SEASIDE GROUNDWATER BASIN WATERMASTER
SPECIAL MEETING AGENDA
WEDNESDAY, OCTOBER 17, 2007, 1:30 P.M.
SOPER FIELD COMMUNITY CENTER
220 COE AVENUE
SEASIDE, CALIFORNIA

WATERMASTER BOARD:
City of Seaside – Mayor Ralph Rubio, Chairman
Laguna Seca Subarea Landowner – Director Bob Costa, Vice Chairman
Monterey Peninsula Water Management District – Director Michelle Knight, Secretary
City of Monterey – Vice Mayor Jeff Haferman, Treasurer
City of Sand City – Mayor David Pendergrass
California American Water – Director Tom Bunosky
City of Del Rey Oaks – Mayor Joseph Russell
Monterey County/Monterey County Water Resources Agency -- Supervisor Jerry Smith, District 4
Coastal Subarea Landowner – Director Paul Bruno

I. CALL TO ORDER

II ROLL CALL

III. APPROVAL OF MINUTES;

The minutes of the Regular Board meeting of September 5, 2007 is attached to this agenda. Watermaster Board is requested to consider approving the minutes.

IV. REVIEW OF AGENDA

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

V. PUBLIC COMMUNICATIONS

Oral communications is 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 would use the microphone and state their names. Oral communications are now open

VI. CONSENT CALENDAR

A. Consider Request for Payment to CEO for September Compensation of $6,487.50
and Reimbursement of out of pocket expenditures of $3,452.66
B. Consider Approval of Summary for Payments made in September totaling $456,710.71
C. Consider Current Year Financial Reports – Through September 30, 2007

VII. ORAL PRESENTATION

A. Mr. Martin Feeney will give a report on the completed well construction
   1. Summary of well construction (written attachment)

B. Presentation by Monterey Regional Water Pollution Control Agency on Water Recycling

VIII. OLD BUSINESS

A. COMMITTEE REPORTS

1. (COMBINED) TECHNICAL COMMITTEE AND BUDGET/FINANCE COMMITTEE

a) Adoption of Fiscal Years 2008 and 2009 Annual Budgets
   1) Administrative Fund
   2) Monitoring and Management Fund—Operations Fund
   3) Monitoring and Management Fund—Capital Fund
   4) Replenishment Fund

b) Adoption of Over-Production Replenishment Assessment Budgeted Amount

2. BUDGET/FINANCE COMMITTEE

a) Consider Implementing a Volunteer Financial Assessment Policy to Share the Cost of Providing Annual Administrative Support

B. OTHER OLD BUSINESS

1. Notice to Board Members of need to Appoint or Reappoint Voting and Alternate Members to Board of Director's Positions

2. Review of Chief Executive Officer's Current Employment Agreement and Consider Revising To Conform to model "An Independent Contractor Position"

IX. NEW BUSINESS

A. Consider Approving Contract Modifications
   1. RBF Consulting
   2. Monterey Peninsula Water Management District (MPWMD)
   3. Monterey County Water Resources Agency (MCWRA)
   4. Martin Feeney

X. INFORMATIONAL REPORTS (No Action Required)

A. Timeline schedule of Milestone dates (Critical date monitoring)
B. Water Extraction Reports from Seaside Basin for Water Year October 1, 2006--September 30, 2007
C. Technical Action Committee (TAC) draft minutes of September 12 and 28, 2007 and October 9, 2007 meetings.
D. Initiating Request for Approval of Transfer of Carryover Credits from DBO Development No.30 to City of Seaside

XI. DIRECTOR'S REPORTS

XII. EXECUTIVE OFFICER COMMENTS

XIII. NEXT MEETING DATE – NOVEMBER 7, 2007 (Soper Field Community Center) 1:30 P.M.

XIV. 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 and the California American Water Company for posting on October 5, 2007 per the Ralph M. Brown Act. Government Code Section 54954.2(a)..

ITEM NO. III.

APPROVAL OF MINUTES

REGULAR MEETING
Seaside Groundwater Basin Watermaster
September 5, 2007

DRAFT MINUTES

I. CALL TO ORDER
Chair Rubio called the meeting to order at 1:30 p.m. in the Soper Community Center at Soper Field, 220 Coe Avenue, Seaside.

II. ROLL CALL
City of Seaside – Mayor Ralph Rubio, Chairman
Laguna Seca Subarea Landowner – Director Bob Costa, Vice Chairman
Monterey Peninsula Water Management District – Director Michelle Knight, Secretary
California American Water – (Alternate) Director Tom Bunosky
City of Monterey – (Alternate) Director Les Turnbeaugh
City of Del Rey Oaks – Mayor Joseph Russell
Coastal Subarea Landowner – Director Paul Bruno

Absent: Monterey County/Monterey County Water Resources Agency – (Alternate) Supervisor Dave Potter; City of Sand City – Mayor David Pendergrass

III. APPROVAL OF MINUTES

Moved by Director Knight, seconded by Director Turnbeaugh, and unanimously carried, to approve the Watermaster Regular meeting minutes of August 1, 2007, with an amendment to Director Potter's motion adding his request to include a review of the CEO agreement terminology for the same conditions as the Technical Project Manager agreement. Director Bruno abstained due to his absence at the August 1 Board 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. Contract Compensation – CEO for August 2007 $6,862.50

	Reimbursable – General for June 2007	1,547.38
B.	Approval of Summary for Payments made in August	$67,672.95
C.	Current Year Financial Reports – Through August 31, 2007	
D.	Clarification of Employment terms and conditions of Technical Project Manager	

Moved by Director Mayor Russell, seconded by Director Bunosky, and unanimously carried, to approve the payment of bills, the current fiscal year financial reports, and the employment and terms of the Technical Project Manager agreement.

VII. ORAL PRESENTATION

Mr. Martin Feeney gave an update on the Sentinel Well Drilling Project. The construction of four wells along the coast to conduct induction logging, or measuring of seawater intrusion, is approximately 95% complete. Three water samples have been collected with one at the lab undergoing analysis. Site cleanup arrangements are being coordinated with State Parks. Collection of induction logs will begin next week. Mr. Feeney will compile a report to the Board to be completed by the end of the month. He will list in the report recommendations such as a plan for on-going monitoring and analysis of data (analyzing the data collected is not within the scope of Mr. Feeney's contract at this point), questions raised and recommendations for well network upgrades from an academic perspective. The Watermaster Technical Advisory Committee (TAC) will review Mr. Feeney's report and recommend a plan to the Board.

VIII. OLD BUSINESS

COMMITTEE REPORTS

1. **TECHNICAL COMMITTEE – No Report**

2. **BUDGET/FINANCE COMMITTEE –** Mr. Ray Corpus, Chair of the Budget and Finance Committee, was absent. CEO Evans reviewed the submitted staff report regarding the sharing of costs of Board administrative expenses. The administrative fund budget for the current fiscal, or calendar, year is $123,000 paid 83% by California American Water, 14.4% by the City of Seaside, and 2.6% by the City of Sand City. The proposed policy would establish the collection of a voluntary assessment in the amount of one-thirteenth of budgeted costs up to $200,000 per vote allotted each party as stated in the Court decision. For example, a shared administrative assessment of $100,000 would reduce Cal-Am's assessment from $83,000 to $15,384.60. Director Bunosky spoke as a member of the Committee stating that the goal intended is to prompt member parties to keep administrative costs down by having a vested interest in those costs. The balance of assessments paid by the current three member parties assessed for administrative costs freed up by shared costs can be reapportioned into operations, capital, and replenishment efforts. Chair Rubio noted that all member parties benefit from the administrative product. Director Bruno, also speaking as a member of the Committee, put forth acceptance of the policy as a gesture of goodwill by those members benefiting but not currently contributing. The matter would need to be taken

up with respective City Councils once the policy is accepted. The policy would not necessarily override the original judgment assessment requirement, but would operate in place of it on a voluntary basis until members are no longer willing to contribute. Chair Rubio directed the Budget and Finance Committee consider the issue once more for clarification on the structure of the policy and the form of the amendment that would be presented to the Court. Director Knight suggested that input be solicited from absent Directors Pendergrass and Potter. Chair Rubio directed that any comments on the matter be submitted to CEO Evans. Attorney McGlothlin felt the policy to be one of fairness for services that benefit all. Each party's share is a token amount in comparison to substantial replenishment assessments to be levied. Mr. David Laredo, attorney for the Monterey Peninsula Water Management District, suggested the Board refer to Section 6.3 of the Watermaster Rules and Regulations when considering the structure of the proposed policy. The issue was continued until reevaluated at the Budget and Finance Committee meeting scheduled for September 27, 2007.

IX. NEW BUSINESS

A. Notice to Board Members of need to Appoint or Reappoint Voting and Alternate Members to Board of Director's Positions.
The Board received the notice; there were no questions or comments.

B. Consider Alternative Board Meeting Dates for October 2007.
The Board concurred to schedule the next regular Board meeting on October 17, 2007 at 1:30 p.m. at Soper Center.

C. MPWMD Ordinance on Recycled Water Use and Resulting Credits.
Mr. McGlothlin authored the submitted staff report and addressed the Board, stating that Ordinance 130 as proposed was to be brought by MPWMD staff before the District Board at the last meeting for the first reading. Wording in the ordinance pertaining to water users, not producers, restricted credits relating to the use of recycled water making them non-transferable. The ordinance was not brought before the District Board and is no longer titled Ordinance 130. Mr. McGlothlin stressed the importance of a new draft ordinance maximizing incentives for usage of recycled water including transference of credits for substitution of recycled water for potable water to overcome high costs. Mr. Laredo stated that the idea of a concept draft ordinance would be discussed by the MPWMD Board at its September 17, 2007 meeting under a new ordinance number, following a presentation by Keith Israel on a related topic on recycled/reclaimed water. Mr. Laredo anticipates that the Board will provide ordinance process direction to staff possibly sending it back to committee.

MPWMD General Manger, David Berger reviewed a brief history of the ordinance, stating that a 3-member Water Demand Committee meeting held May 9, 2007 called for an ordinance on this matter to be developed. District staff proceeded with the initial study and negative declaration and the issue went back to the Committee, two different members sitting at this second meeting, where discussions questioned whether any

consideration of the ordinance should be extended at all. The MPWMD TAC reviewed the ordinance and requested that the concept draft ordinance not be taken to the District Board. Incentives were discussed at the meeting in a broad sense.

Mr. Berger stated that he would include all members of the Board and interested parties not on the MPWMD or its TAC, including attorney McGlothlin, in future correspondence regarding this matter. Mr. Berger stressed that any exclusion of Watermaster or others in the process was not intentional; the ordinance was reviewed by the District strictly from a water users regulatory standpoint and was not intended to restrict producers at all.

Mr. McGlothlin requested that future language of this ordinance include incentives for recycled water use. He suggested that the item be placed on the agenda for the next Watermaster Board meeting for direction to staff as to the official response from Watermaster to MPWMD regarding the draft ordinance.

Chair Rubio requested that any future ordinance development be shared with both Watermaster and MPWMD TACs and Boards at the earliest juncture possible.

X. INFORMATIONAL REPORTS (No Action Required)

A. Timeline schedule of Milestone Dates (Critical date monitoring)
B. Water Extraction Reports from Seaside Basin for Water Year October 1, 2006 – September 30, 2007.
C. Technical Advisory Committee (TAC) draft minutes of August 8, 2007 meetings.

There were no questions or comments from the Board or public.

XI. DIRECTOR'S REPORTS

There were no comments from directors.

XII. EXECUTIVE OFFICE COMMENTS

CEO Evans will begin the Annual Report process tomorrow. The report is due to the Court by November 15, 2007.

Replenishment Assessments must be made after the Water Year end and may or may not be on the October 17 agenda. This item will be placed on the Budget and Finance Committee agenda for its September 27, 2007 meeting. Director Bunosky stated that the upcoming year budget process plans to consider a longer budget term, perhaps through the anticipated end of the adjudication.

A TAC meeting is scheduled for September 12, 2007 where a presentation will be made by Monterey Regional Water Pollution Control Agency on groundwater replenishment. This same presentation will

be made to the Board, most likely at the October 17 meeting. Technical Project Manager Bob Jaques is currently updating consultant contracts.

Review of the CEO agreement relating to tax liability and review of the voluntary administrative assessments will be placed on the October 17 meeting agenda.

XIII. NEXT MEETING DATE – OCTOBER 17, 2007, SOPER FIELD COMMUNITY CENTER AT 1:30 P.M.

XIV. There being no further business, Chairman Rubio adjourned the meeting at 2:50 p.m.

ITEM NO. VI.

CONSENT CALENDAR

ITEM VI.A.
10/17/07

SEASIDE GROUNDWATER BASIN
WATERMASTER

TO: Board of Directors

FROM: Dewey D Evans, CEO

DATE: October 17, 2007

SUBJECT: Consider Request for Approval of Payment of CEO Compensation and Expense Reimbursements for September, 2007

PURPOSE:

Compensation for CEO time spent on direct Watermaster issues, rental of office space, administrative support time and supplies needed to conduct Watermaster monthly business

RECOMMENDATION:

Consider approving the payment to the CEO for time spent directly on Watermaster business. In addition, reimburse the CEO for out-of-pocket expenditures made on behalf of direct Watermaster related business.

COMMENTS:

Contract Compensation— (86.5 hours) For the period from August 26, 2007 through September 28, 2007 a total of 86.5 billable hours were recorded working directly on Watermaster related business. During this time one Watermaster Board meeting agenda was prepared, a newsletter was prepared and distributed, a number of meetings arranged and attended. Additionally, time was spent reviewing and following up with water extraction reports, sending out and following up on financial matters, collection of assessments, monitoring the progress of contractors, TAC and Budget and Finance Committee meeting requirements, and responding to and answering a series of general inquiries from the various Watermaster interested parties and the general public.

Reimbursables—Direct expenditures that are being requested to be reimbursed for are: rent of office space at 2600 Garden Road, Suite 228 for the month of October, 2007. Administrative support services which include; recording and transcribing of Board meeting minutes, data entry into Watermaster's accounting and financial systems and account and budget reconciliations and various other tasks as assigned. Other monthly expenditures include; computer maintenance and supplies; telephone, teleconferencing and internet services, office supplies, certified mailing costs and rental of meeting room and other related expenses as necessary.

FISCAL IMPACT:

Payment of bills reduces the adopted budget amounts in the Administrative Fund by a total of $9,940.16

ITEM VI.A.
10/17/07

SEASIDE GROUNDWATER BASIN
WATERMASTER
September, 2007

Request for Payment of CEO Compensation and Expense Reimbursements

Request for Payment:

Contract Compensation:

Chief Executive Officer—Dewey D Evans

86.5 hours—August 26, 2007 through September 28, 2007

At $75.00 per hour-- $6,487.50

Reimbursables:

Pay to Dewey D Evans for personal expenses paid on behalf of Watermaster program:

Office rental-2600 Garden Road, Suite 228 (October, 2007)	$280.00
Administrative Support-- general administrative support (September)	2,862.50
Computer Maintenance & Supplies	49.32
Telephone, Internet Services and Teleconferencing	132.02
Postage (Certified letters)	20.84
Office supplies	87.98
Meeting Room rental	20.00
Total Reimbursables	$3,452.66

Monthly total for September, 2007 $9,940.16

ITEM VI.B.
10/17/07

SEASIDE GROUNDWATER BASIN
WATERMASTER

TO: Board of Directors

FROM: Dewey D Evans, CEO

DATE: October 17, 2007

SUBJECT: Summary of Payments Authorized to be Paid in September, 2007.

PURPOSE:

To advise the Board of payments authorized to be paid during the month of September 2007

RECOMMENDATIONS:

Consider approving the payment of bills submitted and authorized to be paid by the CEO during the month of September, 2007

COMMENTS and FISCAL IMPACT:

Robert "Bob" Jaques (Technical Project Manager) – August 28, 2007 through September 25, 2007 worked a total of 56.25 hours at $100.00 per hour for **$5,625.00.** Reviewed and approved contractor invoices, reviewed and amended RBF Consulting, MPWMD and MCWRA contracts for Board consideration at their October 17th Board meeting. Worked on updating Master Project Schedules, met with CEO on Annual Report, Replenishment Assessments, etc.. Prepared, attended and recorded minutes at TAC meetings; met with RBF Consulting's Sarah Hardgrave and CEO on database issues. Met with Keith Israel and B. Holden of MRWPCA on Replenishment Assessment issues; reviewed seawater intrusion analysis documents; worked on replenishment assessment worksheet with Charles. Kemp and Joe Oliver.

Martin Feeney –Contract for $850,000.00 dated February 20, 2007—Two payments were authorized and approved for payment during September. The first was an invoice dated August 23, 2007 for $58,389.69 and the second an invoice dated September 9, 2007 for $394,436.50 for a total of $452,826.19, less 10% retention of $45,282.62, for an authorized payment of **$407,543.57.**

RBF Consulting—Contract for $390,071.00 dated April 18, 2007--One invoice was presented and authorized to be paid during September. The invoice dated September 21, 2007 was for $41,228.85 less 10% retention of $4,122.89 resulted in an authorized payment of **$37,105.96.**

Monterey Peninsula Water Management District, (MPWMD)—Contract for $76,080.00 dated April 18, 2007—One invoice was presented and authorized to be paid during September. The invoice dated September 24, 2007 was for $7,151.32 less 10% retention of $715.14 resulted in an authorized payment of **$6,436.18.**

Total payments authorized to be paid during September, 2007--**$456,710.71.**

ITEM VI.C.
10/17/07

SEASIDE GROUNDWATER BASIN
WATERMASTER

TO: Board of Directors

FROM: Dewey D Evans, CEO

DATE: October 17, 2007

SUBJECT: Current Year Financial Reports – January 1, 2007 through September 30 2007

PURPOSE:

To keep the Board informed of the current status of the Watermaster's financial condition

RECOMMENDATION:

That the Board of Directors consider approving and accepting the latest financial reports for the period January 1, 2007 through September 30, 2007

DISCUSSION:

The Board of Director's at the April 18, 2007 Watermaster Board meeting requested that all future monthly financial reports be placed on the regular Consent Calendar portion of the Watermaster's agenda. The following four (4) financial schedules illustrate the status of the Watermaster's four (4) Funds adopted budgets and the actual financial activity that has occurred in each of the Funds during the current Administrative Year 2007: January 1 through September 30, 2007.

FISCAL IMPACT:

No direct fiscal impact, but, does provide very valuable financial information on a monthly, as well as on a year to date basis.

ATTACHMENTS:

Four financial schedules

Seaside Groundwater Basin Watermaster
Budget vs. Actual Administrative Fund
Fiscal Year (January 1 - December 31, 2007)
Balance through September 30, 2007

	Adopted Budget	Year to Date Expenses	Balance
Assessment			
FY 2006 Rollover	58,866.47		58,866.47
Administrative Fund	64,000.00		64,000.00
Additional Assessment 4/18/07	27,150.00		27,150.00
Total Assessment	150,016.47		150,016.47
Expenses			
Administrative			
Computer Maint. & Supplies	3,000.00	286.84	2,713.16
Contract Staff	73,000.00	59,062.50	13,937.50
Meetings, Travel & Membership	2,000.00	125.70	1,874.30
Mileage Reimbursement	1,500.00	0.00	1,500.00
Office Consumables & Other	6,000.00	1,986.04	4,013.96
Office Equip. Maint. & Rental	1,000.00	0.00	1,000.00
Office Rental	3,500.00	2,520.00	980.00
Administrative Support	22,150.00	11,925.00	10,225.00
Legal	10,000.00	0.00	10,000.00
Utilities	1,000.00	967.38	32.62
Total Administrative	123,150.00	76,873.46	46,276.54
Total Available	26,866.47		
Dedicated Reserve	25,000.00		
Net Available	**1,866.47**		

ITEM VI.C.
10/17/07

Seaside Groundwater Basin Watermaster
Budget vs. Actual
Monitoring & Management - Operations Fund
Fiscal Year January 1 - December 31, 2007
Balance Through Sep 30, 2007

	Adopted Budget	Encumbrance	Year to Date Expense	Balance
Assessment				
Monitoring & Management - Ops Fund	$ 400,000.00			$ 400,000.00
Additional Assessment 4/18/07	300,000.00			300,000.00
Total 2007 Assessment	**$ 700,000.00**			**$ 700,000.00**
Appropriations & Expenses				
GENERAL				
Technical Project Manager	$ 64,000.00		$ 16,900.00	$52,725.00
Groundwater Modeling	30,970.00	-	32,555.81	-
BMMP Implementation Work Plan	35,000.00	$ 3,500.00	31,500.00	-
Coastal Monitoring (MPWMD)	7,080.00	-	6,940.52	-
Total General	**$ 137,050.00**	**$ 3,500.00**	**$ 87,896.33**	**$ 52,725.00**
RBF CONSULTING				
Labor Costs				
Program Administration	$ 80,900.00	$ 53,831.88	$ 27,068.12	$ -
Monitor Well Contr Oversight	14,471.00	3,043.01	11,427.99	-
Production/Lvl/Qlty Monitoring	144,600.00	69,838.59	74,761.41	-
Basin Management	6,300.00	4,315.48	1,984.52	-
Seawater Intrusion	88,800.00	75,293.52	13,506.48	-
Subtotals	335,071.00	206,322.48	128,748.52	-
Direct Costs				-
Durbin Model Documentation	40,000.00	36,400.00	3,600.00	-
Reproduction, mileage, misc.	15,000.00	11,270.32	3,729.68	-
Subtotals	55,000.00	47,670.32	7,329.68	-
Total RBF Consulting	**$ 390,071.00**	**$ 253,992.80**	**$ 136,078.20**	$ -
MPWMD				
Labor Costs				
Program Administration	$ 24,552.00	$ 19,428.75	$ 5,123.25	$ -
Monitor Well Contr Oversight	3,168.00	2,079.00	1,089.00	-
Production/Lvl/Qlty Monitoring	21,280.00	14,771.20	6,508.80	-
Basin Management	3,280.00	2,984.80	295.20	-
Subtotals	52,280.00	39,263.75	13,016.25	-
Direct Costs				
Data Archiving Hardware	3,600.00	3,600.00	-	-
Data Server	4,200.00	4,200.00	-	-
Water Quality Sampling Services	16,000.00	16,000.00	-	-
Reproduction, mileage, misc.	-	-	1,063.63	-
Subtotals	23,800.00	23,800.00	1,063.63	-
Total MRWMD	**$ 76,080.00**	**$ 27,400.00**	**$ 14,079.88**	$ -
MCWRA				
Labor Costs				
Seawater Intrusion	20,064.00	20,064.00	-	-
Total MCWRA	**$ 20,064.00**	**$ 20,064.00**	$ -	$ -
TOTALS	**$ 623,265.00**	**$ 304,956.80**	**$ 238,054.41**	**$ 52,725.00**

Seaside Groundwater Basin Watermaster
Budget vs. Actual
Monitoring & Managment - Capital Fund
Fiscal Year (January 1 - December 31, 2007)
Balances Through September 30, 2007

	Adopted Budget	Encumbrance	Year to Date Expense
Assessments:			
Monitoring & Management Fund - Capital	**$ 1,000,000.00**		
Appropriations & Expenses:			
Martin Feeney (Contract)			
Professional Services			
Project Management	39,450.00	9,960.75	29,489.25
Monitor Well Construction	58,150.00	58,150.00	-
Subtotal	97,600.00	68,110.75	29,489.25
Direct Costs			
Other related costs	26,000.00	23,305.40	2,694.60
Permitting - Denise Duffy	34,040.00	7,696.01	26,343.99
Well Drilling - Bradley	690,000.00	156,367.01	533,632.99
Subtotal	750,040.00	187,368.42	562,671.58
Total Monitoring & Management - Capital Fund	847,640.00	255,479.17	592,160.83
Net Available	**$ 152,360.00**		

Seaside Groundwater Basin Watermaster
Budget vs. Actual
Monitoring & Managment - Capital Fund
Fiscal Year (January 1 - December 31, 2007)
Balances Through September 30, 2007

		Balance
Assessments:		
Monitoring & Management Fund - Capital		$ 1,000,000.00
Appropriations & Expenses:		
Martin Feeney (Contract)		
Professional Services		
Project Management		-
Monitor Well Construction		-
	Subtotal	-
Direct Costs		
Other related costs		-
Permitting - Denise Duffy		-
Well Drilling - Bradley		-
	Subtotal	-
Total Monitoring & Management - Capital Fund		-
Net Available		**$152,360.00**

Seaside Groundwater Basin Watermaster
Budget vs. Actual
Replenishment Fund
Fiscal Year (January 1 - December 31, 2007)
Balances Through September 30, 2007

	Adopted Budget	Encumbrance	Year to Date Expense	Balance
Assessments:				
Replenishment Fund				
California American Water	$ 2,106,000.00			$ 2,106,000.00
(Credit Towared Replenishment Assessment)	(465,648.00)			(465,648.00)
Total California American Water Assessment	$ 1,640,352.00			$ 1,640,352.00
City of Seaside				
Exceeding Natural Safe Yield Considering Alternative Producers	$ 169,010.00	-	-	$ 169,010.00
Operating Yield Overproduction Replenishment	50,940.00	-	-	50,940.00
Total City of Seaside	$ 219,950.00			$ 219,950.00
Total Assessment	**$ 1,860,302.00**			**$ 1,860,302.00**
Appropriations & Expenses:				
Total Expenses	-	-	-	-
Total Available	**$ 1,860,302.00**			**$ 1,860,302.00**

ITEM NO. VII.

