

**SEASIDE GROUNDWATER BASIN WATERMASTER  
REGULAR MEETING OF THE BOARD OF DIRECTORS**

**AGENDA**

**Wednesday, July 5, 2023 – 2:00pm**

**IN-PERSON**

**Monterey One Water Board Room**

**5 Harris Court, Building “D”, Ryan Ranch, Monterey, California**

**Watermaster Board**

Coastal Subarea Landowner – Director Paul Bruno

City of Seaside – Mayor Ian Oglesby, Chair

California American Water – Director Christopher Cook

City of Sand City – Mayor Mary Ann Carbone, Vice Chair

Monterey Peninsula Water Management District – Director George Riley

Laguna Seca Subarea Landowner – Director John Gaglioti, Treasurer

City of Monterey – Councilmember Kim Barber

City of Del Rey Oaks – Councilmember Kim Shirley

Monterey County/Monterey County Water Resources Agency – Supervisor Wendy Root Askew, District 4

**I. CALL TO ORDER**

**II. ROLL CALL**

**III. PUBLIC COMMUNICATIONS**

Oral communications are on each meeting agenda in order to provide members of the public an opportunity to address the Watermaster on matters within its jurisdiction. Matters not appearing on the agenda will not receive action at this meeting but may be referred to the Watermaster Administrator or may be set for a future meeting. Presentations will be limited to three minutes or as otherwise established by the Watermaster. In order that the speaker may be identified in the minutes of the meeting, it is helpful if speakers use the microphone and state their names.

**IV. REVIEW OF AGENDA**

A vote may be taken to add to the agenda an item that arose after the 72-hour posting deadline pursuant to the requirements of Government Code Section 54954.2(b). (A 2/3-majority vote is required).

**V. CONSENT CALENDAR**

<b>A.</b> Minutes of Regular Board meeting held March 1, 2023 .....	3
<b>B.</b> Summary of Payments made February through May 2023 totaling <b>\$52,918.33</b> .....	9
<b>C.</b> Fiscal Year 2023 Financial Reports through May 31, 2023 .....	13
<b>D.</b> Consider Ratifying Central Coast Surveyors RFS No. 2023-01 for conducting corner search and ties, calculations, preparing legal description and plat exhibit for new easement from City of Seaside in preparation for replacing Monitoring Well FO-9 Shallow .....	19

**VI. ORAL PRESENTATION – None**

**VII. OLD BUSINESS – None**

**VIII. NEW BUSINESS**

- A. Consider approving Professional Services Contract with the firm Klein, DeNatale, Goldner, Cooper, Rosenlieb and Kimball, LLP to provide Watermaster supplemental legal services..... 25

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

- A. Status Report on Well ASR-1 Issues ..... 35
- B. Watermaster Report of Production of the Seaside Basin through 2<sup>nd</sup> Quarter Water Year 2023 (January 1, 2023 – March 31, 2023)..... 41

**X. DIRECTOR’S REPORTS**

**XI. STAFF COMMENTS**

**XII. NEXT REGULAR MEETING DATE**

- A. Next meeting **Wednesday, August 2, 2023 - 2:00 P.M.**

**XIII. ADJOURNMENT**

This agenda was forwarded via e-mail to the City Clerks of Seaside, Monterey, Sand City and Del Rey Oaks; the Clerk of the Monterey Board of Supervisors, the Clerk to the Monterey Peninsula Water Management District; the Clerk at the Monterey County Water Resources Agency, Monterey One Water and the California American Water Company for posting on or before June 29, 2023 per the Ralph M. Brown Act, Government Code Section 54954.2(a).

*If requested, the agenda and documents in the agenda packet shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof.*

**SEASIDE GROUNDWATER BASIN WATERMASTER  
REGULAR MEETING MINUTES  
Wednesday, March 1, 2023 In-Person  
Monterey One Water Board Room  
5 Harris Court, Building “D”, Ryan Ranch, Monterey, California**

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

**II. ROLL CALL**

Coastal Subarea Landowner – Director Paul Bruno  
Laguna Seca Subarea Landowner – Director Paul Bruno, Alternate  
City of Seaside – Mayor Ian Oglesby  
City of Sand City – Mayor Mary Ann Carbone  
California American Water (CAW) – Director Tim O’Halloran, Alternate  
Monterey Peninsula Water Management District (MPWMD) – Director Alvin Edwards, Alternate  
City of Monterey – Council Member Kim Barber  
City of Del Rey Oaks – Council Member Kim Shirley  
Monterey County/Monterey County Water Resources Agency – Supervisor Wendy Root Askew

**Absent:** None

**Others Present:**

Robert Jaques, Watermaster Technical Program Manager (TPM)  
Laura Paxton, Watermaster Administrative Officer (AO)  
Jonathan Lear, MPWMD

**III.** Schedule of Watermaster Board Member Representative and Alternate appointments for 2023-2024 and Board and TAC schedule of meetings for 2023 (informational only – no action required)

**IV. ELECTION AND APPOINTMENT OF OFFICERS FOR CALENDAR YEAR 2023**

- A.** Chairperson - (Must be a member of the Board of Directors) – Currently Director Bruno
- B.** Vice Chairperson - (Must be member of the Board of Directors) – Currently Vacant
- C.** Secretary - (Need not be a member of the Board of Directors) – Currently Admin. Officer Paxton
- D.** Treasurer - (Need not be a member of the Board of Directors) – Currently Director Gaglioti

Director Bruno explained that himself and Director Riley each sent out emails to all Watermaster board members soliciting votes for Watermaster board chair. The emails stated their backgrounds relative to water issues on the Peninsula and their chairmanship platforms. Director Bruno felt such emails violate the Brown Act and asked the board to determine whether he and Director Riley are qualified to run for the office. Based on MPWMD legal counsel’s determination, Director Edwards felt there was no Brown Act violation due to the Watermaster board being court appointed. Mr. Jaques read from the Decision that: *Rules and regulations for conducting meetings shall conform to the procedures established for meetings of public agencies pursuant to the California Open Meetings Law ("Brown Act"), California Government Code section 54950 et seq., as it may be amended from time to time.* Director Edwards was concerned that there was no Watermaster legal representation at the meeting.

***It was moved by Supervisor Askew, seconded by Mayor Carbone, and carried to continue with presidential chairmanship vote excluding the two members that could be perceived as having violated the Brown Act as a way to cure any violation that may have occurred.***

Ms. Paxton read the following email she received from Director Gaglioti this day at 10:48a.m.: *I’m stuck in Phoenix with engine trouble - American Airlines. As such, I may not make the meeting today. Please*

*have Paul sit as my alternate and vote for officers on my behalf, specifically chairman. I would like him to nominate Mary Ann Carbone for chairman for the following reasons. I don't believe the District or Cal-Am are non-biased parties, solely focused on the protection of the Basin. Both have competing interests for the future water purveyor for the region that taint their ability to head the direction of the board. Furthermore, I believe this is an opportunity to have a city represent the board as opposed to an agency or commercial organization. Mary Ann is well respected, an experienced executive in the community, and has the deep knowledge of the water situation/politics needed to head this board. Thank you in advance – John*

Nominations were accepted from the floor: Mayor Carbone nominated by Director Gaglioti through Director Bruno, and Mayor Oglesby nominated by Director Edwards. There were no further indications of interest by any other board members in being nominated for board officer and nominations from the floor were closed.

**It was moved by Supervisor Askew and seconded by Mayor Carbone to appoint Mayor Oglesby as Chair and Mayor Carbone as Vice Chair of the Watermaster Board of Directors. Supervisor Askew requested a weighted vote be taken.**

**Director O'Halloran – No (3 votes)**

**Director Paul Bruno & Alternate for Laguna Seca Subarea Landowner – Yes (½ and ½ vote)**

**Mayor Ian Oglesby – Yes (2 votes)**

**Mayor Mary Ann Carbone – Yes (1 vote)**

**Director Alvin Edwards – Yes (2 votes)**

**Council Member Kim Barber – Yes (1 vote)**

**Council Member Kim Shirley – Yes (1 vote)**

**Supervisor Wendy Root Askew – Yes (2 votes)**

Ms. Paxton asked if there were any board members wanting to change their vote.

**Director O'Halloran changed to an Aye vote.**

Mayor Oglesby began to preside over the meeting at this point.

**It was moved by Director Bruno and seconded by Director O'Halloran to appoint Ms. Paxton as Secretary and Director Gaglioti as Treasurer.**

**Director O'Halloran – Yes (3 votes)**

**Director Paul Bruno & Alternate for Laguna Seca Subarea Landowner – Yes (½ and ½ vote)**

**Mayor Ian Oglesby – Yes (2 votes)**

**Mayor Mary Ann Carbone – Yes (1 vote)**

**Director Alvin Edwards – Yes (2 votes)**

**Council Member Kim Barber – Yes (1 vote)**

**Council Member Kim Shirley – Yes (1 vote)**

**Supervisor Wendy Root Askew – Yes (2 votes)**

**V. PUBLIC COMMUNICATIONS** – There were no public communications.

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

## VII. CONSENT CALENDAR

- A. Minutes of Regular Board meeting held December 7, 2022
- B. Summary of Payments made November through December 2022 totaling \$59,946.26
- C. Summary of Payments made January 2023 totaling \$45,486.97
- D. Fiscal Year 2022 Financial Reports through December 31, 2022
- E. Consider Approving Montgomery & Associates RFS No. 2023-03 to Install a Replacement Monitoring Well for Monitoring Well FO-9 Shallow
- F. Approve Revision to Watermaster Rules and Regulations Changing Watermaster Committees to Advisory Committee Status

Supervisor Askew requested Item F be pulled from the consent calendar.

**It was moved by Director Bruno, seconded by Director O'Halloran, and unanimously carried to approve consent agenda items A through E.**

- F. Approve Revision to Watermaster Rules and Regulations Changing Watermaster Committees to Advisory Committee Status

Mr. Jaques highlighted his transmittal detailing the basis and reason for the standing to advisory change request: Advisory committees cannot take any action and, if less than a quorum of board members are committee members which is the case for the Watermaster committees, are not required by the Brown Act to meet in person. Continuing to meet remotely helps ensure that a quorum will be present, especially at TAC meetings. The Decision does not speak to establishing committees; the formation of committees was promulgated in the Watermaster Rules and Regulations.

Supervisor Askew felt in regards to Item F that the change of Watermaster Technical Advisory and Budget and Finance Committees to advisory status to allow meetings to continue to be held remotely could be perceived as or actually be violating the Court order to follow the Brown Act. She recommended that, although in-person meetings are challenging for members that come from distances, committee meetings should be held in-person using the work-around that the Brown Act allows—to participate remotely if the member's off-site participation location is posted.

**It was moved by Supervisor Askew and seconded by Director Edwards to not approve revision to the Watermaster Rules and Regulations changing Watermaster committees to advisory committee status, and that the standing committees meet in person per the Decision mandate to adhere to the Brown Act, and encourage committees to use traditional Brown Act remote attendance noticing requirements so that they can achieve quorum, being aware that there are Brown Act changes forthcoming regarding this issue.**

Director Bruno made a friendly amendment to the motion: to approve the status of committees to advisory in the event the board has to take up the issue in the future if quorums are not met at in-person committee meetings.

**It was moved by Supervisor Askew, seconded by Director Edwards, and unanimously carried to approve revision to the Watermaster Rules and Regulations changing**

**Watermaster committees to advisory committee status, and that advisory committees meet in person per the Decision mandate to adhere to the Brown Act, and encourage committees to use traditional Brown Act remote attendance noticing requirements so that they can achieve quorum knowing that there are Brown Act changes forthcoming regarding this issue.**

## VIII. ORAL PRESENTATION – None

### IX. OLD BUSINESS

- A. Discussion/Consider Approving Montgomery & Associates RFS No. 2023-03 to Install a Replacement Monitoring Well for Monitoring Well FO-9 Shallow

Mr. Jaques highlighted his transmittal.

