SEASIDE GROUNDWATER BASIN WATERMASTER

REGULAR BOARD MEETING AGENDA

WEDNESDAY, NOVEMBER 4, 2009, 2:00 P.M.

MONTEREY REGIONAL WATER POLLUTION CONTROL AGENCY
BOARD ROOM, 5 HARRIS COURT, BUILDING "D"
"RYAN RANCH"
MONTEREY, CALIFORNIA

WATERMASTER BOARD:
City of Seaside – Mayor Ralph Rubio, Chair
Coastal Subarea Landowner – Director Paul Bruno, Vice Chair
Monterey Peninsula Water Management District – Director Judi Lehman, Secretary
City of Del Rey Oaks – Mayor Jerry Edelen
California American Water – Director Craig Anthony
Laguna Seca Subarea Landowner – Director Bob Costa
City of Monterey –Mayor Chuck Della Sala
City of Sand City – Mayor David Pendergrass
Monterey County/Monterey County Water Resources Agency -- Supervisor Dave Potter, District 5

I. CALL TO ORDER

II ROLL CALL

III. MINUTES;

The minutes of the Special Board meeting of October 7, 2009 are attached to this agenda. The 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 Approval of Summary for Payments Made during October, 2009 totaling $95,986.91
B Consider Fiscal Year Financial Reports – Through October 31, 2009

VII. ORAL PRESENTATION

(None scheduled)

VIII. OLD BUSINESS

A. COMMITTEE REPORTS

1. TECHNICAL ADVISORY COMMITTEE (TAC)

a). Discussion/Consider Approving –"Water Year 2009 Seawater Intrusion Analysis Report" prepared by HydroMetrics LLC

B. Discuss/Consider Approving Memorandum of Understanding (MOU), between the Seaside Basin Watermaster and the City of Seaside regarding Watermaster allowing a monetary credit against the City's replenishment assessment balance owed for providing Watermaster with in-lieu replenishment water from its proposed golf course irrigation program.

IX. NEW BUSINESS

A. COMMITTEE REPORTS

1. TECHNICAL ADVISORY COMMITTEE (TAC)

a). Discuss/Receive Report "Seaside Groundwater Basin Modeling and Protective Water Levels" prepared by HydroMetrics LLC, Containing Modeling Results and Development of Protective Water Levels

B. Discussion/Consider Approving Watermaster Annual Report for WY 2009 due to be filed with the Court on or before November 15, 2009.

X INFORMATIONAL REPORTS (No Action Required)

A. Timeline Schedule of Milestone Dates (Critical date monitoring)
B. Technical Advisory Committee (TAC) minutes of October 14, 2009
C. Water Production Report for the Fourth Quarter of Water Year 2009 (July 1, 2009 through September 30, 2009 and for the entire Water Year 2008-2009.
D. Annual Assessments Invoiced for FY 2010; Administration; Monitoring and Management—Operations and Capital Funds

XI. DIRECTOR'S REPORTS

XII. EXECUTIVE OFFICER COMMENTS

XIII. NEXT REGULAR MEETING DATE –DECEMBER 2, 2009 (MRWPCA-Board Room) 2:00 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, Monterey Regional Water Pollution Control Agency and the California American Water Company for posting on October 29, 2009 per the Ralph M. Brown Act, Government Code Section 54954.2(a).

ITEM NO. III.

MINUTES

REGULAR MEETING
Seaside Groundwater Basin Watermaster
October 7, 2009

MINUTES

I. CALL TO ORDER

Chairman Rubio called the meeting to order at 2:02 p.m. in the Monterey Regional Water Pollution Control Agency Boardroom at 5 Harris Court, Building D, Monterey.

II. ROLL CALL

City of Seaside – Mayor Ralph Rubio, Chairman
Coastal Subarea Landowner – Director Paul Bruno, Vice Chair
City of Del Rey Oaks – Mayor Jerry Edelen
California American Water ("CAW") – Director Craig Anthony
City of Sand City – Mayor David Pendergrass
Monterey Peninsula Water Management District ("MPWMD") – Director Judi Lehman, Secretary
Laguna Seca Subarea Landowner – Director Bob Costa
Monterey County/Monterey County Water Resources Agency ("MCWRA") – Supervisor David Potter
City of Monterey – Mayor Charles "Chuck" Della Sala

Absent: None

III. APPROVAL OF MINUTES

It was moved by Mayor Pendergrass, seconded by Director Costa, and carried, Director Anthony voting no, and Supervisor Potter and Mayor Della Sala abstaining due to nonattendance at that meeting, to approve the minutes of the Watermaster Regular Meeting of August 25, 2009. A consent and waiver aye vote was submitted by Director Bruno.

IV. REVIEW OF AGENDA

There were no changes to the agenda.

V. PUBLIC PARTICIPATION/ORAL COMMUNICATIONS

There were no questions or comments from the public.

VI. CONSENT CALENDAR

A. Consider Approval of Summary for Payments made during September 2009 totaling $88,325.30.
B. Consider current year Financial Reports – Through September 30, 2009.
C. Consider Approval of Watermaster Letter to MPWMD requesting support with regard to hearings before the Administrative Law Judge regarding the Coastal Water Project Draft Environmental Impact Report (CWP DEIR) and the need to pump additional water into the Seaside Groundwater Basin to avoid the prospect of seawater intrusion into the Basin.

Moved by Supervisor Potter, seconded by Mayor Della Sala, and unanimously carried, to approve the consent calendar as presented.

VII. ORAL PRESENTATION – None.

VIII. OLD BUSINESS

A. COMMITTEE REPORTS

1. TECHNICAL ADVISORY COMMITTEE ("TAC")

a) Derrick Williams, Hydrometrics LLC, gave a Powerpoint presentation and provided handouts regarding protective water levels in the Seaside Basin. Mr. Williams stated that, since the seawater/fresh water interface between the off-shore ocean water and the aquifer fresh water is unknown and cost-prohibitive to determine, the 100% protection levels presented err on the side of caution and assume potentially imminent seawater intrusion. Management alternatives for 100% protection against seawater intrusion will be presented at the November board meeting. Robert Jaques, Technical Program Manager, stated that $25,000 was allotted in the proposed 2010 budget for research on management alternatives for additional, lesser percentages of protection from seawater intrusion. An in-depth presentation of Hydrometric's groundwater modeling work is scheduled to be presented by Mr. Williams at the October 28, 2009 TAC special meeting at MRWPCA board room at 9:00 a.m.

IX. NEW BUSINESS

A. The board reviewed the submitted notice of the need for each party to appoint or reappoint voting and alternate members to the Watermaster board of directors. CEO Evans stated he would send out written notification of requirements to each party in the near future to meet the latter part of November court notification deadline.

B. The board concurred to hold the election of a board treasurer over until the regular election of board officers in January 2010.

C. COMMITTEE REPORTS

1. BUDGET / FINANCE COMMITTEE with TAC

a) Budget / Finance Committee Chair, Ray Corpuz stated that the committee met September 29th and reviewed all four proposed budgets and the replenishment assessment unit cost of $2,780, and recommended approval of all as presented. In a matter related to the Replenishment Fund Budget, the committee hoped to have a draft MOU with the City of Seaside for its golf course in-lieu replenishment project by the November meeting.

Moved by Director Anthony, seconded by Director Lehman, and unanimously carried, to adopt the proposed Fiscal Year 2010 Annual Administrative Fund Budget.

b) Mr. Jaques reviewed in his transmittal to the board the changes from last year in the proposed Management and Monitoring Program for Fiscal Year 2010 Scope of Work and correlated the changes with the submitted task outline.

Moved by Mayor Della Sala, seconded by Director Costa, and unanimously carried, to adopt the proposed Fiscal Year 2010 proposed Management and Monitoring Program Fiscal Year 2010 Scope of Work.

Mr. Jaques stated the Budget / Finance and TAC committees had approved the proposed Monitoring and Management Fund – Operating and Capital Budgets for 2010 and recommended adoption by the board. Mr. Weeks, MCWRCA, requested that future proposed budgets be presented in larger font for easier review.

1) **Moved by Director Lehman, seconded by Mayor Della Sala, and unanimously carried, to adopt the proposed Fiscal Year 2010 Monitoring and Manager Fund – Operating Budget.**

2) **Moved by Mayor Della Sala, seconded by Director Lehman, and unanimously carried, to adopt the 2010 Monitoring and Management Fund – Capital Budget (a zero dollar budget).**

c) Mr. Corpuz reviewed the methodology regarding the determination of the proposed replenishment assessment unit cost per acre foot for water year 2009/10 that would be used to calculate any overproduction replenishment assessments at the end of water year 2009/10. The Budget / Finance Committee approved of the unit cost determined and Mr. Corpuz further encouraged the board to direct the committee to review past methodology for determining unit costs for possible adjustments to the amounts owed on replenishment assessments by the City of Seaside and CAW and bring back to the board any recommended credits or adjustments to the Replenishment Assessment Fund for past years.

Moved by Director Bruno, seconded by Director Lehman, and unanimously carried, to adopt the water year 2009/10 proposed unit cost for over-production replenishment assessment amount of $2,780.

There was no further action or direction given by the board on this item.

d) Moved by Director Anthony, seconded by Director Bruno, and unanimously carried, to adopt the water year 2009/10 proposed Replenishment Assessment Fund Budget as presented.

X. INFORMATIONAL REPORTS (No Action Required)

A. Timeline Schedule of Milestone Dates (Critical date monitoring)
B. Technical Advisory Committee ("TAC") minutes of September 23, 2009.
C. Water Production Report for Third Quarter Water Year 2009 (April 1 – June 30, 2009)
D. Report of Water Year 2009, Third Quarter, Groundwater Quality and Groundwater Level Data collected for the Seaside Groundwater Basin Watermaster as prepared by MPWMD.

XI. DIRECTORS' REPORTS

Director Bruno encouraged all to attend the State Water Resources Control Board ("SWRCB") meeting on the CAW Cease and Desist Order ("CDO") on October 20, 2009 in Sacramento to let the SWRCB know that the issue is beyond that of water; that the Peninsula communities would be severely adversely affected by the proposed CDO actions. CAW is arranging transportation to Sacramento for anyone interested in attending.

Director Anthony reported on the Aquifer Storage and Recovery Program ("ASR"), stating that he attended a meeting on Monday with MPWMD where an agreement was reached for CAW to contract for a small well to be drilled at Fitch School as part of the ASR program permitting process. The first well is a lead-in to a second ASR well site at Fitch School already approved by MPWMD to be completed by December 2010. Director Lehman thanked the City of Del Rey Oaks, CAW and MPWMD for staying on task to work toward completion of the ASR program.

XII. EXECUTIVE OFFICER COMMENTS

The next TAC meeting is scheduled for Wednesday, October 14, 2009 at 1:30 p.m. in the City of Seaside portable conference room; a TAC special meeting is scheduled for Wednesday, October 28, 2009 at 9:00 a.m. in the MRWPCA board room with focus on a groundwater model presentation; a TAC regular meeting is scheduled for November 19, 2009 in the MPWMD conference room at 1:30 p.m.

The next regular Watermaster board meeting is scheduled for November 4, 2009 at 2:00 p.m. in the MRWPCA board room. Topics to include the 2008 Annual Report to court, report on fund assessments billed for 2010 and replenishment assessments billed for water year 2008/09, groundwater modeling, the MOU on the City of Seaside golf course in-lieu project, and the status of the 10% reduction requirement for 2008/09.

XIII. NEXT MEETING DATE – Regular Meeting to be held on November 4, 2009, at the Monterey Regional Water Pollution Control Agency (MRWPCA) Board meeting room at 5 Harris Court, Building "D" on Ryan Ranch in Monterey at 2:00 p.m.

XIV. There being no further business, Chairman Rubio adjourned the meeting at 3:30 p.m.

ITEM NO. VI.

CONSENT CALENDAR

ITEM VI.A.
11/4/2009

SEASIDE GROUNDWATER BASIN
WATERMASTER

TO: Board of Directors

FROM: Dewey D Evans, CEO

DATE: November 4, 2009

SUBJECT: Summary of Payments Authorized to be paid during the month of October, 2009.

PURPOSE:

To advise the Board of payments authorized to be paid during the month of October, 2009

RECOMMENDATIONS:

Consider approving the payment of bills submitted and authorized to be paid during the month of October, 2009

COMMENTS and FISCAL IMPACT:

DDEvans Consulting (Professional Services Agreement—CEO)—September 1, 2009 through September 28, 2009 worked on Watermaster business a total of 65.5 hours at $100.00 per hour or **$6,550.00.** Attended September 2nd State Water Resources Control Board hearing in Sacramento. Coordinated MPWMD letter with concerned Watermaster Board members and reached mutually agreeable position on letter. Coordinated and assisted in preparation of FY 2010 budget documents for Board discussion and approval. Reviewed TAC meeting agenda with Bob Jaques. Coordinated and prepared October 7th Board meeting agenda packet. Reviewed operating budgets with Bob J. before regular TAC meeting. Attended September 23rd TAC meeting, coordinated, prepared and attended Budget and Finance Committee meeting. Paid bills, answered numerous e-mail messages, telephone calls, etc., during the month.