ORAL PRESENTATIONS

ITEM VII. A.
& VII. A. 1.
10/17/07

SEASIDE GROUNDWATER BASIN
WATERMASTER

TO: Board of Directors

FROM: Dewey D Evans, CEO

DATE: October 17, 2007

SUBJECT: Oral Presentation and Written Executive Summary of **SEASIDE GROUNDWATER BASIN WATERMASTER --SEAWATER SENTINEL WELLS PROJECT** by Martin Feeney

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PURPOSE:

MARTIN FEENEY WILL GIVE THE BOARD AN UPDATE ON THE SEAWATER SENTINEL WELL DRILLING PROGRESS

Also included is a written "**Executive Summary of Operations"** of the Seaside Groundwater Basin Watermaster Seawater Sentinel Wells Project.

Martin B. Feeney
Consulting Hydrogeologist

P.G. 4634
C.E.G. 1454
C.Hg 145

SEASIDE GROUNDWATER BASIN WATERMASTER
SEAWATER SENTINEL WELLS PROJECT
Summary of Operations

----Executive Summary----

For
Seaside Groundwater Basin Watermaster

Prepared by

Martin B. Feeney PG, CHg
with assistance from Pueblo Water Resources, Inc.

October 2007

P.O. Box 23240, Ventura, CA 93002 ♦ **Phone: 805/643-7710** ♦ e-mail mfeeney@ix.netcom.com

Executive Summary

As part of the overall management strategy for the Seaside Groundwater Basin, the Seaside Groundwater Basin Watermaster was required to install additional monitoring wells to assist in the ability to detect seawater intrusion into the Seaside Groundwater Basin. These wells, as a result of their purpose and location near the coastline, were designated as Sentinel Wells.

Purpose and Design

The Sentinel Wells project was designed to allow monitoring for seawater intrusion throughout the entire section of saturated sediments at four locations in the northern coastal portion of the Seaside Groundwater Basin. Seawater intrusion would be detected due to changes in conductivity of the sediments as measured by down-hole geophysical methods. Wells are also designed to provide for collection of water level data from the lower aquifer system in the Seaside Basin – the aquifer system that provides the majority of the water supply from the basin.

Permitting

The wells are located on the west side of US. Highway 1 on land formerly part of Fort Ord Military Reservation. The land now is being developed into Fort Ord Dunes State Park. Construction of the wells required both CEQA review and a permit from the California Coastal Commission. Well construction also required permits from Monterey County Environmental Health Department.

Field Activities

Wells were constructed during July through September 2007 utilizing conventional rotary drilling methods. Wells are constructed of 3-inch diameter PVC casing and extend to as deep as 1,500 feet. The wells, depending on location, penetrate geologic materials assigned to Quaternary Beach/Dune Sand Deposits, Aromas Sand, Paso Robles Formation, Purisima Formation and/or Santa Margarita Sandstone. The three most southerly wells reach the Monterey Formation – the adopted effective base of freshwater water for the Seaside Basin. The Santa Margarita Sandstone was only encountered in the most southerly location.

After completion of the wells, geophysical logging and water quality sampling were performed. Each of the wells was induction logged to measure the conductivity of the fluids contained within the sediments. Water quality samples were collected by air-lifting and through down-hole sampling techniques. Induction logging identified zones of saline intrusion in the upper portion of each of the wells. Intrusion was limited to the Dune/Beach Sand Deposits and Aromas Sand. No evidence of seawater intrusion was detected in the upper aquifer or lower aquifer units that comprise the useable aquifers of the Seaside Basin. Water quality sampling revealed significant difference in water chemistry both spatially and vertically. The quality of water in the Purisima Formation is substantially less mineralized than the Santa Margarita Sandstone.

CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

The geologic, geophysical and hydrogeologic data from the Sentinel Wells have provided significant additional understanding of the hydrogeology of the southern Fort Ord area of the Seaside Groundwater Basin.

- The most significant geologic finding was the absence of the Santa Margarita Sandstone at three of the four monitoring wells, and the extremely limited thickness of the Santa Margarita Sandstone at the most southerly site. The most northerly well encountered Pliocene-aged Purisima Formation to total depth (1,500 feet). Moving farther south, the monitoring wells encountered Purisima Formation overlying shales of the Monterey Formation. At the most southerly site, the lithologic and water quality data suggest that there is a 30- to 40-foot thick section of Santa Margarita Sandstone underlying the Purisima and overlying the Monterey Formation shales.

- The data reveal that the Purisima Formation extends much farther south into the Seaside Groundwater Basin than had previously been believed. Additionally, the recent data suggest that interpretation of geologic data from some of the previous monitoring wells in southern Fort Ord may have erroneously identified the Purisima Formation as the Santa Margarita Sandstone.
- The absence of the Santa Margarita Sandstone complicates the hydrogeologic understanding of the Seaside Basin, but it may have limited impacts on basin management. The Purisima Formation is water-bearing and is used for municipal supply by Marina Coast Water District. The Purisima Formation is less permeable than the Santa Margarita Sandstone, however, the Purisima is substantially thicker and, as such, may have similar transmissivities. Additional analysis will be required to determine whether the occurrence of the Purisima Formation in place of the Santa Margarita Sandstone has relevance to basin storage volumes, susceptibility to seawater intrusion, opportunities for ASR, and basin management.
- Water level data from the Sentinel Wells reveal water levels in the lower aquifer system at the location of the wells to be approximately 20 feet below sea level.

- Water quality data from the Sentinel Wells reveal water quality to vary spatially and with depth. Down-hole sampling techniques have revealed differences in salinity of more than two fold within the same well that was masked when a composite sample was collected. This needs to be considered when designing a sampling program.

- Water from the wells completed in the Purisima Formation is significantly less saline than water from the Santa Margarita Sandstone in the Seaside Basin. This difference will complicate spatial analysis of water quality trends. Comparison of chloride concentrations between waters from Santa Margarita Sandstone and water from the Purisima Formation need to be considered carefully. Naturally occurring chloride concentrations in the Santa Margarita Sandstone are several times higher than the chloride concentrations in the Purisima Formation and therefore intrusion detection “triggers” will need to be specific to the geologic unit.

- No evidence of seawater intrusion was detected in either of the primary aquifer systems of the Seaside Basin: the Paso Robles Formation or the Santa Margarita Sandstone/Purisima Formation.

- Geophysical data reveal significant seawater intrusion in the upper portions of SBWM #1 borehole to depths of approximately 350 feet. The existence of seawater intrusion in the shallow aquifer units in this area has been known for decades.

- Evidence for seawater intrusion at the other 3 locations was limited to saline intrusion into the shallow Dune/Beach Sand Deposits.

RECOMMENDATIONS

- The data from the Sentinel Wells, taken together with existing data from previous monitoring wells, raise some hydrogeologic questions and suggest that additional hydrogeologic analysis is required. Some of the hydrogeologic questions are relevant to basin management while others are relatively academic. The hydrogeologic analysis should include, as necessary, the refinement and revision of the overall hydrogeologic structure/stratigraphy of the Basin, but focus on the ramifications, if any, these refinements may have on the management of the basin.

Additional Monitoring Wells:

- While more borehole data are almost always useful, it is not believed at this time to be necessary or cost-effective to install additional monitoring wells solely for the purpose of achieving a better understanding of the basin hydrogeology or to manage the basin.

- The need for additional monitoring wells may change over time as data accumulates. If changes in conductivity are detected over several induction logging cycles, monitoring well(s) should be installed as appropriate to allow sampling of the locations and zones of interest. These changes will occur gradually and will need to be confirmed over time before initiating well construction. As such, it is unlikely that Watermaster will need to budget for construction of additional monitoring wells for the coming year. The Watermaster, however, might include in the budget for 2009, a contingency for installing monitoring wells in response to the detection of significant changes in conductivity, as measured by induction logging, in the Sentinel Wells. An appropriate budget for permitting, construction and hydrogeologic oversight of a new monitoring well would be approximately $150,000.

Data Collection:

- The Sentinel Wells represent a significant addition to the monitoring network of the Seaside Groundwater Basin. The Sentinel Wells should be induction logged quarterly. Successive induction logs should be overlaid on previous logs for comparison. Water samples should be collected concurrently for comparison and calibration of induction logs. If possible, water quality samples should be collected from top and bottom of screened intervals. After the first year of data collection, the data should be reviewed with the intent of determining the appropriate sampling frequency.
- The Sentinel Wells are located in the newly-created Fort Ord State Park. This park is soon to be open to the public. Given the park's visitor-serving purposes, there is a motivation to minimize the disruption of park uses that periodic data collection activities will create. As such, it is recommended that data collection methods be utilized that result in minimum disruption. Data collection techniques should have a limited footprint and should be able to be performed quickly.

- Consistent with the recommendation to minimize data collection impacts, it is recommended that periodic water quality sampling be performed utilizing down-hole capture methods. This will avoid well purging activities which would require mobilization of pumping equipment and the containment and disposal of purge water. The use of down-hole sampling capitalizes on the

induction logging program as the down-hole sampling can be performed utilizing the same wire-line equipment on site for induction logging.

- Down-hole wire-line water quality sampling also provides the ability to get relatively discrete water quality samples from differing depths within the perforated interval. Additionally, down-hole sampling, performed concurrently with the induction logging, is much less expensive in terms of labor costs than conventional sampling methods.

- Again, to minimize disruption to Park activities and uses, the Sentinel Wells should be equipped with continuous water-level data loggers to record water level fluctuations. Continuous water level data collection will allow characterization of both tidal fluctuations and the pumping stresses imposed by regional extractions. These data will assist in understanding: (1) the nature and degree of connectivity to the ocean; (2) the influence of pumping/injection stresses at these locations; (3) the regional gradients and groundwater flow directions; and (4) long-term trends in ground water levels along this section of the coastline.

- At the most northerly and southerly sites, there are nearby shallow monitor wells that were installed as part of previous investigations. Consideration should be given to adding these wells to the monitor well network for regular water level monitoring as this information could supplement the data from the new Sentinel Wells for future hydrogeologic analyses.

- It is estimated that each induction logging and water quality sample collection event can be performed for approximately $6,500 inclusive of laboratory analysis. This would include 4 induction logs, the collection of 2 water samples from each well and laboratory analysis for general mineral constituents. Technical staff time would be in addition to this cost. It may be possible to acquire the logging and sampling services as part of negotiated annual contract. This could reduce costs significantly.

ITEM VII. B.
10/17/07

SEASIDE GROUNDWATER BASIN
WATERMASTER

TO: Board of Directors

FROM: Dewey D Evans, CEO

DATE: October 17, 2007

SUBJECT: Oral Presentation—Monterey Regional Water Pollution Control Agency, (MRWPCA)

PURPOSE:

MR. KEITH ISRAEL, GENERAL MANAGER OF THE MONTEREY REGIONAL WATER POLLUTION CONTROL AGENCY, (MRWPCA) WILL PRESENT AN OVERVIEW OF THE AGENCY'S WATER RECYCLING PROJECT.

ITEM NO. VIII.

OLD BUSINESS

ITEM NO. VIII. A. 1.

(COMBINED COMMITTEES RECOMMENDATION)

TECHNICAL COMMITTEE and BUDGET AND FINANCE COMMITTEE

ITEM VIII. A. 1. a).
10/17/07

SEASIDE GROUNDWATER BASIN
WATERMASTER

TO: Board of Directors

FROM: Watermaster Budget and Finance Committee by Dewey D Evans

DATE: October 17, 2007

SUBJECT: Fiscal Years 2008 and 2009 Watermaster Annual Budgets

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PURPOSE:

To provide Watermaster FY 2008 and 2009 tentative budgets for Board approval to meet the requirements of the Court decision and Rules and Regulations regarding the budget adoption process and to include the adopted budgets in the Annual Report to Court on or before November 15, 2007.

RECOMMENDATION:

Review and adopt the tentative Administrative Fund, Monitoring and Management Operations Fund, Monitoring and Management Capital Fund, and Replenishment Fund budgets for fiscal years 2008 and 2009 (January 1 through December 31).

DISCUSSION:

The Watermaster Budget and Finance Committee in a recent meeting approved the proposed tentative Administrative Fund, Monitoring and Management Operations Fund, Monitoring and Management Capital Fund, and Replenishment Fund budgets for both fiscal years 2008 and 2009. The Monitoring and Management Operations and Capital Funds budgets were developed through the Watermaster Technical Advisory Committee and appointed subcommittee. The Administrative and Replenishment Fund budgets were developed by the CEO. The Replenishment Fund budgets are only approximations as projections are based in part on overproduction of Natural Safe Yield for Water Year 2007 and the per-acre foot cost of replenishment for 2008, neither amount known or adopted at this time.

Adopted tentative budgets are to be mailed by the Watermaster Board Secretary to each Party no earlier than November 1 and no later than November 15. Objections to the tentative budgets by any Producer must be submitted in writing to the Watermaster Board within fifteen (15) days after the date of mailing of the tentative budget. If objections are received, the Watermaster Board shall consider the objections within ten (10) days thereafter and shall prepare a final budget. The final budget will be thereafter mailed to each Producer together with a statement of the amount assessed to each Producer. Any Producer may apply to the Court within fifteen (15) days after the mailing of the final budget for revision based on specific objections.

FISCAL IMPACT:

The proposed tentative budgets are a plan of anticipated assessment revenue and expenditures for fiscal years 2008 and 2009.

ATTACHMENTS:

Proposed tentative Administrative Fund, Monitoring and Management Operations Fund, Monitoring and Management Capital Fund, and Replenishment Fund budgets for the two fiscal years (January 1 through December 31) of 2008 and 2009.

Seaside Groundwater Basin Watermaster
Administrative Fund
Adopted FY 2007 Budget,
Estimated FY 2007 Expenses,
and Fiscal Years 2008 & 2009
Proposed Budget

	2007 Adopted Budget	2007 Estimated Expenses	2008 Proposed Budget	2009 Proposed Budget
Ordinary Income/Expense				
Income				
Assessment				
Dedicated Reserve	25,000	-	25,000	25,000.00
FY Rollover	33,867	-	21,216	216
Administrative Fund	64,000	-	87,000	108,000
Additional Assessment	27,150	-	0	0
Total Assessment	150,017	-	133,216	133,216
Expense				
Administrative				
Computer Maint. & Supplies	3,000	1,000	1,000	1,000
Contract Staff	73,000	73,000	72,000	72,000
Meetings, Travel & Membership	2,000	500	500	500
Mileage Reimbursement	1,500	0	0	
Office Consumables & Other	6,000	3,000	3,500	3,500
Office Equip. Maint. & Rental	1,000	500	500	500
Office Rental	3,500	3,500	4,000	4,000
Administrative Support	22,150	21,000	24,000	24,000
Legal	10,000	0	1,000	1,000
Utilities	1,000	1,300	1,500	1,500
Total Administrative	123,150	103,800	108,000	108,000
Total Available	26,867		25,216	25,216
Dedicated Reserve	25,000		25,000	25,000
Net Available	1,867		216	216

Monitoring and Management Plan Operatic
For Phase 2 Tasks to be Undertaken in
(Updated October 10, 2007)

Task	Subtask	Sub-Subtask	Cost Description	CONSULTAN	
				MPWMD	MCWRA
			Labor		
			Technical Project Manager (TPM)*	$0	$0
M.1 Program Administration					
	M.1.a		Project Budget and Controls	$0	$0
	M.1.b		Assist with Board and TAC Agendas	$0	$0
	M.1.c		Preparation and Attendance of Meetings	$0	$0
	M.1.d		Prepare Board/ TAC Status Updates and Reports	$0	$0
	M.1.e		Peer Review of Documents and Reports	$0	$0
I.1 Monitor Well Construction (Task Completed in Phase 1)				$0	$0
I.2 Production, Water Level and Quality Monitoring					
	I. 2. a.		Conduct ongoing data entry/ database maintenance	$2,000	$1,000
	I. 2. b.		Data Collection Program Enhancements		
		I. 2. b. 1.	Site Representation and Selection	$1,600	$0
		I. 2. b. 2.	Collect Monthly Water Levels[6]	$3,400	$0
		I. 2. b. 3.	Collect Quarterly Water Quality Samples[1][5]	$52,000	$0
		I. 2. b. 4.	Update Program Schedule and Standard Operating Procedures.	$1,000	$1,000
	I. 2. c.		Reports	$5,700	$500
I.3 Basin Management					
	I. 3. a.		Enhanced Seaside Basin Groundwater Model	$0	$0
	I. 3. b.		Prepare Basin Management and Action Plan	$5,000	$1,000
		I. 3. b. 1	Supplemental Water Supplies		
		I. 3. b. 2	Pumping Redistribution Strategies		
		I. 3. b. 3	Basin Capacity and Yield Analyses		
	I. 3. c.		Plan Preparation		
I.4 Seawater Intrusion Contingency Plan					
	I. 4. a.		Oversight of Seawater Intrusion Detection and Tracking	$3,000	$3,000
	I. 4. b.		Analyze and Map Water Quality from Coastal Monitoring Wells		

	I. 4. c.		Annual Report- Seawater Intrusion Analysis		
	I. 4. d.		Prepare Response Plan[(2)]	$3,000	$1,000
			TOTALS CONSULTANTS & CONTRACTORS	$76,700	$7,500
					Continge

Footnotes:

(1) An outside contractor would be used to perform the induction logging, and potentially to also collect so the induction logging. MPWMD is expected to perform portions of the work of this Subtask, and would like perform the induction logging and sample collection work on certain of the wells.

(2) The reponse plan would only be implemented in the event sea water intrusion is determined to be occ

(3) Within the context of this document the term “Consultant” refers either to a Private Consultant providir services, or to the Monterey Peninsula Water Management District (MPWMD), or to the Monterey County “Contractor” refers to a firm providing construction or field services such as well drilling or induction loggin

(4) Due to the uncertainties of the exact scopes of some of the Tasks listed above at the time of preparati recommended that a 20% Contingency be included in the Budget.

(5) Includes an additional 10 wells to be monitored as recommended in the Enhanced Monitoring Well Ne potential well site retrofitting costs that may be necessary in order to make some of these wells available f

(6) MPWMD's costs for this Subtask had initially included $10,000 for the one-time purchase and installat recommended in Mr. Feeney's Report. However, at the 10-9-07 TAC meeting it was found that Mr. Feene it to perform this work (through a contract amendment), and the TAC felt this was a preferable approach, s MPWMD's budget, on the assumption that the work will be done in 2007 under Mr. Feeney's contract.

ons Budget
l 2008

ITS & CONTRACTORS[3]		Total
Private Consultants	Contractors	
$100,000	$0	$100,000
$2,000	$0	$2,000
$0	$0	$0
$4,000	$0	$4,000
$4,000	$0	$4,000
$2,000	$0	$2,000
$0		$0
$9,000	$0	$12,000
$2,000	$0	$3,600
$0	$0	$3,400
$0	$26,000	$78,000
$1,000		$3,000
$1,000		$7,200
$0		$0
$100,000		$106,000
(Costs Included Under I.3.b)		
(Costs Included Under I.3.b)		
(Costs Included Under I.3.b)		
(Costs Included Under I.3.b)		
$35,000	$0	$41,000
(Costs Included Under I.4.a)		

(Costs Included Under I.4.a)		
$5,000	$0	$9,000
$265,000	$26,000	
SUBTOTAL not including *TPM =		$275,200
ency not including *TPM @ 20%[(4)]=		$55,040
	*TPM	$100,000
	TOTAL=	**$430,240**

ome water quality samples in conjunction with doing
ely be the party that contracts with the Contractor to

curring.
ng professional engineering or other types of technical
Water Resources Agency (MCWRA). The term
g.
ion of this Budget, e.g. Tasks I.3.b and I.4.a, it is

etwork Evaluation, and approximately $20,000 in
for use as monitoring wells.
tion of data-loggers for the four new Sentinel Wells, as
ey's 2007 contract will have sufficient unused funds in
so the $10,000 was removed from this line item in

Monitoring and Management Plan Operations Budget
For Phase 2 Tasks to be Undertaken in 2009
(Updated October 10, 2007)

Task	Subtask	Sub-Subtask	Cost Description	CONSULTANTS & CONTRACTORS[3]				Total
				MPWMD	MCWRA	Private Consultants	Contractors	
Labor								
			Technical Project Manager (TPM)*	$0	$0	$100,000	$0	$100,000
M.1 Program Administration								
	M.1.a		Project Budget and Controls	$0	$0	$2,060	$0	$2,060
	M.1.b		Assist with Board and TAC Agendas	$0	$0	$0	$0	$0
	M.1.c		Preparation and Attendance of Meetings	$0	$0	$4,120	$0	$4,120
	M.1.d		Prepare Board/ TAC Status Updates and Reports	$0	$0	$4,120	$0	$4,120
	M.1.e		Peer Review of Documents and Reports	$0	$0	$2,060	$0	$2,060
I.1 Monitor Well Construction (Task Completed in Phase 1)				$0	$0	$0		$0
I.2 Production, Water Level and Quality Monitoring								
	I. 2. a.		Conduct ongoing data entry/ database maintenance	$2,060	$1,030	$9,270	$0	$12,360
	I. 2. b.		Data Collection Program Enhancements					
		I. 2. b. 1.	Site Representation and Selection	$1,648	$0	$2,060	$0	$3,708
		I. 2. b. 2.	Collect Monthly Manual Water Levels	$3,502	$0	$0	$0	$3,502
		I. 2. b. 3.	Collect Quarterly Water Quality Samples[1][5]	$53,560	$0	$0	$26,780	$80,340
		I. 2. b. 4.	Update Program Schedule and Standard Operating Procedures.	$1,030	$1,030	$1,030	$0	$3,090
	I. 2. c.		Reports	$5,871	$515	$1,030	$0	$7,416
I.3 Basin Management								
	I. 3. a.		Enhanced Seaside Basin Groundwater Model[8]	$5,150	$1,030	$50,000	$0	$56,180
	I. 3. b.		Update Basin Management and Action Plan[7]	$5,150	$1,030	$25,000	$0	$31,180
		I. 3. b. 1	Supplemental Water Supplies	(Costs Included Under I.3.b)				
		I. 3. b. 2	Pumping Redistribution Strategies	(Costs Included Under I.3.b)				
		I. 3. b. 3	Basin Capacity and Yield Analyses	(Costs Included Under I.3.b)				
	I. 3. c.		Plan Preparation	(Costs Included Under I.3.b)				
I.4 Seawater Intrusion Contingency Plan								
	I. 4. a.		Oversight of Seawater Intrusion Detection and Tracking[10]	$3,090	$3,090	$10,000	$0	$16,180
	I. 4. b.		Analyze and Map Water Quality from Coastal Monitoring Wells	(Costs Included Under I.4.a)				
	I. 4. c.		Annual Report- Seawater Intrusion Analysis	(Costs Included Under I.4.a)				
	I. 4. d.		Update Response Plan[2][9]	$3,090	$1,030	$5,150	$0	$9,270
TOTALS CONSULTANTS & CONTRACTORS				$84,151	$7,725	$165,900	$26,780	
SUBTOTAL not including *TPM =								$235,586
Contingency not including *TPM @ 20%[4]=								$47,117
*TPM								$100,000
TOTAL=								**$382,703**

Footnotes:

(1) An outside contractor would be used to perform the induction logging, and potentially to also collect some water quality samples in conjunction with doing the induction logging. MPWMD is expected to perform portions of the work of this Subtask, and would likely be the party that contracts with the Contractor to perform the induction logging and sample collection work on certain of the wells.