**It was moved, and seconded by Supervisor Askew, and unanimously carried to approve Montgomery & Associates RFS No. 2023-03 to Install a Replacement Monitoring Well for Monitoring Well FO-9 Shallow, subject to subsequent approval by the TAC.**

- B. Discussion/Consider a Funding Mechanism to Ensure Basin Replenishment.

Ms. Paxton highlighted her transmittal. Director O’Halloran suggested participants of past meetings on this subject meet again to develop a recommendation. Director Bruno reminded that a past meeting with MPWMD, Monterey One Water, and Watermaster found that, unlike Watermaster, MPWMD has taxing authority and could institute an assessment to purchase recharge water. Furthermore, a “drop charge” option was proposed whereby those parties storing water in the basin would leave behind a sustainability contribution based on a percentage of stored water extracted, a more feasible approach with the water already recharged and no funding needed. He supported another meeting being held. Supervisor Askew also supported another meeting on the subject to develop options for securing funding and to discuss in more detail the “drop charge” approach or other approaches outside of directly purchasing water. Directors Bruno, Cook, Riley, Gaglioti, and Shirley comprise the ad hoc committee.

There is ~~\$37,000~~ **28,510** available in the Replenishment Assessment Fund that could be used to contract for a funding study.

**It was moved by Supervisor Askew, seconded by Mayor Carbone, and unanimously carried to convene an ad hoc meeting to scope out funding concepts including and beyond purchase of water to achieve recharge and consider contracting within the \$37,000 available for a recharge mechanism analysis.**

### X. NEW BUSINESS

- A. Discuss scheduling a new member orientation study session.  
Directors Bruno, Barber, Shirley and Askew were supportive of an on-boarding session.

### XI. INFORMATIONAL REPORTS (No Action Required)

- A. Watermaster report of production of the Seaside Basin through 1<sup>st</sup> Quarter Water Year 2023 (October 1, 2021 – December 31, 2022)

- B.** Security National Guarantee (SNG) Water Rights Split in Coastal Subarea (dated 11/22/22 received by Watermaster 12/08/22) and Tanam Corporation Notice of Continuation of Security Interest in SNG's Water Rights (08/26/22)

**XII. DIRECTOR'S REPORTS** – Director Bruno reported 147 people attended the Watermaster Christmas party at his residence. He plans to have another party next year. Mayor Oglesby thanked Director Bruno for his graciousness to Watermaster and the community.

**XIII. STAFF COMMENTS** – There were no staff comments.

There was no closed session held.

**XIV. NEXT REGULAR MEETING DATE**

- A.** April 5, 2023 - 2:00 p.m. – cancelled
- B.** Next meeting Wednesday, May 3, 2023 – 2:00 p.m.

**XV. ADJOURNMENT** – There being no further business, the meeting was adjourned at 3:05 p.m.

*Respectfully submitted by Laura Paxton, Board Secretary*





SEASIDE GROUNDWATER BASIN WATERMASTER							ITEM VI.C.
							7/5/23
TO:	Board of Directors						
FROM:	Laura Paxton, AO						
DATE:	July 5, 2023						
SUBJECT:	Summary of Payments made February through May 2023						
<b>RECOMMENDATIONS:</b>							
Consider approving payment of bills submitted and authorized to be paid February through May 2023							
<b>Summary of Payments Made February 2023</b>							
<b>Paxton Associates (Administrative Officer (AO))</b>					52.5		\$ 5,775.00
January 26 through February 25, 2023			3D Model Development	58.0	@\$45		2,610.00
							<b>\$ 8,385.00</b>
Responded to telephone inquiries, e-mail, and other correspondence as needed regarding the Seaside Basin; work up Admin and Ops assessment invoices/letters & mail/email; begin supplemental legal services search; confer with Jaques about various issues; collect/follow up/post production and level reporting; meet contractors re:website rebuild & related documents; design WM logo; prep packet/distribute/attend 1/30 BF meeting; draft 3/1 board meeting agenda & being assembling packet; prepare 12/7 board meeting minutes; appointments to board notices; Routinely picked up mail from PO Box; reconciled accounts to the City of Seaside Watermaster accounts; prepared financial reports; processed invoices; reviewed and posted items to web site.							
<b>Robert Jaques (Technical Program Manager)</b>							
February 1 through February 28, 2023				37			<b>\$ 5,550.00</b>
Responded to emails, telephone inquiries, and other correspondence on a variety of Watermaster issues; Reschedule 2/8 TAC to 3/8; review FO-09 well replacement bid docs/new Maggiora Bros. drilling quote/revised M&A proposal for remaining tasks/SGMA change in storage tech memo; prepare annual SGMA report; prepare FO-09 cost sharing MOA/send to Stoldt & Breen; research Brown Act re: videoconference meetings; review updated City of Seaside well easement document for FO-09; prepare M&A RFS No. 2023-03 & -04; prepare Flow Direction/Flow Velocity summary doc per Cook request at 10/5 board meeting; discuss Watermaster issues w/ L. Paxton; review/approve invoices; prepare board meeting transmittals; prepare TAC agenda packet.							
<b>Montgomery &amp; Associates (Technical Consultant)</b>					7.0	\$228/hr	\$ 1,596.00
January 1 through February 28, 2023				2.5	\$160/hr		400.00
RFS 2023-01, General Hydrogeologic Consulting				3.5	\$118		413.00
							<b>\$ 2,409.00</b>
Prepare seaside groundwater level contours for change in storage calculations; and analyze contour maps in preparation for change in storage calculations. Prepare hydrographs to support change in storage determinations for WY2022; and calculate change in storage and prepare technical memorandum.							
RFS 2022-05, Planning & Design of Replacement Well FO-09				22.5	\$228/hr		5,130.00
Communications with client regarding project work; revise the				1.5	\$182/hr		273.00
FO-9 shallow replacement well technical specifications;				0.5	\$275/hr		137.50
complete site visit; and solicit bids. Prepare and submit				4.5	\$118/hr		531.00
Amendment 1; and project communications;				224 miles @	\$0.625		140.00
review Watermaster requested budget							<b>6,211.50</b>
amendments; and solicit project bids.							<b>\$ 8,620.50</b>
Total for February 2023							<b>\$ 22,555.50</b>

<b>Summary of Payments Made March 2023</b>							
<b>Paxton Associates (Administrative Officer (AO))</b>					34		<b>\$ 3,740.00</b>
February 26 through March 25, 2023							
Responded to telephone inquiries, e-mail, and other correspondence as needed regarding the Seaside Basin; deposit Admin and Ops assessments at Seaside; Pasadera contract for collection services; confer with Jaques about various issues; meet contractors re:website rebuild & related documents; prep for/attend 3/1 board meeting; cancel 4/5 board meeting; prepare orientation binder/distribute; review Brown Act re: videoconference meetings; Routinely picked up mail from PO Box; reconciled accounts to the City of Seaside Watermaster accounts; prepared financial reports; processed invoices; reviewed and posted items to web site.							
<b>Robert Jaques (Technical Program Manager)</b>							
March 1 through March 31, 2023					31		<b>\$ 4,650.00</b>
Responded to emails, telephone inquiries, and other correspondence on a variety of Watermaster issues; attend 3/1 board meeting; prepare Flow Direction/Flow Velocity summary doc per Cook request at 10/5 board meeting/distribute; inspect FO-09 well site; discuss Watermaster issues w/ L. Paxton; review/approve invoices; prepare TAC agenda packet; prepare for/attend 3/8 TAC meeting; prepare 3/8 TAC meeting minutes.							
						<b>Total for March 2023</b>	<b>\$ 8,390.00</b>
<b>Summary of Payments Made April 2023</b>							
<b>Paxton Associates (Administrative Officer (AO))</b>					24		<b>\$ 2,640.00</b>
March 26 through April 25, 2023							
Respond to telephone inquiries, e-mail, and other correspondence as needed regarding the Seaside Basin; follow up payments of Admin and Ops assessments; deposit at Seaside; confer with Jaques about various issues; collect/follow up/post production and level reporting; cancel 5/3 board meeting; request legal services proposals; research Decision re: SNG/Mountain Lake Dev. allocation split; begin minutes of 3/1 board meeting. Routinely picked up mail from PO Box; reconciled accounts to the City of Seaside Watermaster accounts; prepare financial reports; process invoices; review and post items to web site.							
<b>Robert Jaques (Technical Program Manager)</b>							
April 1 through April 30, 2023					18		<b>\$ 2,700.00</b>
Responded to emails, telephone inquiries, and other correspondence on a variety of Watermaster issues; review Ian Crook info re: ASR-1 dispute and begin memo for 5/3 meeting; cancel May TAC meeting; review presentation materials for SVBGSA GTAC meeting re:SWI Model; review DWR approval letter for the Monterey Subbasin GSP; prepare June TAC meeting agenda packet; discuss Watermaster issues w/ L. Paxton; review/approve invoices.							
<b>Montgomery &amp; Associates (Technical Consultant)</b>					2.0	\$205/hr	<b>\$ 410.00</b>
March 1 through March 31, 2023							
RFS 2023-01, General Hydrogeologic Consulting							
Review availability of existing climate change datasets for Seaside and Carmel Valley for use in potential future Seaside modeling per B. Jaques question on available datasets; and attend TAC meeting to present SWI modeling options and answer questions.							
RFS 2022-05, Planning & Design of Replacement Well FO-09					6.0	\$228/hr	1,368.00
Attend TAC meeting and follow up; coordinate review of new well					3.0	\$182/hr	546.00
site; coordinate subcontractors and permit applications; update					7.0	\$118/hr	826.00
well site features map; prepare well permit map; coordinate					86 miles @	\$0.655	56.33
driller quote; site walk with Maggiora; utility locating and							<b>2,796.33</b>
marking; finalize technical specifications and incorporate client edits.							<b>\$ 3,206.33</b>
						<b>Total for April 2023</b>	<b>\$ 8,546.33</b>





**Seaside Groundwater Basin Watermaster**  
**Budget vs. Actual Administrative Fund**  
 Fiscal Year (January 1 - December 31, 2023)  
 Balance through May 31, 2023

	<b>2023 Adopted Budget October 5, 2022</b>	<b>Contract Amount</b>	<b>Year to Date Revenue / Expenses</b>
<b>Available Balances &amp; Assessments</b>			
Other Assessments	-		
FY (Rollover)	39,500.00		55,111.67
Admin Assessments	60,500.00		51,788.00
<b>Available</b>	<b>100,000.00</b>		<b>106,899.67</b>
<b>Expenses</b>			
Contract Staff	60,000.00	60,000.00	19,530.00
PAC / 3D Basin Modeling	3,000.00	3,000.00	2,610.00
Legal Counsel	12,000.00	20,000.00	-
Filing fees and postage			-
<b>Total Expenses</b>	<b>75,000.00</b>	<b>83,000.00</b>	<b>22,140.00</b>
<b>Total Available</b>	25,000.00		
<b>Dedicated Reserve</b>	25,000.00		-
<b>Net Available</b>	<b>-</b>		<b>84,759.67</b>

**Seaside Groundwater Basin Watermaster**  
**Budget vs. Actual Monitoring & Management - Operations Fund**  
 Fiscal Year (January 1 - December 31, 2023)  
 Balance through May 31, 2023

