

**SEASIDE GROUNDWATER BASIN WATERMASTER
REGULAR MEETING MINUTES
Wednesday, October 5, 2022 Via Zoom Teleconference**

I. CALL TO ORDER – Director Bruno called the meeting to order at 2:00pm

II. ROLL CALL

Coastal Subarea Landowner – Director Paul Bruno – Chair

City of Seaside – Mayor Ian Oglesby

City of Sand City – Mayor Mary Ann Carbone

Laguna Seca Subarea Landowner – Director Wesley Leith

California American Water (CAW) – Director Christopher Cook

Monterey Peninsula Water Management District (MPWMD) – Director George Riley

City of Del Rey Oaks – Council Member John Gaglioti

Monterey County/Monterey County Water Resources Agency – Supervisor Wendy Root Askew

Absent: City of Monterey – Council Member Dan Albert – Vice Chair

Others Present:

Robert Jaques, Watermaster Technical Program Manager (TPM)

Laura Paxton, Watermaster Administrative Officer (AO)

Michael Paxton, Assistant AO

Alvin Edwards, Chair, MPWMD Board of Directors

Jonathan Lear, MPWMD

Maureen Hamilton, MPWMD

Aiko Yamakawa, Attorney, CAW

Pascual Benito, Montgomery & Associates

Alison Imamura, Monterey One Water

III. PUBLIC COMMUNICATIONS – There were no public communications.

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

V. ORAL PRESENTATION – None

VI. CONSENT CALENDAR

A. Consider Approving Minutes of Regular Board meeting held September 7, 2022

B. Consider Approving Summary of Payments made May through August 2022

C. Consider Approving Fiscal Year 2022 Financial Reports through August 31, 2022

Chair Bruno requested “President Bruno” on page 6 be changed to “Chair Bruno.” Supervisor Askew requested verbiage be added that Director Riley, after the vote [to deny The Club at Pasadera relief from overproduction assessment], asked for the weighted calculation to be provided. To satisfy Director Riley’s request, the motion [in the minutes] reflects the vote results with the designated weight of each board member as per the Decision.

It was moved by Director Riley and seconded by Mayor Oglesby to approve the consent calendar with the noted change/addition to the September 7, 2022 minutes. Director Bruno – Aye; Mayor Oglesby – Aye; Director Cook – Aye; Councilmember Gaglioti – Aye; Mayor Carbone – Aye; Director Riley – Aye; Director Leith – Aye; Supervisor Askew - Aye. Motion carried.

Director Riley requested that staff review the Decision and the Watermaster Rules and Regulations with regard to a board member calling for a weighted vote and include as an agenda item at the next meeting.

VII. NEW BUSINESS

A. Consider Approving Fiscal Year (January–December) 2023 Annual Budgets:

1. Administrative Budget
2. Monitoring and Management Program (M&MP) and M&MP Operations and Capital Budgets

AO Paxton and TPM Jaques highlighted their transmittals on the proposed 2023 budgets.

It was moved by Director Riley and seconded by Council Member Gaglioti to approve Fiscal Year 2023 Annual Administrative, M&MP Operations, and M&MP Capital Budgets as presented. Mayor Oglesby – Aye; Director Cook – Aye; Councilmember Gaglioti – Aye; Mayor Carbone – Aye; Director Riley – Aye; Supervisor Askew – Aye. Motion carried.

(Per the Decision, landowner representatives do not participate in budget approval voting.)

The 2024 M&MP Operations Budget and Capital Budget and the 2023 Replenishment Fund Budget are informational and no action is required.