(2) The reponse plan would only be implemented in the event sea water intrusion is determined to be occurring.

(3) Within the context of this document the term "Consultant" refers either to a Private Consultant providing professional engineering or other types of technical services, or to the Monterey Peninsula Water Management District (MPWMD), or to the Monterey County Water Resources Agency (MCWRA). The term "Contractor" refers to a firm providing construction or field services such as well drilling or induction logging.

(4) Due to the uncertainties of the exact scopes of some of the Tasks listed above at the time of preparation of this Budget, e.g. Tasks I.3.b and I.4.a, it is recommended that a 20% Contingency be included in the Budget.

(5) Includes an additional 10 wells to be monitored as recommended in the Enhanced Monitoring Well Network Evaluation, and approximately $5,000 in additional potential well site retrofitting costs that may be necessary in order to continue to make some of these wells available for use as monitoring wells in 2009.

(6) Costs for each Task and Subtask in this 2009 Budget are the same as those for the 2008 Budget except they have been increased by 3% to account for inflation. Tasks and Subtasks that will be completed in 2008 and therefore need not be performed again in 2009 have been dropped from the 2009 Budget.

(7) Although at the time this Budget was prepared the Basin Management and Action Plan had not yet been prepared, for budgeting purposes it was assumed that

(8) Work performed in 2007 indicated that an enhanced Seaside Basin Groundwater Model was not necessary for the proper management of the basin at this time.

(9) The Response Plan to be implemented in the event seawater intrusion is found to be occurring had not been developed at the time this Budget was prepared, and

(10) For budgeting purposes it was assumed that a lesser level of effort to prepare an updated Seawater Intrusion Analysis Report would be required in 2009 compared to the costs of preparing the intial Reports in 2007 and 2008. Therefore, the private consultant cost for this Task was reduced to $10,000 in this Budget.

ITEM VIII A. 1.a).3)
10/17/07

Seaside Groundwater Basin Watermaster
Proposed Budgets
Monitoring and Management—Capital Fund
Fiscal Years 2008 and 2009

Fiscal Year (January 1, 2008 through December 31, 2008)

No Capital projects or expenditures are anticipated to be necessary in FY 2008

Fiscal Year (January 1, 2009 through December 31, 2009)

The Capital projects and expenditures that may be necessary in FY 2009 are:

"Possible need to install two additional monitoring wells at an estimated cost of $200,000 Each (including consultant costs and well contractor costs), for a total well construction cost of $400,000."

ITEM NO. VIII.A.1.a).4)
10/17/07

Seaside Groundwater Basin Watermaster

Proposed Budgets

Replenishment Fund

Fiscal Years 2008 and 2009

Fiscal Year (January 1, 2008 through December 31, 2008)

Total Estimated Assessments	$1,000,000
Total Estimated Appropriations	0
Total Estimated Assessment Available	$1,000,000

Fiscal Year (January 1, 2009 through December 31, 2009)

Total Estimated Assessments	$1,000,000
Total Estimated Appropriations	0
Total Estimated Assessment Available	$1,000,000

ITEM VIII. A. 1. b)
10/17/07

SEASIDE GROUNDWATER BASIN
WATERMASTER

TO: Board of Directors

FROM: Dewey D Evans, CEO

DATE: October 17, 2007

SUBJECT: Replenishment Assessment for Water Year October 1, 2007 –September 30, 2008

PURPOSE:

Establishment of over-production replenishment assessment for Water Year October 1, 2007 through September 30, 2008

RECOMMENDATION:

Consider adopting the Replacement Water Cost Per Acre-Foot of $2,485 for Water Year October 1, 2007 through September 30, 2008.

COMMENTS:

The amended Decision filed with the Court on February 9, 2007 contains the following statements and/or requirements pertaining to the Replenishment Assessment.

Each Water Year, the Watermaster will determine a Replenishment Assessment for Artificial Replenishment of the Seaside Basin necessary to offset the cumulative Basin Over-Production (as defined in Section III.A.21), and levy a Replenishment Assessment. Replenishment Assessments based on Over-Production and on Operating Yield Over-Production shall be assessed within 60 days of the end of each Water Year on a per acre-foot basis on each acre-foot, or portion of an acre-foot, of Over-Production, and payment shall be due no later than January 15th of the following year. The per acre-foot amount of the Replenishment Assessments shall be determined and declared by Watermaster in October of each Water Year in order to provide Parties with advance knowledge of the cost of Over-Production in that Water Year.

Please refer to the attached schedule that illustrates the components that went into establishing the recommendation to adopt $2,485 as the amount to assess pumpers that over-pump the allocated amount during Water Year beginning October 1, 2007 and ending on September 30, 2008.

FISCAL IMPACT:

Unknown at this time

ATTACHMENTS:

One Schedule -- Anticipated Costs of Replenishment Water for the Seaside Basin

Updated: 10/10/07

ANTICIPATED COSTS OF REPLENISHMENT WATER FOR THE SEASIDE BASIN

POTENTIAL SOURCE OF REPLACEMENT WATER	ANNUALIZED COST ($/AFY)	EXPECTED DATE REPLACEMENT WATER COULD BECOME AVAILABLE	COLA ADJUSTED 3%	EFFECTIVE YIELD (AF)	WEIGHTED AVG %	REPLENISHMENT SHARE	COMMENTS
CWP Desalination Plant[i] [ii] [iii] [iv] [v] [vi]	$2,075	2012	$2,137	0	0.00%	$0	Plant not scheduled to go on line until around 2012, and is thus not prior to January 2009, when the initial 10% reduction in allowable production could occur, per Footnote No.2 on page 18 of the Amended Decision filed February 9, 2007.
CWP ASR[vii][viii] [ix] [x] [xi]	$1,245	2012	$1,282	0	0.00%	$0	Project is not scheduled to go on line until around 2012, since it depends in part on receiving water from the CWP Desalination Plant. Thus, it is not prior to the January 2009 target date.
In-Lieu recharge to Laguna Seca Sub-area[xxxii]	$610	2008	$628	172	36.44%	$229	Based on winter-time demand for Ryan Ranch, Hidden Hills, and Bishop.
MRWPCA[xx] [xxi] [xxii]	$2,000	2010 to 2012	$2,000	0	0.00%	$0	Direct injection or percolation using highly treated recycled water. Based on assumption xxi. Project not scheduled to go on line prior to the January 2009 target date.
RURWAP[xxiii] [xxiv]	$2,068	Late 2009 to early 2010	$2,068	0	0.00%	$0	Based on assumption xxiii, this project is not expected to go on line until 2010 or 2011 at the earliest, which is not prior to the January 2009 target date.
Pajaro-Sunny Mesa/ Poseidon Desalination Project[xxv] [xxvi] [xxvii] [xxviii]	$1,352	Assume same timeline as CWP above (2012)	$1,393	0	0.00%	$0	Project parallels the CWP as a regional desalination project, and is assumed to be progressing on the same timeline as the CWP.
Sand City Desalination Project[xxix],[xxx],[xxxi]	$3,550	Early 2009	$3,550	300	63.56%	$2,256	Project has completed final design and is out for construction bids. Completion by early 2009 is anticipated.

Total Quantity of Replacement Water (AFY) Expected to be Available to the Seaside Basin by January 2009 = 472

Flow-Weighted Replacement Water Cost Per Acre-Foot = $2,485

Assumptions:

[i] California American Water's Coastal Water Project- Desalination Component
[ii] Source: Capital and O&M Cost Estimates prepared by RBF Consulting, revised June 2006
[iii] 10 mgd desalination plant, 10,430 AFY production
[iv] Calculated using 10,430 AFY production
[v] ASR cost component identified as "stand alone project" for Comparative Purposes
[vi] 2005 capital cost amortized over 30 years at 7%
[vii]California American Water's Coastal Water Project- ASR Component
[viii] Source: Capital and O&M Cost Estimates prepared by RBF Consulting, revised June 2006
[ix] CWP ASR would integrate and upgrade existing Santa Margarita Test Injection Well, construct two (2) additional wells, Segunda and ASR pipelines, ASR Pump Station, and upgrade Segunda Pump Station
[x] Calculated using 1,300 AFY production
[xi] 2005 Capital cost amortized over 30 years at 7%
[xii] Monterey Peninsula Water Management District's Sand City Desalination Project: 7.5 mgd desalination plant, 8,409 AFY production
[xiii] Source: Exhibit 12-A MPWMD Comparative Matrix, September 18, 2006
[xiv] Cost estimates range from $2,737 - $2,939/ AFY, which does not include CAW system integration costs
[xv] Not Used.
[xvi] Not Used.
[xvii] Not Used.
[xviii] Not Used.
[xix] Not Used.
[xx] Groundwater Replenishment Project, Monterey Regional Pollution Control Agency
[xxi] 2,400 AFY yield
[xxii] Updated preliminary cost estimate provided by MRWPCA September, 2007, so no COLA applied.
[xxiii] Regional Urban Recycled Water Augmentation Project, Marina Coast Water District and MRWPCA. MCWD is designing the trunklines, distribution pump stations, and distribution storage. MRWPCA is designed the SVRP pump station and connector to the distribution system. First delivery of recycled water not expected to occur until, at the earliest, in late 2009 or early 2010. 300 AFY (of 1,727 AFY total) of reclaimed water earmarked to Monterey Peninsula in Phase 1B, which is not expected to be served until around 2012. Initial deliveries that will impact pumping from the Seaside GW Basin would be to the two Seaside golf courses (Bayonet and Blackhorse) @ a combined amount of 400 AFY. This could begin by late 2009 or early 2010, as noted above. Unit cost of $2,068 per AF calculated from MCWD Draft Budget prepared in February 2007, so no COLA was applied to this figure as it was considered to be an up-to-date figure.
[xxiv] Cost does not include connection fees, which are estimated to be $2,800 per EDU
[xxv] Monterey Bay Regional Seawater Desalination Project, Pajaro/Sunny Mesa and Poseidon Resources
[xxvi] Source: Exhibit 12-A MPWMD Comparative Matrix, September 18, 2006
[xxvii] 20 mgd desalination plant, 20,930 AFY demand identified
[xxviii] Does not include costs for CAW system integration
[xxix] Cost estimate of $3,550 per AF provided by City of Sand City, based on combined estimated capital cost amortization and O&M costs for this project.
[xxx] No COLA was applied to this estimate, as it is a current and updated one.
[xxxi] Project is expected to come online in January 2009
[xxxii] In-lieu recharge in the Laguna Seca subarea would be accomplished by making a new interconnect to the Bishop area, some upgrading of an existing interconnect to the Hidden Hills area, and use of an existing interconnect to the Ryan Ranch area. A separate permit from the SWRCB to make these diversions from the Carmel River basin would be required. This work could likely be accomplished prior to the January 2009 target date.

ITEM NO. VIII. A. 2.

BUDGET AND FINANCE COMMITTEE

ITEM VIII. A. 2. a).
10/17/07

SEASIDE GROUNDWATER BASIN
WATERMASTER

TO: Board of Directors

FROM: Watermaster Budget and Finance Committee by Dewey D Evans

DATE: October 17, 2007

SUBJECT: Implementation of a Volunteer Financial Assessment Policy to Share the Cost of Providing Annual Administrative Support

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PURPOSE:

Allow the parties directly affected by the court judgment and represented on the Watermaster Board of Directors to voluntarily share the annual financial cost of administration of the judgment.

RECOMMENDATION:

In the interest of fiduciary fairness, the Watermaster Budget and Finance Committee recommends that the Board consider adopting a Volunteer Financial Assessment Policy for collection of a voluntary assessment from each party represented on the Board of Directors in the amount of one-thirteenth of the adopted annual administrative budgeted amount per vote allotted each party as stated in the court decision, with an annual cap of $200,000 total administrative expenses to be prorated.

DISCUSSION:

The Watermaster Budget and Finance Committee in a recent meeting discussed prorating the administrative cost of the Watermaster by appealing to each party affected by the judgment to voluntarily pay a calculated assessment based on the voting strength of each. If a member party has the equivalent of one vote out of the thirteen as specified in the judgment and the adopted annual administrative budget is, as proposed for 2008, $87,000 that party would be asked to pay one thirteenth of the $87,000 or $6,692. If a member party has ½ of a vote, that member would be asked to pay $3,346; 2 votes $13,384; 3 votes $20,076. If in the future it is necessary to spend in excess of $200,000 in any one year for administrative expenses, the current court decreed formula would continue for the amount over $200,000. If any party chooses not to voluntarily pay the assessment, the current court decreed formula would continue for the amount of that party's calculated assessment.

FISCAL IMPACT:

A minimal cost would be incurred to administer assessments with minor or no fiscal impact on administrative budgeted amounts; the policy would mainly affect the source of administrative funding.

ATTACHMENTS:

None

ITEM NO. VIII. B.

OTHER
OLD BUSINESS

SEASIDE GROUNDWATER BASIN WATERMASTER

VIII. B. 1.
10/17/07

STAFF REPORT

TO: Board of Directors

FROM: Laura Dadiw, Assistant to the CEO

DATE: October 17, 2007

SUBJECT: Notice to Board Members of need to Appoint or Reappoint Voting and Alternate Members to Board of Directors' Positions

PURPOSE

Notification to each of the subject Watermaster Parties to appoint or reappoint Voting and Alternate Members to the Watermaster Board of Directors in November of 2007 to sit on the Watermaster Board for a two (2) year term beginning in January of 2008.

RECOMMENDATION

It is recommended that the Public Agency Parties, groups of Landowner Parties and California American Water that make up the Watermaster Board of Directors receive preliminary notification from the Secretary of the Watermaster Board to appoint or reappoint Voting and Alternate Members to the Watermaster Board of Directors in November of 2007 to sit on the Watermaster Board for a two (2) year term beginning in January of 2008.

COMMENTS

The Watermaster adopted Rules and Regulations specify under item 4.0 the requirements for appointment of Members to the Board of Directors. The Board Secretary is to notify the Parties during the October Board meeting preceding January 2008 and every second year thereafter. The attached Notice serves as preliminary notification of Board appoint requirements. ***Appointments of Members and Alternate Members, if any, shall be made in a writing signed on behalf of the Party or group of Parties identified in section 3.1 which is delivered to the Secretary no later than the close of public comment for the agenda item regarding announcement of appointment of new Members at the November meeting. The Watermaster Board shall give notice to the Court of any person appointed as a Member or Alternate Member.***

Written notices will be mailed to all affected parties during October, 2007 requesting in writing those individuals selected to represent that party as a voting member or alternate member. Individual members appointed will be public announced and notice will be forwarded to the Court during the month of November, 2007. The appointed members will officially take over the voting position at the first regularly scheduled meeting in January, 2008.

FISCAL IMPACT

No direct fiscal impact.

ATTACHMENTS

Notice to all public agency parties, groups of landowner parties, and California American Water per the Rules and Regulations of the Seaside Groundwater Basin Watermaster Section 4.0 through Section 4.5

October 17, 2007

NOTICE TO ALL PUBLIC AGENCY PARTIES, GROUPS OF LANDOWNER PARTIES, AND CALIFORNIA AMERICAN WATER:

Appointment of Members: The Public Agency Parties, groups of Landowner Parties and CalAm shall each appoint or reappoint one Member in November of every second year, beginning in November of 2007, to sit on the Watermaster Board for a two (2) year term. Except for the initial Members, each Member shall assume office at the first regular meeting of the Watermaster Board held in January of every second year, beginning in January of 2008. The Secretary shall give notice of this requirement to each of the Parties during the October preceding each such January.

Alternate Members: In addition to appointing a Member, CalAm and the Public Agency Parties may also appoint an alternate Member in the same manner and for the same terms as provided for Members in these Rules and Regulations. Each Member representing a group of Landowner Parties may act as an alternate for the Member representing the other group of Landowner Parties. A duly appointed Alternate Member may exercise all of the rights of a Member at a meeting of the Watermaster Board where the Member for whom the Alternate Member sits, is absent.

Appointments: ***Appointments of Members and Alternate Members, if any, shall be made in a writing signed on behalf of the Party or group of Parties identified in section 3.1 which is delivered to the Secretary no later than the close of public comment for the agenda item regarding announcement of appointment of new Members at the November meeting. The Watermaster Board shall give notice to the Court of any person appointed as a Member or Alternate Member.***

Special Rules for Appointment of Members by Landowner Groups: Appointment of Members by the Landowner Parties shall take place at each November meeting of the Watermaster Board (except for the appointment of initial Members) where the appointment of new Members is to be announced. Each Landowner Party will vote for their preferred Member in writing, signed by an agent of the Landowner Party and delivered to the Watermaster Board no later than the close of public comment for the agenda item regarding election of the Landowner Group Members. Voting rights may only be transferred upon permanent sale of 51% or more of the Landowner's respective Production Allocation. Landowner Parties may only vote for the representative for their respective subarea (i.e., Coastal Subarea Landowner Group Parties vote for the Coastal Subarea Member; and Laguna Seca Landowner Group Parties vote for the Laguna Seca Subarea Member). Landowner Group Members are elected by cumulative voting, with each member of the Landowner Group entitled to one vote for each acre-foot of Production Allocation established in the Judgment.

SEASIDE GROUNDWATER BASIN
WATERMASTER

TO: Board of Directors

FROM: Dewey D Evans, CEO

DATE: October 17, 2007

SUBJECT: Revision of Chief Executive Officer's Employment Contract to conform to "An Independent Contractor Position"

PURPOSE:

To revise the "Employment Agreement" originally entered into with the Chief Executive Officer to a contractual agreement to conform to "An Independent Contractor Position."

RECOMMENDATION:

Consider approving the revised agreement to retain the Chief Executive Officer as an "Independent Contractor" to replace the original "Employment Agreement" entered into in August of 2006.

DISCUSSION:

In August of last year, 2006 the Chief Executive Officer Dewey Evans entered into an "Employment Agreement" which could be interpreted by various taxing authorities as meaning that the CEO is really an employee subject to all of the rules and regulations of a regular employee. Some of these taxing laws and benefits may include; withholding of Federal and State Income Tax, Workers Compensation Laws, vacation pay, sick leave benefits, retirement benefits, social security tax and benefits, health and disability benefits, unemployment insurance benefits, etc.. At the time of entering into the agreement it was the intent of both parties that the CEO was being retained as an independent contractor and that the total compensation would be limited to the hourly rate of $75.00 plus the direct cost of equipping and maintaining a small Watermaster office for the CEO to conduct the day-to-day business of directing the activities of the Watermaster.

The original "employment agreement" is not part of this packet, but; copies of the agreement are on the Watermaster web site at www.seasidebasinwatermaster.com Copies will also be available at the October 17, 2007 Board of Directors meeting.

FISCAL IMPACT:

None

ATTACHMENTS:

Copies of "Independent Contractor Agreement for Chief Executive Officer and copy of Attachment "A" are attached.

INDEPENDENT CONTRACTOR AGREEMENT

CHIEF EXECUTIVE OFFICER
SEASIDE GROUNDWATER BASIN WATERMASTER

THIS AGREEMENT is effective as of _____, by and between SEASIDE GROUNDWATER BASIN WATERMASTER, (WATERMASTER) and DEWEY D EVANS (EVANS) an independent contractor, to perform the services set forth herein, and DEWEY D EVANS, an independent contractor, accepts such engagement, as detailed in this contract:

1. **Independent Contractor,** Subject to the terms and conditions of this Agreement, WATERMASTER hereby engages EVANS as an independent contractor to perform the services set forth herein, and EVANS hereby accepts such engagement, as detailed in this contract.

2. **Term of Agreement.** The term of engagement shall commence on the Effective Date of this Agreement, and shall continue unless terminated pursuant to section 8 of this Agreement.

a. **General.** As Chief Executive Officer, EVANS serves at the pleasure of WATERMASTER BOARD OF DIRECTORS No one other than the Board has the authority to alter this arrangement, or to make any agreement contrary to the terms of this agreement. Furthermore, any such agreement or arrangement must be in writing and must be signed by the Chairman of the Board..

b. **Annual Review.** The Board shall arrange for an annual review of Evans' work performance using such procedures as the Board determines appropriate.

3. **Scope of Duties.** During the Employment Term:

a. Evans will perform duties assigned by the Watermaster Board; provided that Evans shall not be assigned tasks inconsistent with the position description for the CEO attached hereto as Attachment A. Subject to the control and direction of the Board the CEO provides day-to-day leadership for the Watermaster and is directly responsible to the Board on all matters pertaining to the administration and operations of the Seaside Groundwater Basin (Basin), pursuant to the provisions of the Judgment. The CEO is responsible for overseeing the operative budget and the other contractor and/or consultants, in any, of the Watermaster. The CEO must keep the Board apprised of all applicable federal, state, regional and local policies regulating Watermaster activities.

b. Evans will devote such time as necessary and use his best efforts, talents, knowledge, and experience to serving as the Watermaster CEO, which may not be unreasonably withheld by the Board.

c. Watermaster recognizes Evans is an independent contractor and has other public agency clients. Should a conflict of interest arise for Evans between the Watermaster and any other agency each of those entities shall notify the Watermaster Board and shall not participate in any material preparation, discussion or decisions regarding the subject matter of the conflict.

d. Evans will perform his duties competently and shall act in conformity with Watermaster's written and oral policies and within the limits, budgets and business plans set by the Board. Except as provided in sub-section 3.c. above Evans shall not engage in consulting work or any trade or business for his own account, or for or on behalf oa any other person, firm or company that competes, conflicts or interferes with the performance of his duties hereunder in any material way.

e. Evans shall maintain the books, accounts and records of the Seaside Groundwater Basin Watermaster in conformance with the Judgment.

4. **Hours of Work**. Evans' hours of work will vary depending upon the duties to be performed.

5. **Rate of Payment for Services.** WATERMASTER shall pay EVANS, and EVANS shall accept from WATERMASTER as full compensation for EVANS' services hereunder, a fee not to exceed SEVENTY-FIVE AND NO/100 DOLLARS ($75.00) for each hour worked. By the first day of each month EVANS shall submit an invoice of the amount of time EVANS worked during the previous month and the amount owed. WATERMASTER shall pay the invoice on or before the fifteenth day of each month.

6. **Reimbursable Expenses.** Expenses incurred by Evans in performance of his duties under the terms of this Agreement shall be reimbursed to Evans by Watermaster, but shall be limited to expenses reasonable and necessary for the performance of Evans's duties under this Agreement, and shall be submitted for approval and reimbursement to the Board upon such forms and with receipts and other evidence as may be reasonably required by the Board.

6. **Taxes and Benefits.** WATERMASTER shall not be responsible for withholding taxes with respect to EVANS's compensation hereunder or otherwise for vacation pay, sick leave, retirement benefits, social security, Workers' Compensation, health or disability benefits, unemployment insurance benefits, of any kind. EVANS and WATERMASTER specifically agree that EVANS is not an employee of the WATERMASTER. EVANS shall be liable for and shall indemnify the WATERMASTER against any and all taxes due with respect to all tax returns relating to WATERMASTER.