	<u>2023 Adopted Budget</u>	<u>Contract Encumbrance</u>	<u>Year to Date Revenue/Expenses</u>
<b>Available Balances &amp; Assessments</b>			
Operations Fund Assessment	\$ 274,930.00	\$ -	\$ 253,210.00
Pass Through		-	3,678.00
FY 2022 Rollover	50,000.00	-	50,000.00
<b>Total Available</b>	<b>\$ 324,930.00</b>	<b>\$ -</b>	<b>\$ 306,888.00</b>
<b>Appropriations &amp; Expenses</b>			
<b>GENERAL</b>			
Technical Project Manager*	\$ 75,000.00	\$ 75,000.00	\$ 23,475.00
Contingency @ 10% (not including TPM )	32,600.00	-	
<b>Total General</b>	<b>\$ 107,600.00</b>	<b>\$ 75,000.00</b>	<b>\$ 23,475.00</b>
<b>CONSULTANTS (Montgomery; Web Site Database)</b>			
Program Administration	\$ 22,744.00	\$ 22,744.00	\$ 2,921.50
Production/Lvl/Qty Monitoring	8,600.00		
Basin Management	70,000.00		
Seawater Intrusion Analysis Report	27,176.00	27,176.00	-
<b>Total Consultants</b>	<b>\$ 128,520.00</b>	<b>\$ 49,920.00</b>	<b>\$ 2,921.50</b>
<b>MPWMD</b>			
Production/Lvl/Qty Monitoring	\$ 49,754.00	64,297.00	-
Pass Through 2023	20,042.00	-	-
Basin Management	-	-	-
Seawater Intrusion	-	-	-
Direct Costs	-	-	-
<b>Total MPWMD</b>	<b>\$ 69,796.00</b>	<b>\$ 64,297.00</b>	<b>\$ -</b>
<b>CONTRACTOR (Martin Feeney)</b>			
Hydrogeologic Consulting Services	\$ 4,000.00	4,000.00	-
Production/Lvl/Qty Monitoring	11,014.00	11,013.30	-
	<b>\$ 15,014.00</b>	<b>\$ 15,013.30</b>	<b>\$ -</b>
<b>CONTRACTOR (Todd Groundwater)</b>			
Hydrogeologic Consulting Services	<b>\$ 4,000.00</b>	<b>\$ 4,000.00</b>	<b>-</b>
<b>Total Appropriations &amp; Expenses</b>	<b>\$ 324,930.00</b>	<b>\$ 208,230.30</b>	<b>\$ 26,396.50</b>
<b>Total Available</b>	<b>-</b>		<b>280,491.50</b>

**Seaside Groundwater Basin Watermaster  
Budget vs. Actual Monitoring and Management - Capital Fund  
Fiscal Year (January 1 - December 31, 2023)  
Balance through May 31, 2023**

	<b>2023 Adopted Budget December 7, 2022</b>	<b>Contract Encumbrance</b>	<b>Year to Date Revenue / Expense</b>
<b>Available Balances and Assessments:</b>			
Monitoring & Management Fund - Capital	\$ 240,000		\$ -
FY 2022 carryover	66,667		66,667
Transfer out to Operations Fund	-		-
<b>Subtotal</b>	<b>306,667</b>		<b>66,667</b>
<b>Appropriations &amp; Expenses:</b>			
<b>Professional Services</b>			
Project Management	-	23,600 *	10,920
<b>Subtotal</b>	<b>-</b>	<b>23,600</b>	<b>10,920</b>
<b>Direct Costs</b>			
Well Drilling -	240,000 **	258,197	637
<b>Subtotal</b>	<b>240,000</b>	<b>258,197</b>	<b>637</b>
<b>Total Appropriations and Expenses</b>	<b>\$ 240,000</b>	<b>\$ 281,797</b>	<b>\$ 11,557</b>
<b>Total Available</b>	<b>\$ 66,666.99</b>		<b>\$ 55,110.16</b>

\* RFS 2022-05 for \$23,600 covers design and planning for the new well and is funded by the 2022 \$66,667 carryover amount

\*\*RFS 2023-03 for \$258,197 is for actual construction of the well. Costs increased between adoption of the budget and letting of the RFS with Montgomery and Associates. Watermaster will share the \$258,197 well construction expenses with MCWD & MPWMD - agreement in process. Capital Fund Assessments will be levied on Watermaster Standard Producers once the WM/MCWD/MPWMD cost share agreement is finalized.

Seaside Groundwater Basin Watermaster											V.C.
Replenishment Fund											7/5/23
Water Year 2023 (October 1 - September 30) / Fiscal Year (January 1 - December 31, 2023)											Page 1
Balance through May 31, 2023											
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
	WY 05/06	WY 06/07	WY 07/08	WY 08/09	WY 09/10	WY 10/11	WY 11/12	WY 12/13	WY 13/14	WY 14/15	WY 15/16
Assessment Water Year											
Unit Cost:	a \$ 1,132 / \$283	\$ 1,132 / \$283	\$ 2,485 / 621.25	\$ 3,040 / \$760	\$ 2,780 / \$695	\$ 2,780 / \$695	\$ 2,780 / \$695	\$ 2,780 / \$695	\$ 2,702/\$675.50	\$ 2,702/\$675.50	\$ 2,702/\$675.50
<b>Cal-Am Water Balance Forward</b>	b \$ -	\$ 1,641,004	\$ 4,226,710	\$ (2,871,690)	\$ (2,839,939)	\$ (3,822,219)	\$ (6,060,164)	\$ (8,735,671)	\$ (6,173,771)	\$ (3,102,221)	\$ (676,704)
Cal-Am Water Production (AF)	c 3,710.00	4,059.90	3,862.90	2,966.02	3,713.52	3,416.04	3,070.90	3,076.61	3,232.10	2,764.73	1,879.21
Cal-Am Water NSY Over-Production (AF)	d 1,862.69	2,266.32	2,092.16	1,241.27	1,479.47	1,146.71	820.48	856.42	1,032.77	782.17	-
Exceeding Natural Safe Yield Considering Alternative Producers	e \$ 2,106,652	\$ 2,565,471	\$ 5,199,014	\$ 3,773,464	\$ 4,112,933	\$ 3,187,854	\$ 2,280,943	\$ 2,380,842	\$ 2,790,539	\$ 2,113,414	\$ -
Operating Yield Overproduction Replenishment	f \$ -	\$ 20,235	\$ 8,511	\$ -	\$ -	\$ -	\$ 154,963	\$ 181,057	\$ 281,012	\$ 312,103	\$ -
<b>Total California American</b>	g \$ 2,106,652	\$ 2,585,706	\$ 5,207,525	\$ 3,773,464	\$ 4,112,933	\$ 3,187,854	\$ 2,435,907	\$ 2,561,899	\$ 3,071,550	\$ 2,425,516	
CAW Credit Against Assessment	h \$ (465,648)		\$ (12,305,924)	\$ (3,741,714)	\$ (5,095,213)	\$ (5,425,799)	\$ (5,111,413)				
<b>CAW Unpaid Balance</b>	i \$ 1,641,004	\$ 4,226,710	(2,871,690)	\$ (2,839,939)	\$ (3,822,219)	\$ (6,060,164)	\$ (8,735,671)	\$ (6,173,771)	\$ (3,102,221)	\$ (676,704)	\$ (676,704)
<b>City of Seaside Balance Forward</b>	j \$ -	\$ 243,294	\$ 426,165	\$ 1,024,272	\$ 1,619,973	\$ 891,509	\$ (110,014)	\$ (773,813)	\$ (1,575,876)	\$ (2,889,325)	\$ (3,346,548)
City of Seaside Municipal Production (AF)	k 332.00	287.70	294.20	293.44	282.87	240.68	233.72	257.73	223.64	185.01	195.16
City of Seaside NSY Over-Production (AF)	l 194.07	153.78	161.99	153.06	113.21	50.84	58.82	85.17	52.71	25.77	37.87
Exceeding Natural Safe Yield Considering Alternative Producers	m \$ 219,689	\$ 174,082	\$ 402,540	\$ 465,300	\$ 314,721	\$ 141,335	\$ 163,509	\$ 236,782	\$ 142,410	\$ 69,630	\$ 102,330
Operating Yield Overproduction Replenishment	n \$ 12,622	\$ 85	\$ 4,225	\$ 16,522	\$ 20,690	\$ -	\$ 1,689	\$ 27,007	\$ 3,222	\$ 38	\$ 11,959
<b>Total Municipal</b>	o \$ 232,310	\$ 174,167	\$ 406,764	\$ 481,823	\$ 335,412	\$ 141,335	\$ 165,198	\$ 263,788	\$ 145,631	\$ 69,667	\$ 114,290
<b>City of Seaside - Golf Courses (APA - 540 AFY)</b>											
Exceeding Natural Safe Yield - Alternative Producer	p \$ -	\$ -	\$ 131,705	\$ 69,701	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Yield Overproduction Replenishment	q \$ -	\$ -	\$ 32,926	\$ 17,427	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Golf Courses</b>	r \$ -	\$ -	\$ 164,631	\$ 87,128	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total City of Seaside*</b>	s \$ 232,310	\$ 174,167	\$ 571,395	\$ 568,951	\$ 335,412	\$ 141,335	\$ 165,198	\$ 263,788	\$ 145,631	\$ 69,667	\$ 114,290
City of Seaside Late Payment 5%	t \$ 10,984	\$ 8,704	\$ 26,712	\$ 26,750	\$ 15,737						
In-lieu Credit Against Assessment	u \$ -	\$ -	\$ -	\$ -	\$ (1,079,613)	\$ (1,142,858)	\$ (828,996)	\$ (1,065,852)	\$ (1,459,080)	\$ (526,890)	\$ (162)
<b>City of Seaside Unpaid Balance</b>	v \$ 243,294	\$ 426,165	\$ 1,024,272	\$ 1,619,973	\$ 891,509	\$ (110,014)	\$ (773,813)	\$ (1,575,876)	\$ (2,889,325)	\$ (3,346,548)	\$ (3,232,420)
<b>Mission Memorial Park</b>											
Mission Memorial Park Production (AF)	w		20.80	26.40	12.80	22.40	27.00	24.95	24.89	17.97	13.67
Mission Memorial Park NSY Over-Production (AF)	x	-	-	-	-	-	-	-	-	-	-
Exceeding Natural Safe Yield - Alternative Producer	y \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Yield Overproduction Replenishment	z \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Mission Memorial Park</b>	aa \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Replenishment Fund Balance</b>	bb \$ 1,884,298	\$ 4,652,874	\$ (1,847,417)	\$ (1,219,966)	\$ (2,930,710)	\$ (6,170,178)	\$ (9,509,483)	\$ (7,749,648)	\$ (5,991,546)	\$ (4,023,252)	\$ (3,909,125)
<b>Replenishment Fund Balance Forward</b>	cc \$ -	\$ 1,884,298	\$ 4,652,874	\$ (1,847,417)	\$ (1,219,966)	\$ (2,930,710)	\$ (6,170,178)	\$ (9,509,483)	\$ (7,749,648)	\$ (5,991,546)	\$ (4,023,252)
<b>Total Replenishment Assessments</b>	dd \$ 2,349,946	\$ 2,768,576	\$ 5,805,632	\$ 4,369,165	\$ 4,464,082	\$ 3,329,189	\$ 2,601,104	\$ 2,825,688	\$ 3,217,182	\$ 2,495,183	\$ 114,290
<b>Total Paid and/or Credited</b>	ee \$ (465,648)	\$ -	\$ (12,305,924)	\$ (3,741,714)	\$ (6,174,826)	\$ (6,568,657)	\$ (5,940,409)	\$ (1,065,852)	\$ (1,459,080)	\$ (526,890)	\$ (162)
<b>Grand Total Fund Balance</b>	ff \$ 1,884,298	\$ 4,652,874	\$ (1,847,417)	\$ (1,219,966)	\$ (2,930,710)	\$ (6,170,178)	\$ (9,509,483)	\$ (7,749,648)	\$ (5,991,546)	\$ (4,023,252)	\$ (3,909,125)
* 2010 = 319.55 AF golf course in-lieu replenishment and 68.8 AF 4-party agmt in-lieu replenishment											
2011 = 411.1 AF golf course in-lieu replenishment											
2012 = 298.2 AF golf course in-lieu replenishment											
2013 = 383.4 AF golf course in-lieu replenishment											
2014 = 552.4 AF golf course in-lieu capped at 540 AF											
2015 = 195.0 AF golf course in-lieu											
2016 = 00.06 AF golf course in-lieu											
2017 = 00.00 AF golf course in-lieu											