B. Consider Approving the Proposed 2023 Replenishment Assessment Unit Costs for Natural Safe Yield and Operating Yield Overproduction

Ms. Paxton gave highlights from the transmittal. Director Gaglioti inquired whether the \$3,486 per acre foot amount for Pure Water Monterey (PWM) & its Expansion included conveyance costs or only production and generation costs; questioning if the projects would bear the costs of conveyance if the desalination plant that has those costs factored in is not built. Director Cook responded yes, if the desalination plant is not built the Expansion Project would have conveyance costs added to its operational per acre foot cost. He noted that the \$3,486 per acre foot is the current base PWM project cost; an estimated cost for the Expansion Project is not currently available. Council Member Gaglioti suggested that the Expansion Project have the potential conveyance cost footnoted in the 2023 Unit Cost chart.

Director Riley did not agree with the unit cost formula. He requested the board schedule a full discussion of the matter – how it was created, what elements are in it now, and what the math means. Supervisor Askew supported a better understanding of and options for formula methodology. Chair Bruno and Council Member Gaglioti noted that by end of year there may be an entirely different suite of projects being considered. Council Member Gaglioti agreed to participate at a January meeting on the matter even though his term on the Watermaster Board as Del Rey Oaks representative ends December 31st. Chair Bruno directed Ms. Paxton to convene a Budget & Finance Committee meeting in early January 2023 for a full discussion.

Moved by Council Member Gaglioti and seconded by Director Riley to approve the 2023 Replenishment Assessment unit cost of \$3,461/AF and \$865/AF for Natural Safe Yield and Operating Yield Overproduction, respectively. Director Bruno – Aye; Director Cook – Aye; Council Member Gaglioti – Aye; Mayor Carbone – Aye; Mayor Oglesby – Aye; Supervisor Askew – Aye; Director Riley – Aye; Director Leith – Aye. Motion carried.

VIII. OLD BUSINESS

A. TECHNICAL ADVISORY COMMITTEE (TAC)

Results from Flow Direction/Flow Velocity Modeling and Recommend Additional Analysis

TPM Jaques gave highlights from his transmittal. Pascual Benito, Ph.D., Senior Hydrogeologist, Montgomery and Associates provided information and graphics excerpted from the Flow Direction/Flow Velocity Modeling Technical Memorandum that describe its findings and conclusions. The full document is available on the Watermaster's website. Dr. Benito presented slides.

TPM Jaques noted that hydrology is a major factor in flow velocity – the more extended dry weather periods there are, the less replenishment water is available for injection, resulting in a greater risk of seawater intrusion. Carmel River hydrology over the 100 years ending in 2001, and over the 50 years also ending in 2001, showed that the predominant level of rainfall was “Normal.” However, over the most recent 50 years ending in 2021, the predominant level of rainfall was “Critically Dry.” Further analysis using more conservative assumptions rather than best-case assumptions would “bookend” the range of situations the basin could encounter.

Directors expressed appreciation for Dr. Benito's refinement of the modeling from that presented to the Watermaster TAC. Council Member Gaglioti further appreciated that the modeling showed solidly that the Basin and the suite of projects intended to meet demand are all critically impacted by climate change. The Basin cannot withstand seawater intrusion without being provided replenishment water. The PWM, PWMX, and ASR projects all provide water that is normally pumped back out and do not provide the needed amount of replenishment water. The projects being presented to elected officials by MPWMD as being the answer to Peninsula water supply/demand does not take into account climate change and its deleterious impact to the Basin. Watermaster needs to sound the alarm through public outreach that MPWMD-touted water supply projects (dependent on the health of the Basin for storage and permit-required retention of injected water) are heavily dependent on wet weather to remain viable, weather that has been shown to be trending predominantly toward drought.

TPM Jaques stated placing the new FO-09 well in the same general area as the destroyed one would fill an area data gap and maintain a continuous data record. Director Cook inquired if there were monitoring wells in the lower Paso Robles aquifer in the area per the model of potential rapid seawater intrusion. Jon Lear, MPWMD responded that the PCA east and west wells are completed in both the shallow and the deep aquifers, and Sentinel Well #4 has a long screen over the entirety of strata with resistivity induction logging as a proxy for water quality sampling. Mayor Carbone requested more clarity in understanding the particle paths on the left of Slide No. 12 which shows Layer 4 – Lower Paso Robles-Max Inland Velocity, with the particles travelling inland during drought years and reversing direction during wetter years.

