

SPECIAL MEETING MINUTES
Seaside Groundwater Basin Watermaster (Watermaster)
October 1, 2014

I. CALL TO ORDER – Chair Bruno called the meeting to order at 2:41 p.m.

II. ROLL CALL

Coastal Subarea Landowner – Director Paul Bruno, Chair
California American Water (CAW) – Director Eric Sabolsice
City of Seaside – Mayor Ralph Rubio
City of Del Rey Oaks – Mayor Jerry Edelen
Laguna Seca Subarea Landowner – Director Bob Costa
City of Sand City – Mayor David Pendergrass
Monterey Peninsula Water Management District – Director Robert Brower
Monterey County/Monterey County Water Resources Agency – Supervisor Dave Potter

Absent: City of Monterey – Mayor Charles “Chuck” Della Sala

III. PUBLIC PARTICIPATION/ORAL COMMUNICATIONS

There were no public communications.

IV. NEW BUSINESS

A. Watermaster Legal Representation

Mr. Russ McGlothlin of the law firm Brownstein, Hyatt, Farber, and Schreck joined the meeting via teleconference. Mr. Evans noted that the meeting was added at the request of Attorney Don Freeman who felt that Watermaster could benefit from legal assistance from an attorney highly involved with the Seaside Basin Adjudication. Importantly, a 560 acre-foot (AF) triennial ramp-down in production by the parties to the Decision is effective today and it would seem prudent to notify the Court that replenishment efforts to offset the ramp-down have been underway in the Basin for some time. With regard to the material injury to the Basin that will occur in the future as reported by the Laguna Seca Subarea (LSSA) modeling, special counsel could formulate a notice to the Court of such injury, and handle subsequent Watermaster/Court interaction on the issue that may result.

Mr. McGlothlin more specifically defined targeted services as filing a motion with the Court to hear a tri-part presentation to:

1. Update the Court on community needs and management of collective resources with respect to Monterey Peninsula water supply matters, specifically the Water Supply Project inclusive of desalination and groundwater replenishment, and the status of the State Cease and Desist Order and related schedule
2. Seek relief from the triennial reduction effective October 1, 2014
 - a) Seeking relief of 560 x 3 years = 1,680 AF against 2,500 AF total that will be replenished by the City of Seaside In-lieu Replenishment Project by the end of Water Year 2018
3. Notify the Court of material injury potential in the LSSA
 - a) Report to Court that Watermaster has identified a long-term problem, steps have been taken toward obtaining a second opinion on modeling results, and investigations have commenced to develop the most appropriate long-term solution – gaining the Court’s confidence in Watermaster in the matter by reporting progress annually

Director Sabolsice was hesitant for Watermaster to contract for legal services since the issues listed by Mr. McGlothlin have not had in-depth consideration by the Watermaster Technical Advisory Committee (TAC) or the board. Director Sabolsice noted that CAW customers have increased conservation efforts, reducing production needs. He requested that, prior to spending funds petitioning the court, the TAC should perform a full technical review of conservation achievements and LSSA modeling information. With the substantial increase in information from a few years ago regarding the status of the Basin, it may be found that a request for relief from pumping reduction may not be in the best interest of Basin health. Mayor Rubio was in favor of contracting with Mr. McGlothlin and notifying the Court of the informational matters in conjunction with the filing of the 2014 Annual Report, and supported requesting relief from the triennial ramp-down.

Chair Bruno stated this was the first the board was hearing of the ramp-down waiver request and understood Director Sabolsice's hesitation with including the Court filing of this item in the proposed legal services.

Moved by Mayor Rubio, seconded by Supervisor Potter, and carried, with Director Sabolsice voting no, to approve Watermaster retaining special counsel to file a motion for a hearing to update the Court on Monterey Peninsula water supply matters; to seek relief from the triennial reduction effective October 1, 2014; and to notify the Court of draft report findings of groundwater modeling in the LSSA; allowing time for the TAC to perform technical review of the issues prior to preparation of Court documents.

Mr. McGlothlin recommended filing the motion on or shortly after the 2014 Annual Report to Court filing date in anticipation of the judge scheduling a hearing in early 2015. It was the intent of CEO Evans to have the newly appointed Administrative Committee develop a special counsel professional services contract at a meeting to be scheduled in the near future.

V. There being no further business, Chair Bruno adjourned the meeting at 3:17 p.m.