7. **Termination**. This Agreement may be terminated by either party at any time without cause by giving the other party thirty (30) days written notice in the manner set forth in sub-section 9.a. below.

9. **Conflict of Interest.** EVANS represents and warrants to WATERMASTER that he presently has no interest, and covenants that he will not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or interfere with the performance of services required to be performed under this Agreement.

10. **General Provisions.**

a. **Notices.** All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service personally served, or on the first day after mailing if mailed by Federal Express or a similar overnight

delivery services, or on the second day after mailing if mailed by first-class mail, registered or certified, return receipt requested, postage prepaid and properly addressed as follows:

b.

WATERMASTER: Watermaster Board of Directors
C/O City of Seaside
441 Harcourt Street
Seaside, CA 93955

EVANS Dewey D Evans
3110 Hermitage Road
Pebble Beach, CA 93953:

Either party may change their address for the purpose of this section by giving the other party written notice of the new address in the manner set forth in this section.

b. **Waiver.** No waiver of a provision of this Agreement shall constitute a waiver of any other provision whether or not similar. No waiver shall constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

c. **Construction of Terms**. All parts of this Agreement shall in all cases be construed according to their plain meaning and shall not be construed in favor or against either of the parties. If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, in whole or in part, the remainder of this Agreement shall remain in full force and effect and shall not be affected, impaired or invalidated thereby. In the event of such invalidity, voidness or unenforceability the parties hereto agree to enter into supplement agreements to effectuate the intent of the parties and the purposes of this Agreement.

d. **Controlling Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of California, with venue proper only in Monterey County, California.

e. **Entire Agreement and Amendment.** In conjunction with the matters considered herein this Agreement contains the entire understanding and agreement of the parties; and there have been no promises, representations, agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the parties to this Agreement and by no other means. Each party waives their future right to claim, contest or assert that this Agreement was modified, cancelled, superseded or changed by any oral agreement, course of conduct, waiver or estoppel.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first written above.

SEASIDE GROUNDWATER BASIN **SEASIDE GROUNDWATER BASIN**

WATERMASTER

By: RALPH RUBIO
CHAIRMAN OF THE WATERMASTER BOARD

WATERMASTER

By: DEWEY D EVANS
CHIEF EXECUTIVE OFFICER

ITEM VIII.B.2.
10/17/07

ATTACHMENT "A"

SEASIDE GROUNDWATER BASIN WATERMASTER

"CHIEF EXECUTIVE OFFICER"

(AN INDEPENDENT CONTRACTOR POSITION)

*Class specifications are intended to present a descriptive list of the range of duties performed by incumbent in this position. Specifications are **not** intended to reflect all duties performed within the position.*

DEFINITION

The Chief Executive Officer (CEO) provides day-to-day leadership for the Seaside Groundwater Basin Watermaster (Watermaster)

SUPERVISION RECEIVED AND EXERCISED

The CEO receives direction from, and is responsible to, the Watermaster Board of Directors (Board) on all matters pertaining to the administration and operations of the Seaside Basin.

The CEO is directly responsible for overseeing all other independent contactors and others receiving remuneration from the Watermaster.

ESSENTIAL AND ANCILLARY DUTIES

The following are anticipated typical duties for this position. Incumbent may not perform all of these duties and/or may perform similar related duties not listed here.

The CEO's essential and ancillary duties are as follows:

1. Ensure compliance with the Judgment, the Rules and Regulations established by the Watermaster, the Basin Monitoring and Management Plan, and any other court mandates Prescribed.

2. Ensure that Watermaster Board meeting notices and agendas are timely developed and provided to all persons on the Watermaster service list in advance of each Board meeting.

3. Ensure that minutes of each meeting are properly taken, approved by the Watermaster Board and filed.

4. Keep the Board appraised of all applicable federal, state, regional and local issues, events, policies, regulations, laws, etc. that may affect the Seaside Basin or Watermaster activities.

5. Assist in developing the agenda for all Watermaster subcommittee meetings.

6. Solicit, analyze and negotiate agreements for the replenishment of the Seaside Basin either by direct or in lieu means.

7. Remain current and report to the Board on legislative issues that may affect the Seaside Basin or Watermaster activities.

8. Develop and manage the Watermaster budget; understand and explain budgetary issues to the Board, the Seaside Basin Producers, and the public.

9. Build positive and cooperative relationships with the members of Watermaster, the Seaside Basin producers, local governments, and members of the public.

10. Promote good customer service, ensuring that Watermaster accomplishes activities in a safe, efficient, friendly, and courteous manner, resolve complaints quickly and reasonably.

ITEM. IX.

NEW BUSINESS

SEASIDE GROUNDWATER BASIN
WATERMASTER

TO: Board of Directors

FROM: Robert S. Jaques, Technical Project Manager

DATE: October 17, 2007

SUBJECT: Consider Approving Contract Modifications
1. RBF Consulting
2. Monterey Peninsula Water Management District (MPWMD)
3. Monterey County Water Resources Agency (MCWRA)
4. Martin Feeney

- -

PURPOSE:

The first three of these amendments are to accomplish three purposes: (1) To eliminate duplications in services being provided by these Contractors, (2) To slightly revise the scopes of work being provided by these Contractors to reflect conditions which have changed since these contracts were originally issued, and (3) To update the Time of Performance schedules contained in these contracts to reflect conditions which have changed since these contracts were originally issued.

The fourth of these amendments is to add to the Scope of Work of Mr. Feeney's contract, but does not increase the cost authorization of that contract.

RECOMMENDATIONS:
It is recommended that the Board approve these four contract amendments

COMMENTS:
The Watermaster has contracts with four parties: Martin Feeney, MPWMD, MCWRA, and RBF Consulting. These contracts were issued in early 2007.

The following comments pertain to the first three of the proposed amendments:
(1) When the contracts were originally issued, much reliance was placed on RBF Consulting to manage the work of the Technical Advisory Committee, and to coordinate the work of the other contractors. Since then, the Board created and filled the position of Technical Project Manager. That position has taken over some of these responsibilities. It was also found that there was some overlap and duplication of services listed in the MPWMD and RBF Consulting contracts. The amendments contained in today's meeting agenda modify the Scopes of Services of these two contracts to reflect the shift in responsibilities from RBF Consulting to the Technical Project Manager, and to eliminate the overlap and duplication between the MPWMD and RBF Consulting contracts.

(2) It was determined that some of the work originally assigned to RBF Consulting could more expeditiously and more cost-effectively be performed by MPWMD. It was also found that some of the required well monitoring work had inadvertently been left out of the MPWMD contract, and needed to be added to their Scope of Work. The amendments contained in today's meeting agenda modify the Scopes of Services of these

two contracts to reflect the shift in this work from RBF Consulting to MPWMD, and to add the required monitoring work to the MPWMD contract.

(3) Since the contracts were first issued there have been events, largely beyond the control of these parties, which have impacted the work schedules of these parties. Their contracts all contain Time of Performance requirements which are tied to schedules that are no longer accurate. These amendments contain updated schedules to replace the now outdated schedules contained in these contracts. An amendment to update the schedule in Mr. Feeney's contract was approved by the Board at its meeting of August 1, 2007. The first three of the amendments contained in today's meeting agenda include similarly updated schedules for the other three contracts.

The Fiscal Impacts of the first three amendments are as follows:

RBF Consulting: A reduction in contract cost of $42,600.

MPWMD: A reduction in contract cost of $11,988, even with the addition of the work originally assigned to RBF Consulting and the additional monitoring work.

MCWRA: No changes in cost of this contract, which is by far the smallest dollar amount of any of the four contracts, and which was found to have no duplication or overlap in services, or any services that did not need to be performed.

The following comments pertain to the fourth of the four proposed amendments:
(1) Mr. Feeney's contract was for the construction of four monitoring wells, referred to as the Sentinel monitoring wells along coast line within the former Fort Ord. The Maximum Payment amount authorized in that contract for the performance of this work was $850,000. Mr. Feeney has now completed the work of his contract. Because the cost of performing that work was less than originally estimated, mainly because some of the wells did not have to be drilled as deep as originally expected, Mr. Feeney anticipates incurring total costs for that work of approximately $25,000 less than the $850,000 amount authorized by his contract.
(2) One of the tasks recommended by the TAC at its meeting of October 9, 2007 (copy of October 9, 2007 TAC meeting minutes enclosed under Informational Reports), for inclusion in the 2008 Monitoring and Management Program Operations Budget was the installation of data logging instrumentation on the Sentinel wells. The purchase and installation of these data loggers was expected to be included as part of the work to be performed by MPWMD during 2008.
(3) Mr. Feeney can purchase and install this instrumentation without exceeding the original costs authorized in his contract, and this would allow them to be installed sooner than would be the case if they were to be installed by MPWMD under the 2008 Budget. By installing the instrumentation sooner, it will be possible to begin acquiring water level data from the Sentinel wells at an earlier date.
(4) The TAC, including the MPWMD representative to the TAC, unanimously recommend that the purchase and installation of this instrumentation be added to the Scope of Work of Mr. Feeney's current contract, without increasing the cost authorization of that contract. This would be accomplished by the Board's approval of the fourth of the proposed amendments.

The Fiscal Impact of the fourth amendment is as follows:

Martin Feeney: There would be no increase in the current Maximum Payment amount of $850,000 in the existing contract. The work Mr. Feeney would perform would cost approximately the same as it would cost, if MPWMD were to perform the work.

ATTACHMENTS;

(4) Contract Modifications

AMENDMENT TO AGREEMENT BETWEEN THE SEASIDE BASIN WATERMASTER AND RBF CONSULTING FOR PROFESSIONAL SERVICES

WHEREAS the SEASIDE BASIN WATERMASTER (hereinafter Watermaster) and RBF CONSULTING (hereinafter Consultant) entered into that certain Agreement Between the Seaside Basin Watermaster and RBF Consulting for Professional Services on April 18, 2007, (hereinafter Agreement);

WHEREAS Section IX titled CHANGES AND CHANGED CONDITIONS provides that any changes to the Agreement shall be documented by duly executed amendments to the Agreement; and

WHEREAS Watermaster and Consultant wish to amend the Agreement.

NOW THEREFORE, the Agreement is hereby amended as follows:

A. This Amendment applies only to work performed by Consultant under the Agreement after July 31, 2007. Work performed by Consultant under the Agreement prior to that date is not affected by this Amendment.

B. By deleting in its entirety **Exhibit A**, Scope of Services, and by substituting therefor the attached new **Amended Exhibit A**, Scope of Services**.**

C. By deleting in its entirety **Exhibit B**, Fee Schedule, and by substituting therefor the attached new **Amended Exhibit B**, Fee Schedule**.**

D. By deleting in its entirety **Exhibit C**, Work Schedule, and by substituting therefor the attached new **Amended Exhibit C**, Work Schedule**.**

In all respects other than as hereinabove expressly set forth the undersigned hereby ratifies the Agreement Between the Seaside Basin Watermaster and RBF Consulting for Professional Services executed on April 18, 2007, as amended on this the ___ day of _____, 2007.

SEASIDE BASIN WATERMASTER

By: _____
DEWEY EVANS
Watermaster Executive Officer

CONSULTANT

By: _____
RBF CONSULTING

AMENDED EXHIBIT A

The Seaside Basin Monitoring and Management Program (MMP) was developed by the Seaside Basin Watermaster Technical Advisory Committee (TAC) and adopted on May 17, 2006, and revised on September 5, 2006, to comply with the decision entered in the Seaside Groundwater Basin Adjudication (California American Water v. City of Seaside, Monterey County Superior Court, Case Number M66343) (hereinafter referred to as Decision). The MMP contains several primary tasks: 1) Basin Monitoring Well Construction Program; 2) Comprehensive Basin Production, Water Level and Water Quality Program; 3) Basin Management Program; and 4) Seawater Intrusion Program.

Phase 1 - Management and Monitoring Program Implementation

The first phase of the MMP Implementation includes both the Coastal Sentinel Work Plan authorized by the Watermaster Board on January 31, 2007, as well as additional tasks in the MMP that have been identified as priorities and prerequisite activities to subsequent phases. A summary of these tasks is described below, and a detailed scope of work, budget and schedule is included as Appendix A.

Monitor Well Construction

The Seawater Sentinel Work Plan has been reviewed in combination with the additional MMP Phase 1 tasks as well as with the Coastal Water Project (CWP) Aquifer Storage and Recovery (ASR) program to evaluate the coverage of existing and proposed monitoring well network.

Comprehensive Basin Production, Water Level and Water Quality Monitoring Program

All tasks described under this portion of the MMP are recommended to be performed at this time, as the development of a consolidated database of both existing and new data related to water production, water levels and water quality will be critical to Basin management. This effort will also provide the data and analysis necessary to identify the need, if any, for additional monitoring wells as identified in the MMP.

During the development of this MMP Implementation Plan, the TAC acknowledged the concerns expressed by the Laguna Seca property-owners and the City of Del Rey Oaks. This work effort will include the investigation of existing production wells or new wells that can be added to the Watermaster's monitoring network at key locations to provide more effective monitoring in the Laguna Seca and Southern Coastal Sub areas of the basin. This work will include recommendations for improved ground water level and ground water quality monitoring, as a means to provide data to enhance the current understanding of hydrogeologic conditions in these areas, and to support planned future water resources evaluation and simulation modeling efforts.

Basin Management

The Basin Management Program in the MMP calls for an action plan to optimize the Natural Safe Yield (also referred to as Maximum Perennial Yield) within the Coastal and Laguna Seca sub areas of the basin. Supplemental water supply projects are critical to achieving this goal. In Phase 1, other supplemental supply projects will be also analyzed and the review of the existing water production, level and quality data

will be instrumental in identifying the action plan strategy for Basin Management that will be further developed in Phase 2.

Under Phase 1, the decision was made by the Watermaster Committee to proceed with documentation of the "Durbin" model, in conjunction with Martin Feeney and Derrik Williams of Hydrometrics, the groundwater modeler on the RBF team. This model will provide an agreed upon model analysis for the Watermaster. Additional modeling needs will be determined during Phase 2 of the MMP Implementation Plan if key questions for Basin Management are identified that could be furthered through additional modeling.

Seawater Intrusion Contingency Program/ Establishing Baseline Seawater Intrusion

In addition to the monitoring planned for the proposed new sentinel wells, the Watermaster will continue to collect quarterly water quality data from the MPWMD existing coastal monitor wells under Phase 1 of the MMP. These data from the MPWMD coastal monitor wells will be instrumental in confirming baseline conditions and historical trends. Should seawater intrusion be detected at a coastal monitor or production well, steps will be implemented, following the protocols outlined in the MMP, to initiate the appropriate responsive actions

Based on the outcome of the Monitoring Well Construction Program and the Comprehensive Basin Production, Water Level and Water Quality Monitoring Program, the Seawater Intrusion Contingency Plan would be logically influenced by the Phase 1 data collection and analysis efforts. It is recommended that baseline water level contour mapping be prepared utilizing all available water level data, as well as developing baseline production data. Analyzing historical water quality data during Phase 1 serves two purposes: 1) it establishes baseline water quality; and 2) it identifies historical water quality trends.

Phase 2 - Management and Monitoring Program Implementation

Based on the results of the Phase 1 Monitoring Well Construction Program and the Comprehensive Basin Production, Water Level and Water Quality Monitoring Program, specific tasks for Phase 2 will be determined in the fourth quarter of 2007.

RBF Consulting
Seaside Groundwater Basin
Monitoring and Management Plan
Phase I Scope of Work

The following scope of work has been developed to perform tasks necessary to carry out 1) Basin Monitoring Well Construction Program; 2) Comprehensive Basin Production, Water Level and Water Quality Program; 3) Basin Management Program; and 4) Seawater Intrusion Program.

MANAGEMENT

M.1
Program Administration
M. 1. a. Program Management Plan
No work shall be performed under this Task.

M. 1. b. Project Budget and Controls
Monthly invoicing, maintenance of internal budgets and schedules, management of subconsultants

M. 1. c. Assist with Board and TAC Agendas
No work shall be performed under this Task.

M. 1. d. Preparation and Attendance of Meetings
Prepare for and attend the following meetings:

- Five Technical Advisory Committee (TAC) meetings (August through December, 2007)
- Two Monitoring Database workgroup meetings, including preparation of agendas and meeting minutes to facilitate the meetings
- Two Seawater Intrusion work group meetings, including preparation of agendas and meeting minutes to facilitate the meetings

M. 1. e. Prepare Board/ TAC Status Updates and Reports
Provide Watermaster with monthly status reports indicating project progress, costs incurred, contract and construction cost trends, and problem identification and resolution. Provide assistance to the TAC in preparing technical summary reports and technical memoranda for the Watermaster Board.

M. 1. f.
Peer Review of Documents and Reports
Assist TAC and Watermaster with peer reviews of documents and reports prepared by various Watermaster entities, as requested.

M. 1. g. QA/QC
No work shall be performed under this Task.

IMPLEMENTATION
I. 1. Monitor Well Construction

I. 1. a. Coordination with Monitor Well Implementation Program
No work shall be performed under this Task.

I. 2 Comprehensive Basin Production, Water Level and Water Quality Monitoring Program Consolidated Seaside Basin Groundwater Resources Database
Groundwater resource monitoring within the Seaside Basin is currently being conducted by numerous entities. The programs consist of: Groundwater Production Monitoring; Groundwater Level Monitoring; Groundwater Quality Monitoring; Surface Water Monitoring; and Precipitation Monitoring.

For successful implementation of the Seaside Basin Monitoring Program, pertinent historical basic groundwater resource data obtained from the above-mentioned programs needs to be consolidated into a database to allow more efficient organization and data retrieval. The consolidated database will allow for simple identification of differences and discrepancies of datasets compiled by the numerous

entities. Data gaps will become evident as well. In addition, the consolidated database needs to allow pertinent groundwater data to be efficiently organized, managed and housed in a single location to facilitate: Ongoing data collection; Data storage and retrieval; Distribution of basic data to Watermaster members and interested parties; and, Preparation of annual and periodic reports to the Watermaster.

Characteristics of both existing wells and wells proposed as part of the Seaside Basin Monitoring Program will be notated in the database, including type, location, construction details and other pertinent information. MPWMD already maintains a groundwater database that contains some of the features described above. Determine if the MPWMD database should be expanded or if a new database should be created. Assist the Watermaster in the review of the existing MPWMD groundwater database to help determine whether it is feasible and economical to incorporate both the historical data and the ongoing data to be collected as part of the Seaside Basin Monitoring Program.

Coordination with the Watermaster is required in order to verify the adequacy of the existing database and ensure data requirements are met. Completion of the enhancement or development of a consolidated database will allow the review of the available groundwater resource data to determine discrepancies, differences, or data gaps.

Monitoring of Production Wells

As defined in Section D-5, Monitoring of Production Wells, of the RFP, the data to be collected by each owner and/or operator of inactive and active wells in the Basin shall be forwarded to the Watermaster for inclusion into the consolidated database.

I. 2. a. Basin Management Database Development

I. 2. a. 1. Coordination with Watermaster to Review Database.
No work shall be performed under this Task.

I. 2. a. 1. 1 Review of MPWMD Database to Catalog Historical Data
No work shall be performed under this Task.

I. 2. a. 1. 2 Review of MPWMD Database To Catalog Ongoing Data Collection
No work shall be performed under this Task.

I. 2. a. 2. Develop Scope of Work to Enhance or Develop New Groundwater Resource Database
No work shall be performed under this Task.

I. 2. a. 3. Create Basin Management Database
Under general direction and guidance from the MPWMD team, the Watermaster database will be formatted and generated to complement the features of the MPWMD's existing water resources database.

I. 2. a. 4. Populate Database with Data From All Sources
Under general direction and guidance from the MPWMD team, the Watermaster database will be populated with the existing data from all available sources, including the MPWMD's existing database, and all applicable data from Watermaster pumper entities, as well as other data available from miscellaneous sources.

I. 2. a. 5. Conduct Ongoing Data Entry/Database Maintenance
Under general direction and guidance from the MPWMD team, all newly- acquired data will be added to the Watermaster database as it becomes available, and any appropriate database structure modifications will be made as needed.

I. 2. b. Data Exchange and Collection
Incorporate ongoing groundwater monitoring data into the consolidated groundwater resource database. This will include the following subtasks:

I. 2. b. 1. Establish Agreements and Schedule
The MPWMD and RBF teams will closely coordinate to establish agreements and schedules for ensuring that all materials for Watermaster database development and ongoing maintenance are provided in an organized and timely manner for use by the Watermaster.

I. 2. b. 2. Establish Data Types, Formats
The MPWMD and RBF teams will closely coordinate to establish mutually acceptable data types and formats, which will provide the optimal benefit to the Watermaster for its recordkeeping and reporting purposes.

I. 2. c. Develop Data Archiving Procedures
Identify procedures for archiving collected field and electronic data.

I. 2. d. Develop Data QA/QC Procedures
Identify procedures for routine Quality Assurance/Quality Control of data collection program.

I. 2. e. Enhanced Monitoring Well Network Evaluation
Evaluate existing inactive production wells for possible inclusion with the existing and new monitoring well network. This will include the following subtasks:

I. 2. e.1 Key Laguna Seca Subbasin Locations
No work shall be performed under this Task.

I. 2.e.2 Key Southern Coastal Sub basin Locations
No work shall be performed under this Task.

I. 2. e.3Summary Technical Memorandum with Recommendations
No work shall be performed under this Task.

I. 2. f. Laguna Seca Water Quality Investigation
As an additional component to the enhanced monitor well network evaluation, all available historical groundwater quality data sources in and near the Laguna Seca Sub area will be located by the MPWMD team, in order to evaluate and provide recommendations on enhancement of water quality monitoring that will facilitate future updated groundwater resources assessment of the Laguna Seca Sub area. No work shall be performed under this Task.

I. 3
Basin Management
I. 3. a. Supplemental Water Supplies

Brief review of supplemental water supplies will be conducted as warranted throughout the initial phase of the program. The effort devoted to this task is anticipated to increase once the consolidated database is developed and existing data is analyzed.

I. 4 Seawater Intrusion Contingency Plan/Establish Seawater Intrusion Baseline

Thorough, systematic, and appropriate analyses of groundwater data will allow us to identify, track, and mitigate seawater intrusion in the Basin. Seawater intrusion is a slow process, which can be impacted by ground water pumping that impacts ground water levels, and, in turn, affects ground water quality general mineral concentrations. Analyses that help identify seawater intrusion include: graphs of ground water levels, pumping and water quality trends; and maps representing these data using differentiated symbology. The final step is to evaluate the relationship that the pumping and water levels have on water quality.

••*Time series of chloride concentrations.* Chloride concentrations are the most dependable and recognizable indicator of seawater intrusion. Time series graphs from a single well can show steady increases in chloride concentrations that indicate seawater intrusion.

••*Time series of ionic ratios.* Typically, the molar ratio of sodium to chloride will often drop to near or below 0.85 in front of an advancing seawater wedge. Similarly, the molar ratio of calcium to sodium will rise in front of an advancing seawater wedge. These trends are due to the ionic exchange of sodium and calcium.

••*Trilinear plots.* Plotting major anions and cations on trilinear plots can show if water quality data from a single well is migrating towards seawater quality. Water quality plotted on does not migrate along a simple mixing line on trilinear plots if intrusion is due to an advancing seawater front. Data from Salinas Valley, however, suggests that water quality often does plot along a simple mixing line if intrusion is due to flow through abandoned or non-operating wells. This can help identify the intrusion mechanism in various places.

••*Time series of Stiff diagrams.* Plotting major anions and cations on stiff diagrams allows qualitative indication of seawater intrusion. Stiff diagrams are identified by their general shapes, each water type having a unique shape. A change in the shape of stiff diagrams may indicate seawater intrusion.