Seaside Groundwater Basin Watermaster									
Replenishment Fund									
Water Year 2023 (October 1 - September 30) / Fiscal Year (January 1 - December 31, 2023)									
Balance through May 31, 2023									
	2017	2018	2019	2020	WY 2021	WY 2022	Totals WY 2006 Through 2022	Budget WY 2023	Projected Totals Through WY 2023
Assessment Water Year	WY 16/17	WY 17/18	WY 18/19	WY 19/20	WY 20/21	WY 21/22		WY 22/23	
Unit Cost:	\$2,872 / \$718	\$2,872 / \$718	\$2,872 / \$718	\$2,872 / \$718	\$2,947 / \$737	\$3,260 / \$815		\$3,461 / \$865	
<b>Cal-Am Water Balance Forward</b>	<b>\$ (676,704)</b>	<b>\$ (491,747)</b>	<b>\$ (48,797,949)</b>	<b>\$ (47,979,852)</b>	<b>\$ (46,855,121)</b>	<b>\$ (46,855,121)</b>		<b>\$ (46,855,121)</b>	
Cal-Am Water Production (AF)	2,029.51	2,229.45	2,120.22	2,245.88	1,664.04	1,648.71	47,689.74		
Cal-Am Water NSY Over-Production (AF)	64.40	374.65	284.85	334.21	-	-	14,638.57		
Exceeding Natural Safe Yield Considering Alternative Producers	\$ 184,957	\$ 1,075,995	\$ 818,097	\$ 959,859	\$ -	\$ -	\$ 33,550,034	\$ 100,000	\$ 33,650,034
Operating Yield Overproduction Replenishment				\$ 164,872	\$ -	\$ -	\$ 1,122,753	\$ 20,000	\$ 1,142,753
<b>Total California American</b>	<b>\$ 184,957</b>	<b>\$ 1,075,995</b>	<b>\$ 818,097</b>	<b>\$ 1,124,731</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 34,672,786</b>	<b>\$ 120,000</b>	<b>\$ 34,792,786</b>
CAW Credit Against Assessment		\$ (49,382,196)	\$ -	\$ -	\$ -	\$ -	\$ (81,527,907)	\$ -	\$ (81,527,907)
<b>CAW Unpaid Balance</b>	<b>\$ (491,747)</b>	<b>\$ (48,797,949)</b>	<b>\$ (47,979,852)</b>	<b>\$ (46,855,121)</b>	<b>\$ (46,855,121)</b>	<b>\$ (46,855,121)</b>	<b>\$ (46,855,121)</b>	<b>\$ (46,735,121)</b>	<b>\$ (46,735,121)</b>
<b>City of Seaside Balance Forward</b>	<b>\$ (3,232,420)</b>	<b>\$ (3,142,500)</b>	<b>\$ (3,022,249)</b>	<b>\$ (2,919,806)</b>	<b>\$ (2,802,831)</b>	<b>\$ (2,708,829)</b>		<b>\$ (2,661,184)</b>	
City of Seaside Municipal Production (AF)	188.31	184.63	178.40	181.65	174.69	155.12	3,888.95		
City of Seaside NSY Over-Production (AF)	30.47	32.46	27.82	32.06	25.52	11.69	1,247.31		
Exceeding Natural Safe Yield Considering Alternative Producers	\$ 87,512	\$ 93,225	\$ 79,893	\$ 92,089	\$ 75,197	\$ 38,116	\$ 2,898,358	\$ 100,000	\$ 2,998,358
Operating Yield Overproduction Replenishment	\$ 2,409	\$ 27,026	\$ 22,550	\$ 24,886	\$ 18,806	\$ 9,529	\$ 203,263	\$ 10,000	\$ 213,263
<b>Total Municipal</b>	<b>\$ 89,920</b>	<b>\$ 120,251</b>	<b>\$ 102,443</b>	<b>\$ 116,975</b>	<b>\$ 94,002</b>	<b>\$ 47,645</b>	<b>\$ 3,101,621</b>	<b>\$ 110,000</b>	<b>\$ 3,211,621</b>
<b>City of Seaside - Golf Courses (APA - 540 AFY)</b>									
Exceeding Natural Safe Yield - Alternative Producer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 201,406		\$ 201,406
Operating Yield Overproduction Replenishment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,353		\$ 50,353
<b>Total Golf Courses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 251,759</b>		<b>\$ 251,759</b>
<b>Total City of Seaside*</b>	<b>\$ 89,920</b>	<b>\$ 120,251</b>	<b>\$ 102,443</b>	<b>\$ 116,975</b>	<b>\$ 94,002</b>	<b>\$ 47,645</b>	<b>\$ 3,353,380</b>	<b>\$ 110,000</b>	<b>\$ 3,463,380</b>
City of Seaside Late Payment 5%							\$ 88,887		\$ 88,887
In-lieu Credit Against Assessment							\$ (6,103,451)		\$ (6,103,451)
<b>City of Seaside Unpaid Balance</b>	<b>\$ (3,142,500)</b>	<b>\$ (3,022,249)</b>	<b>\$ (2,919,806)</b>	<b>\$ (2,802,831)</b>	<b>\$ (2,708,829)</b>	<b>\$ (2,661,184)</b>	<b>\$ (2,661,184)</b>	<b>\$ (2,551,184)</b>	<b>\$ (2,551,184)</b>
<b>Mission Memorial Park (APA - 31 AFY)</b>									
Mission Memorial Park Production (AF)	13.74	14.43	16.07	20.00	46.77	33.95	335.84		
Mission Memorial Park NSY Over-Production (AF)	-	-	-	-	15.77	2.95	18.72		
Exceeding Natural Safe Yield - Alternative Producer	\$ -	\$ -	\$ -	\$ -	\$ 46,488	\$ 9,608	\$ 56,096		\$ 56,096
Operating Yield Overproduction Replenishment	\$ -	\$ -	\$ -	\$ -	\$ 11,626	\$ 2,402	\$ 14,028		\$ 14,028
Board Approved (5/4/22) Credit Against Assessment					(33,114)	-	(33,114)		(33,114)
\$8,500 Applied to Admin Fund to cover expenses					(8,500)	-	-		-
<b>Mission Memorial Park Unpaid Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 16,500</b>	<b>\$ 12,010</b>	<b>\$ 28,510</b>	<b>\$ -</b>	<b>\$ 28,510</b>
<b>Total Replenishment Fund Balance</b>	<b>\$ (3,634,247)</b>	<b>\$ (51,820,198)</b>	<b>\$ (50,899,658)</b>	<b>\$ (49,657,952)</b>	<b>\$ (49,563,950)</b>	<b>\$ (49,516,305)</b>	<b>\$ (49,487,795)</b>	<b>\$ (49,286,305)</b>	<b>\$ (49,286,305)</b>
<b>Replenishment Fund Balance Forward</b>	<b>\$ (3,909,125)</b>	<b>\$ (3,634,247)</b>	<b>\$ (51,820,198)</b>	<b>\$ (50,899,658)</b>	<b>\$ (49,657,952)</b>	<b>\$ (49,563,950)</b>		<b>\$ (49,516,305)</b>	
<b>Total Replenishment Assessments</b>	<b>\$ 274,877</b>	<b>\$ 1,196,246</b>	<b>\$ 920,540</b>	<b>\$ 1,241,706</b>	<b>\$ 110,502</b>	<b>\$ 59,655</b>	<b>\$ 38,143,563</b>	<b>\$ 230,000</b>	<b>\$ 38,373,563</b>
<b>Total Paid and/or Credited</b>		<b>\$ (49,382,196)</b>		<b>\$ (16,500)</b>	<b>\$ (12,010)</b>	<b>\$ (87,659,868)</b>			<b>\$ (87,659,868)</b>
<b>Grand Total Fund Balance</b>	<b>\$ (3,634,247)</b>	<b>\$ (51,820,198)</b>	<b>\$ (50,899,658)</b>	<b>\$ (49,657,952)</b>	<b>\$ (49,563,950)</b>	<b>\$ (49,516,305)</b>	<b>\$ (49,516,305)</b>	<b>\$ (49,286,305)</b>	<b>\$ (49,286,305)</b>



**SEASIDE GROUNDWATER BASIN  
WATERMASTER**

TO: Board of Directors

FROM: Robert S. Jaques, Technical Program Manager

DATE: July 5, 2023

SUBJECT: Central Coast Surveyors RFS No. 2023-01 to Prepare Legal Description and Plat Map for FO-9 Replacement Well

-----  
**RECOMMENDATIONS:** Approve Central Coast Surveyors RFS No. 2023-01

**BACKGROUND:** As was reported in several prior Board meetings, monitoring well FO-9 Shallow developed a casing leak that necessitated its being sealed off and destroyed. A location to install a replacement for this well was negotiated with the City of Seaside, and an easement to install the replacement well was prepared. The City required that a legal description and plat map showing the location of the replacement well be prepared so it could be included as an attachment to the easement document.

**DISCUSSION:** The Watermaster has previously contracted with Central Coast Surveyors to perform work related to the Watermaster's monitoring well network. The cost to prepare the FO-9 replacement well legal description and plat map is covered in the Board-approved 2023 Monitoring and Management Program budget. To keep the replacement well project moving ahead, Central Coast Surveyors was contacted to do this work, and the work was completed in May 2023.

**ATTACHMENTS:** Central Coast Surveyors RFS No. 2023-01

SEASIDE BASIN WATERMASTER  
REQUEST FOR SERVICE

DATE: February 27, 2023

RFS NO.: 2023-01

(To be filled in by WATERMASTER)

TO: Dave Edson  
Central Coast Surveyors

FROM: Robert Jaques  
Watermaster

**Services Needed and Purpose:**

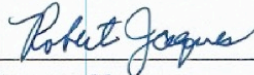
To provide a plat map and legal description of an easement to be issued by the City of Seaside authorizing the Watermaster to install a monitoring well on City of Seaside property. A detailed Scope of Work is attached as Attachment 1.

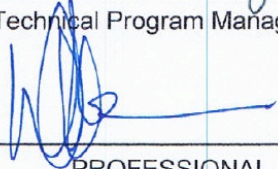
**Completion Date:** Work to be completed within 60 days from the date of execution of this RFS No. 2023-01.

**Method of Compensation:** Time and Materials (As defined in Section V of the Professional Services Agreement dated May 15, 2008.)

**Total Price** Authorized by this RFS: \$ 2,000.00 (Cost is authorized only when evidenced by signature below.)

**Total Price** may not be exceeded without prior written authorization by WATERMASTER in accordance with Section V. COMPENSATION.

Requested by:  Date: 1-30-23  
WATERMASTER Technical Program Manager

Agreed to by:  Date: 1/28/23  
PROFESSIONAL

**ATTACHMENT 1**  
**SCOPE OF WORK**

The Scope of Work for this RFS No. 2023-01 is:

1. To prepare a plat map and legal description of an easement to be issued by the City of Seaside authorizing the Watermaster to install a monitoring well on City of Seaside property.
2. The location of the monitoring well is shown on the air photo contained in Attachment A.
3. The easement is to be 20 feet wide by 40 feet long, and is to begin on the south property line of Monterey Road, which is owned by the U.S. Army. The entire easement is to be within City of Seaside property. The well site is to be within the easement, approximately 20 feet from the property line, and centered in the 20 foot width. The approximate dimensions and location of this easement are shown in Attachment B.

The PROFESSIONAL will perform the necessary surveying work and property ownership research to prepare the documents described above.

The PROFESSIONAL will provide electronic draft versions of the documents to the WATERMASTER for review, editing, and comment, and will incorporate those edits and comments into the final versions of these.

Final versions of the documents will be provided to the WATERMASTER in both an electronic format and in a hardcopy format.

