s plans.

Then ongoing droughts, along with greater understanding of and the treatment process, helped change attitudes. After about a decade of planning and engineering, San Diego’s first operational water reuse facility, Pure Water Oceanside, was completed last March.

Gleick of the Pacific Institute, reflecting on San Diego’s long journey, said that, as with Orange County, their educational campaign made the difference. “What it means is that [you] don’t launch a water reuse program without a public education and communications program to tell the people what you are doing. Build support for it.”

“We wanted to, in our outreach, show that we have this new technology. It’s very safe,” said Orange County’s Patel. “It’s used in other industries already like food processing, so it’s not like we are trying to do something that has never been done, it just hasn’t been done on a municipal scale.”

Monterey One Water’s McCullough said several agencies including his own found Orange County’s approach a template for how to gain public support. “They’ve handled a lot of obstacles and everybody’s coming behind them. They broke the ground as far as public outreach and education.”

Emulating Orange County, Pure Water Monterey built a small demonstration facility for visitors to watch the equipment in real time and taste the treated water from sinks if they desired. Now, Pure Water San Diego also provides facility tours.



Reclaimed water shown at various stages of treatment. *Department of Ecology, State of Washington via Wikimedia Commons*

According to a 2016 [survey](#) conducted by Xylem Inc. a water technology company, 89 percent of California residents are [more willing to consume recycled water after understanding the treatment process](#). The support for reclaimed water is only increasing with the attention to California's intensifying-drought. However, a [Bill Lane Center for the American West study](#) published in the same year concluded that while education does lower concerns about reclaimed water, participants were [still reluctant to use it for drinking, bathing, and cooking](#).

### **Treatment that goes above and beyond standard methods**

Any water agency planning to use recycled water for drinking must put wastewater through an intense series of treatments, typically with a three-step process after the basic treatment, filtering out most contaminants, is finished.

The water then goes to an advanced water treatment facility, which separates water from any remaining impurities by using an energy-intensive process called reverse osmosis. During this phase, a high-pressure pump pushes water through microscopic holes, trapping everything from dissolved solids like lead, to salt compounds, to tiny contaminants like PFAS, while letting water molecules through.

The water is then nearly as pure as the distilled water used to sterilize hospital equipment. The final disinfection step: treating the water with an advanced oxidation reaction, a process in which ultraviolet light works with hydrogen peroxide to prepare the water for distribution through the water system.

**Indirect potable reuse uses reservoirs or aquifers to create an environmental buffer.**

For years, recycled water, treated less intensively, has been used for irrigation and heating and cooling. Now, to reach drinking water's higher standards, groundwater augmentation projects use one more step: sending it into an aquifer to mingle with existing groundwater. Indirect potable reuse uses reservoirs or aquifers to create an environmental buffer. For example, this recycled water can replenish groundwater basins to mitigate the impacts of over pumping.

**Direct potable recycling offers "water on demand"**

California legislators want to promote direct potable reuse. Instead of adding water back into the groundwater supply, as Orange County does and the several Bay Area agencies plan to do, direct potable reuse provides water ready to go straight to the customer's tap. The State Water Board plans to adopt [regulations](#) on required treatment steps by the end of 2023.

Among those researching direct potable reuse are the East Bay Municipal Utility District, Valley Water, San Francisco Public Utility Company and Monterey One Water, but they cannot move forward and construct facilities until the state adopts final regulations.



Operators at the Pure Water Monterey water purification facility. *Monterey One Water via Twitter*

Even with indirect potable reuse infrastructure in place, adopting direct potable reuse will require the utilities to adjust the purification process, according to Jonathan Lear, the water resources division manager at Monterey Peninsula Water Management District.

To follow the new rules, Lear said, would mean reengineering the water processing they already use. Nonetheless, when regulations for direct potable reuse are established, these utilities will be keen to incorporate the new water source. As Lear says, “there are large benefits of being able to manufacture water and directly serve it without having to park it somewhere for a little while.”

### Other options

State utilities have another, easier option for increasing water supply. Stormwater has long been used as a major source to supplement water supplies as runoff from heavy rain pools in man-made surface water ponds. Urban stormwater capture has the potential to add 580,000 to 3 million acre feet per year depending on rainfall levels.