••*Time series of Chloride concentration maps.* Maps of chloride concentrations show the movement of a seawater intrusion front into a basin. Individual maps must be produced for each aquifer. Of importance is that all maps be developed with a consistent approach, ensuring that changes in the maps represent changes in data, not changes in contouring algorithms. The data will be presented in a Geographic Information System (GIS).

For purposes of the Seawater Intrusion Contingency Program, until additional empirical data are developed and analyzed, the Seaside groundwater basin aquifers will be defined as seawater intruded when the chloride concentration in a coastal monitor well reaches approximately 100 mg/l and 250 mg/l for the Paso Robles and Santa Margarita aquifers, respectively. For a coastal production well, the standard will be 250 mg/l, given that some wells contain multiple aquifer formations that reflects a blend of these sources. These standards will be utilized until more comprehensive standards based on historical water quality data at individual monitor and production wells can be developed. The Watermaster will institute interim standards for notice of potential seawater intrusion so that appropriate preventive actions may be taken. Interim notice will be defined as 50 percent increase above ambient chloride concentrations for any specific monitoring well location.

In addition to establishing baseline chloride concentrations and monitoring chloride concentrations, other complimentary water quality parameters will be established and monitored to provide supplemental data for water quality trend analysis and characterization. Appropriate water quality parameters, data formats and data transfer procedures will need to be identified and coordinated.

I. 4. a. Oversight of Seawater Intrusion Detection and Tracking
MCWRA will provide general oversight over the Seawater Intrusion detection program.
No work shall be performed under this Task.

I. 4. b. Develop Seawater Intrusion Analysis Protocol
The RBF team will coordinate with MCWRA to adapt the existing seawater intrusion analysis protocol utilized in the Salinas Valley Groundwater Basin for use in the Seaside Groundwater Basin.

I. 4. c. Prepare Baseline Water Level Contour Mapping
Under general direction and guidance from MCWRA, up-to-date baseline water level contour mapping will be prepared utilizing all available water level data from existing production and monitor wells, and proposed new dedicated coastal sentinel monitor wells.

I. 4. d. Prepare Mapped Representation of Baseline Basin Pumping
Under general direction and guidance from MCWRA, mapped representation of recent (i.e., baseline) groundwater production will be prepared utilizing symbology adapted from the Salinas Valley Groundwater Basin.

I. 4. e. Graph and Map Historical Data/Establish Baseline Water Quality
Analyzing historical water quality data serves two purposes: 1) It establishes baseline water quality; and 2) It identifies historical water quality trends. By relying on wells that are completed over short lengths, and in discrete aquifers to determine background water quality for various aquifers. Wells completed over many aquifers may show a hybrid water quality signature Use multiple approaches to identify water quality trends. Produce chloride time series graphs, ionic ratio time series graphs, stiff diagrams, trilinear plots (with standard seawater identified), and chloride contour maps for the time periods identified in Task 5.2. Arcview GIS 3.3 will be utilized to generate chloride contour maps per the procedures outlined in the RFP. A preliminary analysis of the graphs and maps will be conducted to establish baseline water quality and identify trends. In particular, compare water quality trends with water levels, pumping data, and recharge data to interpret both the aerial and vertical distribution of seawater intrusion. The graphs, maps, and analyses will be submitted for review by the entire Watermaster Board. Modifications to these graphs and maps will be incorporated based on input from Board members.

I. 4. f. Analyze and Map Water Quality from Coastal Monitoring Wells
Immediately after the coastal monitoring wells are installed and sampled, update data analyses with the data from these wells. New chloride concentration maps will be produced incorporating the data from the coastal wells. Because these new maps are the first maps with all data points included, they will serve as the baseline for future comparison. Water quality data from the new coastal wells precludes developing time series graphs during Phase 1, however the water quality data will be compared to water quality from similar, nearby wells to identify potential seawater intrusion until new data becomes available from the Phase 1 Coastal Sentinel Well Work Plan.

I. 4. g. Annual Report - Seawater Intrusion Analysis

At the end of each water year, all water quality data will be re-analyzed. Semi- annual chloride concentration maps will be produced for each aquifer in the basin. Time series graphs, trilinear graphs, and stiff diagram comparisons will be updated with new data. The annual EM logs will be analyzed to identify changes in seawater wedge locations. All analyses will be incorporated into an annual report that follows the format of the initial, historical data report. Potential seawater intrusion will be highlighted in the report, and if necessary, recommendations will be included. The annual report will be submitted for review to the Technical Advisory Committee (TAC) and then to the entire Watermaster Board. Modifications to the report will be incorporated based on input, first from the TAC, then from Board members.

After the first annual report, analysis and reporting can be transferred to Watermaster Board or be extended, depending on the needs of the Watermaster Board.

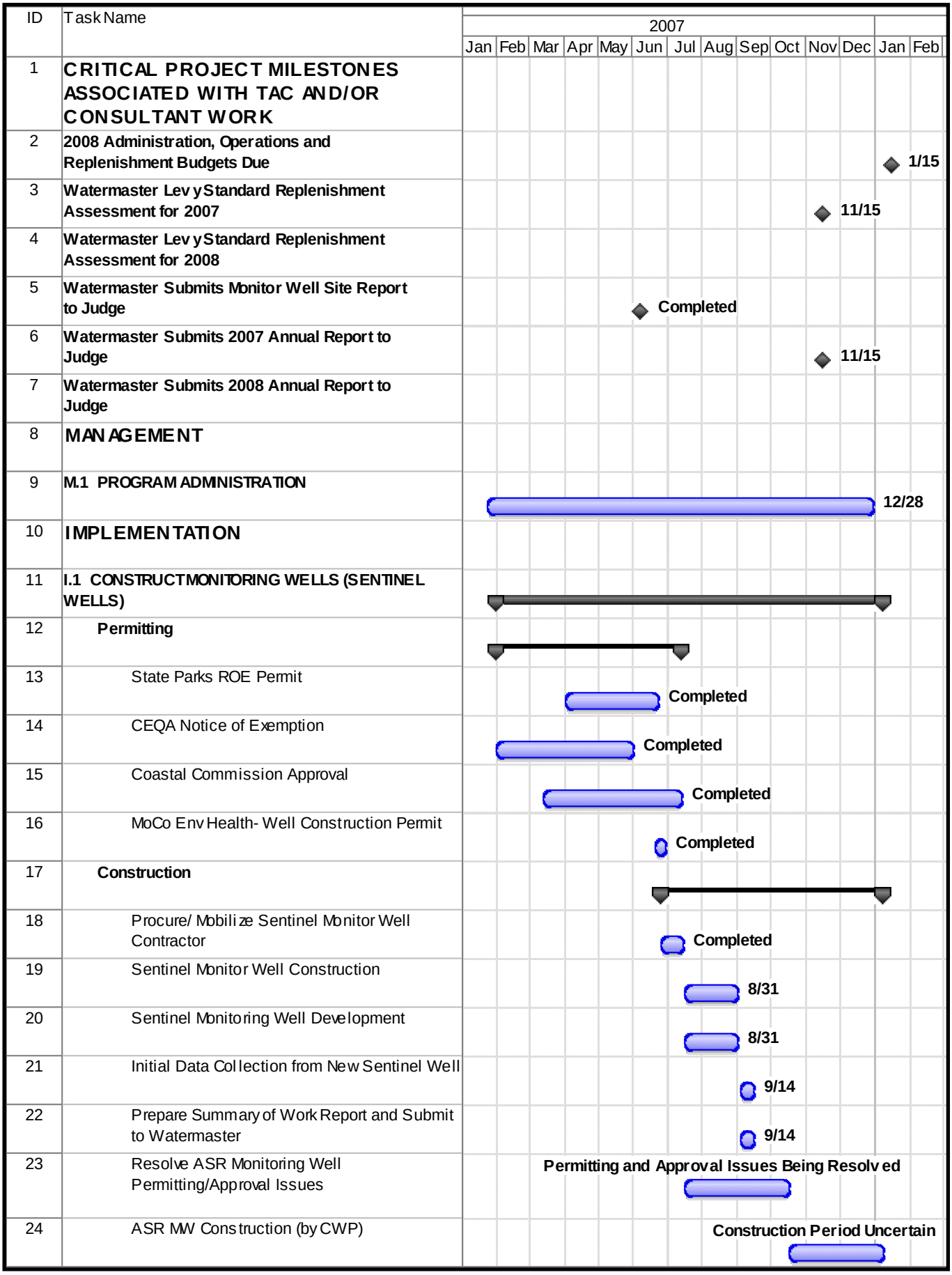
AMENDED EXHIBIT B

Seaside Basin Monitoring and Management Program

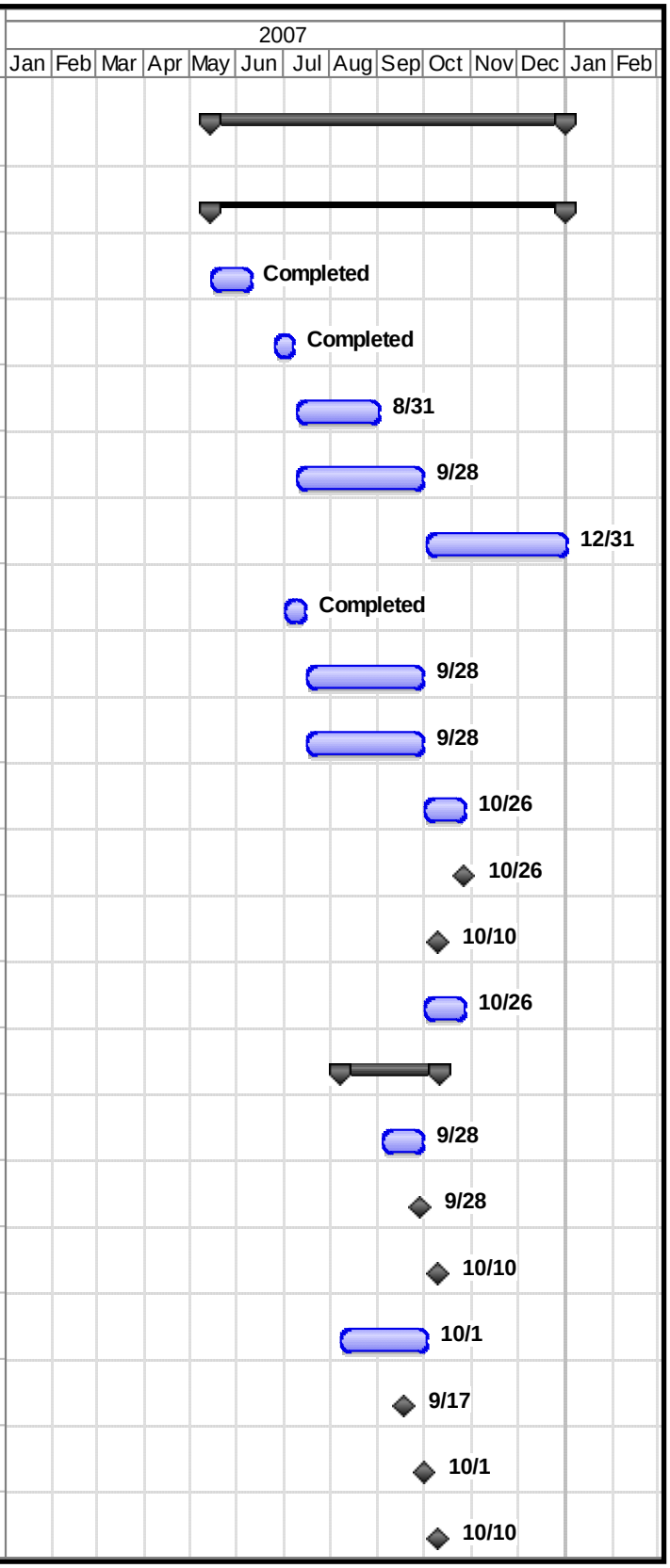
PHASE 1 BUDGET SUMMARY

Item	RBF Consulting
Labor Costs	
M.1 Program Administration	$62,900
I.1 Monitor Well Construction	$12,471
I.2 Production, Water Level and quality Monitoring	$122,000
I.3 Basin Management	$6,300
I.4 Seawater Intrusion Contingency Plan	$88,800
Direct Costs	
Reproduction, Mileage, Miscellaneous (RBF)	$15,000
Durbin Model Documentation (RBF)	$40,000
TOTAL	**$347,471**

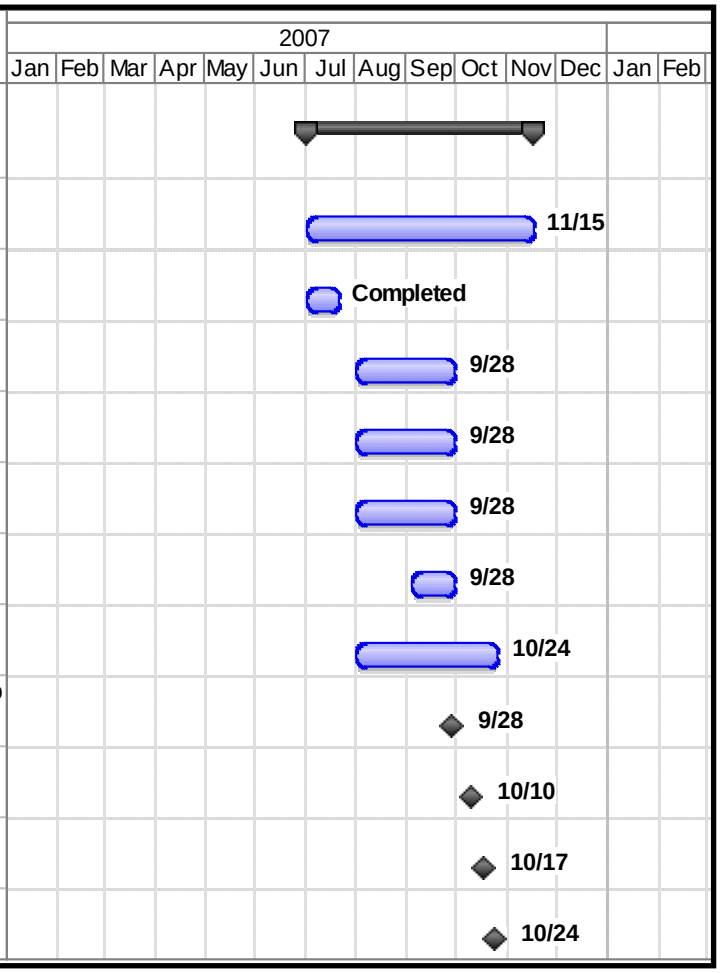
AMENDED EXHIBIT C
WORK SCHEDULE


ID
Task Name
2007
Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb
1 CRITICAL PROJECT MILESTONES ASSOCIATED WITH TAC AND/OR CONSULTANT WORK
2 2008 Administration, Operations and Replenishment Budgets Due
1/15
3 Watermaster Levy Standard Replenishment Assessment for 2007
11/15
4 Watermaster Levy Standard Replenishment Assessment for 2008
5 Watermaster Submits Monitor Well Site Report to Judge
Completed
6 Watermaster Submits 2007 Annual Report to Judge
11/15
7 Watermaster Submits 2008 Annual Report to Judge
8 MANAGEMENT
9 M.1 PROGRAM ADMINISTRATION
12/28
10 IMPLEMENTATION
11 I.1 CONSTRUCT MONITORING WELLS (SENTINEL WELLS)
12 Permitting
13 State Parks ROE Permit
Completed
14 CEQA Notice of Exemption
Completed
15 Coastal Commission Approval
Completed
16 MoCo Env Health- Well Construction Permit
Completed
17 Construction
18 Procure/ Mobilize Sentinel Monitor Well Contractor
Completed
19 Sentinel Monitor Well Construction
8/31
20 Sentinel Monitoring Well Development
8/31
21 Initial Data Collection from New Sentinel Well
9/14
22 Prepare Summary of Work Report and Submit to Watermaster
9/14
23 Resolve ASR Monitoring Well Permitting/Approval Issues
Permitting and Approval Issues Being Resolved
24 ASR MW Construction (by CWP)
Construction Period Uncertain

ID	Task Name
25	**I.2 COMPREHENSIVE BASIN PRODUCTION, WATER LEVEL, AND WATER QUALITY MONITORING PROGRAM**
26	**I.2.a Basin Management Database Development**
27	I.2.a.1 Review of MPWMD Database
28	I.2.a.2 Develop Scope of Work to Enhance or Develop New Groundwater Resource
29	I.2.a.3 Create Basin Management Database
30	I.2.a.4 Populate Database with Data From All Sources
31	I.2.a.5 Conduct Ongoing Data Entry/Database Maintenance
32	**I.2.b Data Exchange and Collection**
33	**I.2.c Develop Data Archiving Procedures**
34	**I.2.d Develop Data QA/QC Procedures**
35	**I.2.e Enhanced Monitoring Well Network Evaluation**
36	Submit Summary Technical Memo with Recommendations to TPM
37	Present Summary Technical Memo with Recommendations to TAC
38	**I.2.f Laguna Seca Water Quality Investigation**
39	**I.3 BASIN MANAGEMENT**
40	**I.3.a Supplemental Water Supplies**
41	Submit Summary Technical Memo with Recommendations to TPM
42	Present Summary Technical Memo with Recommendations to TAC
43	**Durbin Model Documentation**
44	Draft Documentation Report from Tim Durbin Received by RBF
45	Submit Summary Technical Memo with Recommendations to TPM
46	Present Summary Technical Memo with Recommendations to TAC



ID	Task Name
47	**I.4 SEAWATER INTRUSION CONTINGENCY PLAN/ESTABLISH SEAWATER INTRUSION BASELINE**
48	**I.4.a Oversight of Seawater Intrusion Detection and Tracking**
49	**I.4.b Develop Seawater Intrusion Analysis Protocol**
50	**I.4.c Prepare Baseline Water Level Contour Mapping**
51	**I.4.d Prepare Mapped Representation of Baseline Basin Pumping**
52	**I.4.e Graph & Map Historical Data/ Establish Baseline Water Quality**
53	**I.4.f Analyze and Map Water Quality from Coastal Monitoring Wells**
54	**I.4.g Annual Report - Seawater Intrusion Analysis**
55	Submit Draft Seawater Intrusion Analysis Report to TPM
56	Present Draft Seawater Intrusion Analysis Report to TAC
57	Present Draft Seawater Intrusion Analysis Report to Board
58	Submit Final Seawater Intrusion Contingency Plan Report to TPM



AMENDMENT TO AGREEMENT BETWEEN THE SEASIDE BASIN WATERMASTER AND MONTEREY PENINSULA WATER MANAGEMENT DISTRICT FOR PROFESSIONAL SERVICES

WHEREAS the SEASIDE BASIN WATERMASTER (hereinafter Watermaster) and MONTEREY PENINSULA WATER MANAGEMENT DISTRICT (hereinafter Consultant) entered into that certain Agreement Between the Seaside Basin Watermaster and MONTEREY PENINSULA WATER MANAGEMENT DISTRICT for Professional Services on April 18, 2007, (hereinafter Agreement);

WHEREAS Section IX titled CHANGES AND CHANGED CONDITIONS provides that any changes to the Agreement shall be documented by duly executed amendments to the Agreement; and

WHEREAS Watermaster and Consultant wish to amend the Agreement.

NOW THEREFORE, the Agreement is hereby amended as follows:

A. This Amendment applies only to work performed by Consultant under the Agreement after July 31, 2007. Work performed by Consultant under the Agreement prior to that date is not affected by this Amendment.

B. By deleting in its entirety **Exhibit A**, Scope of Services, and by substituting therefor the attached new **Amended Exhibit A**, Scope of Services**.**

C. By deleting in its entirety **Exhibit B**, Fee Schedule, and by substituting therefor the attached new **Amended Exhibit B**, Fee Schedule**.**

D. By deleting in its entirety **Exhibit C**, Work Schedule, and by substituting therefor the attached new **Amended Exhibit C**, Work Schedule**.**

In all respects other than as hereinabove expressly set forth the undersigned hereby ratifies the Agreement Between the Seaside Basin Watermaster and Monterey Peninsula Water Management District for Professional Services executed on April 18, 2007, as amended on this the ___ day of _____, 2007.

SEASIDE BASIN WATERMASTER

By: _____
DEWEY EVANS
Watermaster Executive Officer

CONSULTANT

By: _____
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

AMENDED EXHIBIT A

April 11, 2007

For Use by the Seaside Basin Watermaster

This document contains the MPWMD Scope of Work for Phase 1, as adapted from

IMPLEMENTATION PLAN

SEASIDE BASIN MONITORING AND MANAGEMENT PROGRAM

March 7, 2007

Presented to:
Seaside Basin Watermaster Board

Appendix A

Seaside Groundwater Basin Management and Monitoring Program

Phase 1

Scope of Work, Schedule and Budget

MANAGEMENT	
M.1 **Program Administration**	
M. 1. a. **Program Management Plan**	MPWMD will assist with the preparation of a Project Management Plan for Phase 2 work to establish project goals and objectives, project description, scope of work, work breakdown structures, project organization, roles and responsibilities, contract and construction budgets, communications plan, quality plan, document control and data transfer plan, project controls, and billing procedures.
M. 1. b. **Project Budget and Controls**	MPWMD will conduct monthly invoicing, maintenance of internal budgets and schedules.
M. 1. c. **Assist with Board and TAC Agendas**	No work shall be performed under this Task.
M. 1. d. **Preparation and Attendance of Meetings**	The Project will require numerous meetings both internally and with outside governmental agencies and with the public. Appropriate members of the MPWMD will attend the necessary meetings and prepare agendas and meeting minutes to facilitate the meetings. Planning and review meetings are assumed with the Watermaster's technical staff and consultants for a budgeted period of 12 months. High-level meetings to present updates to the Watermaster Board are budgeted for 12 months. At key milestones, additional meetings will be held that are focused on technical issues and key findings.
M. 1. e. **Prepare Board/ TAC Status Updates and Reports**	MPWMD will provide Watermaster with monthly status reports indicating progress on the Tasks upon which MPWMD is working. This will be done as part of the work of Task M.1.d, and not charged against this Task.
M. 1. f. **Peer Review of Documents and Reports**	MPWMD will assist TAC and Watermaster with peer reviews of documents and reports prepared by various Watermaster entities, as requested.
M. 1. g. **QA/QC**	No work shall be performed under this Task.
Deliverables	❑ Project Management Plan ❑ Monthly Status Reports ❑ Technical Data as required for Meetings

IMPLEMENTATION

I. 1. Monitor Well Construction

I. 1. a. Coordination with Monitor Well Implementation Program

MPWMD, in consultation with the RBF team, will provide guidance and assistance to Martin Feeney on development of Monitoring Well Construction Program.

I. 2. Comprehensive Basin Production, Water Level and Water Quality Monitoring Program

Consolidated Seaside Basin Groundwater Resources Database

Groundwater resource monitoring within the Seaside Basin is currently being conducted by numerous entities. The programs consist of:

- Groundwater Production Monitoring;
- Groundwater Level Monitoring;
- Groundwater Quality Monitoring;
- Surface Water Monitoring; and
- Precipitation Monitoring;

For successful implementation of the Seaside Basin Monitoring Program, pertinent historical basic groundwater resource data obtained from the above-mentioned programs needs to be consolidated into a database to allow more efficient organization and data retrieval. The consolidated database will allow for simple identification of differences and discrepancies of datasets compiled by the numerous entities. Data gaps will become evident as well. In addition, the consolidated database needs to allow pertinent groundwater data to be efficiently organized, managed and housed in a single location to facilitate:

- Ongoing data collection;
- Data storage and retrieval;
- Distribution of basic data to Watermaster members and interested parties; and,
- Preparation of annual and periodic reports to the Watermaster.