Robert "Bob" Jaques (Technical Program Manager)—August 27, 2009 through September 26, 2009 worked a total of 44.5 hours at $100.00 per hour or **$4,450.00.** Reviewed and provided edits on third quarter MPWMD water level and quality report. Review and responded to BLM amended monitoring well agreement; coordinated, prepared and attended TAC September 23rd meeting; worked on replenishment assessment unit cost calculations; worked on FY 2010 M&MP budgets and attended RPOG meeting in Marina. Began work of Annual Report; begin preparing October 7th Board meeting agenda transmittals; revised M&MP Scope of Work and Budgets per TAC imput and e-mailed to CEO. Prepared TAC minutes and distributed same to TAC members for review.

HydroMetrics, LLC—Two invoices were submitted and authorized for payment during the month of October totaling **$72,486.91** for work done during the month of September, 2009. The two invoices included 490.5 hours of time spent working on the Seaside Basin Model and preparing and participating in the September 23, 2009 Watermaster TAC meeting.

DDEvans Consulting (Professional Services Agreement—CEO)—September 29, 2009 through October 26, 2009 worked on Watermaster business a total of 66.25 hours at $100.00 per hour or **$6,625.00.** Scheduled and prepared and attended Budget and Finance Committee meeting on September 29th. Responded to a variety of telephone calls, e-mails and other correspondence as needed. Organized, prepared and attended October 7th Watermaster Board of Director's regular monthly meeting. Sent out and coordinated getting water production reports back from water producers in the Basin. Prepared and delivered letter to MPWMD encouraging the District to assist the Watermaster in their deliberations before the CPUC regarding the draft EIR expected out in late October. Coordinated getting amendments to the MOU drafted by the City of Seaside regarding the in lieu replenishment water from the MCWD for irrigating the Fort Ord golf courses. Reviewed and discussed the October 14 TAC meeting agenda and follow-up minutes with Bob Jaques. Worked with Laura on preparing and reviewing the assessment billings for FY 2010. Started preparation for the November 4, 2009 Watermaster Board meeting agenda packet.

Robert "Bob" Jaques (Technical Program Manager)—September 27, 2009 through October 26, 2009 worked a total of 58.75 hours at $100.00 per hour or **$5,875.00.** Prepared October 7th Board meeting material, attended Budget and Finance Committee meeting on September 29th, prepared revised BLM monitoring well right-of-way application for new well site and sent out appropriate e-mails for review. Worked on Annual Report for Watermaster that must be submitted with the court by November 15th. Organized, prepared and attended the October 14th TAC meeting, met with Tom Bunosky and Eric Sabolsice regarding the CWP DEIR issues. Reviewed and prepared comments for CEO on draft MOU between City of Seaside and Watermaster for golf course water issues. Review and approve HydroMetrics invoices and forward to Watermaster office for processing for payment. Begin review of Groundwater Model Report from HydroMetrics.

Total payments authorized to be paid during October, 2009 totaled **$95,986.91**

Seaside Groundwater Basin Watermaster

Budget vs. Actual Administrative Fund

Fiscal Year (January 1 - December 31, 2009)
Balance through October 31, 2009

	2009 Adopted Budget	Contract Amount	Year to Date Revenue / Expenses
Available Balances & Assessments			
Dedicated Reserve	25,000.00		25,000.00
FY 2008 (Rollover)	24,241.00		38,294.20
FY 2009 Assessments	108,759.00		93,097.70
Available	**158,000.00**		**156,391.90**
Expenses			
Contract Staff	108,000.00	108,000.00	68,825.00
Legal Advisor	25,000.00	-	-
Total Expenses	**133,000.00**	**108,000.00**	**68,825.00**
Total Available	25,000.00		
Dedicated Reserve	25,000.00		
Net Available	**-**		

ITEM VI.B.
11/4/2009

Seaside Groundwater Basin Watermaster

Budget vs. Actual Monitoring & Management - Operations Fund

Fiscal Year (January 1 - December 31, 2009)

Balance through October 31, 2009

	2009 Adopted Budget	Contract Encumbrance	Year to Date Revenue/Expenses
Available Balances & Assessments			
Monitoring & Management - Ops Fund	$ 683,998.00	$ -	$ 636,118.14
FY 2008 Rollover	133,496.15	-	271,132.77
Total Available	**$ 817,494.15**	**$ -**	**$ 907,250.91**
Appropriations & Expenses			
GENERAL			
Technical Project Manager	$ 100,000.00	$ 100,000.00	$ 48,850.00
Contingency @ 20% (not including TPM)	45,273.00	$ 45,273.00	-
Total General	**$ 145,273.00**	**$ 145,273.00**	**$ 48,850.00**
CONSULTANTS (Hydrometrics)			
Program Administration	$ 35,000.00	$ 35,000.00	$ -
Production/Lvl/Qlty Monitoring	29,000.00	-	-
Basin Management (BMAP, Modeling)	305,000.00	301,700.00	274,539.24
Seawater Intrusion (Plan, Analysis)	37,000.00	35,960.00	13,340.00
Total Consultants	**$ 406,000.00**	**$ 372,660.00**	**$ 287,879.24**
MPWMD			
Production/Lvl/Qlty Monitoring	$ 99,670.00	91,000.00	$ 43,875.30
Basin Management	12,800.00	12,800.00	5,200.00
Seawater Intrusion	6,800.00	6,800.00	1,600.00
Direct Costs	-	5,840.00	7,629.50
Total MPWMD	**$ 119,270.00**	**$ 116,440.00**	**$ 58,304.80**
OTHER			
Program Administration	$ -	$ -	$ -
Production/Lvl/Qlty Monitoring	2,645.00		-
Basin Management	4,600.00	1,447.50	1,447.50
Seawater Intrusion	6,210.00	1,447.50	1,447.50
Total MRWMD	**$ 13,455.00**	**$ 2,895.00**	**$ 2,895.00**
Transfer Out to Capital Fund			44,199.00
Total Appropriations & Expenses	**$ 683,998.00**	**$ 637,268.00**	**$ 442,128.04**
Total Available	**133,496.15**		

ITEM VI.B.
11/4/2009

Seaside Groundwater Basin Watermaster
Budget vs. Actual Monitoring and Management - Capital Fund
Fiscal Year (January 1 - December 31, 2009)
Balance through October 31, 2009

	2009 Adopted Budget	Contract Encumbrance	Year to Date Revenue / Expense
Available Balances and Assessments:			
Monitoring & Management Fund - Capital	$ 225,000		$ 209,250
FY 2007-2008 Rollover to 2009	-		16,877
Transfer in from Operations Fund	-		44,199
Subtotal	225,000		270,326
Appropriations & Expenses:			
Professional Services			
Project Management	-	-	-
Subtotal	-	-	
Direct Costs			
Well Drilling -	225,000	275,199	11,625
Subtotal	225,000	275,199	11,625
Total Appropriations and Expenses	$ 225,000	$ 275,199	$ 11,625
Total Available	**$ -**		

Footnote 1 - Contract amounts with Martin Feeney total $275,199.00 which includes the site location, design work, and installation of a monitoring well in the inland area of the former Fort Ord. Funding for the project consists of:

Cash in Fund - Rollover	$ 16,877
Assessments collected FY 2009	209,250
Transfer In from M&M Operations Fund	44,199
Assessments owed by City of Seaside	
FY 2009 15,750	15,750
Total	$ 286,076

ITEM V.I.B
11/4/2009

Seaside Groundwater Basin Watermaster
Budget vs. Actual - Replenishment Fund
Water Year 2009 (October 1 - September 30) / Fiscal Year (January 1 - December 31, 2009)
Balance through October 31, 2009

Replenishment Fund	**2006**	**2007**	**2008**	**2009**	**Totals Through WY 2009**	**2010 Adopted Budget (10/7/09)**	**Projected Totals Through WY 2010**
Assessments:	WY 05/06	WY 06/07	WY 07/08	WY 08/09		WY 09/10	
Unit Cost:	$1,132	$1,132	$2,485	$3,040		$2,780	
California American Water							
Exceeding Natural Safe Yield Considering Alternative Producers	2,106,652	2,484,533	5,164,969	4,326,744	$ 14,082,898	5,778,119	$ 19,861,017
Operating Yield Overproduction Replenishment	-	80,938	34,045	-	$ 114,983	38,086	$ 153,069
Total California American	2,106,652	2,565,471	5,199,014	4,326,744	$ 14,197,881	5,816,205	$ 20,014,086
CAW Credit Against Assessment	**(465,648)**		**(12,305,924)**		**$ (12,771,572)**	**-**	**$ (12,771,572)**
CAW Credit Balance				**$ (2,900,435)**	**-**	**-**	**$ -**
CAW Unpaid Balance	**$ -**	**$ -**	**$ -**	**$ 1,426,309**	**$ 1,426,309**	**$ 5,816,205**	**$ 7,242,514**
City of Seaside - Municipal							
Exceeding Natural Safe Yield Considering Alternative Producers	169,200	173,739	385,642	399,211	$ 1,127,792	431,428	$ 1,559,220
Operating Yield Overproduction Replenishment	50,487	340	16,898	66,090	$ 133,815	18,904	$ 152,719
Total Municipal	219,687	174,079	402,540	465,300	$ 1,261,606	450,332	$ 1,711,939
City of Seaside - Golf Courses							
Exceeding Natural Safe Yield - Alternative Producer	-	-	131,705	69,701	$ 201,406	147,340	$ 348,746
Total City of Seaside*	219,687	174,079	534,245	535,001	1,463,012	597,672	2,060,685
City of Seaside Paid Assessments	**-**	**-**	**-**	**-**	**$ -**	**-**	**-**
City of Seaside Unpaid Balance	**$ 219,687**	**$ 174,079**	**$ 534,245**	**$ 535,001**	**$ 1,463,012**	**$ 597,672**	**$ 2,060,685**
Grand Total Replenishment Fund Balance	**$ 219,687**	**$ 174,079**	**$ 534,245**	**$ 1,961,311**	**$ 2,889,322**	**$ 6,413,877**	**$ 9,303,199**
Total Replenishment Assessments	1,860,691	2,739,550	5,733,259	**$ 4,861,746**	15,660,894	6,413,877	**$ 22,074,771**
Total Replenishment Paid and Credited	(1,641,004)	(2,565,471)	14 (5,199,014)	**(2,900,435)**	(12,771,572)		**(12,771,572)**
MRWPCA GWRP Payment							**(100,000)**
Grand Total Replenishment Fund Balance	**219,687**	**174,079**	**534,245**	**1,961,311**	$ 2,889,322	**6,413,877**	**$ 9,203,198.90**

ITEM VIII.

OLD BUSINESS

ITEM VIII. A.

COMMITTEE REPORTS

ITEM NO. VIII. A. 1.

TECHNICAL ADVISORY COMMITTEE (TAC)

ITEM VIII.A.1.a)
11/04/09

SEASIDE GROUNDWATER BASIN
WATERMASTER

TO: Board of Directors

FROM: Robert S. Jaques, Technical Program Manager
MODIFIED AND APPROVED BY: Dewey Evans, CEO

DATE: November 4, 2009

SUBJECT: Discussion/Consider Approving "Water Year 2009 Seawater Intrusion Analysis Report" prepared by HydroMetrics LLC

- -

RECOMMENDATION:
It is recommended that the Board approve the Water Year 2009 Seawater Intrusion Analysis Report.

BACKGROUND:
HydroMetrics has prepared the Seawater Intrusion Analysis Report (SIAR) for Water Year 2008-2009. The SIAR examines the "health" of the Basin with regard to whether or not there are any indications that seawater intrusion is either occurring or is imminent. The Executive Summary section of the SIAR is attached, and the full document is available for review on the Watermaster's website at http://www.seasidebasinwatermaster.org/. The SIAR was approved by the TAC at its October 14, 2009 meeting.

DISCUSSION:
The key conclusions contained in the SIAR are that depressed groundwater levels, continued pumping in excess of recharge and fresh water inflows, and ongoing seawater intrusion in the nearby Salinas Valley all suggest that seawater intrusion could occur in the Seaside Groundwater Basin, but in spite of these factors, no seawater intrusion is currently observed in existing monitoring wells.

The SIAR contains four items of recommended work to be carried out by the Watermaster, as listed in the Executive Summary. All four of these items are included in the 2010 Monitoring and Management Program, and in the 2010 Operations Budget, both of which were adopted by the Board at its October, 2009 meeting.

Representatives from HydroMetrics will attend today's meeting to provide a summary of the report and to respond to questions by Board members.

ATTACHMENTS:
Executive Summary Section of the "Water Year 2009 Seawater Intrusion Analysis Report" prepared by HydroMetrics LLC.

Executive Summary from the *Water Year 2009 Seawater Intrusion Analysis Report* prepared by HydroMetrics LLC

Continued pumping in excess of recharge and fresh water inflows, pumping depressions near the coast, and ongoing seawater intrusion in the nearby Salinas Valley all suggest that seawater intrusion could occur in the Seaside Groundwater Basin. Fortunately, no seawater intrusion is currently observed in existing monitoring wells. This report addresses the potential for, and extent of, seawater intrusion in the Seaside Groundwater Basin. A number of different tools and analyses are used to investigate for evidence of seawater intrusion.

- Piper diagrams for water samples for Water Year 2009 from depth discreet monitoring wells show no apparent geochemical evolution towards seawater.

- No water samples analyzed in Stiff diagrams are indicative of incipient seawater intrusion.

- The only MPWMD monitoring wells displaying increasing chloride levels are the deep PCA East and FO-10 wells. Stiff and Piper diagrams for these wells do not indicate seawater intrusion, and it is likely that the increase is merely a localized fluctuation that is unrelated to seawater intrusion. No additional monitoring is warranted.