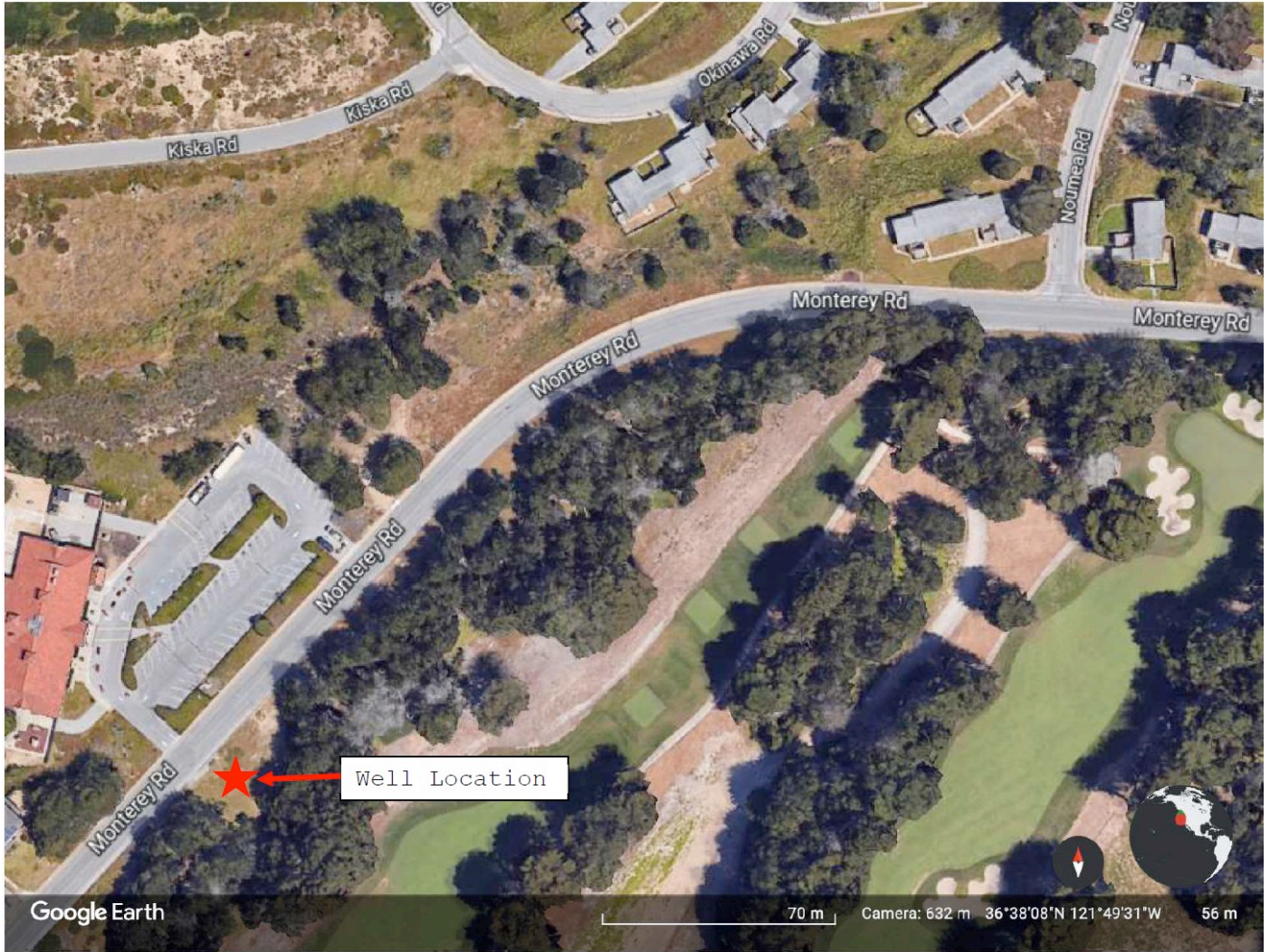


**Attachment A**

**Location Map**

Google Earth

1/27/23, 1:47 PM



<https://earth.google.com/web/@36.6357821,-121.82532021,56.1729429a,575.78529377d,35y,360h,0t,0r>

1/1

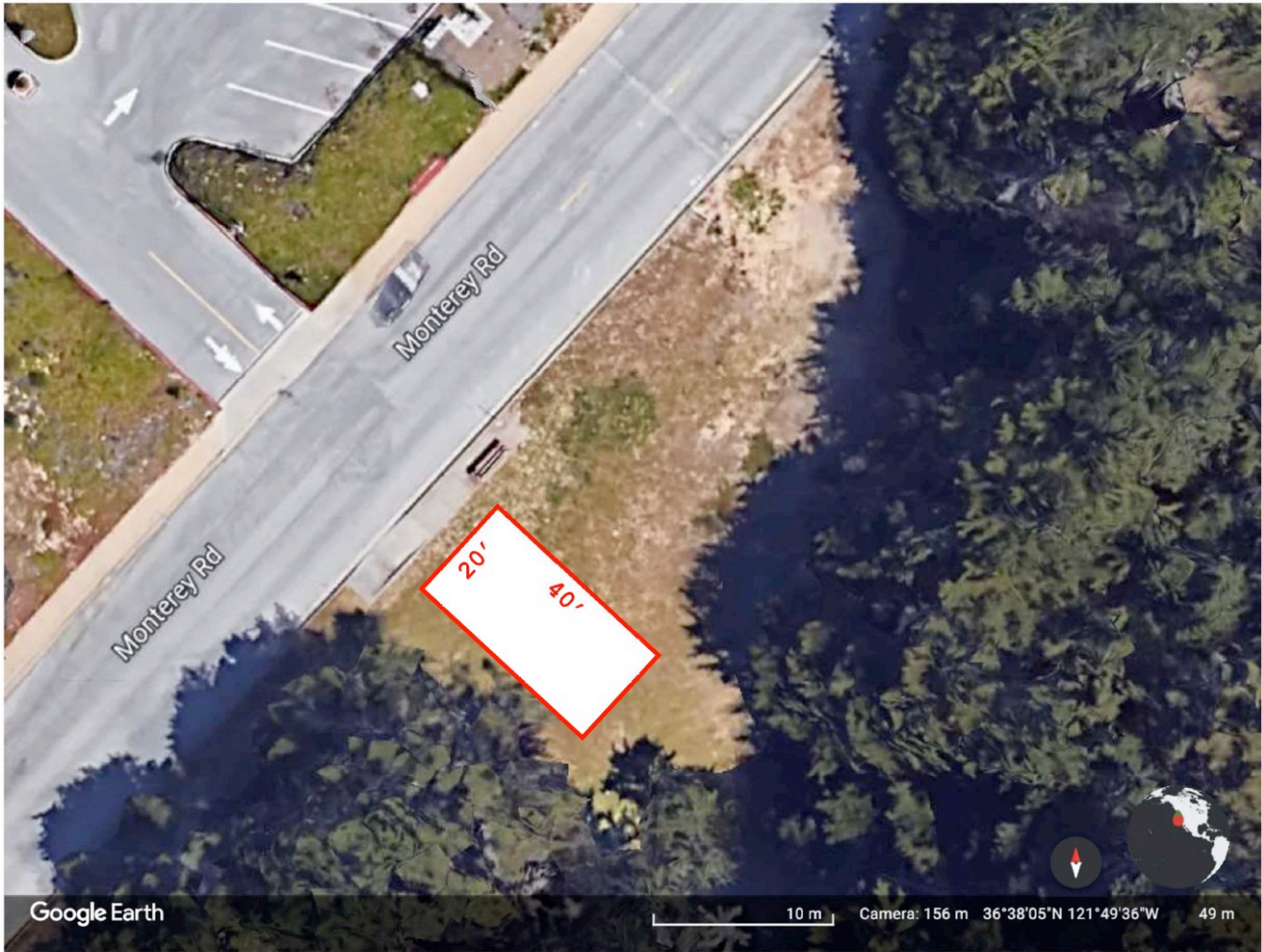


**Attachment B**

**Approximate Dimensions and Location of Easement**

1/27/23, 2:02 PM

Google Earth



<https://earth.google.com/web/@36.63499353,-121.82667378,49.24633171a,106.42655308d,35y,0h,0t,0r>

1/1





TO: Watermaster Board of Directors

FROM: Laura Paxton, Administrative Officer

DATE: July 5, 2023

SUBJECT: Consider approving Professional Services Contract and RFS 2023-01 with the firm Klein, DeNatale, and Goldner to provide Watermaster supplemental legal services

-----

**RECOMMENDATIONS:**

It is recommended the Board approve the attached professional services contract with the firm Klein, DeNatale, and Goldner for Watermaster supplemental legal services, and RFS 2023-01 that covers the remainder of 2023.

**BACKGROUND:**

The Watermaster Board in late 2022 expressed desire to have current Watermaster legal services augmented. Joseph Hughes of the firm of Klein, DeNatale, Goldner, Rosenlieb, and Kimball LLP was the one responder of three recommended by Russ McGlothlin, Watermaster's attorney from 2014-2019. Mr. Hughes will be in attendance at the meeting as the board considers this item.

Technical Program Manager, Robert Jaques and I interviewed Mr. Hughes by Zoom for an hour on May 24, 2023.

**DISCUSSION:**

Attached for your reference is the firm's proposal. Mr. Hughes would be the firm's point of contact and lead attorney on Seaside Groundwater Basin Watermaster issues.

Mr. Hughes is very knowledgeable and has extensive experience with GSAs and Adjudicated Basins. He's well versed in the Brown Act as it applies to the somewhat conflicted issues of multi-public agencies and private concern involvement on boards. Mr. Hughes is a good friend of Mr. McGlothlin and would like to be involved with the Seaside Basin as a tribute to him for his part in the development of the Decision that formed the Seaside Groundwater Basin Watermaster. His rate is deeply discounted to \$375/hour and he asks for no retainer.

Both Mr. Jaques and I strongly support retaining Mr. Hughes as Watermaster Legal Counsel.

**FISCAL IMPACT:**

There is \$12,000 budgeted in 2023 for Watermaster legal services, none of which has been expended. The attached RFS 2023-01 has a total authorized amount of \$12,000 for the remaining fiscal (calendar) year.

**ATTACHMENTS:**

1. Professional Services Contract Watermaster/Klein, DeNatale, Goldner
2. RFS No. 2023-01

**LEGAL SERVICES AGREEMENT**

(Bus. & Prof. Code, § 6148)

THIS AGREEMENT is entered into as of July 5, 2023 by and between KLEIN, DeNATALE, GOLDNER, COOPER, ROSENLIEB & KIMBALL, LLP, a California limited liability partnership (the “Attorney”), and SEASIDE GROUNDWATER BASIN WATERMASTER (“Client”).

**RECITALS**

**A.** The Client desires to employ the Attorney to perform the Services and the Attorney is agreeable to that employment.

**B.** Business and Professions Code section 6148(a) provides, among other things, that where it is foreseeable that the total expenses to a client will exceed \$1,000, an agreement for legal services must be in writing and contain (1) the applicable hourly rate and other standard rates, fees and changes, (2) the general nature of the legal services to be provided, and (3) the respective responsibilities of the Attorney and the Client.

**C.** Rule 3.410(A) of the Rules of Professional Conduct provides that where it is foreseeable that the total amount of legal representation in a matter will exceed four hours, a disclosure in writing that the attorney does not maintain professional liability insurance must be made at the time of engagement if the attorney does not maintain that insurance.

**D.** The total expense to the Client may exceed \$1,000 and the total amount of legal representation may exceed four hours with respect to the Attorney’s performance of the Services.

**AGREEMENT**

**1. Definitions.**

**(a) Attorney.** “Attorney” means KLEIN, DeNATALE, GOLDNER, COOPER, ROSENLIEB & KIMBALL, LLP, a California limited liability partnership.

**(b) Attorney’s Address.** “Attorney’s Address” means 10000 Stockdale Hwy., Suite 200, Bakersfield, California 93311.

**(c) Attorney’s Work Product.** “Attorney’s Work Product” means the Attorney’s informal impressions, conclusions, opinions, legal research and theories.

