

**REGULAR MEETING**  
Seaside Groundwater Basin Watermaster  
*November 5, 2008*

**MINUTES**

**I. CALL TO ORDER**

Chairman Rubio called the meeting to order at 2:00 p.m. in the Monterey Regional Water Pollution Control Agency Boardroom at 5 Harris Court, Building D, Monterey.

**II. ROLL CALL**

City of Seaside – Mayor Ralph Rubio, Chairman  
Laguna Seca Subarea Landowner – Director Bob Costa  
Monterey Peninsula Water Management District (“MPWMD”) – Director Judi Lehman, Secretary  
California American Water (“CAW”) – (Alternate) Craig Anthony  
City of Del Rey Oaks – Mayor Joseph Russell, Treasurer  
City of Monterey – Councilmember Frank Sollecito  
City of Sand City – Mayor David Pendergrass  
Coastal Subarea Landowner – Director Paul Bruno  
Monterey County/Monterey County Water Resources Agency (“MCWRA”) – (Alternate) Curtis Weeks

**III. APPROVAL OF MINUTES**

**Moved by Mayor Pendergrass, seconded by Mayor Russell, and unanimously carried, to approve the minutes of the Regular Board meeting held October 1, 2008; and carried to approve the minutes of the Special Board meeting held October 23, 2008 – Councilmember Sollecito abstained due to his absence at that meeting.**

**IV. REVIEW OF AGENDA**

There were no changes to the agenda.

**V. PUBLIC PARTICIPATION/ORAL COMMUNICATIONS**

There were no questions or comments from the public.

**VI. CONSENT CALENDAR**

- A. Consider approval of Summary of Payments made in October 2008 totaling \$50,473.60
- B. Consider current year Financial Reports – through October 31, 2008
- C. Consider approving the revised language of the Memorandum of Understanding between Watermaster and California American Water for conditions of credit against replenishment assessments fees

Director Lehman requested item C be pulled from the consent calendar to have the amendments clarified.

**Moved by Mayor Russell, seconded by Director Bruno, and unanimously carried, to approve items A and B of the consent calendar.**

CEO Evans e-mailed to all board members and interested parties the amended draft MOU yesterday and distributed a copy of the draft at the meeting. Both attorney Jan Driscoll representing CAW, and attorney Russell McGlothlin representing Watermaster, approved the added language in Section 2.b.iii: “For purposes of paragraphs 2.b.i and 2.b.ii above, Watermaster shall not issue a determination that water is available for Artificial Replenishment unless Watermaster reasonably anticipates that it can obtain water for Artificial Replenishment at a rate that shall not exceed the per-acre-foot cost of the Replenishment Assessments declared by Watermaster for the relevant Water Year pursuant to section III.L.3.j.iii of the Amended Decision.” Rephrased by Chair Rubio, if replenishment water becomes available to Watermaster at a cost that exceeds the established Replenishment Assessment Cost Per Acre Foot calculated for that particular year, Watermaster shall not consider that replenishment water an economically viable source and shall not declare replenishment water available for that year.

Director Weeks stated he received the draft MOU late yesterday afternoon and had not had time to present it to his agency’s legal counsel. He stated that it appeared that the substance of the policy issues covered in the past had not changed but mechanisms appeared to have been revised and more time was needed for review; he would abstain from any vote on the matter. Director Costa stated that his group also had not had time to review the document sufficiently and he would abstain as well. Mayor Russell stated that he dissented last meeting regarding this issue and would dissent again, both in his capacity as an involved party and as treasurer of Watermaster, if the Board took action on the item. Attorney Tim Miller representing CAW was concerned that if the issue was not resolved the annual report to the court would not adequately reflect the status of the replenishment assessment however the court could be notified that the action was pending and that Watermaster would need to supplement the annual report once the item was decided. The deadline for filing the Annual Report with the Court was November 15, 2008. There was a footnote in the draft Replenishment Assessment Fund Budget pertaining to the credit issue however there was nothing in the body of the document. Mayor Russell felt that the issue should be more than a footnote when stated in the Annual Report.

**Moved by Director Anthony, seconded by Director Lehman, and unanimously carried, to continue the item to the next Watermaster Regular Board Meeting scheduled for December 3, 2008.**

**VII. ORAL PRESENTATION** – None.

**VIII. OLD BUSINESS**

**A. COMMITTEE REPORTS**

**1. TECHNICAL ADVISORY COMMITTEE (“TAC”)**

- a) The Board received and reviewed the submitted Seawater Intrusion Analysis Report prepared by Hydrometrics LLC. Watermaster CEO Evans and Technical Program Manager Robert Jaques clarified that the document presented had been

thoroughly vetted through the committee and that all substantive issues had been addressed and the committee recommended approval of the document by the Board.