Characteristics of both existing wells and wells proposed as part of the Seaside Basin Monitoring Program will be notated in the database, including type, location, construction details and other pertinent information. MPWMD already maintains a groundwater database that contains some of the features described above. The consulting team will determine if the MPWMD database should be expanded or if a new database should be created. Assist the Watermaster in the review of the existing MPWMD groundwater database to help determine whether it is feasible and economical to incorporate both the historical data and the ongoing data to be collected as part of the Seaside Basin Monitoring Program.

	Coordination with the Watermaster is required in order to verify the adequacy of the existing database and ensure data requirements are met. Completion of the enhancement or development of a consolidated database will allow the review of the available groundwater resource data to determine discrepancies, differences, or data gaps.
	Monitoring of Production Wells As defined in Section D-5, Monitoring of Production Wells, of the RFP, the data to be collected by each owner and/or operator of inactive and active wells in the Basin shall be forwarded to the Watermaster for inclusion into the consolidated database.
I. 2. a. **Basin Management Database Development**	
I. 2. a. 1. **Coordination with Watermaster to Review Database**	MPWMD will jointly meet with the RBF team on review of existing databases and initial development of Watermaster Database.
I. 2. a. 2 Develop Scope of Work to Enhance or Develop New Groundwater Resource Database	No work shall be performed under this Task.
I. 2. a. 3. **Create Basin Management Database**	Under general direction and guidance from the MPWMD to the RBF team, the Watermaster database will be formatted and generated to complement the features of the MPWMD's existing water resources database.
I. 2. a. 4. **Populate Database with Data From All Sources**	No work shall be performed under this Task.
I. 2. a. 5. **Conduct ongoing data entry/ database maintenance**	Under general direction and guidance from the MPWMD to the RBF team, all newly-acquired data will be added to the Watermaster database as it becomes available, and any appropriate database structure modifications will be made as needed.
I. 2. b. **Data Exchange and Collection**	Incorporate ongoing groundwater monitoring data into the consolidated groundwater resource database. This will include the following subtasks:
I. 2. b. 1. **Establish Agreements and Schedule**	MPWMD and RBF teams will closely coordinate to establish agreements and schedules for ensuring that all materials for Watermaster database development and ongoing maintenance are provided in an organized and timely manner for use by the Watermaster.
I. 2. b. 2. **Establish Data Types, Formats**	MPWMD and RBF teams will closely coordinate to establish mutually acceptable data types and formats, which will provide the optimal benefit to the Watermaster for its recordkeeping and reporting purposes.
I. 2. c.	MPWMD will work jointly with the RBF team to identify procedures

Develop Data Archiving Procedures	for archiving collected field and electronic data.
I. 2. d. **Develop Data QA/QC Procedures**	MPWMD will work jointly with the RBF team to identify procedures for routine Quality Assurance/Quality Control of data collection program.
I. 2. g. **Enhanced Monitoring Well Network Evaluation**	MPWMD will evaluate existing inactive production wells for possible inclusion with the existing and new monitoring well network. This will include the following subtasks:
I. 2. g. 1 Key Laguna Seca Subbasin Locations	Existing and potential new monitor well locations at identified key locations within and near the Laguna Seca Sub area of the basin will be evaluated by MPWMD, report and file research, contacts with existing Watermaster member entities and consultants, and field inspections.
I. 2. g. 2 Key Southern Coastal Sub basin Locations	Existing and potential new monitor well locations at identified key locations within and near the Southern Coastal Sub area of the basin will be evaluated by MPWMD, report and file research, contacts with existing Watermaster member entities and consultants, and field inspections.
I. 2. g. 3 Summary Technical Memorandum with Recommendations	Upon completion of the research and evaluation efforts, a summary technical memorandum with recommendations will be prepared and distributed for review and input by all Watermaster member entities.
I. 2. h. Laguna Seca Water Quality Investigation	As an additional component to the enhanced monitor well network evaluation, all available historical groundwater quality data sources in and near the Laguna Seca Sub area will be located by MPWMD, in order to evaluate and provide recommendations on enhancement of water quality monitoring that will facilitate future updated groundwater resources assessment of the Laguna Seca Sub area.
I. 3 **Basin Management**	
I. 3. a. **Supplemental Water Supplies**	MPWMD will provide input and technical assistance for the RBF team to conduct a brief review of supplemental water supplies as warranted throughout the initial phase of the program. The effort devoted to this task is anticipated to increase once the consolidated database is developed and existing data are analyzed.
WATER QUALITY SAMPLING SERVICES	MPWMD will collect quarterly water samples at the existing MPWMD monitoring wells, and at the new coastal sentinel monitoring wells being constructed under Task I.1, and will analyze these samples for the following constituents: Specific conductance, Total Alkalinity, pH, Chloride, Sulfate, Ammonia Nitrogen, Nitrate Nitrogen, Total Organic Carbon, Calcium, Sodium, Magnesium, Potassium, Iron, Manganese, Orthophosphate, and Boron. MPWMD will also measure and record the water level at each of these wells at the time of each sampling event. MPWMD will prepare and submit to the Watermaster within 60 days

	after the completion of each sampling event a report containing the sampling and water level monitoring data, along with an evaluation of the monitoring results. The format and content of this report shall be similar to the report prepared by MPWMD for the Watermaster dated February 2, 2007, titled “Seaside Basin Watermaster Memorandum 2007-01.”

SERVICES NOT INCLUDED

In addition to the above, other services may be required to carry out the Phase 1 portion of the SBMMP. The MPWMD services do not include administration, management or technical services that are outside the scope and tasks described herein.

AMENDED EXHIBIT B

Seaside Basin Monitoring and Management Program

PHASE 1 BUDGET SUMMARY

Item	MPWMD
Labor Costs	
M.1 Program Administration	$12,870
I.1 Monitor Well Construction	$3,168
I.2 Production, Water Level and Quality Monitoring	$22,864
I.3 Basin Management	$3,280
I.4 Seawater Intrusion Contingency Plan	
Subtotal	*$42,182*
Direct Costs MPWMD	
Database Server (MPWMD)	$4,200
Data Archiving Hardware (MPWMD)	$3,600
Water Quality Sampling Services (MPWMD)	$14,110
Subtotal	$21,910
TOTAL	***$64,092***

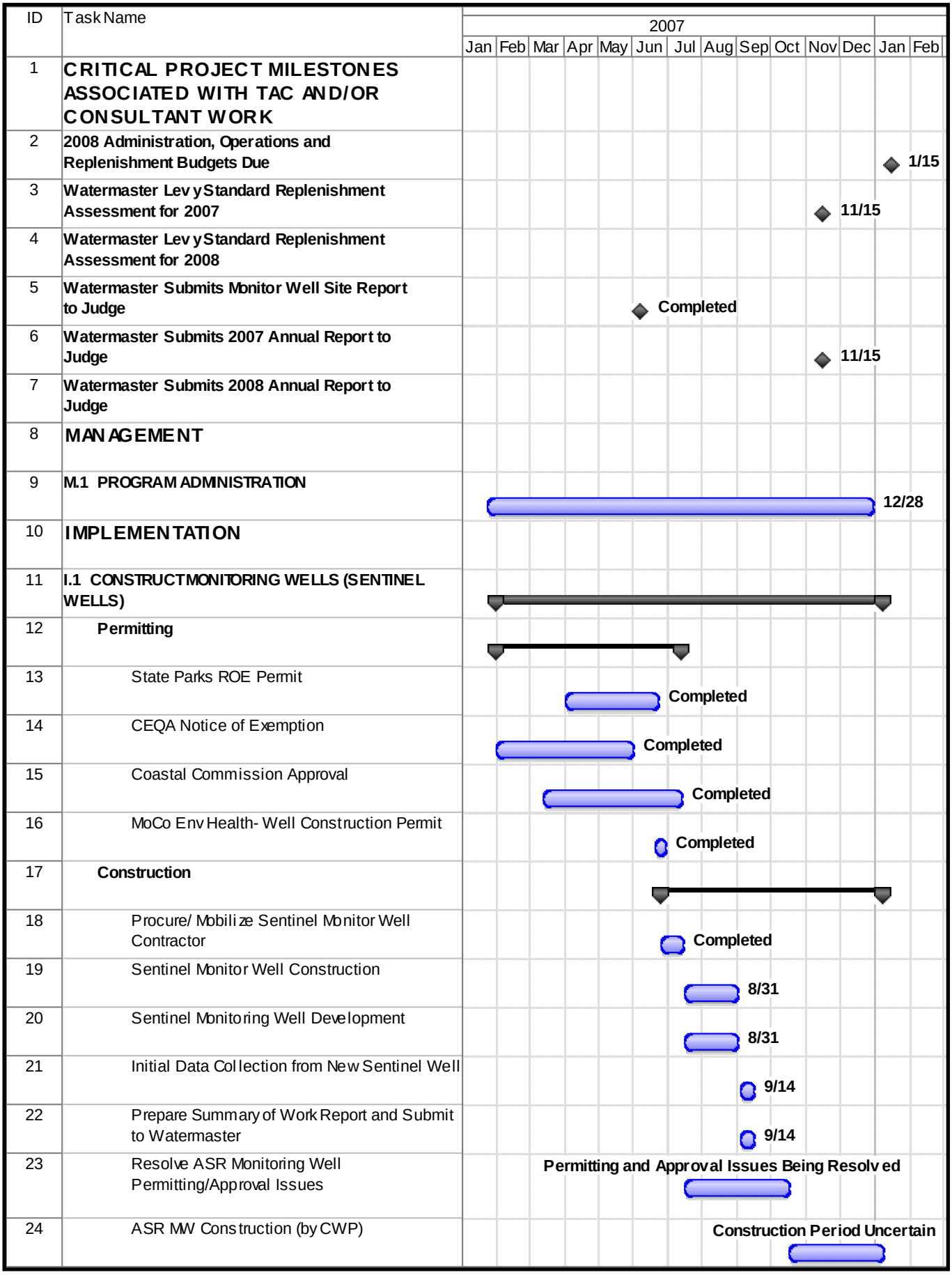
Seaside Basin Monitoring and Management Program
Scope and Labor Budget
Task Description

Task No.		Hours		MPWMD Rate		Subtotal
M. 1	**Program Administration**					
M. 1. a.	Program Management Plan	16	$	99	$	*1,584*
M. 1. b.	Project Budgets and Controls	16	$	99	$	*1,584*
M. 1. c.	Assist with Board and TAC Agendas	5	$	99	$	*495*
M. 1. d.	Preparation and Attendance of Meetings	60	$	99	$	*5,940*
M. 1. e.	Prepare Board/ TAC Status Updates and Reports	9	$	99	$	*891*
M. 1. f.	Peer Review of Documents and Reports	24	$	99	$	*2,376*
M. 1. g.	QA/QC		$	99	$	-
	Subtotal Program Administration				$	*12,870*
I. 1.	**Monitor Well Construction**					
I. 1. a.	Coordination with Monitor Well Implementation Program	32	$	99	$	*3,168*
	Subtotal Monitor Well Construction Program				$	*3,168*
I. 2.	**Production, Water Level and Quality Monitoring**					
I. 2. a.	Basin Management Database Development					
I. 2. a. 1.	Coordination with Watermaster to Review Database	16	$	99	$	*1,584*
I. 2. a. 1. 1	Review of MPWMD Database to Catalog Historical Data				$	-
I. 2. a. 1. 2	Collection				$	-
I. 2. a. 2.	Develop Scope to Enhance or Develop New Database				$	-
	Database Server Purchase					
	Database Archiving Software Purchase					
I. 2. a. 3.	Create Basin Management Database	40	$	67	$	*2,680*
I. 2. a. 4.	Populate Database with Data from all sources				$	-
I. 2. a. 5.	Conduct ongoing data entry/ database maintenance	32	$	69	$	*2,208*
I. 2. b.	Data Exchange and Collection					
I. 2. b. 1.	Establish Agreements and Schedule	12	$	94	$	*1,128*
I. 2. b. 2.	Establish Data Types, Formats	60	$	94	$	*5,640*
I. 2. c.	Develop Data Archiving Procedures	60	$	94	$	*5,640*
I. 2. d.	Develop Data QA/QC Procedures	24	$	67	$	*1,608*
I. 2. e.	Enhanced Monitor Network Evaluation	24	$	99	$	*2,376*
I. 2. e. 1.	Key Laguna Seca Subbasin Locations*				$	-
I. 2. e. 2.	Key S-Coastal Subbasin Locations*				$	-
I. 2. e. 3.	Summary Technical Memorandum with Recommendations*				$	-
I. 2. f.	Laguna Seca Water Quality Investigation*				$	-
	Subtotal Production, Water Level and Water Quality Monitor Program				$	*22,864*
I. 3	**Basin Management**					
I. 3. a.	Supplemental Water Supplies	40	$	82	$	*3,280*
	Subtotal Basin Management Program				$	*3,280*
	Total				***$***	***42,182***

Notes: * Indicates costs for this subtask are included in the costs shown for Task I.2.e

Phase 1 SBMMP					
MPWMD					
Water Quality Sampling Services					
Labor					
Task	**Hours**	**Rate**	**Frequency**		**Cost**
Collect quarterly water samples (existing MPWMD wells)	24	69	3		$4,968.00
Collect one-time water samples (new WM sentinel wells)	24	69	1		$1,656.00
Data Preparation and Reporting	8	84	3		$2,016.00
			Subtotal		$8,640.00
Outside Direct Costs					
Description	**No. of wells**	**Time Unit**	**No. of Time Units**	**Unit Price**	**Cost**
WQ Lab analyses (existing MPWMD wells)	6	quarterly	3	$180	$3,240.00
WQ Lab analyses (new WM sentinel wells)	4	once	1	$180	$720.00
WQ monitoring equipment rental (existing MPWMD wells)		1 day/event	3	$300	$900.00
WQ monitoring equipment rental (new WM sentinel wells)		1 day/event	1	$300	$300.00
			Subtotal		$5,160.00
			Administative cost (6%)		$309.60
			Total Cost Estimate		**$14,109.60**

AMENDED EXHIBIT C
WORK SCHEDULE


ID
Task Name
2007
Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb
1 CRITICAL PROJECT MILESTONES ASSOCIATED WITH TAC AND/OR CONSULTANT WORK
2 2008 Administration, Operations and Replenishment Budgets Due
1/15
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11/15
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Completed
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8 MANAGEMENT
9 M.1 PROGRAM ADMINISTRATION
12/28
10 IMPLEMENTATION
11 I.1 CONSTRUCT MONITORING WELLS (SENTINEL WELLS)
12 Permitting
13 State Parks ROE Permit
Completed
14 CEQA Notice of Exemption
Completed
15 Coastal Commission Approval
Completed
16 MoCo Env Health- Well Construction Permit
Completed
17 Construction
18 Procure/ Mobilize Sentinel Monitor Well Contractor
Completed
19 Sentinel Monitor Well Construction
8/31
20 Sentinel Monitoring Well Development
8/31
21 Initial Data Collection from New Sentinel Well
9/14
22 Prepare Summary of Work Report and Submit to Watermaster
9/14
23 Resolve ASR Monitoring Well Permitting/Approval Issues
Permitting and Approval Issues Being Resolved
24 ASR MW Construction (by CWP)
Construction Period Uncertain

ID	Task Name
25	**I.2 COMPREHENSIVE BASIN PRODUCTION, WATER LEVEL, AND WATER QUALITY MONITORING PROGRAM**
26	**I.2.a Basin Management Database Development**
27	I.2.a.1 Review of MPWMD Database
28	I.2.a.2 Develop Scope of Work to Enhance or Develop New Groundwater Resource
29	I.2.a.3 Create Basin Management Database
30	I.2.a.4 Populate Database with Data From All Sources
31	I.2.a.5 Conduct Ongoing Data Entry/Database Maintenance
32	**I.2.b Data Exchange and Collection**
33	**I.2.c Develop Data Archiving Procedures**
34	**I.2.d Develop Data QA/QC Procedures**
35	**I.2.e Enhanced Monitoring Well Network Evaluation**
36	Submit Summary Technical Memo with Recommendations to TPM
37	Present Summary Technical Memo with Recommendations to TAC
38	**I.2.f Laguna Seca Water Quality Investigation**
39	**I.3 BASIN MANAGEMENT**
40	**I.3.a Supplemental Water Supplies**
41	Submit Summary Technical Memo with Recommendations to TPM
42	Present Summary Technical Memo with Recommendations to TAC
43	**Durbin Model Documentation**
44	Draft Documentation Report from Tim Durbin Received by RBF
45	Submit Summary Technical Memo with Recommendations to TPM
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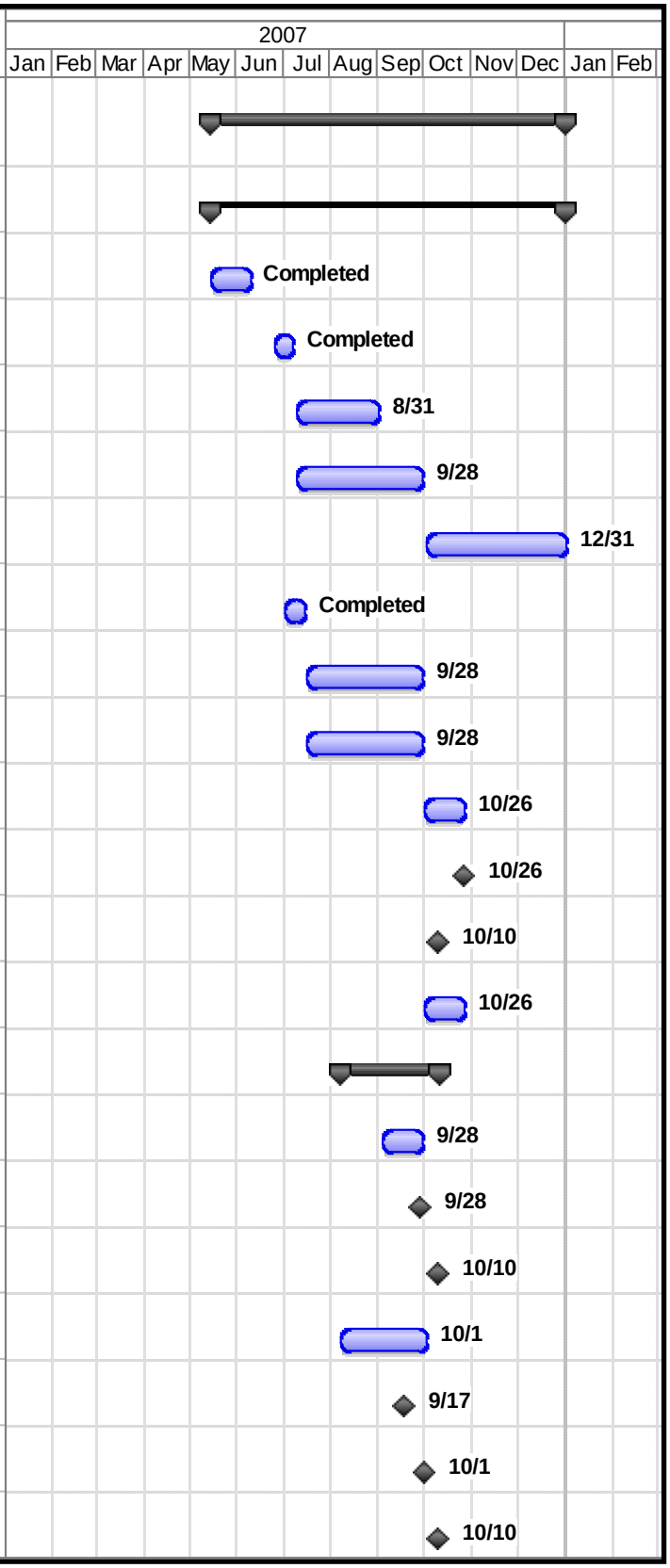


ID	Task Name	2007													
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
47	**I.4 SEAWATER INTRUSION CONTINGENCY PLAN/ESTABLISH SEAWATER INTRUSION BASELINE**														
48	**I.4.a Oversight of Seawater Intrusion Detection and Tracking**												11/15		
49	**I.4.b Develop Seawater Intrusion Analysis Protocol**												Completed		
50	**I.4.c Prepare Baseline Water Level Contour Mapping**												9/28		
51	**I.4.d Prepare Mapped Representation of Baseline Basin Pumping**												9/28		
52	**I.4.e Graph & Map Historical Data/ Establish Baseline Water Quality**												9/28		
53	**I.4.f Analyze and Map Water Quality from Coastal Monitoring Wells**												9/28		
54	**I.4.g Annual Report - Seawater Intrusion Analysis**												10/24		
55	Submit Draft Seawater Intrusion Analysis Report to TPM												9/28		
56	Present Draft Seawater Intrusion Analysis Report to TAC												10/10		
57	Present Draft Seawater Intrusion Analysis Report to Board												10/17		
58	Submit Final Seawater Intrusion Contingency Plan Report to TPM												10/24		

AMENDMENT TO AGREEMENT BETWEEN THE SEASIDE BASIN WATERMASTER AND MONTEREY COUNTY WATER RESOURCES AGENCY FOR PROFESSIONAL SERVICES

WHEREAS the SEASIDE BASIN WATERMASTER (hereinafter (Watermaster) and MONTEREY COUNTY WATER RESOURCES AGENCY (hereinafter Consultant entered into that certain Agreement Between the Seaside Basin Watermaster and MONTEREY COUNTY WATER RESOURCES AGENCY for Professional Services on April 18, 2007, (hereinafter Agreement);

WHEREAS Section IX titled ACHANGES AND CHANGED CONDITIONS provides that any changes to the Agreement shall be documented by duly executed amendments to the Agreement; and

WHEREAS Watermaster and Consultant wish to amend the Agreement.

NOW THEREFORE, the Agreement is hereby amended as follows:

A. By deleting in its entirety **Exhibit C**, Work Schedule, and by substituting therefor the attached new **Amended Exhibit C**, Work Schedule**.**

In all respects other than as hereinabove expressly set forth the undersigned hereby ratifies the Agreement Between the Seaside Basin Watermaster and Monterey County Water Resources Agency for Professional Services executed on April 18, 2007, as amended on this the ___ day of _____, 2007.