- No wells display decreasing sodium/chloride ratios that would indicate seawater intrusion.

- Maps of chloride concentrations do not show chlorides increasing towards the coast.

- Although production wells have a different water quality than the monitoring wells, probably as a result of their being screened across both shallow and deep zones, the water quality are not indicative of seawater intrusion.

- Groundwater production in the Seaside Groundwater Basin decreased in Water Year 2009 by 697.3 acre-feet, representing a 13 percent reduction from Water Year 2008's production. This reduction in groundwater withdrawal brings the basin closer to hydrologic balance which is necessary to prevent seawater intrusion.

Based on the findings of this report, the following recommendations should be implemented to continue to monitor and track potential seawater intrusion.

1. **Semi-Annual Water Quality Sampling in Well SBWM-4**
   It is recommended that semi-annual samples continue to be collected at sentinel well SBWM-4 because chloride concentrations from a depth of 900 feet below surface were greater than 250 mg/L.

2. **Continue to Analyze and Report on Water Quality Annually**
   Seawater intrusion is a threat, and data must be analyzed regularly to identify incipient intrusion. Maps, graphs, and analyses similar to what are found in this report should be developed every year.

3. **Reduce Frequency of Induction Logging in Sentinel Wells**
   Induction logging in the four sentinel wells has shown very little variation in salinity. Currently logging takes place quarterly. This could be reduced to semi-annually or annually.

4. **Start Looking for Abandoned Wells that Might be Conduits for Cross-Contamination Between Aquifers**
   In an effort to protect the deeper aquifer, old abandoned or improperly destroyed wells that are screened across both the deep and shallow aquifers should be identified. Once identified, confirmation should be made that these wells have been sealed and destroyed per County standards and requirements, and if not, whether they pose a threat for cross-contamination across aquifers. Wells that are improperly destroyed and are screened across multiple aquifers should be destroyed according to County standards and requirements. Wells that do not pose a cross-contamination threat should be examined for potential to be included in the Watermaster's monitoring network.

ITEM VIII.B.
11-4-2009

SEASIDE GROUNDWATER BASIN
WATERMASTER

TO: Board of Directors

FROM: Dewey D Evans, CEO

DATE: November 4, 2009

SUBJECT: Memorandum of Understanding (MOU) between Seaside Groundwater Basin Watermaster (Watermaster) and the City of Seaside regarding Watermaster allowing a monetary credit against the City's replenishment assessment balance owed for providing Watermaster with in-lieu replenishment water from its proposed golf course irrigation program

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PURPOSE:

To allow the City of Seaside a monetary credit against the City's replenishment assessment owed the Watermaster by providing the Watermaster with in-lieu replenishment water from the proposed golf course irrigation program.

RECOMMENDATION:

Discuss/Consider approving the attached MOU between Watermaster and the City of Seaside allowing a monetary credit against the City's replenishment assessment balance owed for providing Watermaster with in-lieu replenishment water from its proposed golf course irrigation program.

DISCUSSION:

According to the total water production reports for the last four water years the City of Seaside has an unpaid replenishment assessment fund balance due of $1,463,012. The City is proposing that an in-lieu replenishment program that involves the golf courses located on the former Fort Ord property as a viable means to obtain some of the replenishment water that the Watermaster needs to offset the cumulative Over-Production from the Basin.

In order to implement the program the City plans to obtain water from the Marina Coast Water District (MCWD) and use the water to irrigate the City's golf courses in lieu of groundwater produced from the Seaside Basin. The groundwater not produced from the Basin will be deemed in lieu replenishment water. The City wishes to engage in the Program in exchange for a monetary credit against its Replenishment Assessment liability.

The amount of credit Watermaster would extend to the City of Seaside against its Replenishment Assessment balance per acre-foot of in-lieu replenishment water generated from the Program has not yet been discussed in depth by the parties.

The proposed MOU has been reviewed by the Watermaster Budget and Finance Committee and by both the Watermaster staff members and outside legal counsel and found to be in acceptable form.

FISCAL IMPACT:

Implementation of this recommendation will preclude the Watermaster from receiving the actual funds necessary to purchase available water when and if it becomes available. Instead, a credit for water not pumped from the Seaside Basin will be accepted as payment and the credit will be applied against the outstanding replenishment debt owed amounting to $1,463,012 up to and through September 30, 2009, and possibly beyond.

ATTACHMENTS:

1). Draft of Memorandum of Understanding (MOU) between the Seaside Basin Watermaster and the City of Seaside dated November, 2009

DRAFT

MEMORANDUM OF UNDERSTANDING BETWEEN THE SEASIDE BASIN WATERMASTER AND THE CITY OF SEASIDE

This Memorandum of Understanding ("MOU") is entered into between the Seaside Groundwater Basin Watermaster ("Watermaster") and the City of Seaside ("City") (individually a "Party" and together the "Parties") this ___day of November, 2009 ("Effective Date") with respect to the following:

RECITALS

A. The amended final decision ("Decision") entered in the lawsuit, California American Water v. City of Seaside et al., Monterey Superior Court, (Case No. M 66343) governs groundwater production within the Seaside Groundwater Basin (the "Basin").

B. The City is a party to the lawsuit and received groundwater production allocation pursuant to the Decision as follows: (1) 540 acre-feet of Alternative Production Allocation[1] in relation to the City-owned Blackhorse and Bayonet Golf Courses ("Golf Courses"); and (2) Standard Production Allocation in relation to the City Municipal Water System.[2]

C. The Decision provides that any party that exceeds its allocation of Natural Safe Yield is subject to a Replenishment Assessment for each acre-foot of Over-Production during each Water Year.

D. The City presently owes certain sums to Watermaster for previously accrued Replenishment Assessments.

E. The City projects that it will continue to engage in Over-Production to supply its Municipal Water System, and potentially its Golf Course System, and therefore anticipates that it will continue to incur additional Replenishment Assessment liability.

F. The Decision obligates the Watermaster to procure new sources of water for replenishment of the Basin to offset cumulative Over-Production.

G. The Parties have identified an in lieu replenishment program ("Program") involving the Golf Courses and the City's Alternative Production Allocation associated with the Golf Courses, which is a viable means to obtain some of the replenishment water that Watermaster is obligated to procure.

H. To implement the Program, the City will obtain water supplies from the Marina Coast Water District ("MCWD"),[3] and supply the MCWD water to the City's Golf Courses for

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[1] All capitalized terms used in this MOU are to be given the same meaning as set forth in the Decision, unless otherwise described.

[2] The Standard Production Allocation is set forth as a percentage of Operating Yield of the Coastal Subarea. The City's Standard Production Allocation is roughly 10.47% of the Operating Yield.

[3] The water supply from Marina Coast Water District will initially be derived from Salinas Basin groundwater production and later reclaimed water, once available.

use in lieu of groundwater production from the Basin pursuant to the City's Alternative Production Allocation. The groundwater not produced will be deemed in lieu replenishment water.

I. The City desires to engage in the Program in exchange for a monetary credit against its Replenishment Assessment liability.

J. The Parties desire to enter into this MOU to memorialize the terms upon which the City shall engage in the Program, and the Watermaster shall provide the City with a monetary credit against its Replenishment Assessment liability.

AGREEMENT

The Parties agree as follows:

1. Term. This MOU shall commence upon the Effective Date and continue until the earlier of five (5) years from the Effective Date, or three (3) months following the end of the Water Year in which the Executive Director of Watermaster anticipates that the City shall have provided sufficient in lieu replenishment water pursuant to the Program to offset all of its then- accrued Replenishment Assessment liability.

2. Commencement and Scope of Program. The Program shall commence, if at all, only once the City deems it appropriate to commence the Program, in its sole discretion. The City shall notify the Watermaster CEO in writing of the date it intends to commence the program as far in advance as is feasible. The amount of in lieu replenishment that shall occur in any particular year pursuant to the Program, if at all, shall also be determined by the City in its sole discretion.

3. Accounting and Replenishment Assessment Credit.

3.1 Annual Accounting. During the term of this MOU, the City shall report to the Watermaster an accounting of the amount of water received from MCWD to be used in lieu of groundwater production from the Basin for the preceding calendar quarter, in writing, on or before January 15, April 15, July 15, and October 15 of each Water Year. The City shall record and report the MCWD deliveries based upon accurate meter readings. All meters used for such reporting shall be regularly calibrated and maintained by the City, or the City’s representative, and at the City’s expense to ensure accuracy. Prior to the commencement of the Program the City shall provide to the Watermaster an initial calibration report certifying the accuracy of the flowmeter which will measure the delivery of MCWD water to the City’s golf courses. When and if requested by the Watermaster, the City will perform additional calibrations to verify meter accuracy. Such requests by the Watermaster will not be made more often than once every two years, unless metering data are indicative of metering inaccuracies. If the Watermaster disputes the reported quantity of MCWD deliveries, it shall inform the City of the basis of its objection within one (1) month of receipt of the City's accounting, and the Parties shall thereafter engage in good faith negotiations to attempt to resolve the dispute. Any dispute that cannot thereby be settled shall be referred to the Court for resolution.

3.2 Calculating Credit Against City's Replenishment Assessment Liability. At the end of each Water Year, the Watermaster shall determine the cumulative gross Replenishment Assessment liability owed by the City in accord with Section 6.5 of the Watermaster's Rules and Regulations. The Watermaster shall then apply a credit against the City's gross Replenishment Assessment liability, which shall equal the amount of all MCWD deliveries to the Golf Courses for irrigation during the proceeding Water Year, not to exceed the

City's 540 acre-feet of Alternative Production Allocation, multiplied by the amount of the effective Replenishment Assessment Unit Cost for that Water Year. Watermaster shall then promptly notify the City of the cumulative net Replenishment Assessment liability owed.

4. Stay of Enforcement Proceedings for Unpaid Replenishment Assessments. Watermaster shall not bring any enforcement action against the City for non-payment of Replenishment Assessments during the terns of this MOU, provided that the City commences the Program within one (1) year of the Effective Date, and continues thereafter to provide at least two hundred (200) acre-feet of in lieu replenishment water to Watermaster each calendar year thereafter pursuant to the Program.

5. Good Faith Renegotiation of Program Extension. Upon termination of the initial term of this MOU, as set forth in Section 1 above, the Parties shall engage in good faith negotiations to determine whether the Program may be extended pursuant to mutual agreeable terms. No Party shall be obligated to commit to a Program extension or any particular term of a subsequent MOU for a Program extension.

6. Miscellaneous Terms. This Agreement shall be governed by and construed in accordance with the laws of California, without regard to conflicts of law principles, with venue for all purposes to be proper only in the County of Monterey, California. If any actions are required to interpret or enforce the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs. Any failure to enforce any provision of this Agreement shall not constitute a waiver thereof or of any other provision hereof. This Agreement constitutes 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 its future right to claim, contest or assert that this Agreement was modified, canceled, superseded, or changed by oral agreement, course of conduct, waiver or estoppel.

IN WITNESS WHEREOF the Parties hereby agree to perform pursuant to the terms set forth herein.

SEASIDE BASIN WATERMASTER	CITY OF SEASIDE
_____	_____
Dewey Evans, Executive Director	Ray Corpuz, City Manager
Date: November _____, 2009	Date: November _____, 2009

ITEM. IX.

NEW BUSINESS

ITEM IX. A.

COMMITTEE REPORTS

ITEM NO. IX. A. 1.

TECHNICAL ADVISORY COMMITTEE (TAC)

ITEM IX.A.1.a)
11/04/09

SEASIDE GROUNDWATER BASIN
WATERMASTER

TO: Board of Directors

FROM: Robert S. Jaques, Technical Program Manager MODIFIED AND APPROVED BY: Dewey Evans, CEO

DATE: November 4, 2009

SUBJECT: Discuss/Receive Report Titled "Seaside Groundwater Basin Modeling and Protective Water Levels" Prepared by HydroMetrics LLC, Containing Modeling Results and Development of Protective Water Levels

- -

RECOMMENDATION:

Provide comments and questions to HydroMetrics to assist them in finalizing this Report. The Report will be described in the Watermaster's 2009 Annual Report that will be filed with the Court later this month (see Agenda Item No. IX.B).

BACKGROUND:

Conclusions from work performed in preparing the Basin Management Action Plan (BMAP) in 2008, along with comments and questions from Technical Advisory Committee and Board members, indicated that it would be desirable to update the existing Seaside Basin Groundwater Model during 2009.

The purpose in updating the existing Model was to address shortcomings identified in it, so that the updated Model could be used to:

(1) Develop protective water levels for the Basin
(2) Evaluate different scenarios to determine such things as the most effective methods of using supplemental water sources to replenish the Basin and/or to assess the impacts of pumping redistribution
(3) Develop preliminary answers to other questions associated with Basin management.

In early 2008 a contract was issued to HydroMetrics LLC to perform this work. They have now completed the updated Model, and have developed protective water levels for the Basin using this Model. These protective water levels are target groundwater elevations which will maintain the position of the freshwater-seawater interface sufficiently far offshore to protect the Basin's aquifers

They have also completed evaluating the five scenarios selected by the TAC and Board earlier this year, as well as a baseline scenario, to determine the impacts on the Basin of several potential supplemental water supply projects as well as pumping redistribution within the Basin.

