

**SEASIDE GROUNDWATER BASIN WATERMASTER (Watermaster)
REGULAR MEETING MINUTES**

Monterey One Water Board Room, 5 Harris Court, Building “D”
Ryan Ranch, Monterey, California
June 5, 2019

I. CALL TO ORDER – The meeting was called to order at 2:00 p.m.

II. ROLL CALL

Coastal Subarea Landowner – Director Paul Bruno - Chair
City of Del Rey Oaks – Council Member John Gaglioti
City of Sand City – Mayor Mary Ann Carbone
California American Water (CAW) – Director Christopher Cook
City of Monterey – Council Member Dan Albert
Monterey County/Monterey County Water Resources Agency – Supervisor Mary Adams

Absent: City of Seaside – Mayor Ian Oglesby
Monterey Peninsula Water Management District (MPWMD) – Director George Riley
Laguna Seca Subarea Landowner

Others Present

Watermaster Technical Program Manager – Robert Jaques
Watermaster Administrative Officer – Laura Paxton
Lori Girard, CAW Legal Counsel
Don Freeman, City of Seaside City Attorney
Rick Reidl – City of Seaside
Bob Holden – Monterey One Water/Pure Water Monterey
Alison Nishimura – Monterey One Water/Pure Water Monterey
Sarah Hardgrave – Office of Supervisor Mary Adams
Derrick Williams – Montgomery and Associates

III. PUBLIC COMMUNICATIONS: None

IV. REVIEW OF AGENDA: There were no requested changes to the agenda.

V. APPROVAL OF MINUTES

It was moved by Councilmember Albert, seconded by Councilmember Gaglioti and unanimously carried to approve the minutes of the Regular Board meeting held January 2, 2019.

VI. CONSENT CALENDAR

- A.** Consider approval of Summary for Payments made during January – May 2019 totaling **\$81,859.99**
- B.** Consider Approving Fiscal Year 2018 Financial Reports through December 31, 2018
- C.** Consider Approving Fiscal Year 2019 Financial Reports through April 30, 2019

Moved by Mayor Carbone, seconded by Councilmember Albert and unanimously carried to approve the consent calendar with noted correction from December 2019 to December 2018 within the January Summary of Payments Made.

- I. ORAL PRESENTATION:** Bob Holden, Monterey One Water Principal Engineer, gave a presentation on the backup Expanded Pure Water Monterey Groundwater Replenishment (PWM/GWR) Project. The proposed expanded project would reduce discharges of secondary effluent to Monterey Bay and would inject into the Seaside Groundwater Basin approximately 2,250 acre-feet per year (AFY) of additional purified recycled water. Combined with the existing PWM/GWR Project yield this expansion would result in a total water supply yield of approximately 5,750 AFY to replace existing water supplies for California American Water Company's (CAW) Monterey District service area and enable CAW to comply with the State Board's Cease and Desist Order (Orders 95-10, 2016-0016) as amended. At this time, the Expanded PWM/GWR Project is considered a "back-up plan" to the Monterey Peninsula Water Supply Project (MPWSP), CAW's planned 6.4 mgd desalination project. The Expanded PWM/GWR Project would be implemented in the event that the MPWSP encounters obstacles that prevent timely, feasible implementation. Comments on the Notice of Preparation are due by June 14th. Mr. Holden thanked Watermaster for the use of its groundwater model for project development.

In reference to the expansion project Notice of Preparation, Mr. Jaques stated that he had submitted a comment letter today on behalf of Watermaster stating that, based on groundwater modeling, injection of water near the coastline is more beneficial than other injection sites in raising Basin protective groundwater levels and requests coastal injection be considered in the project EIR scope.

IX. NEW BUSINESS:

- A. Consider Approving Updated Basin Management Action Plan.** The full document is available at https://www.seasidebasinwatermaster.org/Other/BMAP%20Final_07192019.pdf

Mr. Jaques gave an overview of the item. Derrick Williams, Montgomery and Associates presented the updated plan. He noted that the Seaside Basin deep aquifer is geologically separate from the adjacent MCWD area deep aquifer. He strongly encouraged coordination with the Salinas Valley Basin Groundwater Sustainability Agency (GSA) and Marina Coast Water District Groundwater Sustainability Agency to ensure that sustainable management criteria included in the neighboring Groundwater Sustainability Plans do not limit the Watermaster's sustainable management of the Basin. Mr. Jaques is Watermaster technical advisor to the GSA technical committee and attends the monthly meetings. He is poised to coordinate closely when groundwater elevation goals and other important factors are being developed.