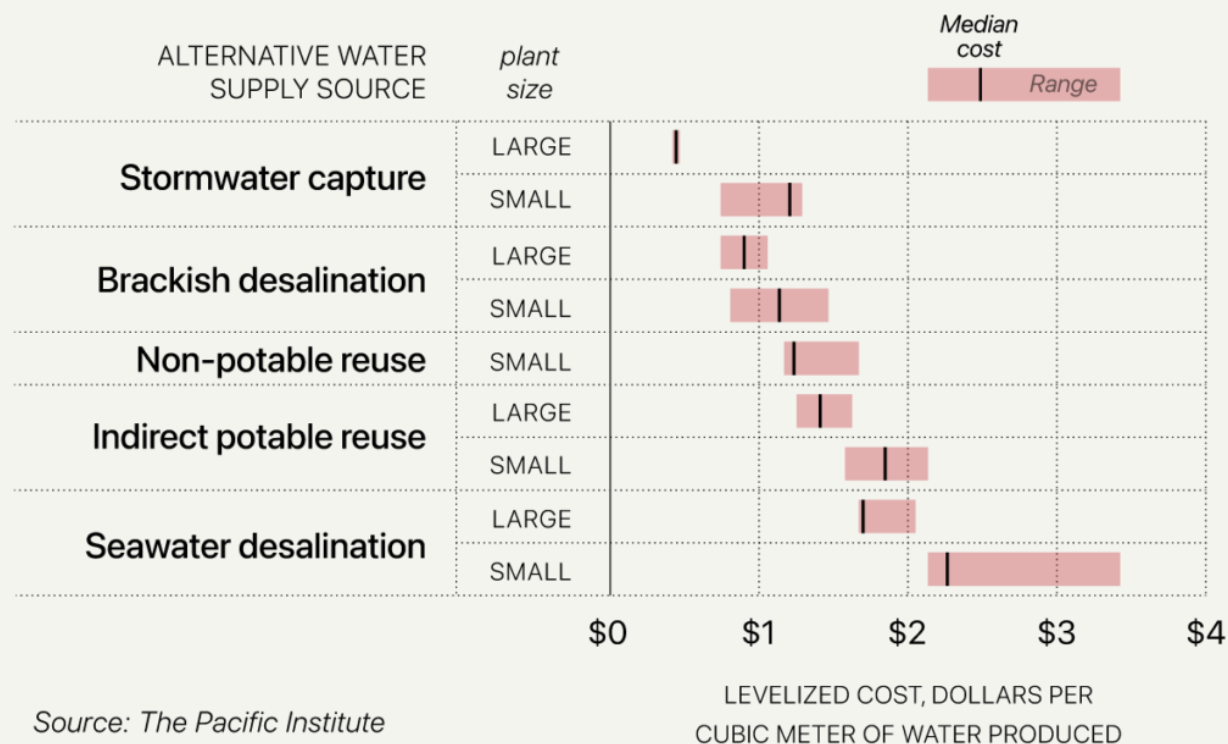
This source would be beneficial to utilities because it is produced with less energy and expense, though it must clear out such contaminants as pesticides and oil.

**Urban stormwater capture has the potential to add 580,000 to 3 million acre feet per year depending on rainfall levels.**

Desalination, the treatment of ocean or brackish water for human consumption, gets a lot of attention; the state’s Coastal Commission has recently approved desalination plants in Monterey and Dana Point. But desalinated water requires three to ten times more energy than recycled water. Most of that energy is generated by fossil fuels. Not only does desalination require more costly inputs, but it produces a high-salt concentrate known as brine, which must be pumped into the ocean, threatening marine organisms.

In fact, reclaimed water uses a similar treatment process as desalination — for instance both, rely on reverse osmosis. But the concentrate left over from the recycling process has little of seawater’s salt, so the leftover concentrate is less harmful. Purifying reclaimed water is also cheaper: seawater desalination’s median cost is \$1.72 per cubic meter for large plants and \$2.29 per cubic meter for smaller ones. Non-potable recycled water costs 45 percent less for small projects. Indirect potable reuse costs 18 percent less for small projects and 38 percent less for large projects.

## For water reuse technologies, a range of costs



& the West; Data: [The Pacific Institute](#)

Stormwater capture is the cheapest alternative water option but its water quality issues may justify choosing reused water, despite the extra cost. Because of the “yuck factor,” recycled water is treated more intensely than conventional drinking water sources.