DISCUSSION:

HydroMetrics will make a presentation at today's meeting summarizing their work to date on updating the Groundwater Model, and in developing protective groundwater levels and in evaluating these six scenarios. A similar presentation was made to the TAC at its October 28, 2009 Special meeting. Today's presentation to the Board reflects comments and suggestions that were made by the TAC.

At the start of the meeting HydroMetrics will provide each Board member with a printed set of the PowerPoint presentation materials they will be using, to assist Board members in following along with the presentation.

Attached is an EXECUTIVE SUMMARY of the Final Draft of the "SEASIDE GROUNDWATER BASIN WATERMASTER MODELING AND PROTECTIVE GROUNDWATER ELEVATIONS. The complete Final Draft is posted on the Watermaster's website at: http:www.seasidebasinwatermaster.org/., for review by those Board members who wish to examine the entire document.

ATTACHMENTS:

Executive Summary Section of the report titled "Seaside Groundwater Basin Modeling and Protective Water Levels" prepared by HydroMetrics LLC

EXECUTIVE SUMMARY

The Seaside Groundwater Basin Watermaster's Basin Management and Action Plan (BMAP) recommended that a calibrated groundwater flow model of the Seaside Groundwater Basin be constructed to assist with groundwater management decisions (HydroMetrics LLC, 2009a). The model will help the Watermaster predict potential impacts to the groundwater basin from various management actions, such as new supplemental water supply projects. Furthermore, as seawater intrusion is a primary concern for this coastal groundwater basin, the benefits of potential water projects on coastal groundwater elevations can be simulated, thereby providing a valuable tool for managing and optimizing future seawater intrusion mitigation or prevention activities in the Seaside Groundwater Basin.

The Seaside Groundwater Basin Watermaster Technical Advisory Committee (TAC) agreed that the model should address the following goals:

- Evaluate the effects of selected supplemental water projects on the Seaside Groundwater Basin,
- Evaluate selected management actions,
- Determine storage efficiency of recharged water,
- Determine Total Useable Stored Groundwater and Total Useable Storage Space,
- Refine the water budget and Basin safe yield, and
- Determine quantities of supplemental water necessary to achieve protective groundwater elevations.

In addition to these goals, the groundwater flow model has been constructed to be able to address where water should be recharged, how it would best be recharged and what its fate would be; how much inflow and outflow occurs from the ocean; groundwater level responses to potential water projects; location of the hydrogeologic northern Seaside Groundwater Basin boundary; and flow between subareas.

CONCEPTUAL BASIN MODEL

The regional groundwater flow model is based on a well developed conceptual model. The conceptual model includes the basic data, interpretations, and simplifications of the hydrogeologic system in the project area. The area covered by the groundwater model is larger than the Seaside Groundwater Basin defined by the Adjudicated Judgment (Figure ES-1). This regional area was modeled to allow simulation of groundwater pumping and recharge outside of the Basin that may have an influence on groundwater conditions within the Basin.

The conceptual geology recognizes four water bearing geologic units in the study area: Aromas Red Sands, continental deposits (Paso Robles aquifer), Santa Margarita Sandstone, and Purisima Formation. The Paso Robles aquifer is divided into upper, middle, and lower units for this model. The Monterey Formation is considered non-water bearing, and serves as the bottom of the modeled area. The depth and thickness of each of these geologic units was re-interpreted as part of this project. Additionally, estimated locations of geologic faults in the study area were moved slightly as part of the conceptual model development.

REGIONAL MODEL DATA SOURCES

Time-varying estimates of basin recharge for the study area were developed as part of an extensive basin–wide water balance. The recharge estimates incorporate 22 years of daily rainfall measurements from two nearby weather stations, combined with a rainfall distribution map (isohyetal map) developed by Monterey County Water Resources Agency (MCWRA). The rainfall data were combined with 22 years of monthly evapotranspiration data collected from three nearby California Irrigation Management Information System (CIMIS) stations, land use data collected from multiple sources, soil type maps from the U.S. Soil Conservation Service, and vegetation information to estimate deep recharge from rainfall. Additional sources of recharge include return flow from municipal irrigation, system losses from delivered water, return flow from septic systems, and recharge from stormwater detention ponds.

Groundwater pumping data were collected for 72 production wells in the study area. Pumping data were provided by the Monterey Peninsula Water Management District (MPWMD) for wells under the Watermaster's jurisdiction. California-American Water (CAW), City of Seaside, Marina Coast Water District (MCWD), and California Water Service (CWS) also provided monthly data. Where annual data were provided in the absence of monthly data, the historical monthly distribution provided by MPWMD was used to distribute the annual production data into months. For years where no data

were available but it was confirmed that the well was operating, the long-term annual average production was used and distributed by Monterey Peninsula Water Management District's (MPWMD) historic monthly distribution.

REGIONAL MODEL DEVELOPMENT

The numerical groundwater model was built using the U.S. Geological Survey's MODFLOW 2005 model code (Harbaugh, 2005). The model simulates five geologic layers: Aromas Red Sands, upper Paso Robles aquifer, middle Paso Robles aquifer, lower Paso Robles aquifer, and Santa Margarita Sandstone/Purisima Formation. The model simulates groundwater conditions between January 1987 and December 2008. The model incorporates the time-dependent recharge calculated as part of the conceptual model and all of the pumping data. The model simulates the interaction of groundwater in the study area with the Pacific Ocean, as well as the interaction with the adjacent Salinas Groundwater Basin.

REGIONAL MODEL CALIBRATION

Calibrating the regional groundwater flow model involved an iterative approach to best match model output to measured groundwater elevation data from the calibration period. Simulated hydraulic heads were compared against available measured groundwater elevations at 60 wells throughout the study area. The model was considered calibrated when simulated results matched the measured data within an acceptable measure of accuracy, and when successive calibration attempts did not further improve the calibration statistics. Model calibration was carried out using both hand-calibration and parameter estimation (PEST) software (Watermark Numerical Computing, 2004). As a result of the successful model calibration, the groundwater model accurately simulates historical groundwater level fluctuations and trends in all 60 wells.

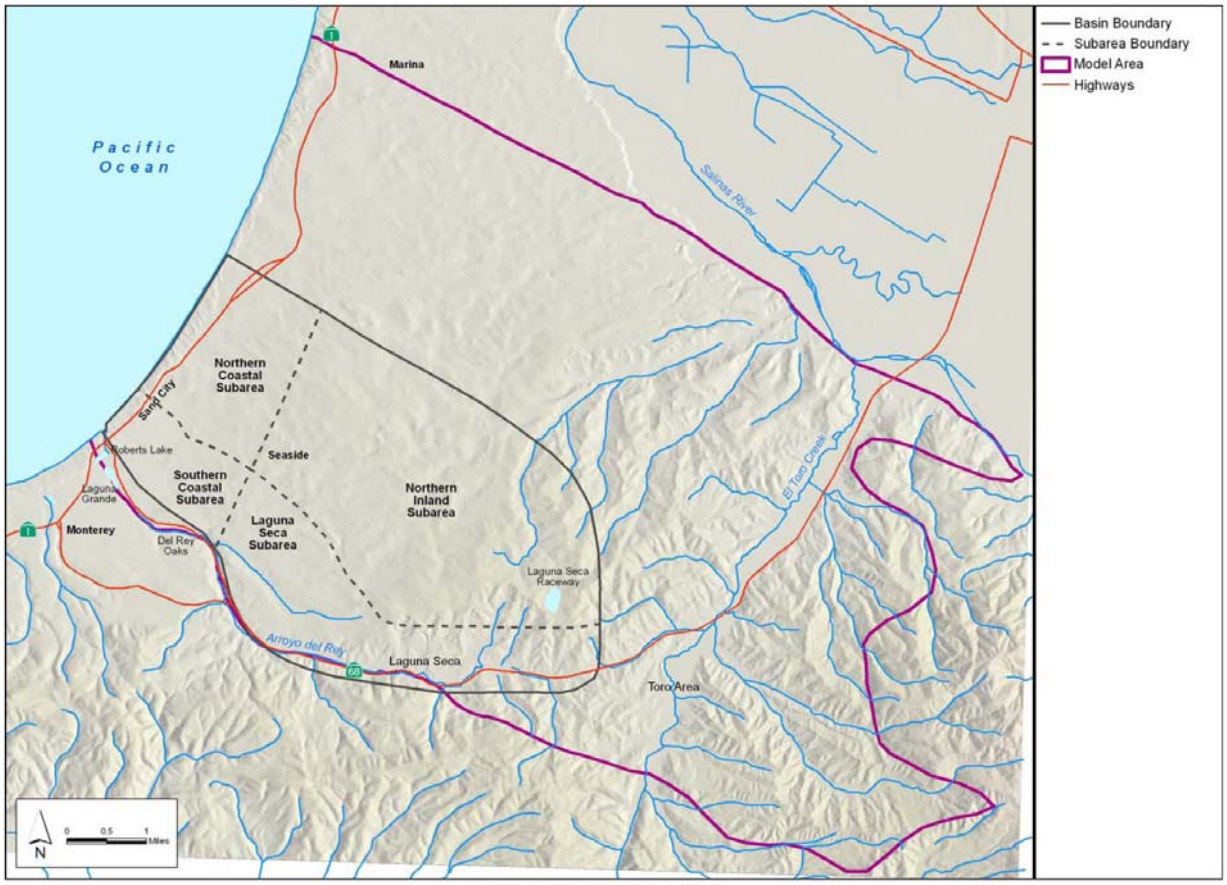

Figure ES-1: Model Area

DEVELOPMENT OF PROTECTIVE GROUNDWATER ELEVATIONS

In order to measure how successful any groundwater management scenario is, groundwater elevation targets were established. The targets are groundwater elevations that are high enough to protect the Seaside Groundwater Basin from seawater intrusion. These protective groundwater elevations were established using a different series of models than the regional groundwater flow model. The models were required to be different because variable density models are needed for establishing protective groundwater elevations, while the regional groundwater flow model does not require variable density ability. Furthermore, the size of the regional model would cause prohibitively long model run times if variable density was included. The U.S. Geological Survey's SEAWAT 2000 model code (Guo and Langevin, 2002) was used for protective groundwater elevation modeling. Figure ES-2 shows the relationship between the regional flow model and the protective groundwater elevation models.

The protective groundwater elevation models simulate groundwater conditions in four vertical planes through the earth, extending out under the ocean. The inland side of each cross-sectional model is anchored to one of the four coastal monitoring wells: CDM-MW-4, MSC well, PCA-West well, or Sentinel Well 3. The locations of these four vertical planes (cross-sections) are shown in Figure ES-3. The models were used to estimate the groundwater elevation that must be maintained in each monitoring well to prevent seawater from intruding into the Santa Margarita aquifer. Additional analyses were performed to estimate the groundwater elevation that must be maintained to prevent seawater from intruding into the Paso Robles aquifer, and to prevent seawater from intruding into the top 90% of the Santa Margarita Sandstone aquifer. To account for uncertainty of offshore geology and aquifer parameters, the modeling included an uncertainty analysis that allowed us to attach a level of confidence to the protective groundwater elevation targets. The target elevations for each monitoring well are shown in Table ES-1.

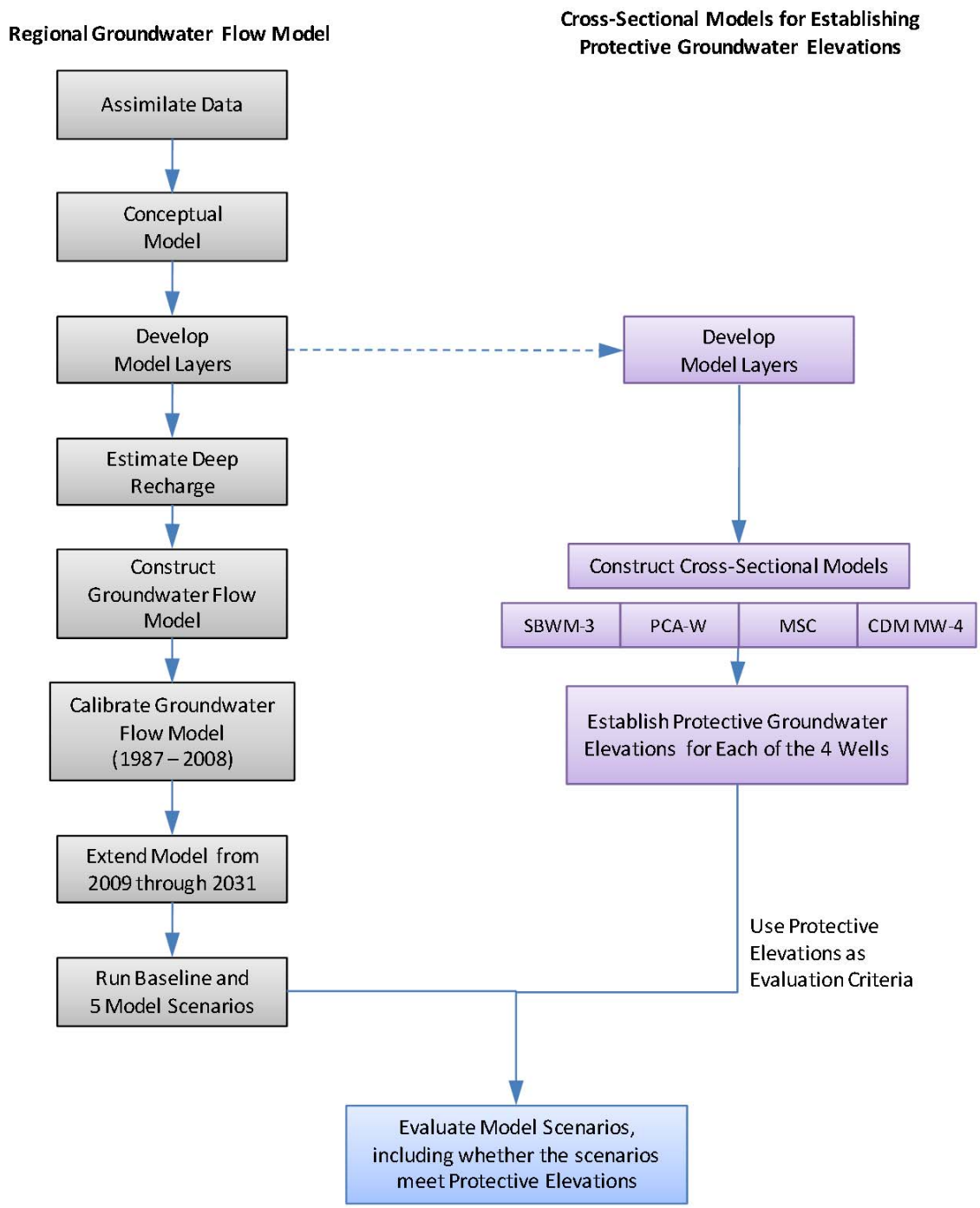

Figure ES-2: Relationship between Regional Groundwater Flow Model and Protective Groundwater Elevation Models