It was noted that the location of the seawater/freshwater interface, whether offshore or beneath the shoreline, was not known. Airborne electromagnetic analysis by Department of Water Resources in the next several months may help to provide some information on the interface location.

Director Riley requested Watermaster staff confer with Dr. Benito to determine the validity of the CAW Urban Water Management Plan (UWMP) showing 400AF of demand related to firefighting, and whether changing this quantity would make a difference in the results. Dr. Benito noted that the MPWMD assumptions were used for this modeling, not the CAW Urban Water Management Plan assumptions, so the 400AF would have no bearing on the modeling results.

Council Member Gaglioti took exception to the MPWMD General Manager publicly objecting to Watermaster using CAW UWMP assumptions in replenishment needs modeling, and his claiming that the UWMP numbers used were wrong. He felt Watermaster should write a letter documenting the facts that counter MPWMD's accusation. Mr. Jaques suggested Watermaster wait for CAW's upcoming clarification statement regarding the UWMP 400AF for firefighting prior to responding to MPWMD. Mayor Oglesby felt no other agency should be making definitive statements on Watermaster matters, and

supported Council Member Gaglioti's request that Watermaster send a letter responding to MPWMD's misleading claims.

The Board concurred with the TAC recommendation to perform additional analyses using more conservative hydrology.

To clarify for Supervisor Askew, Director Gaglioti pointed out the purpose of modeling was to understand how the Basin responds to certain environmental conditions; further analyses would take into consideration the "new normal" hydrology based on the most recent 50 years of predominantly dry years. Director Riley added that the Basin is a storage vessel and it is threatened by seawater intrusion; the Watermaster Public Awareness Committee will use modeling results for a basis to inform the public (including elected officials) of the threats to the basin.

It was moved by Director Riley and seconded by Director Gaglioti to accept the flow direction/flow velocity Technical Memorandum of February 25, 2022 as a preliminary evaluation of how potential seawater intrusion would move in the Seaside Basin, and staff bring back additional Information. Director Bruno – Aye; Director Cook – Aye; Council Member Gaglioti – Aye; Mayor Carbone – Aye; Director Riley – Aye; Mayor Oglesby – Aye; Supervisor Askew – Aye. Motion carried.

IX. INFORMATIONAL REPORTS (No Action Required)

- B.** Technical Advisory Committee (TAC) draft meeting minutes August 10, 2022
- C.** Watermaster Report of Production of the Seaside third quarter Water Year 2022 (April 1, 2022 – June 30, 2022)
- D.** MPWMD Correspondence to Watermaster Chair dated September 29, 2022 Re: August 5, 2022 Draft Technical Memorandum – Hybrid Water Budget Analyses of Basin Replenishment Options and Alternate Assumptions

X. DIRECTOR'S REPORTS – Director Riley requested a closed session be included on the next meeting agenda to review the Watermaster legal services contract.

Director Riley requested an item on the January 2023 board meeting agenda to schedule a strategic or goals workshop to cover six to eight issues for discussion related to orientation and succession planning.

Director Riley reported on the October 3, 2022 MPWMD Water Supply Planning Committee meeting he attended, stating he voted to support a policy statement opposing CAW's Desalination Plant in favor of supply projects now/soon available. Director Cook reported an update just issued to desalination plant plans, now with a phased-in approach starting at 4.8MGD instead of 6.4MGD, and addressing slant wells and timing of need.

Director Bruno will host a Watermaster Christmas party at his home on December 15th at 6:00 p.m.

XI. STAFF COMMENTS – There are no items of urgency for the November meeting; it most likely will be cancelled.

XII. NEXT REGULAR MEETING DATE - November 2, 2022 / December 7, 2022 - 2:00 p.m.

XIII. ADJOURNMENT – There being no further business, the meeting was adjourned at 4:11 p.m.