



**EXHIBIT 1-B**

**Draft Minutes  
Regular Meeting  
Board of Directors**

**Monterey Peninsula Water Management District  
October 21, 2024 at 6:00 p.m.**

Meeting Location: District Office, Main Conference Room  
5 Harris Court, Building G, Monterey, CA 93940 AND  
By Teleconferencing Means - *Zoom*

**CALL TO ORDER**

Chair Anderson called the meeting to order at 6:01 p.m.

**ROLL CALL**

**Board Members Present**

Amy Anderson, Chair  
George Riley, Vice Chair  
Karen Paull  
Supervisor Mary Adams  
Alvin Edwards  
Marc Eisenhart

**Board Members Absent**

Mayor Ian Oglesby

**District Staff Members Present**

David Stoldt, General Manager  
Nishil Bali, Administrative Services Manager/ Chief  
Financial Officer  
Jonathan Lear, Water Resources Manager  
Stephanie Locke, Water Demand Manager  
Thomas Christensen, Environmental Resources Manager  
Sara Reyes, Executive Assistant/Board Clerk

**District Staff Members Absent**

None

**District Counsel Present**

Michael Laredo, De Lay & Laredo

Fran Farina, De Lay & Laredo (*via Zoom*)

**PLEDGE OF ALLEGIANCE**

The assembly recited the Pledge of Allegiance.

**ADDITIONS AND CORRECTIONS TO THE AGENDA**

General Manager David Stoldt reported there were no additions or corrections to the agenda.

**ORAL COMMUNICATIONS**

Chair Anderson opened the Oral Communications period, and the following comments were made to the Board:

- (1) Melodie Chrislock, inquired whether ratepayers could sign a document to contribute the money owed from the taxpayer lawsuit back to the Monterey Peninsula Water Management District (District) as a gesture of appreciation for their efforts on behalf of the ratepayers.
- (2) Anna Thompson, voiced her opposition to California American Water (Cal-Am) promoting a desalination plant, citing concerns that it is unaffordable for ratepayers and detrimental to coastal ecosystems.

## CONSENT CALENDAR

Chair Anderson introduced the item.

Director Riley pulled Item 2 for comment.

Director Adams offered a motion, seconded by Director Paull, to approve Consent Calendar items 1, 3, and 4. The motion passed by a voice vote of 6 Ayes (Eisenhart, Anderson, Riley, Adams, Paull, and Edwards), 0 Noes, and 1 Absent (Oglesby).

Director Riley offered a motion, seconded by Director Eisenhart, to approve Consent Calendar item 2. The motion passed by a voice vote of 6 Ayes (Eisenhart, Anderson, Riley, Adams, Paull, and Edwards), 0 Noes, and 1 Absent (Oglesby).

**The following agenda items were accepted as part of the Consent Calendar:**

- 1. Consider Adoption of Minutes of the Regular Board Meeting on September 16, 2024**
- 2. Consider Adoption of Treasurer’s Report for August 2024**
- 3. Receive Pension Reporting Standards - Government Accounting Standards Board Statement No. 68 Accounting Valuation Report**
- 4. Consider Adoption of Resolution No. 2024-12 – Amendment to the MPWMD Conflict of Interest Code**

## GENERAL MANAGER’S REPORT

Chair Anderson introduced the item.

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

General Manager Stoldt provided an update on this agenda item through a slide-deck presentation titled “Status Report on Cal-Am Compliance with SWRCB Orders and Seaside Basin Decision as of October 1, 2024”. The board then engaged in a discussion on this topic. *A copy of the presentation is available at the District office and on the District website.* Mr. Stoldt reported that for the Water Year ended September 30<sup>th</sup>, overall water produced for customer service (demand) was down 146 AF from last year, to 8,972 AFY. The community last had water demand at that level in 1957.

- 6. Other Updates**

General Manager Stoldt noted the following:

- The District received a letter from the Government Finance Officers Association, notifying them of being awarded a Certificate of Achievement for Excellence in Financial Reporting.
- A staff report by Monterey One Water, providing an Update on the Pure Water Monterey Expansion and Pure Water Monterey Projects, was distributed to the Board in their meeting packet.
- The District’s Water Demand Division staff conducted Certified Landscape Irrigation Auditor trainings in October, which received a good turnout.
- The Water Demand Committee discussed a letter sent to the Board regarding the retention of a credit for rainwater recovery or gray water systems. The District had removed this credit several years ago, and the recommendation from staff and the Water Demand Committee was to maintain the current policy, meaning no credit for stormwater systems.

## REPORT FROM DISTRICT COUNSEL

Chair Anderson introduced the matter.