Because of the “yuck factor,” recycled water is treated more intensely than conventional drinking water sources.

A [Stanford study](#) published in November of last year found that [recycled water for potable reuse is much cleaner than conventional tap water sources](#). Because the source is wastewater, regulators require a more intensive treatment process to clear the water of even the smallest of contaminants that can be found in standard drinking water treatment facilities.

McCullough of Monterey One Water agrees that this recycled water’s purity exceeds that of everyday tap water. “No drinking water system goes through the treatment process that we go through so our water is definitely way cleaner.” He added that recycled water “has less particulate matter or viruses or compounds or anything in it than water that is traditionally serving customers now.”



## The cleanest drinking water is recycled

New research shows treated wastewater can be more dependable and less toxic than common tap water sources including rivers and groundwater.

By Corey Binns

<https://engineering.stanford.edu/magazine/cleanest-drinking-water-recycled>

**Energy, Environment, Health**

## The cleanest drinking water is recycled

New research shows treated wastewater can be more dependable and less toxic than common tap water sources including rivers and groundwater.

November 10, 2022

|

By Corey Binns



As traditional water sources dry up, utilities in the American West and beyond are scrambling to find reliable supplies. | iStock/BKhamitsevich

Recycled wastewater is not only as safe to drink as conventional potable water, it may even be less toxic than many sources of water we already drink daily, Stanford University engineers have discovered.

“We expected that potable reuse waters would be cleaner, in some cases, than conventional drinking water due to the fact that much more extensive treatment is conducted for them,” said Stanford professor [William Mitch](#), senior author of an Oct. 27 study in [Nature Sustainability](#) comparing conventional drinking water samples to wastewater purified as a drinking water, also known as potable reuse water. “But we were surprised that in some cases the

quality of the reuse water, particularly the reverse-osmosis-treated waters, was comparable to groundwater, which is traditionally considered the highest quality water.”

As drinking water sources become more scarce, the discovery is promising news for a thirsty public and utility companies struggling to keep up with demand.

Why recycle

Several potable reuse systems are up and running around the United States. The Orange County Water District has run the world’s largest water recycling plant since the 1970s. Water providers in Atlanta, Georgia, and Aurora, Colorado, also use potable reuse water as part of their drinking water supplies. Los Angeles [plans to recycle](#) all of its wastewater by 2035.

But decades of drought have intensified the urgency to make recycling wastewater as common as recycling an empty can of La Croix. Water utilities, particularly those in the drought-stricken western U.S., are scrambling to find reliable water supplies. Traditional water sources from places such as the Colorado River and Sierra Nevada snowmelt have dried up. Instead, utilities have set their sights on potable reuse as a dependable water supply – one that utilities already conveniently manage and own.

“There are additional benefits beyond a secure water supply. If you're not relying on importing water, that means there's more water for ecosystems in northern California or Colorado,” said Mitch, a professor of civil and environmental engineering in [Stanford Engineering](#) and the [Stanford Doerr School of Sustainability](#). “You're cleaning up the wastewater, and therefore you're not discharging wastewater and potential contaminants to California's beaches.”

Cleaning up recycled water is also known to cost a lot less and require less energy than plucking the salt out of seawater.

Clean-up crew

The engineers found that, after treatment, potable reuse water is cleaner than conventional drinking water sourced from pristine-looking rivers. In most rivers, someone upstream is dumping in their wastewater with much less treatment than occurs in potable reuse systems. Conventional wastewater treatment plants just aren’t equipped to deep clean. This leaves many organic contaminants, such as chemicals from shampoos and medicines, floating down river and straight into a drinking water plant.

Regulators demand more extensive treatment at potable reuse treatment plants. They specify that treatment systems must remove harmful pathogens, such as viruses and amoebas, and utilities flush out other contaminants using reverse osmosis, ozonation, biofiltration, and other cleaning techniques.

Reverse osmosis treatment pushes water at high pressure through a filter that's so small, it squeezes out even sodium and chloride. Mitch and his colleagues discovered the process cleans wastewater as much if not more than groundwater, the gold standard.

Even when reverse osmosis wasn't applied, reuse waters were less toxic than the samples of conventional drinking waters sourced from rivers across the United States.