**(d) Client.** “Client” means SEASIDE GROUNDWATER BASIN WATERMASTER.

(e) **Client's Address.** "Client's Address" means P.O. Box 51502, Pacific Grove, CA 93950 for delivery of material in paper form and watermasterseaside@sbcglobal.net for delivery of material in electronic form.

(f) **Client's Documents.** "Client's Documents" means the documents provided to the Attorney by the Client.

(g) **Rates.** "Rates" means the Attorney's hourly rates ranging from \$375 for attorneys with ten or more years' experience, \$345 for attorneys with more than five years' experience, \$300 for attorneys with less than five years' experience.

(h) **Services.** "Services" means all general counsel legal services and legal advice as requested by the Client.

## **2. Employment of Attorney.**

The Client hereby employs the Attorney to perform the Services and the Attorney hereby accepts that employment subject to the provision of this Agreement. Portions of the work in performance of the Services may be performed by different lawyers and legal assistants in the Attorney's law firm. This delegation of work will be for the purpose of involving lawyers or legal assistants with special expertise in a given area, or for the purpose of providing the Client with the Services in the most efficient and timely manner. The Attorney is not obligated to perform any portion of the Services that, in the Attorney's judgment, would constitute a conflict of interest or other violation of the Attorney's ethical duties under the Rules of Professional Conduct of the State Bar of California or similar mandate governing the Attorney's conduct.

This Agreement governs only the Client's employment of the Attorney and the Attorney's representation of the Client. The Attorney's representation of the Client does *not* include representation of any party affiliated with Client, including (a) parent, related or subsidiary entities of the Client, or (b) persons related to the Client.

This Agreement will become effective upon its full execution by both the Attorney and the Client. It will then relate back to the first day that the Attorney provided the Services to the Client.

## **3. Cooperation of Client.**

The Client shall be candid and truthful with the Attorney as well as responsive to the Attorney's communications. The Attorney may rely upon the Client to promptly advise the Attorney of any changes in circumstances that will affect the Services or the Attorney's ability to perform them. The Client shall keep the Attorney advised of any changes in the Client's Address, current telephone number or e-mail address at all times, and shall comply with all reasonable requests of the Attorney in connection with the Attorney's performance of the Services.

The Client shall promptly disclose to the Attorney, in writing, all persons and entities that may have an interest, both adverse and non-adverse, in the matter that is the subject of the Services so that the Attorney can avoid conflicts of interest.

**4. Payment of Fees and Costs.**

(a) **Attorney's Fees.** The Client shall pay fees to the Attorney for time spent in performance of the Services at the applicable Rates. The Attorney may charge the Client for all time devoted by the Attorney to the Client's work, including conferences (both in person and over the telephone), e-mail communications with the Client and others, negotiations, factual investigations, legal research and analysis, document preparation and revision, and travel on the Client's behalf. All travel time and costs will be determined using the Attorney's office in Bakersfield, California as the point of origin. Time will be recorded and billed in units of tenths of an hour. Rates may be supplemented or revised by the Attorney from time-to-time but revised Rates will not be retroactively applied. The Attorney shall notify the Client in writing of any revised Rates prior to their effective date. The applicable rates will be those in effect at the time Services are rendered.

(b) **Costs.** The Client shall pay all reasonable and necessary extraordinary costs incurred by the Attorney in connection with the Services including:

(1) Automobile travel at the then current IRS rate per mile plus any parking expenses.

(2) The cost of any consultants, experts or investigators retained by the Attorney in furtherance of the Services.

Costs are *in addition to* fees for the Services. The Attorney incurs outside costs as an agent for the Client and incurs internal expenses on behalf of the Client. The Attorney may forward costs in excess of \$250 to the Client for direct and timely payment by the Client.

(c) **Statements.** The Attorney shall provide the Client with a monthly statement of fees earned and costs incurred. This statement will generally describe the work performed, the applicable Rate or Rates, the basis for the calculation of fees, and a reasonable itemization of costs.

(d) **Estimates.** It is impossible to determine in advance the amount of time that will be needed to complete the Services, or the total amount of fees or costs that may be incurred. Any estimate furnished by the Attorney will be based on the Attorney's professional judgment, but the Client acknowledges that such estimate is *not* a maximum or fixed fee quotation. The ultimate fee and cost may, and frequently does, differ from the amount estimated.

(e) **Payment.** The Client shall pay all statements for fees earned and costs incurred upon presentation of a statement. As the Attorney receives each payment, the Attorney will apply the payment first to costs and last to fees. For a proper attorney-client relationship to exist and be successful, the Client

acknowledges that the Client must pay the Attorney's legal fees and costs promptly and in accordance with this Agreement. Only in this way can the Attorney and the Client maintain the mutual confidence in each other that is necessary for the proper representation of the Client. If the Client becomes delinquent in the Client's obligation to make any required payments to the Attorney, then the Attorney may (a) withdraw from representation of the Client, (b) cease performance of the Services, and (c) pursue collection of the Client's account.

**5. Errors and Omissions Insurance.**

The Attorney does maintain errors and omissions insurance coverage applicable to the Services.

**6. Employment of Consultants, Experts and Investigators.**

If the Attorney deems it appropriate to employ a consultant, expert or investigator in connection with the performance of the Services, then the Attorney shall so advise the Client and seek the Client's prior approval of such employment. Any consultants, experts or investigators employed by the Attorney will be the agent of the Attorney, not the Client.

**7. Notices.**

Any notices to be given by either party to the other affecting this Agreement must be given in paper form and delivered in person or by registered or certified mail, postage pre-paid, addressed to the Attorney at the Attorney's Address or to the Client at the Client's Address. Either party may from time-to-time, by written notice to the other, designate a different address which will be substituted for the one specified in paragraph 1 of this Agreement.

**8. Documents.**

During the course of the Services, the Attorney will acquire documents from the Client (i.e., Client's Documents), and also will create Attorney's Work Product and other documents. Attorney's Work Product is the property of the Attorney and the Client is not entitled to obtain Attorney's Work Product from the Attorney except as otherwise provided by law. The Client may inspect and copy any other documents created by the Attorney during the Attorney's normal business hours and at the Client's sole cost and expense. Upon conclusion of the Services, the Client is entitled to the Client's Documents. The Attorney is entitled, however, to photocopy or electronically scan, and retain copies of the Client's Documents prior to their return to the Client.

**9. Electronic Files.**

The Attorney may maintain some or all of the documents and records in the Client's file solely in electronic form as digital images rather than in paper form. In so doing, the Attorney may destroy documents and records received by the Attorney in paper form after they have been scanned electronically and converted to digital images. The Attorney will not destroy; however, any of the Client's Documents in paper form, although the Client does consent to their conversion

to electronic form for the Attorney's use. The Attorney may deliver to the Client documents in the electronic form in which they are maintained if the Client requests transfer or a copy of either the Client's file, or any document or record in the Client's file. The Attorney will not be obligated under any circumstances to convert electronic documents or records (a) to paper form or (b) to an electronic form other than the one in which the Attorney maintains the document or record.

**10. File Retention.**

The Attorney shall store the Client's file following conclusion of the Services. The Attorney will then make arrangements with the Client for transfer of the Client's entire file (both electronic form and paper form) as directed by the Client.

**11. Termination.**

The Attorney or the Client is entitled to terminate this Agreement. Termination of this Agreement will not affect the Client's obligations to pay for all fees earned and costs incurred by the Attorney prior to the date this Agreement terminates. Additionally, time spent by the Attorney resulting from termination of this Agreement and withdrawal from representation of the Client (e.g., preparing the Client's files for transfer and working with successor counsel) is deemed part of the Services, for which the Client shall pay the Attorney.

Upon cessation of the Services, either by conclusion of the Services or earlier termination of this Agreement, the Attorney will have no further obligation to inform the Client of future developments or changes in the law. Additionally, the Attorney will have no obligation to monitor renewal or notice dates, or similar deadlines on the Client's behalf.

**12. Arbitration.**

In the event of a fee dispute which is not readily resolved, the Client is entitled to request arbitration by the Monterey County Bar Association, and the Attorney shall participate fully in that process.

**13. Entire Agreement.**

This Agreement supersedes any and all other agreements, either oral or in writing, between the Attorney and the Client with respect to the subject matter of this Agreement. Each party acknowledges that no representations, inducements, promises, or agreements have been made by or on behalf of any party except those covenants and agreements contained in this Agreement. No agreement, statement or promise not contained in this Agreement will be valid and binding.

**14. Venue and Law.**

The venue for any dispute arising from this Agreement will be Monterey County, California. This Agreement is entered into in Corcoran, California, and is subject to the laws of the State of California.

**15. Counterpart and Electronic Signatures.**

This Agreement may be signed in one or more counterparts and may be delivered by facsimile or other electronic method.

**16. Consultation with Independent Counsel.**

The Attorney has not provided the Client with legal advice with respect to this Agreement due to the Attorney’s conflict of interest in doing so. The Client acknowledges the opportunity to seek and consult independent counsel of the Client’s choice regarding this Agreement.

IN WITNESS WHEREOF, the Attorney and the Client have executed this Agreement on the day and year first hereinabove set forth.

KLEIN, DeNATALE, GOLDNER, COOPER,  
ROSENLIEB & KIMBALL, LLP

SEASIDE GROUNDWATER BASIN  
WATERMASTER

By: \_\_\_\_\_  
Joseph D. Hughes, Partner

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

“Attorney”

“Client”

**SEASIDE BASIN WATERMASTER**  
**REQUEST FOR SERVICE**

DATE: July 5, 2023

RFS NO. 2023-01

TO: Joseph Hughes  
Klein, DeNatale, Goldner, Cooper,  
Rosenlieb & Kimball, LLP  
PROFESSIONAL

FROM: Laura Paxton  
Administrative Officer  
WATERMASTER

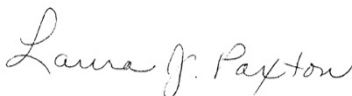
**Services Needed and Purpose:** Provide legal services to assist as may be requested by Watermaster.

**Completion Date:** All work under this RFS will be completed no later than December 31, 2023.

**Method of Compensation:** Time and Expense Payment Method. Hourly rates are described in Attachment 1.

**Total Price Authorized by this RFS:** \$12,000.00 (Cost is authorized only when evidenced by signature below.)  
(See Attachment 1 for derivation of Estimated Costs).

**Total Price** may not be exceeded without prior written authorization by WATERMASTER in accordance with Section V. COMPENSATION.

**Requested by:**  **Date:** July 5, 2023  
Laura Paxton, Administrative Officer

**Authorized by:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
Ian Oglesby  
WATERMASTER Chairman of the Board

**Agreed to by:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
Joseph Hughes  
PROFESSIONAL



## ATTACHMENT 1

### SCOPE OF WORK AND ESTIMATED COSTS

#### **BACKGROUND**

Under RFS No. 2023-01, PROFESSIONAL will render opinions on adjudicated basin related legal matters, interact with the judge presiding in the matter, attend meetings, review documents, determine appropriate response by Watermaster to Public Records Act requests, and other work as necessary to assist WATERMASTER. Requests for assistance will normally be made by email or by telephone by WATERMASTER staff.

#### **ESTIMATED COSTS**

\$375 for attorneys with ten or more years' experience  
\$345 for attorneys with more than five years' experience  
\$300 for attorneys with less than five years' experience.

Work examples: time spent preparing documents, legal research, negotiations, conferences, telephone calls, emails, travel time and any time in court or before any government agency.

Since there is no detailed scope of work for this RFS, it is not possible to provide a detailed breakdown of estimated costs. Based on experience with previous legal counsel, it is estimated that PROFESSIONAL may provide up to 32 hours of time assisting WATERMASTER with the work to be performed under this RFS. At PROFESSIONAL's hourly rate of \$375, this would amount to \$12,000. This serves as the basis for the Total Price set forth on page 1 of this RFS No. 2023-01.