- 7. Report From District Counsel; Report on Closed Session from September 16 and October 11, 2024**

District Counsel Michael Laredo reported that the Board met in two separate closed session meetings on September 16 and October 11 to discuss the ongoing litigation regarding Monterey Peninsula Taxpayers

Association versus the District. District Counsel Laredo referenced the litigation report on page 73 of the meeting packet as item 1.b and reported that the Board received updates from both general counsel and special counsel regarding the status of the case. Direction was given to counsel, but there is no reportable action at this time. Counsel Laredo then referred to the memorandum dated October 15, 2024, and reviewed it with the Board.

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

Chair Anderson introduced the item.

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

Directors Paull and Riley reported that they attended the Special Districts Association of Monterey County meeting on October 15, 2024. The Directors discussed various aspects of the meeting and noted that Rupa Shah, Monterey County Auditory Controller, was the guest speaker.

## **ACTION ITEMS**

Chair Anderson introduced the item.

### **9. Consider Adoption of Modifications to Salary Survey Results Adopted July 15, 2024, and Amend Memoranda of Understanding with Bargaining Units Accordingly**

General Manager Stoldt reviewed his report to the Board on page 79 and explained the recommendation to elevate two management positions above the highest-level single position and to modify one of the three staff-level positions. He reported that the overall impact of this change would be approximately \$33,000 per year. Board discussion followed.

Chair Anderson opened the public comment period; however, no comments were made to the Board.

A motion was made by Director Riley, seconded by Director Paull, to make the recommended adjustments to the salary schedule as presented in the staff report. The motion passed by a voice vote of 6 Ayes (Eisenhart, Paull, Edwards, Riley, Adams and Anderson), 0 Noes, and 1 Absent (Oglesby).

### **10. Consider Approval of Resolution 2024-13 Supporting Closure of Open Water Permits by Implementing a One-Time Amnesty Period**

Stephanie Locke, Water Demand Manager, reviewed her report to the Board on page 81 and explained the recommendation being presented. Board discussion followed.

Chair Anderson opened the public comment period; however, no comments were made to the Board.

A motion was made by Director Paull, seconded by Director Edwards to adopt Resolution No. 2024-13 to authorize the use of the District Reserve Allocation and suspend specific rules to facilitate the closure of older open Water Permits. The motion passed by a roll call vote of 6 Ayes (Eisenhart, Paull, Edwards, Riley, Adams, and Anderson), 0 Noes, and 1 Absent (Oglesby).

### **11. Consider Approval of Funds for Executive Search Firm for Recruitment of Assistant General Manager**

General Manager Stoldt reviewed his report to the Board on page 91 and noted that although the District's outside consultant firm, Regional Government Services Authority (RGS), has assisted with other recruitment searches for the District, staff believes that an executive search firm is more appropriate for this type of search. Board discussion followed.

Chair Anderson opened the public comment period; however, no comments were made to the Board.

A motion was made by Director Edwards, seconded by Director Paull to approve an amount not to exceed \$37,000 for conducting a search for Assistant General Manager. The motion passed by a voice vote of 6 Ayes (Paull, Eisenhart, Edwards, Riley, Adams, and Anderson), 0 Noes, and 1 Absent (Oglesby).

**DISCUSSION ITEM**

Chair Anderson introduced the item.

**12. Update on Water Allocation Process**

General Manager Stoldt provided an update on this agenda item through a slide-deck presentation titled “Overview of Proposed 2024-25 Water Allocation Process”. *A copy of the presentation is available at the District office and on the District website.* Mr. Stoldt reported the report on page 123 contains background information and noted the following:

- A meeting was conducted on September 12, 2024, with all the jurisdictions (five city managers, planning directors, and representatives of the service branches).
- The General Manager will continue to meet with the Board of Supervisors and City Councils and provide updates to the Board in November and December.

The Board then engaged in a discussion on this topic.

Chair Anderson opened the public comment period, and the following comment was made to the Board:

- (1) Tom Rowley, Vice-President of the Monterey Peninsula Taxpayers Association, stated he was present for Mr. Stoldt’s presentation at the Monterey County Association of Realtors Government Affairs meeting on Thursday, October 17, 2024, and expressed some disagreements with the information presented by General Manager Stoldt.

**INFORMATIONAL ITEMS/STAFF REPORTS**

- 13. Report on Activity/Progress on Contracts Over \$25,000**
- 14. Status Report on Spending – Public’s Ownership of Monterey Water System**
- 15. Letters Received**
- 16. Committee Reports**
- 17. Monthly Allocation Report**
- 18. Water Conservation Program Report for September 2024**
- 19. Carmel River Fishery Report for September 2024**
- 20. Quarterly Carmel River Riparian Corridor Management Program Report**
- 21. Monthly Water Supply and California American Water Production Report**

*These items were informational only, and no action was taken. Copies of these reports are available at the District office and on the District website.*

**ADJOURNMENT**

The meeting adjourned at approximately 8:17 p.m.

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Sara Reyes, Deputy District Secretary

Minutes approved by the MPWMD Board of Directors on \_\_\_\_\_, 2024