Figure ES-3: Cross-Section Model Locations

Table ES-1: Summary of Protective Groundwater Elevations

Well	Protected Aquifer	Range of Protective Elevations from Uncertainty Analysis (feet MSL)	Final Estimate of Protective Elevation Measured in the Well (feet MSL)
SBWM-3	Purisima	2-6	4
PCA-W	Paso Robles	2-4	2
	Santa Margarita	11-19	17
MSC	Paso Robles	3-14	11
	Santa Margarita	15-18	17
CDM MW-4	Paso Robles	2-3	2

MSL = mean sea level

SIMULATION OF MODEL SCENARIOS

The calibrated regional groundwater flow model was used to analyze the groundwater management scenarios developed by the Watermaster TAC. The ability of the scenarios to reach and maintain target protective groundwater elevations was used as one criterion to evaluate the success the each scenario. One baseline and five scenarios developed by the TAC were simulated. A 22 year predictive period was used from January 2009 through December 2031, which was a repeat of the 22 year hydrologic period used in the calibrated model. Each scenario included a specific set of pumping, in-lieu recharge, and artificial recharge conditions. Table ES-2 summarizes the main assumptions used for each scenario.

CONCLUSIONS

The five groundwater management scenarios show that the mandated triennial pumping reduction will result in a slow increase in most groundwater elevations. Additionally, the mandated pumping reduction decreases, but does not eliminate inflow from the ocean. Model scenarios with significant injection are most successful at raising groundwater elevations to protective elevations. Because the Santa Margarita aquifer is highly confined beneath thick clay beds near the ocean, it does not receive significant deep percolation recharge near the ocean. Therefore, it will take a long time for wells in the Santa Margarita aquifer to reach protective elevations without artificial recharge.

Results from the five scenarios show that the amount of water in storage is highly dependent on rainfall. The two scenarios with inland artificial recharge provide the Seaside Groundwater Basin with the most groundwater in storage. It is worth noting, however, that the quantity of groundwater in storage does not necessarily equate to recoverable groundwater. Groundwater stored in the shallow Paso Robles aquifer in some scenarios may not be easily recovered with existing wells, which mostly extract from the underlying Santa Margarita aquifer. New wells will be required in the Paso Robles aquifer to recover more of the stored water.

Table ES-2 summarizes the results for each model scenario.

Table ES-2: Summary of Model Scenario Assumptions and Results

Scenario	Assumptions	Results	Observations and Analyses
Baseline	Future land use changes phased in 25% of build-out by 2014, remainder by 2019*	Coastal groundwater levels in both the shallow and deep aquifers show a modest rise in response to the reduced pumping. Most groundwater elevations level off below the protective groundwater elevation around 2028.	This scenario has insufficient water to restore the Basin and raise groundwater levels above protective elevations. Additional actions are needed.
	Water for new developments is obtained from outside of Basin*		
	MPWMD ASR program included*		
	Standard Allocation pumping reduced triennially (every three years) in proportion to pumping rates		
	Alternative Allocation pumping set at Court ordered rates		
1	CAW forgoes all pumping between October 2015 and March 2027	Deep groundwater levels rise more quickly than in the Baseline simulation, but the rise is limited. Shallow groundwater elevations decline compared to the Baseline simulation during the time other Standard Allocators are producing the same amount they produced in 2005. Approximately 3,600 acre-feet of additional water are stored compared to the Baseline Scenario.	The limited pumping in the deep aquifer does not result in groundwater elevations above protective elevations because deep percolation is limited by overlying clay layers. 60% of the additional stored groundwater is in the deep aquifer.
	All other Standard Allocation producers pump at 2005 rates between October 2015 and March 2027		
2	As in Scenario 1, CAW forgoes all pumping between October 2015 and March 2027	This scenario shows the highest coastal water elevations in the deep aquifer out of all the scenarios. Approximately 11,100 acre-feet of additional water are stored compared to the Baseline Scenario.	Injection along General Jim Moore Blvd can raise groundwater levels significantly at the coast when combined with limited pumping. 70% of additional stored groundwater is in the deep aquifer.
	2,000 acre-feet per year of injection well recharge is added along General Jim Moore Boulevard		

ITEM IX.B.)
11/04/09

SEASIDE GROUNDWATER BASIN WATERMASTER

TO: Board of Directors

FROM: Robert S. Jaques, Technical Program Manager
MODIFIED AND APPROVED BY: Dewey Evans, CEO

DATE: November 4, 2009

SUBJECT: Discussion/Consider Approving Watermaster Annual Report for WY 2009, due to be filed with the Court on or before November 15, 2009

- -

RECOMMENDATION:

It is recommended that the Board approve the Watermaster Annual Report for WY 2009.

BACKGROUND:

The Watermaster submits an Annual Report to the Court after the end of each Water Year to fulfill one of its obligations under the Court Decision that created the Watermaster.

Since many items that must be included in the Annual Report cannot be finished until after the Water Year has ended, e.g. Production, Water Level, and Water Quality Reports, Replenishment Assessments, and the Seawater Intrusion Analysis Report, the Final version of the Annual Report cannot be completed until early November. It is at the Board's November Board meeting that the final Annual Report is approved and staff then transmits it through an attorney to the Court.

DISCUSSION:

In the past this very pressing and tight time schedule to complete the Annual Report has meant that the TAC did not have an opportunity to review the Annual Report before it was submitted to the Board. This year the Draft Annual Report was presented to the TAC for its review and input, in as complete a form as it could be as of the TAC's October 14, 2009 meeting.

Attached is the body of the Final Draft 2009 Annual Report. The Final Draft reflects input from the TAC. The complete Final Draft version is posted on the Watermaster's website at http://www.seasidebasinwatermaster.org/, for review by those Board members who wish to examine the entire document, including all of its attachments.

The Final Draft version will be made into a Final version, reflecting any comments or recommendations from the Board at today's meeting. The Final version will be submitted to the Court.

ATTACHMENTS:

Body of the Final Draft version of the Watermaster 2009 Annual Report.

SEASIDE BASIN WATERMASTER

FINAL DRAFT
ANNUAL REPORT – 2009
(Version: October 29, 2009)

Integral to the Superior Court Decision (Decision) rendered by Judge Roger D. Randall on March 27, 2006 is the requirement to file an Annual Report. The ruling of the Court requires that the Annual Report be prepared and filed with the Court and mailed to all the parties on or before the 15th day of November every year for the preceding Water Year. This 2009 Annual Report is being filed on or before November 15, 2009, consistent with the provisions of the Decision. This Annual Report addresses the specific Watermaster functions set forth in Section III. L. 3. x. of the Decision. In addition this Annual Report includes a section pertaining to Water Quality Monitoring and Basin Management.

A. Groundwater Extractions

The schedule summarizing the 2009 Water Year (WY 2009) groundwater production from all the producers allocated a Production Allocation in the Seaside Groundwater Basin is provided in Attachment 1, "Seaside Groundwater Basin Watermaster, Reported Quarterly and Annual Water Production From the Seaside Groundwater Basin for all Producers Included in the Seaside Basin Adjudication During Water Year 2009." For the purposes of this Annual Report the Water Year is defined as beginning October 1, 2008 and ending on September 30, 2009.

B. Groundwater Storage

Monterey Peninsula Water Management District (MPWMD), in cooperation with California American Water (CAW), operated the Seaside Basin Aquifer Storage and Recovery (ASR) testing program during Water Year (WY) 2009. During WY 2009, a total of 182 acre-feet (AF) of water was diverted by CAW from its Carmel River sources during periods of flow in excess of NOAA-Fisheries' recommended bypass flows, transported through the existing CAW distribution system for injection and storage in the Seaside Basin at the MPWMD's ASR Well No. 1 (formerly known as the Santa Margarita Test Injection Well) located on former Fort Ord property. This is the only reported storage of non-native groundwater into the Seaside Basin in WY 2009.

Also during WY 2009, MPWMD and Cal-Am proceeded with planning and construction of facilities to allow the Phase 1 ASR Project to operate at its full design capacity of 3,000 gallons per minute (13 acre-feet per day) in WY 2010. This work included final underground utility pipeline installation at the ASR site and upsized delivery pipelines to the site from the Cal-Am system. In addition, the MPWMD is proceeding with installation of a dedicated offsite monitor well to collect water quality information associated with the ASR project. Results from this installation will also benefit the Watermaster's monitoring and management program and the groundwater modeling work that is currently underway.

Based upon production reported for WY 2009, the following Standard Producers are entitled to Free and Not-Free Carryover Credits in accordance with the Decision, Section III. H. 5. for WY 2010:

Producer	Free Carryover Credit	Not-Free Carryover Credit
Granite Rock	40.4 acre-feet	50.5 acre-feet
DBO Development	91.6 acre-feet	101.0 acre-feet

C. Amount of Artificial Replenishment, if any, performed by Watermaster

No Artificial Replenishment of water was performed by the Watermaster for the WY 2009.

D. Leases or sales of Production Allocation

One sale of Production Allocation occurred during WY 2009. This was the sale of 10 AF of "free" carryover credit from the Standard Production Allocation of Granite Rock to the City of Seaside for WY 2009. The Watermaster CEO approved this sale via its letter July 29, 2009, in accordance with Rule 9.0 of the Watermaster's Rules and Regulations. Other than this, there have been no water leases or sales during the WY 2009.

E. Use of imported, reclaimed, or desalinated Water as a source of Water for Storage or as a water supply for lands overlying the Seaside Basin

Other than the water imported from the Carmel Basin for the ASR program described in **Section B** above, no imported, reclaimed or desalinated water use (either direct or for storage in the groundwater basin) has been reported to the Watermaster during the WY 2009.

F. Violations of the Decision and any corrective actions taken

Section III. D. of the Decision enjoins all Producers from any Over-Production beyond the Operating Yield in any Water Year in which the Watermaster declares that Artificial Replenishment is not available or possible. Section III. L. 3. j. iii. requires that the Watermaster declare the unavailability of Artificial Replenishment prior to the beginning of the Water Year so that the Producers are informed of the prohibition against pumping in excess of the Operating Yield.

The Watermaster made this declaration regarding the unavailability of Artificial Replenishment for WY 2009 at its Board meeting of May, 2009. The Watermaster originally intended to issue this declaration in January, 2009. However, serious negotiations had begun prior to that between the City of Seaside and the Marina Coast Water District (MCWD) with the intention of obtaining in-lieu replenishment water from MCWD to use for irrigation of the Seaside Golf Courses. The intent of such an arrangement would have been to reduce pumping from the Seaside Groundwater Basin by providing irrigation water from the MCWD system, which draws its water from outside the Seaside Basin. With the anticipation that these negotiations would soon be successful, the Watermaster Board temporarily deferred making this declaration. However, by May 2009 it was apparent that even thought these negotiations continued, it was very unlikely that any in-lieu replenishment water would be able to be obtained during Water Year 2008-2009. Consequently, the Watermaster Board made this declaration in May 2009. In conjunction with making this declaration, the Watermaster reduced the original production allocations by 7.5%, as required under Section III.B.2 of the Decision (7.5% rather than 10%, since only three-fourths of the Water Year remained when this first reduction was imposed). In Water Year 2010 this reduction will be increased to the full 10% required under that Section of the Decision. A copy of this declaration is contained in Attachment 2.

Total pumping for WY 2009 did not exceed the Operating Yield (OY) for the Seaside Basin, but it did exceed the Natural Safe Yield (NSY) of the Basin.

CAW and the City of Seaside reported annual pumping quantities that exceeded their Standard Production NSY allocations by 1737.2 and 131.3 acre-feet, respectively, and the City of Seaside's reported annual pumping quantity exceeded its OY 21.7 acre-feet. The City of Seaside also reported annual pumping quantities that exceeded its Alternative Production NSY by 22.9 acre-feet. The Watermaster has assessed CAW and the City of Seaside a Replenishment Assessments for these over productions, as further described in **Section H**, below.