SEASIDE GROUNDWATER BASIN  
WATERMASTER

TO: Board of Directors  
FROM: Robert S. Jaques, Technical Program Manager  
DATE: July 5, 2023  
SUBJECT: Status Report on Well ASR-1 Issues

-----  
**RECOMMENDATIONS:** If the Board feels some action should be taken by the Watermaster, it would need to be scheduled as an Action Item at a future Board meeting.

**BACKGROUND:** As some Board members are aware, there have been ongoing discussions between MPWMD, Cal Am, and the Watermaster regarding the Division of Drinking Water's (DDW) determination that Aquifer Storage and Recovery (ASR) Well No. 1 can no longer be used as a source of drinking water. This is because tracer studies found that the travel time for Pure Water Monterey (PWM) injected water to reach Wells ASR-1 and ASR-2 was too short and would not meet DDW's required minimum travel time (referred to as the Underground Retention Time or URT) of two months. Attachment 1 summarizes the issues leading to DDW's notification to Cal Am that Well ASR-1 could no longer be used as a source of drinking water.

Cal Am used ASR-1 as a drinking water supply well for 10 years from WY 2011 through WY 2021, and during that time period extracted over 3,600 AF of water which was used to supply its customers.

Related to this issue is that fact that Well ASR-4, which Cal Am is attempting to use to help offset the loss of ASR-1 as a production well, has been found to have a mercury concentration that requires the water from that well to be treated before it can be used as drinking water. It has not yet been approved by DDW for use as a drinking water source.

**DISCUSSION:** The Watermaster's involvement in these discussions comes from the fact that the Watermaster issued an *Agreement for Storage and Recovery of Non-Native Water from the Seaside Groundwater Basin* dated February 1, 2019 for PWM's Advance Treated Water (AWT). The agreement was issued as required under Section III.L.3.j.xx of the Adjudication Decision. The parties to the Agreement are the Watermaster, Cal Am (identified in the agreement as the "PRODUCER") and MPWMD (identified in the agreement as the "DISTRICT"). Excerpts from the Adjudication Decision and from the Storage and Recovery Agreement pertaining to this topic are contained in Attachments 2 and 3, respectively.

I posed several questions to MPWMD and Cal Am regarding this issue. My questions and their responses are contained in Attachment 4.

This Agenda Item is informational only and is intended to inform Board members about this issue.

**ATTACHMENTS:**

1. Table summarizing the issues leading to the Division of Drinking Water notifying Cal Am that ASR-1 could no longer be used as a production well.
2. Excerpts pertaining to this topic from the Adjudication Decision.
3. Excerpts pertaining to this topic from the Storage and Recovery Agreement between the Watermaster, Cal Am, and MPWMD.
4. Questions and answers to/from Cal Am and MPWMD pertaining to this topic.

**ATTACHMENT 1**

<b>Time Frame</b>	<b>Data Source</b>	<b>Method Used to Determine URT</b>	<b>URT Findings</b>
April 2019	Pure Water Monterey Project Final Engineering Report, Section 6.3	Seaside Basin Groundwater Model developed by HydroMetrics in 2009	The shortest URT to the nearest downgradient drinking water well was estimated to be 10.8 months. This was between Deep Injection Well #2 (DIW-2) and ASR-1 (which was identified in this Data Source as being a “production well.”) This calculation was based on when the concentration of the PWM injected water reaching that well would reach 50% of its eventual maximum concentration ( $t_{50}$ ).
August 12, 2021	Technical Memo from Pascual Benito and Derrick Williams to Gus Yates of Todd Groundwater on the subject of the PWM Intrinsic Tracer Study Analysis and Operational Scenario Modeling	Intrinsic tracer study	Using the $t_{50}$ calculation method mentioned above, the shortest URT was found to be 3.9 months (118 days). However, using the $t_{10}$ calculation method, the shortest URT was found to be 2.5 months (77 days). This was between Deep Injection Well #1 (DIW-1) and ASR-1 (which was identified in this Data Source as being an “extraction well.”) This was determined to be very close to the regulatory requirement to have a minimum URT of 2 months. Future modeling would assume that ASR-1 and ASR-2 would both operate only as injection wells, and would no longer be used as extraction wells “...until URT requirements of MIW’s permit [from DDW] are met.” This document explained that the reduction in URT compared to that stated in the April 2019 Engineering Report was due in part to the significant increase in the amount of AWT water being injected into the Santa Margarita aquifer rather than the Paso Robles aquifer.
September 14, 2021	Letter from the Division of Drinking Water to Cal Am	N/A	This letter stated that the intrinsic tracer study confirmed that the estimated URT to ASR-1 and ASR-2 was insufficient and would not meet the required minimum URT. The letter went on to direct Cal Am to discontinue using ASR-1 as a drinking water source until it could be demonstrated that the minimum URT would be met. It also notified Cal Am that DDW was putting a hold on processing the permit application for ASR-2 until it was demonstrated that the minimum URT for ASR-2 would also be met.
June 10, 2022	Technical Memo from Pascual Benito and Derrick Williams to Gus Yates of Todd Groundwater on the subject of the PWM Added Tracer Study Analysis and Operational Scenario Modeling	Extrinsic tracer study	This study assumed that ASR-1 would not be used for extraction (identified in this Data Source as both a “production well” and an “extraction well”) and analyzed a number of injection/extraction scenarios. With ASR-1 not being used for extraction, the shortest URT to a production well was found to be 3.2 months between DIW-1 and Cal Am’s Paralta well.

## ATTACHMENT 2

The Watermaster was created by the Amended Decision of the Monterey County Superior Court, filed February 9, 2007, Case No. M66343 (the “Decision”). This Decision was made for the purposes of managing and protecting the Seaside Groundwater Basin for the benefit of the businesses, individuals, and public agencies that overlie or extract groundwater from the Basin. Cal Am and MPWMD are parties to the Decision. The references below pertain to Sections of the Decision.

Section III.Q states, in part, that the “...*DISTRICT* [MPWMD] *can store water for the benefit of DISTRICT in the Basin.*”

Section III.H.6 states, in part, that “...*no Producer herein granted a Storage Allocation may Store Water in the Seaside Basin without first executing a Storage and Recovery Agreement with Watermaster, pursuant to Section III.L.3.j.xx.*”

Section III.L.3.j.xx states, in part, that “*The Storage and Recovery Agreement may include, among other possible elements and/or provisions, the following conditions to avoid Material Injury: (1) the quantity of Water authorized to be Spread or Directly Injected into the Seaside Basin, (2) the location of the authorized Spreading or Direct Injection, (3) the location(s) where the Water may be recaptured, (4) the particular Water quality characteristics that are required pursuant to the Storage and Recovery Agreement, (5) the amount of Water that may be recaptured pursuant to the Stored Water Credits calculated by Watermaster, (6) any other terms and conditions deemed necessary to protect the Seaside Basin and those areas affected by the Seaside Basin. Such Storage and Recovery Agreements may provide for different locations for introduction and Extraction of Stored Water if deemed appropriate by the Watermaster.*”

Section III.A.15 defines Material Injury as follows:

*“Material Injury” means a substantial adverse physical impact to the Seaside Basin or any particular Producer(s), including but not limited to: seawater intrusion, land subsidence, excessive pump lifts, and water quality degradation. Pursuant to a request by any Producer, or on its own initiative, Watermaster shall determine whether a Material Injury has occurred, subject to review by the Court as provided for in Section M.N.*

### ATTACHMENT 3

The Storage and Recovery Agreement contains these provisions:

*“Water Quality. The DISTRICT hereby certifies that prior to the AWT Water being introduced into the Basin for Storage in accordance with this Agreement, all such water will meet all of the requirements imposed on the DISTRICT or MIW by permits and/or approvals issued to the DISTRICT or MIW by the California Regional Water Quality Control Board and any other water quality standards imposed by any other government entity, including without limitation the California Department of Public Health and the Monterey County Department of Environmental Health.”*

*“Recovery Location(s). PRODUCER is authorized to recover the AWT Water stored at the location(s) described under paragraph 3 above, which recovery must be performed within the same Subarea of the Basin as the location(s) within which it was stored. PRODUCER will recover the AWT Water at the following location(s), or at such other locations as may be approved by WATERMASTER upon written request by PRODUCER or DISTRICT:*

- A. Ord Grove Well #2, 1987 Park Ct., Seaside (Santa Margarita)*
- B. Paralta Well, 2104 Paralta Ave., Seaside (Santa Margarita)*
- C. Luzern Well #2, 1984 Luzern St., Seaside (Paso Robles)*
- D. Playa Well #3, 1237 Playa Ave., Seaside (Paso Robles)*
- E. Plumas Well #4, 1453 Plumas Lane, Seaside (Paso Robles)*
- F. Santa Margarita ASR-1, 1910 General Jim Moore Blvd, Seaside (Santa Margarita)*
- G. Santa Margarita ASR-2, 1910 General Jim Moore Blvd, Seaside (Santa Margarita)*
- H. Seaside Middle School ASR-3, 2111 General Jim Moore Blvd, Seaside (Santa Margarita)*
- I. Seaside Middle School ASR-4, 2111 General Jim Moore Blvd, Seaside (Santa Margarita)*
- J. Fitch Park ASR-5, General Jim Moore Blvd, Seaside (Santa Margarita)*
- K. Fitch Park ASR-6, General Jim Moore Blvd, Seaside (Santa Margarita)*

The State’s Division of Drinking Water (DDW) requires that a minimum underground retention time (URT) of 2 months be provided for any water injected into a groundwater basin before that water can be extracted for use as a drinking water supply.

## ATTACHMENT 4

1. Question: Is any effort being made to get ASR-1 re-permitted for use as a source of drinking water? For example by doing modeling with extraction from ASR-1 at a lower rate and/or with DIW-1 injecting at a lower rate?

Cal Am response: Modeling exercises associated with the PWM Project have been conducted by the District or M1W, or under their supervision. To Cal Am's knowledge, the District and/or M1W have so far declined to lower the injection rate at DIW-1, or to perform additional modeling work to evaluate changes in injection rates at DIW-1 or extraction rates at ASR-1 in order to restore ASR-1 as a source of drinking water.

MPWMD response: No effort is being made to get ASR-1 re-permitted for use as a source of drinking water. Extraction from ASR-1 at a lower rate and/or with DIW-1 injecting at a lower rate was looked at but not modeled.

2. Question: Does Cal Am feel that it has sustained "Material Injury" by losing the use of ASR-1 as a drinking water source?

Cal Am response: Yes, it does. In order help mitigate the loss of ASR-1 extraction production, we constructed piping to interconnect the Paralta well into our new 36" water main on General Jim Moore Boulevard in order to deliver water from this well to the Forest Lake tanks. However, it was not enough to offset loss of ASR-1, so we also installed mercury treatment at ASR-4. This treatment system installation is complete but is waiting for approval from DDW to place into service.

Together, these two sources may offset the loss of ASR-1, but supply remains vulnerable if either Paralta or ASR-4 goes down for maintenance. Cal Am has also incurred damages as a result of the District's and M1W's breach of the Water Purchase Agreement and the District's breach of the Agreement For Storage And Recovery Of Non-Native Water From The Seaside Groundwater Basin ("Storage and Recovery Agreement").

MPWMD response: MPWMD has no answer to this question.

3. Question: Cal Am used ASR-1 as a drinking water supply well for 10 years from WY 2011 through WY 2021, and during that time period extracted over 3,600 AF of water. However, in his April 1, 2023 email Mr. Stoldt stated that *"I believe the District has well established that Cal-Am has no right to use the ASR-1 (or ASR-2) well for native Seaside Basin water or Pure Water Monterey water production without the District's written consent."* How was Cal Am allowed to extract all of this water for all of these years if it did not have MPWMD's consent?