Policy solutions for overlooked contaminants

The Environmental Protection Agency aims to protect people from toxic drinking water by regulating a slew of chemicals. But some of the stuff floating in our water has yet to be identified or categorized by scientists.

In order to suss out the toxicity of different sources of tap water, the researchers applied water from various sources to hamster ovary cells, because they act similarly to human cells. Mitch and his colleagues looked at whether cells slowed or stopped growing, compared to untreated cells. "Ideally, we picked up the effects of chemicals specifically measured by the EPA, as well as those that aren't," Mitch said.

The engineers discovered the compounds regulated by the EPA accounted for less than 1% of the harm to the ovary cells.

"Even if we include all these other unregulated compounds that a lot of us in this field have been focusing on, that still accounted for only about 16% of the total," Mitch said. "It really says we're not necessarily focusing on the right contaminants."

The culprits may be associated with disinfection. No matter where your tap water comes from, it will carry residual disinfectant to prevent pathogens growing in the pipes. Disinfectants like chlorine react with chemicals in the water and convert them to something else, and that may be what's killing the hamster cells.

The EPA regulates disinfection byproducts, but not all. "Our study indicates that maybe the toxicity exerted by these byproducts regulated by the government may not be so important."

Mitch says his team plans to further investigate whether other side effects from disinfecting water could be causing toxicity. His team is looking specifically at larger byproducts formed when disinfectants mix with pesticides, proteins, or other organic matter.

Disinfecting water is necessary: Without it, we'd die from cholera and other waterborne diseases. But Mitch notes that disinfection is a balancing act between killing pathogens and minimizing exposure to harmful byproducts.

"We can't get to zero contaminants. That would be ridiculously expensive, and probably unwarranted from a health point of view," he said.

Whatever you do, Mitch warned, don't stock your fridge with bottles of water. That plastic taste in bottled water tells you compounds from the plastic have migrated into the water, he said.

"At the end of the day, yes, there's stuff in everything, but the reuse water quality is as good as tap water, which is pretty darn good."



*First study author Stephanie Lau is a postdoctoral scholar in civil and environmental engineering at Stanford. Additional co-authors are affiliated with the University of Illinois at Urbana-Champaign.*

*This research was supported by the National Science Foundation and the Water Research Foundation.*

**Joel Pablo**

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**From:** mwchrislock@redshift.com  
**Sent:** Tuesday, February 21, 2023 8:14 PM  
**To:** Alvin Edwards; Amy Anderson; George Riley; Karen Paull; District 5; Marc Eisenhart; Ian Oglesby; Dave Stoldt; Joel Pablo  
**Subject:** Monterey City Council Letter to CPUC  
**Attachments:** Monterery City Council CPUC letter.pdf; DRO CPUC Council Letter.docx

The Monterey City Council voted this afternoon to send the attatched letter to the CPUC. DRO will be voting on their attached letter on the 28<sup>th</sup>. I think Seaside is considering a letter as well.

Melodie

Melodie Chrislock  
Managing Director  
**PUBLIC WATER NOW**  
<http://www.publicwaternow.org>  
[mwchrislock@redshift.com](mailto:mwchrislock@redshift.com)  
831 624-2282

President Alice Busching Reynolds  
Commissioner Genevieve Shiroma  
Commissioner Darcie L. Houck  
Commissioner John Reynolds  
Commissioner Karen Douglas  
505 Van Ness Avenue  
San Francisco, CA 94102

Re: Application 21-11-024 – In Support of the Monterey Peninsula Water Management District's Petition for Modification of D.22-12-001

Dear President Reynolds and Commissioners:

The Del Rey Oaks City Council would like to thank you for your unanimous approval of the amended Water Purchase Agreement at the December 1, 2022, virtual meeting by the issuance of D.22-12-001 in A. 21-11-024. This approval now provides the opportunity to move forward on the Pure Water Monterey expansion project, which will provide enough water to potentially lift the Peninsula's Cease-and-Desist order from the State Water Resources Control Board.

The Monterey Peninsula is in desperate need of an additional water supply for new housing and drought protection. As a peninsula city, Del Rey Oaks is concerned with the lack of affordable housing in the region. We understand that the only way the region will be able to move forward with increased housing is if we have an additional source of water.

Right now, two of our public agencies—the Monterey Peninsula Water Management District (MPWMD) and Monterey One Water (M1W) have a shovel ready project—the Pure Water Monterey Expansion—that will provide the Peninsula with an additional 2,250 acre-feet of water. All that is required to begin construction is California American Water's signature on the Water Purchase Agreement.