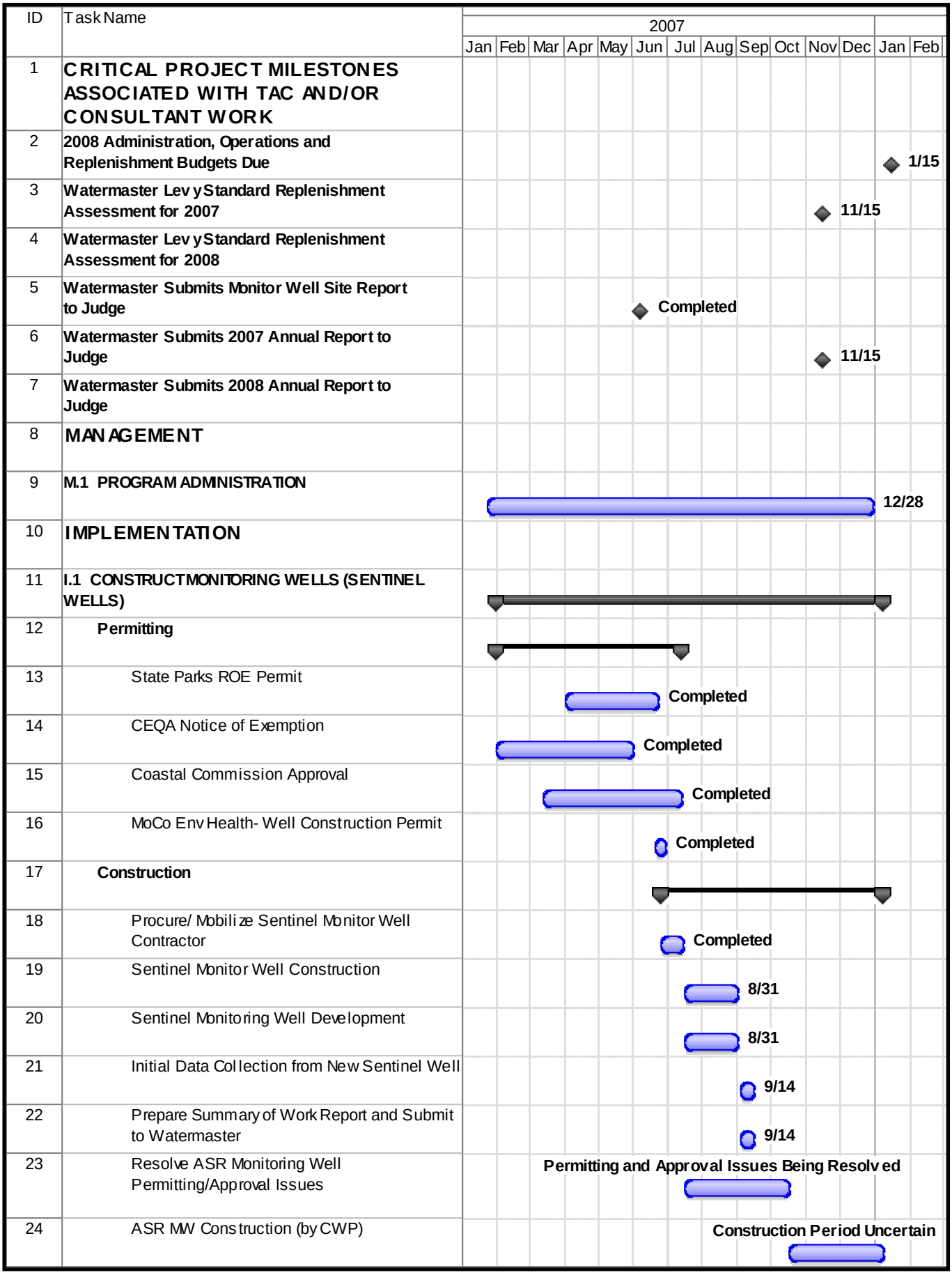
SEASIDE BASIN WATERMASTER

By: _____
DEWEY EVANS
Watermaster Executive Officer

CONSULTANT

By: _____
MONTEREY COUNTY WATER RESOURCES AGENCY

AMENDED EXHIBIT C
WORK SCHEDULE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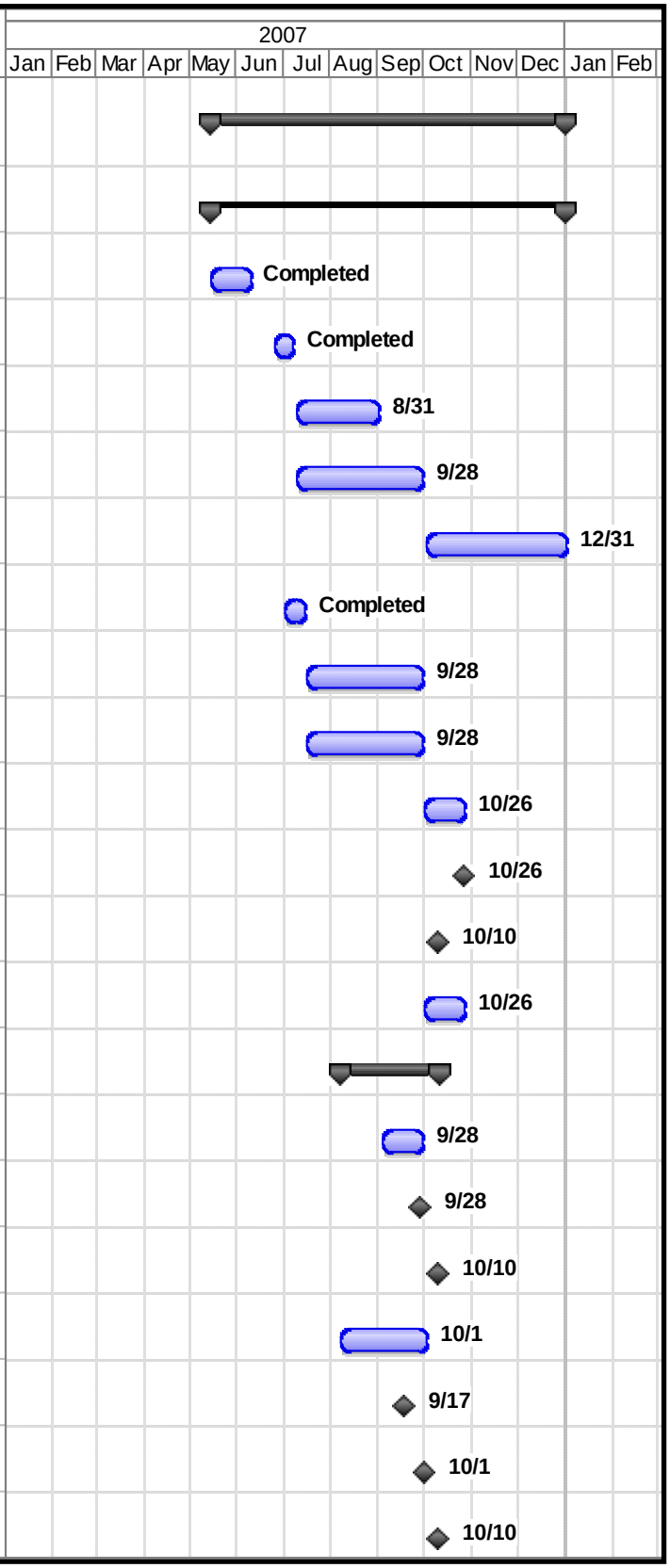

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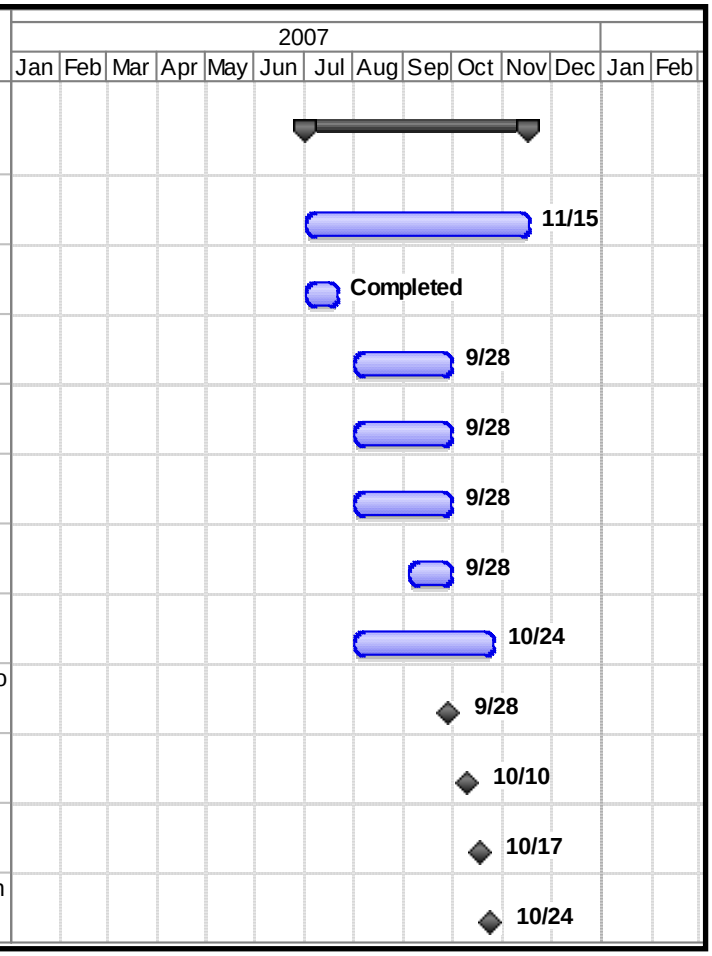

ITEM IX. A. 4.
10/17/07

AMENDMENT TO AGREEMENT BETWEEN THE SEASIDE BASIN WATERMASTER AND MARTIN B. FEENEY FOR PROFESSIONAL SERVICES TO IMPLEMENT THE SEASIDE GROUNDWATER BASIN WATERMASTER SEAWATER SENTINEL MONITORING WELLS WORKPLAN

WHEREAS the SEASIDE BASIN WATERMASTER (hereinafter Watermaster) and MARTIN B. FEENEY (hereinafter Consultant) entered into that certain Agreement Between the Seaside Basin Watermaster and Martin B. Feeney for Professional Services to Implement the Seaside Groundwater Basin Watermaster Seawater Sentinel Monitoring Wells Workplan on February 20, 2007, (hereinafter Agreement), which Agreement was amended on August 1, 2007;

WHEREAS Section VIII titled CHANGES AND CHANGED CONDITIONS provides that any changes to the Agreement shall be documented by duly executed amendments to the Agreement; and

WHEREAS Consultant has informed Watermaster that it has completed the work originally assigned to Consultant in **Exhibit A** (Scope of Work) of the Agreement, and that because that work was less costly than originally anticipated, Consultant anticipates incurring total costs for that work of approximately $25,000 less than the $850,000 amount authorized in Paragraph C of Section II titled Maximum Payment; and

WHEREAS Watermaster wishes to have certain instrumentation installed on the monitoring wells Consultant has constructed under the Agreement, which would be additional work not contemplated in **Exhibit A** of the Agreement, and Consultant has proposed to perform this work using a portion of the unused authorization referred to in the preceding recital, subject to execution of an Amendment to the Agreement to authorize the performance of said additional work; and

WHEREAS Watermaster and Consultant wish to amend the Agreement for this purpose.

NOW THEREFORE, the Agreement is hereby amended as follows:

A. By adding the following language to **Exhibit A**, Scope of Services:

1. Consultant will purchase and install data logging instrumentation on each of the four Sentinel wells Consultant has installed under this Agreement.
2. Each data logger shall be capable of measuring and recording the water

level in the well, and storing this data for a period of at least three months, so that it can be downloaded in the field and uploaded to a computerized data base.

3. Consultant's costs to perform this additional work shall not exceed $10,000, and shall be charged on a time-and-materials basis in accordance with the rates contained in **Exhibit B**, Fee Schedule.

B. This Amendment does not increase the $850,000 amount authorized by Paragraph C of Section II of the Agreement titled Maximum Payment. The total cost of the work originally authorized in **Exhibit A** of the Agreement, plus the additional work authorized by this Amendment, shall not exceed this $850,000 amount.

In all respects other than as hereinabove expressly set forth the undersigned hereby ratifies the Agreement Between the Seaside Basin Watermaster and Martin B. Feeney for Professional Services to Implement the Seaside Groundwater Basin Watermaster Seawater Sentinel Monitoring Wells Workplan executed on February 20, 2007, as amended on this the ___ day of _____, 2007.

SEASIDE BASIN WATERMASTER

By: _____
DEWEY EVANS
Watermaster Chief Executive Officer

CONSULTANT

By: _____
MARTIN B. FEENEY

ITEM. X.

INFORMATIONAL REPORTS

(NO ACTION REQUIRED)

SEASIDE GROUNDWATER BASIN WATERMASTER CRITICAL MILESTONE DATES

ANNUAL MILESTONES	2006	2007	2008	2009	2010	2011	2012	2013	2
Each Producer[1] is authorized to Produce its Production Allocation[2] within the designated Subarea[1] in each of the first three Water Years.[3] Alternative Producers may change to Standard Production by March 27, 2009 by filing a declaraton with the Court and with the other parties.	27-Mar-06			27-Mar-09					
Commencing with the fourth Water Year and Triennially thereafter, the Operating Yield for both Subareas will be decreased by 10% until the Operating Yield is equivalent to the Natural Safe Yield unless by recharge or reclaimed water use results in a decrease in production of Native Water as required by the decision.				75% of the Operating Yield of 5,600 af could be decreased 10% Jan 1, 2009		Operating yield could decrease 10% every three years on October 1st until it is the equivalent of Natural Safe Yield			1
Each Water Year by November 15th, the Watermaster will determine and levy a Replenishment Assessment[4] on each Standard Producer[1], with payment due from Producer 40 days after the levy is mailed		15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15
After the close of each Water Year, the Watermaster will determine and levy a Replenishment Assessment[4] against all Producers[1] that incurred Operating Yield Over Production during the Water Year, with payment due from Producer by January 15th.		30-Nov	30-Nov	30-Nov	30-Nov	30-Nov	30-Nov	30-Nov	30
California American Water is to submit annually to the Watermaster any augmentation to the water supply for possible credit toward Replenishment Assessment	Annually	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15
Water level monitoring - monthly data collection *from all members for inclusion in the consolidated database.*	Reported Annually	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15
Water quality monitoring - yearly data collection *from all members for inclusing in the consolidadted database*	Reported Annually	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15
Summary report of water resources data *to all members/parties* Reported the 15th each quarter month:	Quarterly	Oct 15th	Jan, Apr, Jul, Oct 15th	Jan, Apr, Jul, Oct 15th	Jan, Apr, Jul, Oct 15th	Jan, Apr, Jul, Oct 15th	Jan, Apr, Jul, Oct 15th	Jan, Apr, Jul, Oct 15th	J Jul,
Annual Report to Court	January 15	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15

ADMINISTRATIVE MILESTONES	2006	2007	2008	2009	2010	2011	2012	2013	2
Board Directors Terms		30-Oct							
Budget (Administrative)		30-Oct	15-Jan	15-Jan	15-Jan	15-Jan	15-Jan	15-Jan	15
Budget (Operations)		30-Oct	15-Jan	15-Jan	15-Jan	15-Jan	15-Jan	15-Jan	15
Budget (Replenishment)		30-Oct	15-Jan	15-Jan	15-Jan	15-Jan	15-Jan	15-Jan	15

MONTHLY MILESTONES	2006	Jan 07	Feb 07	Mar 07	Apr 07	May 07	Jun 07	Jul 07	A
Adjudicaton ordered by Court and filed	27-Mar-07								
Monitoring and Management Plan submitted to Court									
Watermaster submission of a revised Monitoring and Management Plan and Replenishment Assessment Calculation to the Court		12-Jan-07							
Service Contract for Well Installation and Implementation of BMMP			2/28/2007						
1-Year Anniversary of Adjudication: Provide further estimates, programs and plans				27-Mar-07					
Report to Court designation of sites for drilling groundwater monitoring wells required by BMMP							11-Jun-07		
Fiscal Year tentative budgets for distribution to all parties									
Appoint/reappoint members and alternates for Jan 2008-Dec 2009									
Annual Report to Court									

Watermaster Board Regular Meeting Schedule

SUMMARY PROJECT SCHEDULE (See RBF detailed project schedule for more information)	Original Adjudicated Timeline 5/17/06 revised 9/5/06	Court update on various Watermaster tasks and activities 3/15/07	BMMP Project Schedule 5/25/07	BMMP Phase I Schedule 10/17/07
Program Administration (RBF, MPWMD)		1/15/07-4/16/07	1/15/07-6/19/07	1/15/07-12/28/07
Basin Monitor Well Construction (Feeney, RBF, MPWMD, ASR/Pueblo)	7/1/06-10/31/07	1/31/07-11/30/07	1/31/07-9/28/07	1/13/07-12/31/07
Production Water Level and Water Quality Monitoring (RBF, MPWMD, ASR/Pueblo)	7/1/06-1/31/07	4/16/07-10/26/07	1/29/07-12/31/07	5/14/07-12/31/07
Seaside Basin Management Program (RBF, MPWMD)	7/1/06-10/30/07	4/2/07-10/26/07	5/14/07-12/31/07	8/1/07-10/10/07
Seawater Intrusion Detection Program (RBF, MCWRA, Hydrometrics)	8/1/06-3/31/07	10/1/07-3/23/08	12/4/07-5/2/08	07/01/07-10/24/07

Revised October 11, 2007

Seaside Groundwater Basin Watermaster

Reported Quarterly and Annual Water Production (in Acre Feet) From the Seaside Groundwater Basin For All Producers Inclued in the Seaside Basin Adjudication -- Water Year 2007

(All Values in Acre-Feet ([AF])

Producer	Quarters				Annual To-Date Reported Total	Operating Yield Allocation
	Oct-Dec 2006	Jan-Mar 2007	Apr-Jun 2007	Jul-Sep 2007		
Coastal Subareas						
CAW (Coastal Subareas)	1,051.3	88.4	1,345.2	-	2,485.0	3,504.0
Seaside (Municipal)	67.0	58.3	74.3	88.2	287.8	287.0
Granite Rock Company	-	0.0	0.0	0.0	0.0	27.0
DBO Development No. 27	0.0	0.0	0.0	0.0	0.0	49.0
City of Seaside (Golf Courses)	76.9	27.8	170.1	198.7	473.5	540.0
Sand City	-	0.2	1.0	-	1.2	9.0
Security National Guaranty	2.1	2.3	2.4	-	6.7	149.0
M.E. Calabrese 1987 Trust	0.0	0.0	0.0	0.0	0.0	14.0
Alderwoods Group	3.1	2.8	10.3	-	16.2	31.0
Coastal Subarea Totals					3,270.4	4,611.0
Laguna Seca Subareas						
CAW (Inland Subareas)	91.8	63.0	120.1	-	274.9	345.0
Pasadera Country Club	15.0	33.2	77.6	108.2	234.0	251.0
Laguna Seca/Bishop	30.2	5.2	114.0	-	149.4	320.0
York School	4.8	3.3	7.5	8.4	24.1	32.0
Laguna Seca Park (County)	5.3	3.7	11.2	13.0	33.2	41.0
Laguna Seca Subarea Totals					715.7	989.0
Seaside Basin Totals					**3,986.1**	**5,600.0**

Notes:

1. The water year begins October 1 and ends September 30 of the following calendar year. For example, WY 2007 began on October 1, 2006, and will end on September 30, 2007.
2. Producers shown in **bold type** have not yet provided reports to the Watermaster covering the current quarter (i.e., Jul-Sep 07 Qtr).
3. Values shown in the table are based on reports to the Watermaster as received by the MPWMD by October 12, 2007.
4. All values are rounded to the nearest tenth of an acre-foot. Where required, reported data were converted to acre-feet utilizing the relationship: 325,851 gallons = 1 acre-foot.
5. "Operating Yield" values based on Seaside Basin Adjudication decision as amended, signed February 9, 2007 (Monterey County Superior Court Case No. M66343).
6. Any minor discrepancies in totals are attributable to rounding. CAW = California American Water.

D-R-A-F-T
MINUTES

Seaside Groundwater Basin Watermaster
Technical Advisory Committee Meeting
September 12, 2007

Attendees: **TAC Members**
City of Seaside – Diana Ingersoll (Chair) and Tim O'Halloran
California American Water Company – Tom Bunosky (Vice-Chair) and Charley Kemp
City of Monterey – No Representative
Laguna Seca Property Owners – Stanley Powell (via telephone)
MPWMD – No representative
Public Member – John Fischer
MCWRA – Manuel Salvera
City of Del Rey Oaks – No Representative
City of Sand City – Steve Matarazzo

Watermaster
Technical Program Manager - Robert Jaques

Consultants
RBF Consulting – Sarah Hardgrave, Martin Feeney, Consulting Hydrologist

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The meeting was called to order at 1:35 p.m.

1. Review and Prioritize Agenda Items for Today's Meeting

Ms. Ingersoll asked everyone present to introduce themselves which they did. She then reviewed the agenda for determination of which issues should be covered today's meeting. She noted that Item Nos. 7, 8, and 9 were put on the agenda in response to discussions at the September 5th Board meeting.

Ms. Ingersoll said she wanted to just introduce these items today, and then appoint a subcommittee to work on them for presentation back to the full TAC at a future meeting. Following that, the recommendations from the TAC would be made to the Board.

It was acknowledged that it would be necessary to schedule a Special TAC meeting prior to the October 10th TAC meeting to complete this work.

There was a brief discussion on the issue of the sentinel monitoring wells.

2. Administrative Matters:

A. Approve Minutes from the August 8, 2007 Meeting

On a motion by Mr. Fischer, second by Mr. Matarazzo, with Ms. Ingersoll abstaining because she was absent from the meeting, the minutes from the August 8, 2007 TAC meeting were unanimously approved as presented.

3. Presentation on Ground Water Replenishment Project

Mr. Robert Holden, the Water Recycling Projects Manager from MRWPCA, made a PowerPoint presentation on MRWPCA's proposed Groundwater Replenishment Project (GWRP).

He reported that startup of the Regional Urban Recycled Water Augmentation Project (RURWAP) is expected to occur at the earliest in the summer of 2009. That project may provide the pipeline that would be used to deliver recharge water to the Seaside basin.

Mr. Bunosky asked if the quality of water going through the recycled water trunk line would differ from summer to winter. Mr. Holden confirmed that this would be the case, because the water must be of higher quality in winter for use in the GWRP. He said that MRWPCA is considering both percolation and injection wells as the methods of recharge. He noted that vadosz zone wells would inject water between the ground surface and the top level of the groundwater table. Water would be taken out one to three years later, as drinking water.

California Department of Public Health (formerly the Department of Health Services) has groundwater recharge regulations which will apply to this project. Under those regulations, injection wells must be at least 2,000 feet away from potable water wells, or 500 feet for percolation basins. MRWPCA is currently evaluating potential percolation basin and well locations which would comply with these regulations.

Mr. Matarazzo asked what percentage of the recharge water could be recovered. Mr. Holden said some testing is now being performed to help answer this question, which he noted was a complex issue.

Mr. Holden said it was estimated that groundwater recharge would cost about $2,000 per acre foot, which includes capital cost amortization and O&M costs, for a project that would deliver approximately 2, 400 acre feet per year of water. The construction cost estimate is approximately $37 million. Mr. Holden stressed that these are very preliminary cost estimates.

Ms. Ingersoll asked if the GWRP depended on the RURWAP for infrastructure. Mr. Holden replied that the RWRWAP was not necessary, since it is now been found that the cost to build the pipeline just to deliver the GWRP water would cost about the same as the pipeline and treatment facilities needed to deliver recycled water for the RWRWAP.

Mr. Holden said that the MRWPCA's next steps are as follows:

- Analyze injection and percolation options
- Obtain a pilot testing site
- Begin design of the treatment facilities, and
- Initiate the CEQA/NEPA processes.

Mr. Matarazzo asked why the NEPA process needed to be involved. Mr. Holden responded that NEPA is needed due to the fact that some of the sites being considered are on Federal property, and also that a loan for construction of the recycled water facilities had been previously obtained from the Bureau of Reclamation which is a Federal facility and requires NEPA process compliance.

Mr. Fischer asked if the project would be "drought resistant". Mr. Holden replied that even during drought conditions there is excess wastewater that could be recycled.

Mr. Bunosky asked how groundwater recharge was used in other locations. Mr. Holden replied that some projects use recycled water to form a groundwater barrier and some use it for domestic potable supplies. At Orange County and the West Basin Municipal Water District both of these applications are used. Groundwater recharge is also used in the Scottsdale, Arizona area. All of these projects are indirect potable reuse applications.

Mr. Holden reported that no Proposition 50 money has been made available to the project to date. However, he said MRWPCA is seeking funding sources, such as seed money that the Watermaster might be able to provide, to assist with costs for engineering and pilot testing facilities. He explained that the following seed money levels were being sought by MRWPCA:

- $600,000 to carry the project through June 2008
- An additional$800,000 to carry the project through December 2008.
- It would take therefore approximately $1.4 million to carry the project from today through the end of 2008.

Ms. Ingersoll said she would like to see a schedule of implementation for the project. The schedule should show the timing for each phase of the project. Mr. Holden said MRWPCA will have better information in a few months from consultant studies, and would then be able to prepare a more comprehensive schedule. Mr. Holden reported that, if no additional funding can be obtained, MRWPCA will soon reach the limit of the funding it can provide. He said that timing of the project will also be heavily affected by the decision with regard to the recharge method to be used, i.e. injection wells (which may <u>not</u> need pilot facilities) or percolation basins and/or vadosz zone wells, which <u>may</u> require pilot facilities.