G. Watermaster administrative costs

The total estimated Administrative costs for Fiscal Year 2009 amounted to $90,000.00. This included the cost of maintaining an office and paying a part time administrator and some part time staff to take and transcribe minutes of the Watermaster Board meetings during 2009. "Fiscal Year 2009 Administrative Fund Report" is provided as Attachment 3.

H. Replenishment Assessments

A Replenishment Assessment of $3,040 per acre-foot was established by the Watermaster Board at its October, 2008 meeting for use against Water Year 2009 pumping. At its meeting of October, 2009 the Watermaster Board established a Replenishment Assessment of $2,780 per acre-foot for use against Water Year 2010 pumping. The calculations showing how this unit cost was arrived at are contained in Attachment 4.

During 2009 revisions were made to the method of calculating replenishment assessments. The following is a description of those revisions: Quarterly during each Water Year Alternative and Standard Producers report to Watermaster production amounts from the Basin. Base Water Right or Natural Safe Yield ("NSY") allocations not pumped by Standard Producers during a given water year are termed "carryover credits" in the Decision. The City of Seaside, in a memorandum dated November 21, 2008, contended that Watermaster had not calculated correctly NSY Base Water Rights for Standard Producers, and had assessed for Operating Yield overproduction twice (one time as NSY plus Operating Yield overproduction, then as Operating Yield overproduction separately). Also, the City of Seaside contended that Alternative Producer NSY overproduction should only be assessed one time (such as for the City's 53 acre-feet of Alternative Producer overproduction in Water Year 2007/08).

In calculating yearly NSY Base Water Rights for Standard Producers, Watermaster had in the past included carryover credits in its calculations. It was determined by Watermaster that NSY Allocation is separate and distinct from any carryover credits accumulated. Therefore the percentage of Natural Safe Yield available to Standard Producers should remain the same each year as long as the Natural Safe Yield of the Basin is not adjusted by order or decree. It was determined that Watermaster had in the past made duplicative assessments for Operating Yield overproduction in its Replenishment Assessments for CAW and the City of Seaside. Watermaster determined that Alternative Producer overproduction would be assessed only once as exceeding NSY and not exceeding Operating Yield overproduction.

Watermaster accounting of Replenishment Fund Assessments has been revised in accordance with the above findings, and the revised amounts are presented in the columns of past year assessments and in the estimated 2009 Replenishment Fund assessment balances in the proposed Replenishment Fund Budget contained in Attachment 4. The 2010 proposed Replenishment

Fund Budget is based on the new revised calculation methods and the unit cost of replenishment water per acre-foot of $2,780. As a result of these changes, Replenishment Assessments in past years have been reduced for Standard Producers CAW and the City of Seaside in accordance with the new calculation method described. The 2010 Replenishment Fund Budget reflects an estimated amount of funds to be collected for overproduction at the end of Water Year 2010.

Based upon the reported production for WY 2009, CAW's Replenishment Assessment for production over the Natural Safe Yield is $5,280,940. CAW did not incur any assessment for Operating Yield Over Production. The City of Seaside's Replenishment Assessment for its Municipal System for production over the Natural Safe Yield is $399,211 and its Replenishment Assessment for Operating Yield Over Production is $66,090. The City of Seaside's Replenishment Assessment for its Golf Course System for production over the Natural Safe Yield is $69,701. Since the Golf Course System is an Alternative Producer it is not subject to any assessment for Operating Yield Over Production. A summary of the calculations for Replenishment Assessment for Water Year 2008 is contained in Attachment 4.

I. All components of the Watermaster budget

The Watermaster budget has four separate funds: Administrative Fund; Monitoring & Management–Operations; Monitoring and Management–Capital Fund and; Replenishment Fund. Copies of the Fiscal Year 2010 adopted budgets are contained in Attachment 5. The Chief Executive Officer provides monthly financial status reports to the Watermaster Board on all financial activities for each month with year to date totals.

J. Water Quality Monitoring and Basin Management

Water Quality Analytical Results

Groundwater quality data continued to be collected and analyzed on a quarterly basis during WY 2009 from the enhanced network of monitoring wells. During the year, a new low-purge sampling method was implemented to improve the efficiency of sample collection. In addition, quarterly geophysical (induction) logging continued to be performed at the four Watermaster Sentinel wells that were installed in 2007. The induction logging results have shown very little variations and no trends since this monitoring began, indicating that the coastal water quality conditions are not changing at this sample frequency. Therefore, the recommended logging frequency is scheduled to be reduced to semi-annually at these wells in 2010.

During WY 2009 an additional existing monitoring well, formerly owned by the U.S. Army and subsequently transferred to the State of California Department of Parks and Recreation, was added to the monitoring well network. This was accomplished by the application for, and subsequent issuance of, permission from the Department of Parks and Recreation to use this well to collect water level and water quality data. This well is located near the Main Gate entrance to the former Fort Ord, just west of State Highway 1.

Data from the new monitoring well on the State Department of Parks and Recreation site will be included in the Watermaster's database and will be used in further studies and evaluations of the Basin.

Copies of the sampling results are contained in Attachment 6. Analysis of the results indicate no evidence of water quality changes indicative of seawater intrusion at the locations and depths sampled in the coastal areas of the basin.

All of the recommendations contained in the report in Attachment 6 are being actively pursued by the Watermaster. Funds to pursue these recommendations have been included in the adopted FY 2010 budgets contained in Attachment 5.

Given the observed responses collected from the geophysical logging of the Watermaster's four Sentinel Wells since their construction in 2007, i.e., two years of quarterly data showing no trends or variations in the shapes of the induction log curves, beginning in Water Year 2010 the Watermaster plans to reduce the frequency of this induction logging from quarterly to semi-annually. This is more conservative than a reduction to an annual frequency, justification for which will likely be provided by the groundwater modeling effort that will be completed in the early part of WY 2010. That work is expected to produce model calibration work suggesting there is not a direct hydraulic connection of the main aquifer unit (Santa Margarita Sandstone) to the ocean at the ocean/continental slope interface offshore. Until such justification for a further reducing in the frequency of induction logging becomes available, the switch to semi-annual (as opposed to annual) is a more protective and prudent approach for the Watermaster to take in its ongoing monitoring and management of the Basin. The frequency of water sample collection from the Sentinel Wells would remain the same, i.e. on an annual basis.

Construction of New Monitoring Well in the Northern Inland Subarea

Also during WY 2009 the process of obtaining right-of-way to install one or more additional monitoring wells in the northern inland subarea of the Basin was initiated. The two landowners of the most desirable sites for the purposes of installing monitoring wells, the U.S. Department of the Interior, Bureau of Land Management (BLM), and Monterey Peninsula College were both contacted for this purpose. Both parties were receptive to the Watermaster's request for permission to install a monitoring well on their properties.

The Watermaster selected the BLM site as the preferred site for the first monitoring well, since a well (the Camp Huffman well installed by the U.S. Army) had once been in existence very near this site. Data from that well had been used to develop some of the hydrogeologic information about the Basin that was used in the Court Adjudication process and for other hydrogeologic studies in the Basin. Hydrogeologic data obtained from installing a new well at that location would be helpful in updating information and assumptions based on the former Camp Huffman well.

The MPC site will be considered when and if an additional monitoring well in this region of the Basin is determined to be necessary for Basin management purposes. The agreement with MPC gives the Watermaster until August 2011 to prepare a design of the monitoring well for that site, and to submit it to MPC for their review prior to installing such a well.

In August 2009 construction of the new monitoring well on the BLM site was initiated. This monitoring well was to consist of three separate but adjacent boreholes, with each borehole penetrating to a different aquifer depth. However, difficulties were encountered when the drilling of the second borehole intersected the first borehole, causing irreparable damage to the first borehole. As a result, both boreholes had to be sealed and abandoned, and the well drilling operations moved to another site on the BLM property. After going through the process of obtaining the new right-of-way necessary for the new BLM well site, field work on drilling the monitoring well at the new location resumed on October 26, 2009. Due to right-of-way restrictions, the new location required the use of a nested well configuration, with only two casings installed within a single larger borehole, with each casing perforated at a different

aquifer depth. The new well is expected to be completed on or before November 13, 2009, assuming that no further problems are encountered. The consultant that is managing this work will prepare a report describing the construction, hydrogeologic findings, and initial water quality sampling results of this project. When it is completed the report will be posted to the Watermaster's website at: http://www.seasidebasinwatermaster.org/.

Basin Management 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, and Groundwater Quality Monitoring.

For successful implementation of the Seaside Basin Monitoring and Management Plan, pertinent historical basic groundwater resource data obtained from the above-mentioned programs has been consolidated into a database to allow more efficient organization and data retrieval. The consolidated database allows for simple identification of differences and discrepancies of datasets compiled by the numerous entities, and to identify data gaps. In addition, the consolidated database allows 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
- Preparation of annual and periodic reports to the Watermaster.

Characteristics of existing wells are notated in the database, including type, location, construction details and other pertinent information.

In 2009 initial internal testing and debugging of the Database was completed, and it was placed on the Watermaster's website for access by all interested parties. Several User Access Levels have been created to regulate access to the information contained in the Database, so that sensitive data such as existing well locations and well construction details are only accessible to Watermaster staff or consultants who need access to that data to perform their work.

The database is being used to compile the monitoring data that is acquired and to present it in a variety of ways for use in analyzing and interpreting the data for Basin management purposes. Funds are included in the 2010 M&MP Operations Budget to make enhancements to the Database, if these are found to be necessary or desirable.

Enhanced Monitoring Well Network

The Seaside Basin Monitoring and Management Program called for the development of an Enhanced Monitoring Well Network. The objective of the enhanced network is to fill in data gaps in the previous monitoring well network used by the Monterey Peninsula Water Management District (MPWMD), and others, in order to improve the Basin management capabilities of the Watermaster.

Attachment 9 to the 2007 Annual Report contained a report prepared by Mr. Joe Oliver of MPWMD describing the recommended enhanced monitoring well network. As described in the table below, all of these recommendations have now been completed.

RECOMMENDATION FROM THE ENHANCED MONITORING WELL NETWORK REPORT	WATERMASTER ACTION TAKEN IN RESPONSE TO THE RECOMMENDATION
Required water level and water quality data has not been provided by some of the water producers in the basin, as required by the Court order. Action to remedy this situation should be taken as soon as possible.	In early 2008 the Watermaster implemented a process of notifying individual well owners of their data reporting obligations. As a result of implementing this process, all required data is now being provided on a regular basis, and is integrated into the Watermaster's database for use in managing the Basin and preparing reports.
At least one existing well in the Dune Sand/Aromas Sand aquifer in the Northern Coastal Subarea should be added to the monitoring well network. There are several candidate wells that would be suitable for this purpose.	During 2009 the Watermaster completed the process of acquiring an existing well in the area north of the Northern Coastal Subarea for use as a long-term monitoring well. This is further described in the *Water Quality Analytical Results* section of this report. In addition, in FY 2009 the Watermaster completed construction of a new monitoring well in the inland area near the northern basin boundary. This is further described in the *Construction of New Monitoring Well in the Northern Inland Subarea* section of this report.
Seven additional existing wells elsewhere in the basin should be added to the monitoring network for water level data only.	These wells have been added to the Enhanced Monitoring Well Network and data from them is being compiled in the Watermaster's database.
Seven additional wells in the Laguna Seca Subarea should be added to the monitoring well network to increase the database of water quality information from this area. These are the York School, Laguna Seca Driving Range, CAW East Fence, Laguna Seca County Park No. 4, CAW Ryan Ranch No. 7, Laguna Seca Golf No. 12, and Pasadera Main Gate wells.	These wells, with the exception of one well that is planned for destruction (CAW East Fence), have been added to the Enhanced Monitoring Well Network, and data from them is being compiled in the Watermaster's database.

The enhanced monitoring well network is being used to obtain additional data that is useful to the Watermaster in managing the Basin.

Basin Management Action Plan (BMAP)
HydroMetrics LLC was hired by the Watermaster to prepare the BMAP, as required under the Amended Court Decision through the Monitoring and Management Program (M&MP) which the Watermaster submitted to the Court, and which the Court approved.

The BMAP contains these Sections:

- Executive Summary
- The Background and Purpose of the Plan
- The State of the Basin
- Supplemental Water Supplies (long-term water supply solutions)
- Groundwater Management Actions (to be taken as interim measures while long-term supplies are being developed)
- Recommended Management Strategies
- References

The Final BMAP was approved by the Watermaster Board at its February 2009 meeting. The Executive Summary from the BMAP is contained in Attachment 7.

Seawater Intrusion Response Plan
HydroMetrics LLC was hired by the Watermaster to prepare a long-term Seawater Intrusion Response Plan (SIRP), as required in the M&MP.

The SIRP contains these Sections:

- Background and Purpose
- Consistency with Other Documents
- Seawater Intrusion Indicators and Triggers (how seawater intrusion will be detected)
- Seawater Intrusion Contingency Actions (containing a recommended set of actions to be taken in the event seawater intrusion is detected at any of the monitoring or production wells within the Basin)
- References and Appendices

The Final SIRP was approved by the Watermaster Board at its January 2009 meeting. A summary of the Seawater Intrusion Contingency Actions from the SIRP are contained in Attachment 8.

Seawater Intrusion Analysis
The Watermaster retained HydroMetrics LLC to prepare the WY 2009 Seawater Intrusion Analysis Report (SIAR) required by the M&MP. The WY 2009 SIAR provides an analysis of data collected during the 2008-2009 Water Year.