As a council, we believe the expansion of the recycled water project, Pure Water Monterey (PWM), will provide the Peninsula with the water it needs to begin building the affordable housing that is desperately needed. In addition to the basic need for water, we have three additional concerns that we'd like to address:

1. The delay in signing the Water Purchase Agreement is costing our public agencies additional money in terms of administrative costs and in the future, an increase in costs for construction and financing. A very rough estimate is that these delays may be costing upwards of \$14 million dollars. Our ratepayers will end up by paying for these additional costs.
2. Our public agencies may be losing out on \$42 million in grant funds for this \$70 million project. If our public agencies lose out on these grant opportunities which will pay for

more than half of the project, our ratepayers will end up paying these increased costs on their water bills.

3. Moving forward with the expansion of Pure Water Monterey will also provide an opportunity to build new extraction wells which will allow the Water Management District to increase Aquifer Storage and Recovery (ASR) production. With the higher flows of the Carmel River, more water could be recovered from this source and stored within our aquifers for future use. However, without the signed Water Purchase Agreement, additional wells aren't being constructed and the community is losing out on saving this valuable water for future use.

Given these concerns, we respectfully request that the California Public Utilities Commission compel California American Water to sign the Amended Water Purchase Agreement so that the Pure Water Monterey Expansion Project can move forward.

Our residents already have the *highest cost of water in the nation*. The PWM expansion will provide the peninsula with the needed water, at a cost they can afford.

We urge you to settle this issue so that our community can move forward with this project which will save our residents from higher water costs in the future.

Thank you for your consideration on this important matter.

Respectfully,

Elected members of the Del Rey Oaks City Council



## Council Agenda Report

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**FROM:** Tyller Williamson, Mayor

**SUBJECT:** Authorize the Mayor to Submit an Online Public Comment to the California Public Utilities Commission (CPUC) on Behalf of the City of Monterey in Support of the Monterey Peninsula Water Management District's Application (A2111024) Requesting that the CPUC Compel California-American Water Company (Cal-Am) to Execute the Amended and Restated Water Purchase Agreement Authorized in Decision 22-12-001 (Not a Project under CEQA per Article 20, Section 15378 and General Rule Article 5 Section 15061)

**RECOMMENDATION:**

That the City Council authorize the Mayor to submit an online public comment to the California Public Utilities Commission (CPUC) in support of the Monterey Peninsula Water Management District's (MPWMD) Application (A2111024) requesting that the CPUC compel California-American Water ("Cal-Am") to execute the Amended and Restated Water Purchase Agreement authorized in Decision 22-12-001.

**VALUE DRIVER:**

Champion regional and local efforts to secure adequate, affordable, and sustainable water sources for the city, now and into the future.

**Support efforts and policies that provide equitable access to affordable housing in Monterey and the region.**

**POLICY IMPLICATIONS:**

Providing public comment to the CPUC as recommended reaffirms the City Council's commitment and passion for securing sustainable water sources for the City, as well as providing affordable housing for its residents and workforce.

**FISCAL IMPLICATIONS:**

There is no direct financial impact from submitting the comment.

**ENVIRONMENTAL DETERMINATION:**

The City of Monterey staff determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA)(CCR, Title 14, Chapter 3 ("CEQA Guidelines), Article 20, Section 15378(b)(5)). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action is to authorize a public comment letter, and this matter has no potential to cause any effect on the environment, or because it falls within a

category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or any reasonably foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

### **ALTERNATIVES CONSIDERED:**

The City Council may choose to modify or not authorize the submission of public comment.

### **DISCUSSION:**

The CPUC unanimously authorized Cal-Am to enter into the Amended and Restated Water Purchase Agreement at its Dec. 1, 2022, virtual meeting as reflected in Decision 22-12-001 in Application 21-11-024. The approval cleared the way for the expansion of the Pure Water Monterey Project. The amount of water created from the expanded Pure Water Monterey Project would potentially lift the Cease-and-Desist Order imposed upon the Monterey Peninsula by the State Water Resources Control Board.