Cal Am response: Wells ASR 1 and 2 are MPWMD owned and funded, but Cal Am has an operating agreement to use these facilities and pays for maintenance and operating activities. The District has agreed for many years to Cal Am's use of ASR-1 (and ASR-2) for extraction purposes. There is a treatment facility located at the site of Wells ASR-1 and ASR-2 for the disinfection of extracted water from Wells ASR 1, 2, 3, and 4. Among other documents, its agreement is memorialized in the Storage and Recovery Agreement dated October 21, 2011 (at paragraph 3), and in the current Storage and Recovery Agreement dated February 1, 2019 (at paragraph 4), both of which identify these wells as "recovery locations." Paragraph 9 of the Water Purchase Agreement confirms this agreed use. ("Delivery by the District *and withdrawal by the Company* [Cal Am] shall be governed by the Storage and Recovery Agreement.") (emphasis supplied). Until the underground retention time issue arose, moreover, the District never claimed that Cal Am's use of ASR-1 as an extraction well was unauthorized, at least not to Cal Am's knowledge. As discussed in my email of April 4, 2023 (copy attached), it appears that Mr. Stoldt may be referring to the "Extraordinary Use" provision of the Amended and Restated Aquifer Storage and Recovery Management and Operations Agreement, dated Feb. 23, 2021 ("M&O Agreement"). (A virtually identical provision was included in the previous M&O Agreement, dated March 30, 2006.) That provision calls for District written

consent to Cal Am's use of ASR facilities "in lieu of operating other water production facilities, and when this operation does not relate to the recovery of water as part of the ASR Facilities Operations." For reasons explained in my April 4 email, this provision is clearly inapplicable to Cal Am's use of ASR-1 (or ASR-2) for recovery of water as part of ASR Facilities Operations, which is the only use at issue.

MPWMD response: It just happened, apparently without written consent, but enforceable actions under any other agreement are never waived.

4. Question: Doesn't the Storage and Recovery Agreement, to which both Cal Am and MPWMD are parties, provide Cal Am the right to use ASR-1 as a water supply source?

Cal Am response: Yes, it does, as explained above.

MPWMD response: Our opinion remains "no". The agreement provides the option, not the right. And granting of the option remains subject to any terms of any other agreements at any time, including written consent. If I interpreted it your way, Cal-Am has the right to take it from ASR-5 and ASR-6... how does that work? Can that be enforced?

5. Question: After Pure Water Monterey started up, it was found that the Vadose Zone wells were not as useful as originally expected, and that more water than originally expected needed to be injected into the Santa Margarita aquifer via the Deep Injection Wells. Why was modeling not performed before making that change in order to see how this would affect URTs. That would have enabled changes to be made in the operation and/or physical facilities (i.e. injection well locations) of the Pure Water Monterey Project if necessary in order to avoid the current URT problems.

Cal Am response: Cal Am does not know why the District or M1W did not undertake such modeling.

MPWMD response: Too much detail to explain. Requires in-person discussion

6. Question: Could DIW-1 either be taken out of service, or could it inject at a lower rate, in order to increase the URT to ASR-1 so ASR-1 could be reinstated as a drinking water supply well?

Cal Am response: Cal Am agrees that taking DIW-1 out of service, or reducing injections at this well, logically would increase the underground retention time to ASR-1 to some extent. It is Cal Am's understanding that District and/or M1W have declined to model these options and that the District insists on continuing with injections at DIW-1, without reductions (or at least without reductions aimed at increasing the underground retention time at ASR-1 and ASR-2).

MPWMD response: See answer to Question 1.

7. Question: Is the mercury problem at ASR-4 expected to be a transient problem that will resolve itself over time (as Jon Lear reported was the case with arsenic in some of the other ASR wells in the past) or is this problem expected to be ongoing?

Cal Am response: Wells ASR 3 and 4 are Cal Am owned, operated and funded facilities. The contaminant that has prevented use of ASR-4 for recovery purposes is mercury. The mercury concentrations in recent samples collected from ASR-4 without treatment have been in the range of non-detect to a little over 1 ppb (1.1 ppb). (The lab reporting limit for mercury is 1 ppb, so anything below 1 ppb is reported as "non-detect." The MCL is 2 ppb). Cal Am expects mercury concentrations in water recovered from this well to remain below applicable limits once the well is operational and pumping continuously. As previously reported, the treatment system is onsite and is nearly ready for operation. The Division of Drinking Water (DDW) is requiring the mercury treatment system to be in place and operated for a minimum of two years before Cal Am may seek a permit to operate the well without treatment. The two-year period of operations with treatment will commence upon DDW's issuance of the permit for operations of ASR-4 with treatment. Cal Am is actively working with DDW to secure the permit.

MPWMD response: Question was not asked of MPWMD so they did not provide a response.



**SEASIDE GROUNDWATER BASIN WATERMASTER**  
**Reported Quarterly and Annual Water Production From the Seaside Groundwater Basin**  
**For All Producers Included in the Seaside Basin Adjudication -- Water Year 2023**  
(All Values in Acre-Feet [AF])

	Type	Oct	Nov	Dec	Oct-Dec	Jan	Feb	Mar	Jan-Mar	Apr	May	Jun	Apr-Jun	Jul	Aug	Sep	Jul-Sep	Reported Total	Yield Allocation	from WY 2022	for WY 2023	
<b>Coastal Subareas</b>																						
CAW - Coastal Subareas	SPA	497.16	410.19	389.22	1,296.57	370.86	475.09	659.11	1,505.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	483.40	1,466.03	110.45	1,576.48	
	Luzern	49.71	0.00	0.00	49.71	0.08	21.35	52.18	73.61									0.00				
	Ord Grove	107.26	101.65	107.01	315.92	107.13	103.08	125.80	336.00									0.00				
	Paralta	128.77	119.63	95.62	344.02	93.48	130.05	183.04	406.57									0.00				
	Playa	32.86	32.92	33.50	99.28	33.69	30.01	31.91	95.60									0.00				
	Plumas	27.64	26.92	27.46	82.03	27.60	24.67	26.76	79.04									0.00				
	Santa Margarita	150.92	129.07	125.62	405.62	108.88	165.93	239.42	514.23									0.00				
	ASR Recovery	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00									0.00				
	PWM Recovery	(349.81)	(333.96)	(359.30)	(1043.07)	(339.81)	(436.43)	(498.90)	(1,275.15)									0.00	(2,318.22)			
City of Seaside (Municipal)	SPA	15.26	11.75	10.85	37.86	11.05	13.22	10.07	34.34				0.00					0.00	72.20	120.28	0	120.28
Granite Rock Company	SPA	--	--	--	0.00	--	--	--	0.00				0.00					0.00	0.00	11.35	249.6	260.95
DBO Development No. 30	SPA	--	--	--	0.00	--	--	--	0.00				0.00					0.00	0.00	20.59	447.12	467.71
Calabrese (Cypress Pacific Inv.)	SPA	--	--	--	0.00	--	--	--	0.00				0.00					0.00	0.00	2.76	13.69	16.45
City of Seaside (Golf Courses)	APA	41.260	0.00	0.00	41.26	0.00	0.00	0.00	0.00				0.00					0.00	41.26	540.00		540.00
Sand City	APA	0.16	0.14	0.06	0.36	0.07	0.18	0.00	0.25				0.00					0.00	0.61	9.00		9.00
SNG (Security National Guaranty) / MLDC (Mountain Lake Dev. Corp.)	APA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00					0.00	0.00	90.00		90.00
Calabrese (Cypress Pacific Inv.)	APA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00					0.00	0.00	59.00		59.00
Mission Memorial (Alderwoods)	APA	3.47	1.01	0.65	5.13	0.78	0.36	0.25	1.40				0.00					0.00	6.53	31.00		31.00
<b>Coastal Subareas Totals</b>					<b>338.11</b>				<b>265.89</b>				<b>0.00</b>					<b>0.00</b>	<b>604.00</b>	<b>2,356.01</b>	<b>820.86</b>	<b>3,176.87</b>
<b>Laguna Seca Subarea</b>																						
CAW - Laguna Seca Subarea	SPA	12.42	10.03	8.35	30.79				0.00				0.00					0.00	30.79	0.00		0.00
	Ryan Ranch Unit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00					0.00	0.00			
	Hidden Hills Unit	12.42	10.03	8.35	30.79	7.82	6.93	7.47	22.22				0.00					0.00	53.02			
	Bishop Unit 3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00					0.00	0.00			
	Bishop Unit 1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00					0.00	0.00			
The Club at Pasadera	APA	19.00	0.00	0.00	19.00	0.00	0.00	0.00	0.00				0.00					0.00	19.00	251.00		251.00
Laguna Seca Golf Resort (Bishop)	APA	20.00	5.17	0.00	25.17	0.00	0.00	0.00	0.00				0.00					0.00	25.17	320.00		320.00
York School	APA	1.40	0.12	0.02	1.54	0.01	0.00	0.00	0.01				0.00					0.00	1.55	32.00		32.00
Laguna Seca County Park	APA	1.17	1.14	0.15	2.46	0.47	0.25	0.84	1.56				0.00					0.00	4.02	41.00		41.00
<b>Laguna Seca Subarea Totals</b>					<b>78.96</b>				<b>1.58</b>				<b>0.00</b>					<b>0.00</b>	<b>80.53</b>	<b>644.00</b>	<b>0.00</b>	<b>644.00</b>
<b>Total Production by WM Producers</b>					<b>417.07</b>				<b>267.46</b>				<b>0.00</b>					<b>0.00</b>	<b>684.53</b>	<b>3,000.01</b>	<b>820.86</b>	<b>3,820.87</b>
																			Annual Production from APA Producers	98.14	1,379.00	
																			Annual Production from SPA Producers	586.39		2,441.87

																			Previous Balance	Total	
<b>CAW / MPWMD ASR (Carmel River Basin source water)</b>																					
Injection	0.00	0.00	37.49	37.49	244.16	323.50	299.63	867.29	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	904.78		
(Recovery)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
<b>Net ASR</b>	<b>0.00</b>	<b>0.00</b>	<b>37.49</b>	<b>37.49</b>	<b>244.16</b>	<b>323.50</b>	<b>299.63</b>	<b>867.29</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>904.78</b>	<b>801.55</b>	<b>1706.33</b>
<b>Pure Water Monterey (PWM) Injection and Cal-Am Recovery</b>																					
Balance																					
Forward																					
Injection Operating Reserve	1164.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00					0.00	1164.52		
Injection Drought Reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00					0.00	0.00		
Delivery to Basin	349.81	333.96	397.41	1081.18	423.25	379.74	434.04	1237.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2318.22		
CAW	(404.79)	(333.96)	(359.30)	(1098.05)	(339.81)	(436.43)	(498.90)	(1275.14)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(2373.19)		

- Notes:**
- The Water Year (WY) begins October 1 and ends September 30 of the following calendar year. For example, WY 2023 begins on October 1, 2022, and ends on September 30, 2023.
  - "Type" refers to water right as described in Seaside Basin Adjudication decision as amended, signed February 9, 2007 (Monterey County Superior Court Case No. M66343).
  - Values shown in the table are based on reports to the Watermaster received by April 15, 2023.
  - All values are rounded to the nearest hundredth of an acre-foot. Where required, reported data were converted to acre-feet utilizing the relationships: 325,851 gallons = 43,560 cubic feet = 1 acre-foot.
  - "Base Operating Yield Allocation" values are based on Seaside Basin Adjudication decision. These values are consistent with the Watermaster Producer Allocations Water Year 2023 (see Item IX.B. in 12/7/2022 Board packet).
  - Any minor discrepancies in totals are attributable to rounding.
  - APA = Alternative Producer Allocation; SPA = Standard Producer Allocation; CAW = California American Water.
  - It should be noted that CAW/MPWMD ASR "Injection" and "Recovery" amounts are not expected to "balance" within each Water Year. This is due to the injection recovery "rules" that are part of SWRCB water rights permits and/or separate agreements with state and federal resources agencies that are associated with the water rights permits.