**Moved by Director Weeks, seconded by Director Sollecito, and unanimously carried, to approve the Seawater Intrusion Analysis Report.**

## **2. BUDGET AND FINANCE COMMITTEE**

- a) The Board received and reviewed the submitted revised Replenishment Fund Budget for fiscal year 2009. Director Lehman requested that the \$2,604,932 credit balance remaining in Water Year 2008 be listed as an “unpaid credit balance” line item.

**Moved by Director Weeks, seconded by Director Bruno, and unanimously carried to approve the Watermaster Replenishment Fund budget subject to the completion of the Boards discussion and determination of the related Memorandum of Understanding.**

## **IX. NEW BUSINESS**

### **A. Watermaster Annual Report for FY 2008**

Mr. Jaques highlighted portions of the submitted report due to be filed with the Court on or before November 15, 2008. Director Costa stated the Laguna Seca Subarea Landowners’ consultant had a request for a minor change on page 9, 5<sup>th</sup> bullet point, second sentence: in recognition that groundwater levels are above sea level in parts of the Laguna Seca Subarea, add a sentence stating such. The Board and staff concurred that the statement was correct and the addition should be made. The recommendations within the report, or what the Board would be doing in the coming year, were to continue monitoring and reporting with no further work required beyond the addition of wells in the future. Mr. Jaques suggested that on page 3 under the Replenishment Assessment Section H and under the Watermaster Budget Section I that sentences be added to highlight that a credit memorandum was being negotiated between Watermaster and CAW with completion expected by the end of the calendar year and subsequent submission to the Court.

**Moved by Director Bruno, seconded by Director Costa, and unanimously carried to approve the Watermaster Annual Report to Court for 2008 with the added sentence regarding groundwater levels being above sea level in parts of the Laguna Seca Subarea, and with the Replenishment Assessment Credit Memorandum between Watermaster and California American Water to be submitted to the Court as an amendment to the Annual Report by the end of the calendar year.**

### **B. Monterey Peninsula Water Management District Short-term Dual-well Injection Test**

Mr. Joe Oliver, Senior Hydrologist for MPWMD addressed the board regarding the request by MPWMD to conduct a short-term dual-well injection test at Seaside Basin Phase 1 Aquifer Storage and Recovery Site using water supplied by Marina Coast Water District. Mr. Oliver

reviewed the submitted memorandum from Mr. Jaques that gave an overview of the request that had been considered by the Watermaster TAC that in-turn recommended approval by the Board. So far, 1,900 acre-feet of water had been injected at the site; up to 300 acre-feet would be injected for the requested testing hoped to be accomplished within the next 60 days, prior to maximizing the use of excess flows from the Carmel River for injections subsequent to seasonal rains. Director Weeks stated that MCWRA supported testing the characteristics of the Seaside Basin by charging it heavily using both wells. Mr. Oliver stated that the original intent was to complete the testing in Water Year 2008; MCWRA provided a confirmation letter to extend the testing period through Water Year 2009, as did MPWMD.

**Moved by Director Weeks, seconded by Director Sollecito, and unanimously carried to approve the request by Monterey Peninsula Water Management District to conduct short-term dual-well injection testing at the Seaside Basin Phase 1 Aquifer Storage and Recovery Site using water supplied by Marina Coast Water District.**

**IX. INFORMATIONAL REPORTS (No Action Required)**

- A. Timeline Schedule of Milestone Dates (Critical date monitoring)
  - B. Report of Groundwater Production through Quarter Ended 9/30/08
- There were no questions or comments.

**XI. DIRECTOR'S REPORTS**

There were no reports from directors.

**XII. EXECUTIVE OFFICER COMMENTS**

CEO Evans thanked Technical Program Manager Robert Jaques for his tremendous effort in completing the Annual Report. The next Technical Advisory Committee meeting scheduled on November 12, 2008 at 1:30 p.m. in the City of Seaside portable building would address the Seawater Intrusion Response Plan. Mr. Jaques requested that Board approval of the consultant contracts for 2009 be on the agenda for the December 3, 2008 regular Board meeting.

**XIII. NEXT MEETING DATE – Regular Meeting to be held on December 3, 2008, at the Monterey Regional Water Pollution Control Agency (MRWPCA) Board meeting room at 5 Harris Court, Building "D" on Ryan Ranch in Monterey at 2:00 p.m.**

**XIV. There being no further business, Chairman Rubio adjourned the meeting at 2:40 p.m.**