The Monterey Peninsula region is in desperate need of the additional water as the Regional Housing Needs Assessment units are not being implemented because of the lack of water availability. As of February 16, 2023, two of the three parties needed to execute the Amended Water Purchase Agreement, Monterey One Water and the Monterey Peninsula Water Management District, have already signed the document. The third party, Cal-Am has not yet signed the Agreement. Cal-Am indicates that it has not signed the agreement because Cal-Am can only move forward with the Amended and Restated Water Purchase Agreement if the CPUC approved its request for recovery of the costs related to the facilities associated with the Pure Water Monterey expansion. However, it is the city's view that once the Agreement is fully executed, the financing to construct the Pure Water Monterey Expansion Project can be secured and bidding the various components of the Project can begin. The delays caused by not executing the Agreement are delaying efforts to provide water security for the residents and businesses in our communities.

Mayor Williamson and the City agree with MPWMD's December 19, 2022 Petition for Modification, and it is respectfully requested that the City Council authorize the Mayor to submit an online public comment to the CPUC in support of compelling Cal-Am to sign the Amended and Restated Water Purchase Agreement in order for the Pure Water Monterey Expansion Project to move forward.

NR

Attachments: 1. Proposed Online Comment to CPUC

e: Gavin Newsom, Governor of the State of California  
 Senator John Laird, 17<sup>th</sup> Senate District  
 Assemblymember Dawn Addis, 30<sup>th</sup> Assembly District  
 State of California, Housing and Community Development Department  
 Maura Twomey, Association of Monterey Bay Area Governments  
 Housing Outreach List

Land Watch  
State Water Resources Control Board  
Paul Sciuto, Monterey One Water  
Dave Stoldt, Monterey Peninsula Water Management District  
Esther Malkin, Renters United

Writings distributed for discussion or consideration on this matter within 72 hours prior to the meeting, pursuant to Government Code § 54957.5, will be made available at the following link:  
<https://monterey.org/Submitted-Comments>

**From:** mwchrislock@redshift.com <mwchrislock@redshift.com>  
**Sent:** Monday, February 27, 2023 3:02 PM  
**To:** Alvin Edwards <alvinedwards420@gmail.com>; Amy Anderson <carmelcellogal@comcast.net>; George Riley <georgetriley@gmail.com>; Karen Paull <karenppaull@gmail.com>; District 5 <district5@co.monterey.ca.us>; Marc Eisenhart <mae@gedlaw.com>; Ian Oglesby <ioglesby@ci.seaside.ca.us>; Dave Stoldt <dstoldt@mpwmd.net>; Joel Pablo <Joel@mpwmd.net>  
**Subject:** Monterey Herald - It's officially a 'wet' year

Cal Am's statement below is not true. \$46M was approved for these four wells. And not once has Cal Am admitted publicly that it received authorization for \$61.6 million for infrastructure costs for the PWM Expansion.

Melodie

Melodie Chrislock  
Managing Director  
**PUBLIC WATER NOW**  
<http://www.publicwaternow.org>  
[mwchrislock@redshift.com](mailto:mwchrislock@redshift.com)  
831 624-2282

<https://www.montereyherald.com/2023/02/24/its-officially-a-wet-year-and-thats-good-for-the-peninsula/>

## It's officially a 'wet' year and that's good for the Peninsula.

By **DENNIS L. TAYLOR** | [newsroom@montereyherald.com](mailto:newsroom@montereyherald.com) | Monterey Herald  
February 24, 2023 at 11:00 a.m.

MONTEREY — The heavy rains last month and new rain forecast for the weekend and on into next week are bright spots in the Monterey Peninsula water picture, including that they, unlike other areas of California, have tempered any immediate concern over a drought.

In a recent briefing for the board of directors of the Monterey Peninsula Water Management District, General Manager Dave Stoldt presented a series of data points indicating that this is now an official "wet" water year and that the storms have provided for significant recharging of an underground basin providing drinking water to the Peninsula.



The rainfall measured at the San Clemente gauge near the Carmel River recorded 13 inches in January alone. Adding that to all the rainfall to date since the beginning of the district's water year in October and the total hits 25 inches. That compares to the average annual rainfall in Monterey of 17.72 inches, according to U.S. Climate Data. And there's a long way to go in the rainy season.

To put this in perspective, the average estimated flow of the Carmel River measured at the Sleepy Hollow weir is in the neighborhood of 50,000 acre-feet. So far the flow has reached 91,000 acre-feet.