The principle conclusions reported in the SIAR are that depressed groundwater levels, continued pumping in excess of recharge and fresh water inflows, and ongoing seawater intrusion in the nearby Salinas Valley all suggest that seawater intrusion could occur in the Seaside Groundwater Basin. However, in spite of these factors, multiple forms of analyses led to the conclusion that no seawater intrusion is currently being observed in existing monitoring wells within the Basin.

The SIAR is lengthy, but the full *Executive Summary Section* from it is provided in Attachment 9. A complete copy of the document may be viewed and downloaded from the Watermaster's website at: http://www.seasidebasinwatermaster.org/.

The Watermaster continues to analyze the data that is being gathered at the various monitoring sites in order to keep a close watch on the conditions within the Basin, as discussed under the "Enhanced Monitoring Well Network" heading above.

Production Well Flow Meter Accuracy Verification

One of the requirements in the Decision is for the Watermaster to periodically verify that the flow meters on production wells are reading accurately.

The Watermaster's Technical Advisory Committee (TAC) evaluated the water meter data submitted by each of the producing well owners and concluded that the meters were reading accurately. A report describing the TAC's methodology and findings is contained in Attachment 11.

Groundwater Modeling

As a result of the data obtained during Phase 1, including constructing new coastal sentinel monitoring wells and developing a consolidated database of groundwater production, water levels, and water quality, it is was concluded that at that time it was not necessary to develop a new Groundwater Model for the Basin. The basis for this decision was included in the Phase 1 documents submitted with the November 15, 2007 Annual Report. Preliminary conclusions from work performed on preparing the Basin Management Action Plan in 2008, along with comments and questions from Technical Advisory Committee and Board members, indicated that it would be desirable to update the existing Model during 2009, so that it could be used as more data becomes available.

The existing Model was described in the report titled "Groundwater Flow and Transport Model" dated October 1, 2007. During 2009 the existing Model was updated to address those issues discussed in the Memorandum from HydroMetrics titled "Ongoing Status of the Seaside Basin Groundwater Model" dated October 4, 2007, which were necessary to use the Model for the purposes described under tasks I.3.a.2 and I.3.a.3. In conjunction with updating the existing groundwater model, a separate Model was developed to determine protective water levels within the Basin. The modeling work was performed by a Consultant, HydroMetrics LLC, hired by the Watermaster. [Note: Both of these referenced documents were either discussed or contained in Attachment 11 of the Watermaster's "Annual Report – 2007."]

The modeling work was undertaken to accomplish several main objectives:

(1) To develop protective water levels for selected production wells, as well as for the Basin as a whole. The conditions under which the protective water levels were developed were established by HydroMetrics with input from the TAC.
(2) To evaluate different supplemental water supply scenarios to determine such things as the most effective methods of using supplemental water sources to replenish the Basin and/or to assess the impacts of pumping redistribution. The specific conditions defining each scenario were developed by HydroMetrics with input from the TAC and the Board.
(3) To develop preliminary answers to other questions associated with Basin management. This will be undertaken as directed by the Board following completion of the modeling work authorized in 2009.

The *Seaside Groundwater Basin Modeling and Protective Groundwater Elevations* Report is lengthy, but the full Executive Summary Section from it is provided in Attachment 12. A complete copy of the document may be viewed and downloaded from the Watermaster's website at: http://www.seasidebasinwatermaster.org/.

K. Conclusions and Recommendations

The Seaside Basin Watermaster Board has worked diligently to meet all of the Court's established deadline dates. All of the Phase 1 Scope of Work activities, which are described in the "Implementation Plan for the Seaside Basin Monitoring and Management Program" dated March 7, 2007, have been completed. At the Watermaster Board meeting held on October 7, 2009 the Board adopted the budgets contained in Attachment 5, which support carrying out all elements of the "Seaside Groundwater Basin Management and Monitoring Program Anticipated 2010 Scope of Work." That Scope of Work describes the M&MP activities that will be conducted during Fiscal Year 2010. A copy of this Scope of Work is contained in Attachment 10.

As described in **Section J** above, information from the Enhanced Monitoring Well Network will be utilized to detect any seawater intrusion. The response actions described in that Section will be implemented, if seawater intrusion is detected within the Basin.

ITEM X.

INFORMATIONAL REPORTS

SEASIDE GROUNDWATER BASIN WATERMASTER CRITICAL MILESTONE DATES

ITEM X.A. 11/4/09

ANNUAL MILESTONES	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
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	30-Sep-07	APA to SPA election amended to in perpetuity 12/12/2009								
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 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-Oct	1-Oct	1-Oct
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-Nov	15-Nov
After the close of each Water Year, the Watermaster will determine and levy a Replenishment Assessment against all Producers that incurred Operating Yield Over Production during the Water Year, with payment due from Producer by January 15th		15-Nov		30-Nov	30-Nov	30-Nov	30-Nov	30-Nov	30-Nov	30-Nov	30-Nov
California American Water to submit annually to Watermaster any augmentation to water supply for possible credit toward Replenishment Assessment	**Annually**	15-Nov	CAW Credit Request Granted (signed MOU) January 15, 2009		15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov
Water level monitoring - monthly data collection *from all members for inclusion in the consolidated database.*	**Reported Annually**	**Monthly**	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
Water quality monitoring - yearly data collection *from all members for inclusinon in consolidated database*	**Reported Annually**	15-Nov	28-Feb & 15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov
Summary report of water resources data *to all members/parties* Reported the 15th each quarter month:	**Quarterly**		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	Jan, Apr, Jul, Oct 15th	Jan, Apr, Jul, Oct 15th	Jan, Apr, Jul, Oct 15th
Annual Report to Court	**15-Jan**	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov

ADMINISTRATIVE MILESTONES	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Adjudicaton ordered by Court and filed	27-Mar-06										
Board Directors Terms		**7-Nov**									
Budget (Administrative) Adopted/distributed					15-Jan	15-Jan	15-Jan	15-Jan	15-Jan	15-Jan	15-Jan
Budget (Operations) Adopted/distributed					15-Jan	15-Jan	15-Jan	15-Jan	15-Jan	15-Jan	15-Jan
Budget (Replenishment)Adopted/distributed					15-Jan	15-Jan	15-Jan	15-Jan	15-Jan	15-Jan	15-Jan
Administrative Assessments	15-Jan-06	15-Jan-07	15-Jan-08	15-Jan-09	15-Jan	15-Jan-11	15-Jan-12	15-Jan-13	15-Jan-14	15-Jan-15	15-Jan-16
Operations Assessments	15-Jan-07	15-Jan-07	15-Jan-08	15-Jan-09	15-Jan	15-Jan-11	15-Jan-12	15-Jan-13	15-Jan-14	15-Jan-15	15-Jan-16
Capital Assessments	15-Jan-07	15-Jan-07	**NONE**	15-Jan-09	**NONE**	15-Jan-11	15-Jan-12	15-Jan-13	15-Jan-14	15-Jan-15	15-Jan-16
Replenishment Assessments					15-Jan-11	15-Jan-12	15-Jan-13	15-Jan-14	15-Jan-15	15-Jan-16	15-Jan-17
Annual Report to Court	15-Nov-06	15-Nov-07	15-Nov-08	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov	15-Nov
Answers to Judge's Questions re: Annual Report		30-Jan-09	28-Feb-08	1-Feb-09							
Declaration of Replenishment Water Availability	Feb-06	Dec-06	Dec-07	18 Mar	Dec-09	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Dec-15

MONTHLY MILESTONES	2006-07	Jan 09	Feb 09	Mar 09	Apr 09	May 09	Jun 09	Jul 09	Aug 09	Sep 09	Oct 09	Nov 09	Dec 09
Board Directors Terms												Appointments	
Fiscal Year tentative budgets distribution to all parties									Development		Adopt	To parties	
75% of Operating Yield of 5,600 decreased 10% Jan 1, 2009 and Declaration of Replenishment Water Available	31-Dec		To TAC 11-Mar-09	18-Mar-09					Revised Carry Over Credit Calc				
Administrative Assessments			2009 Seaside Not Recvd										
Operations Assessments			2009 Seaside Not Recvd										
Capital Assessments			2009 Seaside Not Recvd										
Replenishment Assessments			2009 Seaside Not Recvd									In-lieu project	
Develop Repl Assessment Unit Cost											Adopt		

SPECIAL ISSUES	2006-07	Jan 09	Feb 09	Mar 09	Apr 09	May 09	Jun 09	Jul 09	Aug 09	Sep 09	Oct 09	Nov 09	Dec 09
SWRCB Cease Desist Order California American Water		1/30/09 Release of EIR	60-Day Public Comment Period & Public Hearings on Draft EIR Feb - Mar 2009. TAC review report 18 Mar			Final EIR Release							
Watermaster Board Regular Meeting Schedule		7-Jan	4-Feb	4-Mar	1-Apr	6-May	3-Jun Cancl	1-Jul	5-Aug	2-Sep	7-Oct	4-Nov	2-Dec

SUMMARY PROJECT SCHEDULE (See detailed project schedule for more information)			*Monitoring and Management Program 2009*			*MRWPCA Groundwater Replenishment Project*							
Program Administration, Database Management			1/1/09 - 12/31/09			**Initial Study**	TAC support in EIR review 18 March						
											Complete =		
Basin Monitor Well Construction			1/1/09-9/10/09								Yet to be completed =		
										Scheduled for Board or TAC meeting =			
Enhanced Groundwater Model	Basin Management		1/1/09-11/4/09							Imminent Critical Deadline =			
Production Water Level & Water Quality Monitoring (Hydrometrics, MPWMD, MCWRA)			1/1/09 - 12/31/09										
BMAP / SIRP (Hydrometrics, MPWMD, MCWRA)			2/4/2009										
Seawater Intrusion Detection Program (Hydrometrics, MPWMD, MCWRA)	SIAR WY 2009		1/1/09 - 12/31/09							Revised October 26, 2009			

ITEM X.B.
11/4/2009

D-R-A-F-T
MINUTES

Seaside Groundwater Basin Watermaster
Technical Advisory Committee Meeting
October 14, 2009

Attendees: **TAC Members**
City of Seaside – Tim O'Halloran
California American Water – Eric Sabolsice
City of Monterey – Norman Green
Laguna Seca Property Owners – No Representative
MPWMD – Joe Oliver
Public Member – John Fischer
MCWRA – Rob Johnson
City of Del Rey Oaks – No Representative
City of Sand City – No Representative
Coastal Subarea Landowners – No Representative

Watermaster
Technical Program Manager - Robert Jaques

Consultants
HydroMetrics LLC - Derrik Williams and Georgina King (by telephone)
Martin Feeney Hydrogeologist - Martin Feeney (by telephone)

Others:
MPWMD – Jonathan Lear
CAW – Tom Bunosky (arrived during Agenda Item 2.C)
MCWD – Brian True

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

Note: Since neither Ms. Ingersoll nor Mr. Bunosky was present (Chair and 1st Vice-Chair respectively), Mr. Johnson (2nd Vice-Chair) chaired the meeting.

1. **Administrative Matters:**
   A. **Approve Minutes from September 23, 2009 Regular Meeting**

Mr. Fischer thanked Mr. Jaques for editing the minutes to reflect the potential of having to retrofit or even replace some of the wells during the long time period that will be covered by the Protective Water Levels Report. On a motion by Mr. Oliver, second by Mr. Johnson, the minutes were unanimously approved as presented.

2. Progress Reports

A. MPWMD

Mr. Oliver summarized the agenda packet material for this item. He noted that some of the issues under his progress report would be discussed by others.

Mr. Fischer and Mr. Oliver commented that they had difficulty printing portions of today's agenda packet. As a result Mr. O'Halloran had copies of those pages printed up and handed out to the attendees at today's meeting. These were from page 19 of the agenda packet to the end of the agenda. While the copies were being printed, there was some informal discussion with regard to recent large rainstorm events and their impacts in the area.

B. HydroMetrics

Ms. King summarized the agenda packet material for this item. She noted that the calibration work is now complete and that the scenarios are now being prepared. She reported that she has been working on details of the scenarios with assistance from Mr. Oliver. She also reported that she has received some comments on the draft documents from Mr. Jaques.

C. Martin Feeney

Mr. Feeney said he has not heard recently from the BLM regarding the status of getting the new right-of-way documents issued for the new BLM monitoring well site. Mr. Feeney and Mr. Oliver discussed the fact that Bradley (well driller) has indicated they may be available to resume this work after the end of this week. Mr. Jaques said that he would contact Dan Byrne of BLM to get an update on when we can proceed with the work. Mr. Feeney reported that he been contacted by Eric Morgan of the BLM to notify him that they may be having a controlled burn in their area, and if so it could impact the well drilling work schedule.

As a procedural matter at this point in the meeting Mr. Bunosky stated that Mr. Sabolsice has replaced him as the CAW representative to the TAC, and asked that Mr. Sabolsice take over Mr. Bunosky’s position as First Vice Chair. Mr. Sabolsice said he was glad to accept. There was consensus among TAC members that Mr. Sabolsice should replace Mr. Bunosky in this position, and at this point in the meeting Mr. Sabolsice took over presiding over the meeting.