Mr. Fischer said that the Division of Ratepayers would like to see better coordination of the GWRP as a potential element of an integrated regional water supply project. Mr. Bunosky reported that timing is critical-the Watermaster Board has to adopt its new budget very soon.

Mr. Bunosky said he would also like to see better coordination of the studies being performed by various consultants on the Seaside ground water basin.

Mr. Matterazzo recommended approaching Sam Farr for support. Mr. Holden said that MRWPCA has already contacted Mr. Farr several times for this purpose.

Mr. Bunosky asked if 2,400 acre feet per year would be 100 percent of the recycled water availability. Mr. Holden replied that this would be about 20 percent of the total available flow

that MRWPCA could supply. He said that MRWPCA would ultimately like to recycle 100 percent of its flows and have zero discharge to Monterey Bay. The 2,400 AFY amount was based on the pipeline and pump station capacities of the RURWAP. Those facilities limited the size of the GWRP.

Mr. Matterazzo noted that the size of the market for the recycled water would also influence the project's size.

Mr. Matterazzo asked how much water was treated at the Salinas Valley Reclamation Plant. Mr. Holden said that 14,200 acre feet per year was the peak recycling year. Mr. Matterazzo suggested that California American Water should consider the additional recycled water that could be produced beyond the current recycled water demand of the Salinas Valley Reclamation Plant. Mr. Bunosky said he agreed that more evaluation of the project would be beneficial.

Ms. Ingersoll asked what the TAC would like to do as a next step on this issue. Ms. Hardgrave said that RBF will be preparing a supplemental water supply report that will include this as one of the projects. Mr. Fischer said he felt the Ratepayers Group will be interested in considering this project as well.

Mr. Bunosky said the Watermaster is charged with managing the Seaside ground water basin and should help to coordinate this as part of its role.

Ms. Ingersoll suggested contacting all the entities that are planning projects impacting the Seaside ground water basin and ask them to brief the Watermaster on their proposed projects. This would include the projects being proposed by Marina Coast Water District, California American Water, MRWPCA, etc.

4. Progress Reports

A. Monitoring Well Construction

1. Martin Feeney - Permitting and Construction

2. RBF

3. MPWMD Coordination

Mr. Feeney reported that all four of the new wells were completed. Water quality samples have been taken, and induction logging is expected to be completed this week. He expects to complete his report prior to the end of the month. Ms. Ingersoll complimented Mr. Feeney on completing the well construction work.

B. Production, Water Level, and Water Quality Monitoring (Including Water Quality Sampling Services Provided by MPWMD)

1. MPWMD

2. RBF Consulting

There were no oral reports under this item.

C. Basin Management

1. MPWMD

2. RBF Consulting

Ms. Hardgrave reported that RBF is scheduled to deliver most of its work products to the TAC at the October TAC meeting. She said a subcommittee meeting on September 20th had been scheduled to internally review the draft Sea Water Intrusion Analysis Report. She also reported that she has received some portions of the Model documentation from Mr. Durbin. She plans to present the database in November. Part of the work on that includes evaluating security issues associated with the database.

D. Seawater Intrusion Contingency Plan

1. MCWRA

2. RBF Consulting

3. MPWMD

There were no oral reports under this item.

5. Schedule

Mr. Jaques briefly summarized the schedule that had been included in the agenda packet. Ms. Ingersoll complimented Mr. Jaques on preparing the updated schedule, and asked that any Critical Project Milestones which may be impacted by the consultants' work be added to the schedule. Mr. Jaques agreed to make that revision.

6. Watermaster Contract Issues

Mr. Jaques briefly summarized the agenda packet material on this item. Mr. Powell asked if shifting some of the work from RBF to MPWMD would affect the schedule. Mr. Jaques said he did not believe so, and that the intent was to meet the schedule as shown in the agenda packet.

7, 8, and 9. Discuss Monitoring and Management Program Budgets for Years 2008 and 2009, Discuss Budget and Finance Committee questions Regarding Scope and Costs of Monitoring and Management Program, and Discuss Replenishment Assessments for Water Year October 1, 2007-September 30, 2008

Ms. Ingersoll briefly introduced each of these items. With regard to Agenda item Nos 7 and 8, she appointed a subcommittee of representatives from MPWMD, MCWRA, RBF, California American Water, and the City of Seaside to develop a two-year budget and to review the Phase 2 scope of work and revise it as necessary to take into account all the water projects affecting the Seaside ground water basin.

Mr. Jaques offered to work with Mr. Kemp and Mr. Oliver to update the Replenishment Assessment budget model and present it to the TAC at its Special meeting later this month.

Mr. Fischer recommended that all scope of work items the TAC feels should be included should be recommended to the Board. He urged that the TAC not leave out items due to costs. He said that this is a Board decision, not a TAC decision. Ms. Ingersoll concurred.

The special TAC meeting was set to begin it 8:00 AM at the Seaside City Hall portable office building conference room. Mr. Jaques noted that he would have to arrive slightly later due to a schedule commitment at 8:30 that morning.

Mr. Jaques also said that he would obtain Mr. Feeney's thoughts on the need to have any new monitoring wells constructed in the upcoming year.

10. Other business

Mr. Bunosky asked if the regularly scheduled October 10th TAC meeting could be moved to the preceding day, October. 9 at 1:30 PM. Ms. Ingersoll asked Mr. Jaques to contact TAC members via e-mail to determine whether there would be any objections to this proposed change, and to notify the TAC of the outcome.

11. Set next meeting date for Wednesday September 12, 2007 at 1:30 p.m.

As noted in the discussions under Agenda item 1, a Special TAC meeting has been scheduled for September 28, 2007 at 8:00 a.m. in the Seaside City Hall Portable Office Buildings Conference Room. The next regular TAC meeting will be held on either October 9 or October 10, 2007. That meeting will be held at the Seaside City Hall Portable Office Buildings Conference Room.

The meeting adjourned at 3:15 p.m.

D-R-A-F-T
MINUTES

Seaside Groundwater Basin Watermaster
Special Technical Advisory Committee Meeting
September 28, 2007

Attendees: **TAC Members**
City of Seaside – Diana Ingersoll (Chair) and Tim O'Halloran
California American Water Company – Tom Bunosky (Vice-Chair) and Charley Kemp
City of Monterey – No Representative
Laguna Seca Property Owners – Stanley Powell (via telephone)
MPWMD – Joe Oliver
Public Member – John Fischer
MCWRA – No Representative (Due to an error in the Meeting Notice, Kathy Thomasberg arrived for the meeting at 1:30 p.m.)
City of Del Rey Oaks – No Representative
City of Sand City – Steve Matarazzo

Watermaster
Technical Program Manager - Robert Jaques

Consultants
RBF Consulting – Sarah Hardgrave

The meeting was called to order at 8:15 a.m.

1. Discuss Monitoring and Management Program Budgets for Years 2008 and 2009
Ms. Ingersoll and Mr. Bunosky reported that the Budget and Finance Committee had reviewed a draft budget from Mr. Evans yesterday that had other cost figures in it than those included in today's TAC meeting agenda packet. Mr. Jaques will provide the revised information to Mr. Evans for his use in preparing future Budget and Finance Committee agenda packets.

Ms. Hardgrave said that RBF will be 85 to 90 percent complete with all of its work in November.

Ms. Ingersoll asked how we determine how much was spent in 2007. Mr. Jaques responded that Mr. Evans does the accounting and bookkeeping for the Watermaster, and the question would need to be referred to him. Ms. Ingersoll said that she and Mr. Bunosky need report back to the Budget and Finance Committee with the updated information resulting from today's TAC meeting discussions.

Task M.1-Ms. Ingersoll asked why MPWMD should be charging to attend meetings. Mr. Oliver responded that MPWMD does not need to charge for just attending TAC meetings or Board meetings, and therefore these amounts could be reduced to zero.

Task 1.2.a-it was discovered that there were some cost duplications in the draft figures provided in the agenda packet, and that these could be reduced for MPWMD to $2,000 and MCWRA to $1,000.

Task 1.3.a-Mr. Powell expressed concern that his expert has not seen the Durbin documentation or the justification that will be coming from Mr. Williams with regard to not preparing a new model. Mr. Powell referred to page 18 of the Monitoring and Management Program which states that an enhanced model will be prepared, and which ties the development of improved estimates of recharge, yield, and storage to development of an enhanced groundwater model. Ms. Hardgrave summarized the input she had received from Mr. Durbin and Mr. Williams leading to the conclusion that, unless or until specific questions arise, it is not necessary to have an enhanced model.

Task I.3-There was much discussion on this task, which is Basin Management, with a number of revisions to be made to the scope of work and budget for this task.

Task 1.4-Mr. Oliver said it would be appropriate to evenly distribute the agency costs between MPWMD and MCWRA, as MCWRA has an equal role in providing input and overview of this task.

Ms. Ingersoll asked Mr. Jaques to ask the MCWRA whether they would be interested in doing the $35,000 work shown in the draft materials as being contracted out. She also asked that Mr. Jaques ask for their input on the other scope items and cost estimates as well.

Task 1.4.d-Ms. Ingersoll asked if MPWMD and/or MCWRA would be able to do this work. Mr. Jaques will pose this question to both of these entities and report back.

On a separate matter Mr. Oliver asked if MPWMD should purchase the database hardware that had been budgeted for in the current FY, or have RBF do the database hosting. Following some discussion that was consensus that the hardware should not be purchased, and that RBF should continue doing this work for the time being.

2. Discuss Budget and Finance Committee Questions Regarding Scope and Costs of Monitoring and Management Program

Mr. Bunosky said the first-year budgeting figures should be targets. The costs for the Phase 2 activities would depend on which items were included in Phase 2. As the Phase 2 Scope of Work is finalized, the costs associated with performing that work will become apparent.

3. Discuss Replenishment Assessments for Water Year October 1, 2007-September 30, 2008

Ms. Ingersoll reported that the Budget and Finance Committee asked for some revisions to the Table 1 Replenishment Assessment spreadsheet. Mr. Jaques will make these revisions.

There was discussion that the replenishment target was 2,600 AFY (this being the difference between the 5,600 AFY current Operating Yield, and the 3,000 AFY Natural Safe Yield.) There was much discussion on what the purpose of the Replenishment Assessment is, and what it is intended to be used for. Mr. Bunosky asked if we were trying to catch up the cumulative over pumping since the Court Order was issued, or if the purpose of the Replenishment Assessment was just to offset the over production in each year to avert the 10% reduction in production that is mandated by the Court Order.

4. Other business

Ms. Hardgrave's said that she will provide printed copies of RBF's various reports for the October 9th TAC meeting by making them available for pickup and review by TAC members at the Seaside City Hall Public Works Department counter on October 3rd. She will also post these documents to the RBF FTP website.

5.Set next meeting date for Tuesday October 9, 2007 at 1:30 p.m. at the Seaside City Hall Portable Office Buildings Conference Room

The next TAC meeting will be held on Tuesday (rather than the normal Wednesday) October 9, 2007 at the Seaside City Hall Portable Office Buildings Conference Room.

The meeting adjourned at 11:13 a.m.

D-R-A-F-T
MINUTES

Seaside Groundwater Basin Watermaster
Technical Advisory Committee Meeting
October 9, 2007

Attendees: **TAC Members**
City of Seaside – Diana Ingersoll (Chair) and Tim O'Halloran
California American Water Company – Tom Bunosky (Vice-Chair) and Charley Kemp
City of Monterey – No Representative
Laguna Seca Property Owners – Stanley Powell (via telephone)
MPWMD – Joe Oliver
Public Member – John Fischer
MCWRA – Kathy Thomasberg
City of Del Rey Oaks – No Representative
City of Sand City – Steve Matarazzo

Watermaster
Technical Program Manager - Robert Jaques

Consultants
RBF Consulting – Sarah Hardgrave
Martin Feeney Consulting Hydrogeologist- Martin Feeney

The meeting was called to order at 1:41 p.m. (Start of meeting delayed waiting for TAC members to arrive)

1. **Administrative Matters:**
   - **A. Approve Minutes from September 12 and September 28, 2007**

On a motion by Mr. Oliver, second by Mr. Fischer, the minutes of both of these meetings were unanimously approved as presented, including the two edits received by email from Mr. Powell and Mr. Matarazzo and previously reported to the TAC.

2. **Consultant Reports**
   - **A. Monitoring Well Construction**
     1. **Report on the Sentinel Wells Construction Project**

Mr. Feeney reported that all wells have been completed, data has been collected, and the draft report has now been prepared. He explained that the installation of the new sentinel wells resulted in learning a lot about the basin, and changes our understanding of the basin's geology. We will need to collect data from these wells to be able to determine the significance of the new geologic knowledge. No additional monitoring wells are required at this time. Mr. Feeney reviewed the conclusions and recommendations from his report (summarized on agenda pages 10 through 13).

Mr. Feeney reported that there is no agreement between the Watermaster and State Department of Parks and Recreation for ongoing O&M and data collection at the well sites. Mr. Jaques said he would pursue getting appropriate right-of-entry documents from Mr. Gray of the State Department of Parks and Recreation.

Mr. Feeney and said that within his approved contract, he estimates having approximately $25,000 unspent, because the well drilling process was less costly than originally estimated. Within the remaining contract amount he said that he could install the data loggers now, rather than waiting to do this until 2008 as proposed in the 2008 budget. Following brief discussion on this, there was unanimous TAC consensus to have this work added to Mr. Feeney's scope of work. Mr. Jaques will prepare a contract amendment for this purpose for approval at the Board's October 17 meeting.

Mr. Powell asked if seawater intrusion in the beach sands is hydraulically disconnected from the other aquifers. Mr. Feeney responded that the Paso Robles formation has very low vertical permeability, so therefore they are hydraulically disconnected. Mr. Powell went on to ask if the new geologic information changes our understanding of the geographical extent of the Santa Margarita formation. Mr. Feeney responded that it did, that it does not go as far north as previously believed in the vicinity of the sentinel wells. Mr. Feeney also noted that there are different water qualities between the Santa Margarita and Purisima formations.

Mr. Fischer and Mr. Feeney briefly discussed the likely timing for additional analysis of the significance of the new geologic information, as discussed in the conclusions of Mr. Feeney's report. Such analyses are not needed at this time, according to Mr. Feeney, but will likely be needed sometime in the next few years.

Ms. Ingersoll asked that all TAC members send their comments on his report to Mr. Feeney as soon as possible, so he can finalize that document. There was discussion on the number of copies of the report to print. There was consensus to have Mr. Feeney ask Board members, when he makes his presentation to them at the October 17 Board meeting, if they would like a complete copy of the report. Based on that information the quantity of reports can be determined. Mr. Jaques requested that the full report be provided to each member of the TAC committee that normally attends the TAC meetings, including Mr. Powell.

B. Production, Water Level, and Water Quality Monitoring

1. Report on Enhanced Monitoring Well Network Evaluation

Mr. Oliver and summarized his report. He noted there was a good distribution of existing wells in the coastal subarea, but that there were very few existing wells in the northern inland subarea.

Mr. Feeney reported that he had been consulted by Mr. Oliver as Mr. Oliver prepared his report, and that he concurred with the conclusions and recommendations in Mr. Oliver's report. He did note, however, that some of the wells listed in Mr. Oliver's draft report have subsequently been found to be abandoned, so Mr. Oliver will likely substitute other wells for those.

Mr. Powell commented that in the southern coastal subarea, wells are shown on the map that were not recommended for inclusion in the enhanced monitoring well network, and he wondered why. For example he noted that the Design Center well was not included. Mr. Oliver responded that this well is

already obligated to be performing water level and water quality testing as part of the adjudication process. He said that he will add a summary table showing all of the proposed monitoring wells, some of which are already obliged to perform monitoring and therefore not recommended for inclusion in the "enhanced" network, as well as those that would be new ones to be added.

Ms. Hardgrave suggested noting in the report that the Enhanced Monitoring Well Network Report coordinates with the work recommended in the Sea Water Intrusion Analysis Report.

Mr. Jaques asked Mr. Oliver what actions the Watermaster could take to get the well owners to perform the water level and water quality monitoring which is required of them under the adjudication Order. There was some discussion on this. Ms. Hardgrave suggested that the Board of Directors develop a policy on this matter. Mr. Oliver said that the owners of some of the smaller producing wells may not realize that the adjudication Order requires them to compile this information, noting that the adjudication documents are very complex and lengthy.

2. Report on Laguna Seca Water Quality Investigation

This was included in the item above.

C. Basin Management

1. Report on Durbin Model Documentation

Ms. Hardgrave briefly summarized the agenda packet materials on this item. She explained that the Fort Ord and MPWMD databases have now been merged in RBF's new comprehensive database. That data can be used, if the model needs to be run in the future. She reported that it does not appear to be beneficial to do any modeling work in 2008. Rather, it would be appropriate to examine the 2008 data to see if any questions arise that would be answered by doing a model run. She also said that there had recently been a study by others of the El Toro groundwater basin, and that this may be of potential use in further modeling work.

Mr. Powell said his expert reviewed the documentation and agrees the model would need to be enhanced before it is used. When checks and updates to the model are discussed, this should be done with TAC input, so his expert can participate, too. Mr. Powell said that the expert he is using is John Fio of Hydrofocus.

Ms. Thomasberg said that section 3.1.2 (page 16 -17 of the model documentation report) may need to be revised to recommend monthly rather than annual time steps.

Mr. Oliver said he was concerned that the Hydrometrics memo doesn't make it clear that updating is not needed or warranted this time. Mr. Oliver said that use of the model is not warranted unless there were questions that would be answered by the model.

Ms. Hardgrave recommended that the Hydrometrics memo be submitted with the model documentation when it goes to the Judge as part of the November annual report.

Mr. Oliver said that another reason for delaying any work on the model would be to provide time to gather data from the new Sentinel wells.

2. Report on Supplemental Water Supplies

Ms. Hardgrave said that this is an overview report. Some of the Replenishment Assessment projects are outside of the basin and were therefore not included in this report. There was some discussion by Ms. Hardgrave and Mr. Kemp with regard to the ASR benefits to the Seaside Ground Water Basin.

Mr. Powell asked why the In-Lieu Recharge Project had not included. Ms. Hardgrave said that she will add that project, after getting information on it from Mr. Kemp of CAW.

Mr. Fischer asked for some clarifications with regard to basin boundaries and some of the figures.

D. Seawater Intrusion Contingency Plan

1. Seawater Intrusion Analysis Report

Ms. Hardgrave said that due to the shortness of time in today's meeting, she recommended that a basin hydrogeologic overview presentation be made at the November TAC meeting, in conjunction with presenting the Sea Water Intrusion Analysis Report.

Ms. Thompson requested that the data sources listed in the Sea Water Intrusion Analysis Report be identified. She also noted that some of the graphics in the report are hard to read.

Mr. Powell said the report stresses the need to get more monitoring data in order to be able to do contour mapping of water quality constituents. He asked if some of the data that is currently required under the adjudication Order, but which is not being submitted by some of the producers, had been submitted, could the contours have been mapped? Ms. Hardgrave responded that, based on discussion with Mr. Feeney, it would probably be necessary to have the Sentinel well data to be able to do the contour mapping.

3. Monitoring and Management Program Scopes of Work and Budgets for Years 2008 and 2009

Mr. Jaques summarized the agenda packet materials on this item.

Ms. Thomasberg said she felt that MPWMD was better positioned to perform the work assigned to them, as they are closer to the Seaside Ground Water Basin than MCWRA is. Therefore, she concurred with the work assignments between her Agency and the MPWMD.

Ms. Hardgrave requested that the wording "...at this time." (on page 57 of the agenda) be added to the language regarding the enhanced model.

Mr. Oliver said that the proposed amount of $25,000 for the 2009 budget under task I.3.a may be low, but that it will depend on the scope of work.

Mr. Powell questioned the cost differences between the 2008 and 2009 cost estimates for task I.4.a. Mr. Oliver and Ms. Hardgrave said that more data will become available to analyze, but that the template reports developed in 2007 and 2008 can be used in 2009. and this will reduce the 2009 costs.

Mr. Bunosky asked whether or not MPWMD and MCWRA were comfortable with the costs and tasks assigned to them in the proposed budget. Both Ms. Thomasberg and Mr. Oliver responded that they were.

Mr. Jaques summarized the Capital Budgets presented on page 58 of the agenda packet. Mr. Oliver said he concurred with budgeting for the possibility of two additional monitoring wells in 2009's Capital Budget. Mr. Oliver said the $5,000 retrofit cost estimate (footnote No. 5 to this budget sheet) will likely be low due to the cost to retrofit the CAW Del Monte observation well.

Mr. Powell asked some questions with regard to the $5,000 well retrofit costs for 2008 and 2009.

Ms. Thomasberg said that many older wells are often sedimented and will need to be redeveloped for use as monitoring wells.

Following this discussion there was consensus to increase the $5,000 preliminary estimate to $20,000 in 2008, but to leave the $5,000 amount in 2009.

With these revisions, the 2008 and 2009 Operations and Capital Budgets were unanimously approved by the TAC.

4. Discuss Budget and Finance Committee Questions Regarding Scope and Costs of Monitoring and Management Program

There was no discussion of this topic, because the proposed budgets are lower than in previous years.

5. Replenishment Assessments for Water Year October 1, 2007-September 30, 2008

Mr. Jaques summarized the agenda packet material on this item.

Mr. Matterazzo provided updated cost information for the Sand City Desalination Project. He stated that the unit cost should be increased from $1,400 to $3,550 per acre foot. He explained that this cost was comprised of $2,550 per acre-foot for capital cost amortization and about $1,000 per acre foot for O&M costs, for a total unit cost of $3,550. Using this updated information the flow-weighted cost per acre-foot for replacement water rose to $2,485.

There was discussion of whether or not to leave in the MPWMD Phase 1 ASR Project. Following discussion there was consensus to delete it from the table, as it is not truly a viable replacement source of water.

There was much discussion about what year should be used in calculating the Replacement Assessment. Mr. Bunosky and Ms. Ingersoll recommended that the TAC formulate a request to the Board for policy direction on how the Board wants the Replacement Assessment figure determined/calculated. Mr. Jaques will agendize this for the next TAC agenda.

6. Discuss MRWPCA's Request for Funding Assistance for its Groundwater Replenishment Project

Mr. Jaques reviewed the agenda packet materials on this item.

Mr. Matarazzo said he felt the MRWPCA Groundwater Replenishment Project is a good one for matching with federal money and/or grant monies.

Ms. Ingersoll said the Board of Directors wants to spend money on implementing projects, not just studying concepts.

Mr. Kemp wondered if MRWPCA could finance the project and then recover the costs later. Mr. Bunosky said he understood MRWPCA has gone as far as it can with financing the project, and now needs additional outside sources of funding.

Mr. Jaques said that he had notified MRWPCA that they should submit a formal written request for funding assistance, and should include a more detailed/updated schedule and cost estimate as requested by the TAC at the meeting when MRWPCA provided its presentation on the project.

7. Other business

No other business was discussed.

8. Set next meeting date for Wednesday November 14, 2007 at 1:30 p.m. at the Seaside City Hall Portable Office Buildings Conference Room

The next meeting was set for Wednesday November 14, 2007 at 1:30 p.m. at the Seaside City Hall portable office buildings conference room.

The meeting adjourned at 4:17 p.m.

ITEM X. D.
10/17/07

SEASIDE GROUNDWATER BASIN
WATERMASTER

TO: Board of Directors

FROM: Dewey D Evans CEO

DATE: October 17, 2007

SUBJECT: Initiating Request for Approval of Transfer of Carryover Credits from DBO Development No. 30 to City of Seaside

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PURPOSE:

To initiate request to start the approval of transfer of carryover credits from DBO Development No. 30 to the City of Seaside.

RECOMMENDATION:

To initiate request as outlined above. A representative for the City of Seaside will be present to discuss this issue.

DISCUSSION:

Mr. Russell McGlothlin requested that this item be placed on the agenda to introduce the subject.

FISCAL IMPACT:

None know at this time.

ATTACHMENTS:

None.