Lake Nacimiento in southern Monterey County is at 85% capacity and water officials are wary about allowing a higher level to absorb more runoff from future storms, including one that was due to hit Thursday night before tapering down Saturday. But the National Weather Service is forecasting rain again on Sunday night and into Monday.

Stoldt said the Peninsula rainfall totals will finish as a "wet" year, barring any more torrential downpours that would kick up the rankings to an "extremely wet year," the highest measurement of rainfall the district has. Measurements begin at "dry" then to "normal" then to "above normal" and then "wet" and "extremely wet."

The immediate ramification of this much rain is that it quashes any mention of a drought on the Peninsula. The water district defines a drought as two or more "dry" years. This wet year will start the clock over again.

Some of that rain will percolate down into aquifers like the Seaside Basin that serves most of the Peninsula, but the real recharge is coming from what's called the Aquifer Storage and Recovery project, or ASR, that channels excess runoff from the Carmel River north to where it is injected into the Seaside Basin for later extraction. It's important to get as much water back into the basin as possible since it remains in a state of overdraft.

Evan Jacobs, with external affairs for Cal Am, said Thursday that he concurred with the water district's estimate of the ASR system having injected some 500 acre-feet into the basin.

"It is still relatively early in the ASR injection season, and we have already injected more water than the majority of the years the ASR program has been in service," Jacobs said, adding that recent pipeline construction helped. "Without our new parallel pipeline and the Monterey Pipeline, we would not have been able to store any of the recent river flows."

But the Peninsula is not banking as much water as it could, Stoldt said. California American Water Co. operates two of the four wells that inject the excess river water down into the Seaside Basin. But one of the Cal Am wells isn't injecting; it's pulling water out of the basin - called an extraction well. That limits the amount of water injected into the basin.

Jacobs said that as the company replumbs the system for long-term sustainability, more extraction wells will be needed so as to not rely on a well meant for injection. He referenced Cal Am's request of the California Public Utilities Commission, or CPUC, to allow the company to increase rates to cover the costs for infrastructure buildout when the Pure Water Monterey expansion comes online. The expansion is a \$70 million project that will dramatically increase the amount of recycled water produced.

Cal Am has refused to sign an agreement to purchase water from the expansion until the CPUC grants the company's request for more money. The CPUC has stated it has allowed

enough ratepayer increases to cover Cal Am's infrastructure costs to move the water from the expansion.

**"The CPUC decision on the (Pure Water Monterey expansion) agreement in December didn't approve cost recovery for four new extraction wells that have been proposed and are very much needed," Jacobs said. "That is why Cal Am has applied for a rehearing on the (Pure Water Monterey expansion water purchase) decision – those wells are clearly needed and should have been approved."**

Because of that, the ASR system is injecting 13 acre-feet a day, which is the full capacity without changing that one Cal Am extraction well back into an injection well. An acre-foot is enough water to cover an acre to the depth of one foot, so the daily ASR amount injected into the basin could be imagined as a cube of water covering an acre up to 13 feet high every day. Even if the Cal Am well was changed back into an injection well, the capacity would only go to 18 acre-feet a day because of the capacity of a feeder pipe. "No pipe is big enough and no reservoir is big enough to capture all the water heading out to sea," Stoldt said.

Also restricting the system were wells pumping water to the ASR system from the river had to shut down because of the January flooding. When flood waters reach the electrical system powering the pumps, it could result in very costly repairs.

The Seaside Basin isn't the only aquifer to benefit from the rain. The aquifer underlying the Carmel River is full, Stoldt said, so much so that there could be enough water to see the Peninsula through for the next five to six years, even in dry years. But Cal Am is restricted to pumping 3,376 acre-feet a year because of a state cease-and-desist order limiting the amount because of a history of over-pumping and the subsequent environmental damage. So much of that water will remain untapped.

The one thing everyone agrees on is the January, and now February, rains have significantly painted a much rosier water picture for the Monterey Peninsula.



**From:** Joel Pablo <Joel@mpwmd.net>  
**Sent:** Tuesday, February 28, 2023 10:35 AM  
**To:** Joel Pablo <Joel@mpwmd.net>  
**Cc:** Sara Reyes <Sara@mpwmd.net>  
**Subject:** Correspondence: Susan Schiavone's Letter to the CPUC

Good Afternoon, Directors, Board Members and District Counsel:

Please see below e-mail and above-attached letter from the desk of Susan Schiavone's letter to the CPUC.