Mr. Feeney reported that the Monterey Shale formation is deeper than 1,300 feet as previously expected, based on drilling that has been performed thus far at the BLM monitoring well site, and the E-log from that work. He said that the hydrogeology is different than previously thought. It was originally thought they would hit the Monterey Shale at a depth of about 900 feet. Mr. Bunosky asked Mr. Feeney if this means that the Basin is deeper than previously thought. Mr. Feeney responded that the Basin in this area is deeper than previously thought, and that this would change the storage volume for this portion of the Basin. He said it would be

necessary to evaluate the data when the new monitoring well is completed to see what conclusions can be drawn from this.

There was some discussion about the potential significance of these findings, specifically with regard to the issue of inter-basin water issues between the Seaside and Salinas Valley Groundwater Basins.

Mr. Fischer asked Mr. Feeney if he expected to have a better understanding of what is going on in this part of the Basin as result of this work. Mr. Feeney responded that each well provides new information, and in this area this there has historically been very little, if any, drilling data. Mr. Oliver said there is much more data in the Coastal Subarea of the Basin, so that part of the Basin is much better understood.

Mr. True asked Mr. Feeney if this means there is a depression in the bottom of the aquifer in the BLM vicinity of the Basin. Mr. Feeney responded yes, and said the hydrogeologic term for this is “structurally deformed".

D. Technical Program Manager

Mr. Jaques summarized the agenda packet materials for this item. There were no questions or further discussion under this item.

3. Draft Seawater Intrusion Analysis Report

Ms. King briefly summarized the agenda packet material for this item by saying that the 2009 Sea Water Intrusion Analysis Report (SIAR) is very similar in form and findings to the 2008 SIAR. She said there was more data last year, because well owners performed two sampling events to make up for not performing sampling in the preceding year. They are now only doing annual sampling, in accordance with the original monitoring plan.

Mr. Jaques and Ms. King summarized the Recommendations section of the SIAR. In response to a question from Mr. Oliver, Ms. King said that she needed any additional comments or edits from TAC members not later than Wednesday October 21 in order to finalize the SIAR on schedule.

Mr. Fischer asked to have an Executive Summary included in the SIAR. There was some discussion on this leading to consensus to include an Executive Summary containing a lay person's level of overview of what the report covers, and listing the Conclusions and Recommendations. Ms. King will include that section in the final version of the SIAR.

Ms. King then summarized the Conclusions section of the report. She asked Mr. Oliver if the Water Year 2009 production data would be available in time to complete the report on schedule, so it can be included in the Annual Report. Mr. Oliver said he felt optimistic about having the data available in time for this to be accomplished, because much of the missing data has now been received.

Ms. King explained that the SIAR reports on the "health" of the Basin in order to identify any indications of sea water intrusion occurring.

There was discussion that the "snapshots" over time which are presented in the SIARs, along with the modeling work, will all be used in determining what protective water levels should be selected for Basin management purposes.

4. Draft Watermaster Annual Report for 2009

Mr. Jaques briefly provided an overview summary of the agenda packet materials on this item and there were questions and answers on several topics. Mr. Jaques invited TAC members to provide any additional comments or edits they may wish to propose, so he can address those in the final version of the Annual Report.

5. Status Report on City of Seaside Negotiations with MCWD to Obtain Golf Course Water

Mr. True reported that a conceptual design of facilities to deliver MCWD water to the Seaside golf course reservoir, including using automated control equipment, has now been prepared. He anticipated it would take about 45 days to put the system into automatic operation after a signed agreement to proceed is received by MCWD from the City of Seaside.

Mr. O'Halloran reported that the city is now negotiating with their golf course operations contractor for terms and conditions under which the golf course operator would accept the MCWD water. He noted that chlorine has been a concern to the golf course operator, since the well water is not chlorinated, whereas the MCWD water is chlorinated. Mr. True said he anticipated that any residual chlorine would be dissipated from the open-air reservoir into which the MCWD water will be delivered.

There was some discussion with regard to recycled water for future use on the golf courses and issues related to the use of recycled water.

Mr. Jaques commented that a Draft MOU was included in today's agenda packet, and he understood that it would be presented for Board approval at the November 4th, 2009 Watermaster Board meeting. Mr. O'Halloran reported that the draft MOU is scheduled to go to the Seaside City Council for approval on October 15.

Mr. Bunosky asked if there was a target start-up date for the facilities to deliver MCWD water to the golf courses. Mr. O'Halloran responded that a target date had not yet been established.

6. Schedule

Mr. Jaques briefly summarized the agenda packet materials for this item. Mr. Bunosky asked Mr. Jaques if revisions to the BMAP were needed in 2009, a task shown as a potential activity on the current Schedule. Mr. Jaques responded that no revisions were needed in 2009, and that he would update the Schedule to show this. Mr. Jaques reported that the 2010 M&MP includes a task and funds to prepare BMAP revisions in 2010. There were no further questions or discussion under this item.

7. Set next meeting dates:

- **The next TAC meeting will be a Special TAC Meeting to be held on Wednesday October 28, 2009 at 9:00 a.m. at the MRWPCA Offices Board Room.**
- **The next regular TAC meeting will be held on Thursday November 19, 2009 at 1:30 p.m. at the MPWMD Offices Board Room.**

The meeting adjourned at 3:22 p.m.

SEASIDE GROUNDWATER BASIN WATERMASTER

TO: Board of Directors

FROM: Dewey D Evans, CEO

DATE: November 4, 2009

SUBJECT: Water Production for Fourth Quarter (7/1/09-9/30/09) and All of Water Year 2009

PURPOSE:
To advise the Board on the status of basin production for water year 2009

RECOMMENDATIONS:
None, information only

DISCUSSION:
The accompanying production report shows a total of 4,574.6 acre-feet of water pumped from the Basin for water year (WY) 2009 (October 1, 2008 through September 30, 2009).

The initial court decreed allowable pumping limit for the Basin was 5,600 acre feet through water year 2008. The allowable pumping limit for water year 2009, with 75% of the year subject to a 10% reduction, was 5,180.0 acre-feet. The total of 4,574.6 acre-feet of pumping for water year 2009 was 605.4 acre feet, or 12%, less than the pumping limit of 5,180 acre-feet for water year 2009.

Court decreed allowable pumping limit for water year 2009	5,180.0
WY 2009—October 1, 2008 through September 30, 2009, water pumped from Basin	4,574.6
Difference	605.4

In another comparison, pumping for water year 2009 was 1,025.4 acre-feet, or 18.3%, less than the initial limit of 5,600 acre-feet, exceeding the court-mandated 7.5% (75% of the year subject to a 10%) reduction for water year 2009 by 10.8%.

Court decreed allowable pumping limit through water year 2008	5,600.0
WY 2009—October 1, 2008 through September 30, 2009, water pumped from Basin	4,574.6
Difference	1,025.4

Comparing 2008 production to 2009, the total pumping for water year 2008 was 5,271.9 acre feet. The amount pumped from the Seaside Basin in water year 2009 was 697.3 acre-feet, or 13%, less than the 2008 water year.

WY 2008—October 1, 2007 through September 30, 2008, water pumped from Basin	5,271.9
WY 2009—October 1, 2008 through September 30, 2009, water pumped from Basin	4,574.6
Difference	697.3

The significant reduction in pumping in water year 2009 appears to be partially due to the economic slowdown in the economy and the drop off in tourism on the peninsula as a whole.

For water year 2010, the court decreed allowable pumping limit will be a full 10% reduction from the initial court decreed allowable limit of 5,600 acre-feet, or 5,040 acre-feet.

ATTACHMENT:
1) Water Production Report for Water Year 2009 (October 1, 2008 through June 30, 2009)

2009 WATER YEAR

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

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

Producer	Quarters				Annual To-Date Reported Total	Base Operating Yield Allocation	Carry Over from 2007/08
	Oct-Dec 2008	Jan-Mar 2009	Apr-Jun 2009	Jul-Sep 2009			
Coastal Subareas							
CAW (Coastal Subareas)	957.6	-	633.4	1,040.2	2,631.2	3,191.1	-
Seaside (Municipal)	69.9	58.6	80.0	84.9	293.4	271.7	-
Granite Rock Company	Exempt	Exempt	Exempt	Exempt	-	14.7	76.20
DBO Development No. 27	Exempt	Exempt	Exempt	Exempt	-	44.7	147.90
City of Seaside (Golf Courses)	96.7	51.1	188.9	226.2	562.9	540.0	-
Sand City	-	-	-	-	-	9.0	-
Security National Guaranty	-	-	-	-	0.0	149.0	-
Cypress Pacific Investors*	Exempt	Exempt	Exempt	Exempt	-	14.0	-
Alderwoods Group (Mission Memorial)	4.2	1.6	10.4	10.1	26.4	31.0	-
Coastal Subarea Totals	***1,128.4***	***111.3***	***912.8***	***1,361.5***	***3,514.0***	***4,265.2***	***224.1***
Previous Year Totals (2008)	*1,219.2*	*318.3*	*1,019.9*	*1,684.8*	*4,242.2*	*4,611.0*	
Laguna Seca Subareas							
CAW (Inland Subareas)	121.0	76.4	141.5	177.9	516.8	270.8	-
Pasadera Country Club	18.0	5.4	76.3	82.0	181.8	251.0	-
Laguna Seca/Bishop	37.0	5.7	130.3	135.3	308.3	320.0	-
York School	4.4	2.6	6.3	8.2	21.5	32.0	-
Laguna Seca Park (County)	5.9	2.9	11.9	11.6	32.2	41.0	-
Laguna Seca Subarea Totals	***186.3***	***93.0***	***366.3***	***415.1***	***1,060.6***	***914.8***	***-***
Previous Year Totals (2008)	*167.2*	*107.5*	*360.3*	*394.9*	*1,029.9*	*989.0*	
Total Pumped Per Quarter	***1,314.7***	***204.3***	***1,279.0***	***1,776.6***			
				Seaside Basin Production Totals =	**4,574.6**	**5,180.0**	
				Total Production by Alternative Producers =	**1,133.2**		
				Total Production by Standard Producers =	**3,441.5**		

*Referred to as "M.E. Calabrese 1987 Trust" in Decision

Notes:

1. The water year (WY) begins October 1 and ends September 30 of the following calendar year. For example, WY 2009 began on October 1, 2008, and will end on September 30, 2009.

2. Values shown in the table are based on reports to the Watermaster as received directly or by MPWMD by **October 15, 2009.**

3. All values are rounded to the nearest tenth of an acre-foot. Where required, reported data were converted to acre-feet utilizing the relationships: 325,851 gallons = 43,560 cubic feet = 1 acre-foot.

4. "Operating Yield" values based on Seaside Basin Adjudication decision as amended, signed February 9, 2007 (Monterey County Superior Court Case No. M66343).

5. Any minor discrepancies in totals are attributable to rounding. CAW = California American Water.

6. Graniterock Company, DBO Development No. 27, and Cypress Pacific Investors wells have been determined by the Watermaster to be inactive production wells and are thus not required to report production figures."

7. Watermaster received notification from the City of Seaside on its intent to purchase 10 AF of carry over credits from Graniterock Company in this water year, and received no objections from Parties as of July 1, 2009 thereby making the transfer/assignment effective in accordance with its terms.

SEASIDE GROUNDWATER BASIN
WATERMASTER

TO: Board of Directors

FROM: Laura Dadiw, Assistant to the CEO
APPROVED BY: Dewey D Evans, CEO

DATE: November 4, 2009

SUBJECT: Watermaster Assessments for 2010: Administrative; Monitoring and Management – Operations & Capital Funds

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PURPOSE: Provide information on 2010 budget assessments issued to cover expenditures throughout the year on Administration, Monitoring and Management – Operations, and Monitoring and Management – Capital projects.

RECOMMENDATION:
This item is informational only and requires no action.

DISCUSSION:
The Budget Assessment for the administrative budget shall be assessed against each Producer (except those in the Landowner Group) by multiplying the amount of the budget for the ensuing Administrative Year by the following percentages:

(1)	California American	83%
(2)	City of Seaside	14.4%
(3)	City of Sand City	2.6%

The Budget Assessment for the Monitoring and Management Budgets shall be assessed against each Producer (except those in the Landowner Group) by multiplying the amount of the Monitoring and Management Plan budget for the ensuing Administrative Year by the following percentages:

(1)	California American	91%
(2)	City of Seaside	7%
(3)	D.B.O. Development No. 27	1%
(4)	Graniterock Company	1%

Administrative assessments estimated and levied each year since inception through 2009 created larger than expected rollover amounts. Staff determined that 2010 administrative assessments could be reduced $25,000 from the budgeted amount and still maintain adequate funding for expenditures and reserves. Watermaster Assessments for Fiscal (Calendar) Year 2010, due by January 15, 2010, are:

Producer	**Administrative**	**Operations**	**Capital**
California American Water	@ 83.0% = $47,310	@ 91% = $320,014	@ 91% = $ 0
City of Seaside	@ 14.4% = $ 8,208	@ 7% = $ 24,616	@ 7% = $ 0
City of Sand City	@ 2.6% = $ 1,482	$ 0	$ 0
Graniterock Company	$ 0	@ 1% = $ 3,517	@ 1% = $ 0
D.B.O. Development No. 27	$ 0	@ 1% = $ 3,517	@ 1% = $ 0
(Budgeted $82,000)	**$57,000**	**$351,644**	**$ 0**

ITEM NO. XI.

DIRECTOR'S REPORTS

ITEM NO. XII.

EXECUTIVE OFFICER COMMENTS