Director Cook requested that the offset and supplemental supply from PWM be considered for injection via the Bishop/Ryan Ranch interconnect in an attempt to stabilize water elevations near the Laguna Seca Subarea eastern border.

Moved by Supervisor Adams, seconded by Councilmember Gaglioti and unanimously carried, to approve the Updated Basin Management Action Plan as presented.

B. Discussion and Possible Approval of Allocation of Water Rights After Decision-Required Pumping Ramp-Downs Have Been Completed

Mr. Jaques noted inconsistencies in the Decision complicate the calculation of water rights after ramp-downs are completed. The Watermaster Technical Advisory Committee (TAC) recommends the Board continue to use 3,000 acre-feet per year (AFY) as the Natural Safe Yield value when calculating the next ramp-down in pumping. Ramp-down calculations for a basin-wide Natural Safe Yield of 2,913 AFY are based on a slightly different interpretation of the Adjudication Decision however ramping down to 2,913 AFY would provide negligible additional benefit to the Basin. The Salinas Valley Basin Groundwater Sustainability Plans will need to be completed by 2022, and the TAC felt at that time it would be appropriate to reevaluate the Natural Safe Yield value, and also to consider the concept of Sustainable Yield versus Natural Safe Yield for basin management purposes.

Moved by Councilmember Gaglioti, seconded by Councilmember Albert and unanimously carried, to approve ramp-down to 3,000 AFY in Water Year 2021 and assign water allocations to each Producer as shown in Table 7 of Attachment 1 after all pumping ramp-downs have been completed.

C. Discussion of the Pros and Cons of Using the Sustainable Yield Approach in Place of the Natural Safe Yield Approach for Basin Management

Derrick Williams, Montgomery and Associates detailed the difference between safe yield (the pumping amount equal to the naturally occurring Basin recharge each year) versus sustainable yield (pumping with consideration of dynamic basin boundary conditions). The basis of sustainable yield is to prevent undesirable results (i.e. seawater intrusion) whereas safe yield is the management of pumping to balance an inflow/outflow equation. Director Cook felt that upcoming water supply projects would considerably alter Basin dynamics and that it would be better to perform a sustainable yield analysis after projects are operational.

Moved by Mayor Carbone, seconded by Director Cook and unanimously carried, to approve the TAC's recommendation:

- **To not perform a sustainable yield analysis at this time;**
- **To revisit the concept of using the Sustainable Yield Approach to replace the Natural Safe Yield approach after the Groundwater Sustainability Plan for the Monterey Subbasin of the Salinas Valley Groundwater Basin has been completed in 2022, and its impacts on the Seaside Groundwater Basin have been determined;**
- **To revisit the Decision if something is learned, or events occur, that would warrant performing a Sustainable Yield analysis sooner.**

D. California American Water Request for Credit against Replenishment Assessment

Moved by Mayor Carbone, seconded by Councilmember Gaglioti and unanimously carried, to approve California American Water's request to allow a credit for actual expenditures incurred October 2016 through January 2019 for the Monterey Pipeline and Pump Station amounting to \$49,382,196 to be used to offset the Seaside Basin Water Year 2018 Overproduction Replenishment Assessment.

E. Discuss/Consider Authorizing Watermaster Legal Counsel Services

Moved by Director Cook, seconded by Supervisor Adams and unanimously carried, for staff to solicit proposals for Watermaster legal services.

X. OLD BUSINESS: None

XI. INFORMATIONAL REPORTS:

- A.** Technical Advisory Committee (TAC) minutes from meetings held January 9, February 13, March 13, and May 8, 2019
- B.** Watermaster report of production of the Seaside Basin October 1, 2018 – March 31, 2019
- C.** MPWMD 2018 Annual Report
- D.** The Salinas Valley Basin Groundwater Sustainability Agency agenda for the May 16 meeting is available for viewing at <http://svbgsa.org> and includes minutes of the April 18th meeting.

XII. DIRECTOR'S REPORTS: There were no reports from directors.

XIII. STAFF COMMENTS: Staff commented on meeting schedules, and noted there had been no communication as of yet with newly appointed Watermaster Judge O'Farrell.

XIV. NEXT MEETING DATE: The next meeting of the Watermaster board will be held **Wednesday, July 3, 2019 at the Monterey One Water board room at 5 Harris Court, Building "D" on Ryan Ranch in Monterey at 2:00 p.m.**

XV. There being no further business, Chair Bruno adjourned the meeting at 3:35 p.m.