- Joel G. Pablo, *Board Clerk* with MPWMD

**From:** susan schiavone <[s.schiavone@sbcglobal.net](mailto:s.schiavone@sbcglobal.net)>  
**Sent:** Monday, February 27, 2023 8:24 PM  
**To:** Joel Pablo <[Joel@mpwmd.net](mailto:Joel@mpwmd.net)>  
**Subject:** Letter to CPUC

Hi Joel - I would like to share this letter I sent to CPUC with the GM and Board. Thanks.

February 27, 2023

Alice Busching Reynolds, CPUC President  
CPUC Commissioners Shiroma, Reynolds, Houck, and Douglas  
In re: Proceeding A.21-11-024 Cal Am Water Purchase Agreement

Dear President and Commissioners:

It is imperative for the CPUC to resolve this matter and have Cal Am sign the water purchase agreement for the Pure Water Monterey Expansion. This project is the only water supply project that will be completed in time to avoid a true water shortage on the Monterey peninsula, a water shortage that Cal Am is purposely creating by its refusal to sign the agreement so this project can go forward. They are seriously putting the project and our water supply at risk. For three years they worked to delay or stop approval of the expansion project through various interference techniques, and now are attempting to do so again.

There are other ways to pursue the additional money and still complete the water purchase agreement. This is holding our water supply hostage, making it much more expensive for ratepayers. It is more than unfair; it is harmful. Here are some additional disastrous repercussions you must consider:

**This delay has already cost the Monterey One Water agency an additional \$14 million dollars** since the project was ready to begin construction in June 2022 and the WPA has been pending. This increase is due to now having higher financing rates, higher construction costs due to increased inflation during the delay, and increased administrative costs and could only get worse. If this agreement lingers until June 2023, add an additional \$2.7 million to this. These costs are directly passed on to ratepayers. Residential rates for Monterey One were already doubled in the past year and this will affect ratepayers even more seriously.

**This delay is also risking the loss of over \$42 million total in grants and loans that have been arranged and ready to go for this project.** There is a serious risk of losing eligibility for State monies that will be disbursed to other projects if deadlines are not met. This is egregious on the part of this corporation to perpetuate this sort of blackmail and disrespect for the efforts made to negotiate this project in an honorable manner, in a process agreed upon by all participating agencies and parties.

**Because the building of two new injection wells was included in the water purchase agreement, they have not yet built those wells** that were needed to transport Pure Water Monterey water to some areas in their service district. Instead, **they have now taken offline two ASR injection wells that should have been used this winter during the recent heavy rains for legal Carmel River runoff to use for this purpose.** Thus, in a banner water year that could have yielded an average of 1,300 AF of runoff water for ASR storage (in 2017, it was 2,345 AF), only 400 AF have been collected due to Cal Am tying up two of the ASR wells for transport of Pure Water

Monterey water. This situation would have been avoided had they built the wells in the first place. Instead, they again delayed this process, and it has resulted in inefficiencies in the water system which have serious long-term impacts. They continue to sabotage ongoing water efforts and restrict supply to falsely justify a need for the desalination project.

This matter is urgent. This project needs to be completed as soon as possible to avoid water shortages within 2 years. Cal Am is playing a dangerous leverage game. There is no way that their desal project would meet that deadline. They feel very emboldened by the disastrous conditional Coastal Commission approval of their unneeded, extremely expensive and environmentally damaging desalination project. That inappropriate approval, championed by the Governor's direct pressure on the Coastal Commission to reverse its denial, has now emboldened Cal Am to arrogantly disregard previous legal agreements and essentially try to force you to comply with their unreasonable demands. I am concerned they will put the local water system into a real crisis to get what they want. I hope you have the legal recourse to change this situation as it will be the ratepayers who ultimately suffer.

Voters in Cal Am's district overwhelmingly passed Measure J in 2018 to buy the local Cal Am system in favor of a public water agency because they have a long history of purposeful mismanagement and gouging ratepayers. This is yet another example. Please find a legal avenue to compel Cal Am to sign this agreement. Thank you.  
Sincerely,

Susan Schiavone, Ratepayer, Seaside, CA

Cc: Governor Gavin Newsom