

SEASIDE GROUNDWATER BASIN WATERMASTER

REGULAR BOARD MEETING AGENDA

WEDNESDAY, JUNE 2, 2010 - 2:00 P.M.

MEETING LOCATION

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 Regular Board meeting of April 7, 2010 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 April and May, 2010 totaling \$

B. Consider Fiscal Year Financial Reports – Through May 31, 2010

C. Approve Request for Service (RFS) No. 2010-03 with MPWMD for \$9,985.00 to prepare improvements to the Watermaster's Database. (Authorized by CEO as this was under the \$10,000 authorized limit)

VII. ORAL PRESENTATION

(None scheduled)

VIII. OLD BUSINESS

None

IX. NEW BUSINESS

A. COMMITTEE REPORTS

1. TECHNICAL ADVISORY COMMITTEE (TAC)

- a). Consider Approval of Storage and Recovery Application and Storage and Recovery Agreement Templates
- b). Consider TAC Request for Direction Regarding Having a Public Member on the TAC, and Recommendation to Delay Start of Scenario 2 Groundwater Modeling Work

X. INFORMATIONAL REPORTS (No Action Required)

- A. Timeline Schedule of Milestone Dates (Critical date monitoring)
- B. Technical Advisory Committee (TAC) minutes of April 14, 2010
- C. Water Production Report for Second Quarter of Water Year 2010 (January 1st through March 31, 2010)

XI. DIRECTOR'S REPORTS

XII. EXECUTIVE OFFICER COMMENTS

XIII. NEXT REGULAR MEETING DATE –JULY 7, 2010 (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 May 28, 2010 per the Ralph M. Brown Act, Government Code Section 54954.2(a).

ITEM NO. III.

MINUTES

REGULAR MEETING
Seaside Groundwater Basin Watermaster
April 7, 2010

DRAFT MINUTES

I. CALL TO ORDER

Chairman Rubio called the meeting to order at 2:04 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
City of Monterey – Mayor Charles “Chuck” Della Sala
Monterey County/Monterey County Water Resources Agency (“MCWRA”) – Supervisor Dave Potter

Absent: None

III. APPROVAL OF MINUTES

Moved by Mayor Pendergrass, seconded by Supervisor Potter, and carried, to approve the minutes of the Watermaster Regular Meeting held March 3, 2010. Director Bruno abstained due to not having been at the meeting.

IV. REVIEW OF AGENDA

There were no requests for 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 March 2010 totaling \$11,392.46.
- B. Consider current year Financial Reports – Through March 31, 2010.

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. Proposed Court Order prepared by legal counsel as directed by the Court.

The board received and reviewed the submitted staff report and proposed order regarding the 2009 annual Report of the Watermaster. Mr. Evans thanked Lori Girard for preparing the order

memorializing the decision of the court in reference to the Watermaster response to the Court's February 19, 2010 Minute Order.

Moved by Supervisor Potter, seconded by Mayor Edelen, and unanimously carried, to approve the attached Monterey County Superior Court Order prepared by legal counsel from California American Water Company on behalf of the Watermaster regarding the 2009 Annual Report of the Watermaster.

IX. NEW BUSINESS

A. COMMITTEE REPORTS

1. TECHNICAL ADVISORY COMMITTEE ("TAC")

a) Hydrometrics Contract to Perform Groundwater Modeling Scenarios

The board received and reviewed the submitted staff report and Request for Services from Hydrometrics Water Resources Inc. to perform groundwater modeling scenarios for the budgeted amount of \$25,000. Director Anthony took issue with the last bullet of the Background section of the staff report where it was noted that an updated date of when the Regional Project would be on line would be obtained from MPWMD. He felt that the chair of TAC could contact CAW, MCWD, or the County for the best estimation of the date and not be directed to MPWMD. Joe Oliver, MPWMD, responded with his recollection of why MPWMD was noted as providing the date: at the March 3 regular board meeting the draft scope presented had the old start date which was pointed out by MPWMD and, because of that, was most likely listed in the staff report as having provided the updated date. Mr. Oliver agreed that the agencies listed by Director Anthony could estimate the date.

Moved by Director Bruno, seconded by Director Costa, and unanimously carried, to approve the attached Request for Service (RFS) No. 2010-04 with HydroMetrics in the amount of \$24,775.00 to perform groundwater modeling of selected scenarios, subject to the elimination of the last sentence of the last bullet under the Background section of the covering staff report.

B. Resolution Supporting Proposed Monterey Regional Water Supply Program

The board received and reviewed the submitted staff report and draft resolution expressing Watermaster support of the proposed Monterey Regional Water Supply Program ("Regional Project"). Director Lehman advised the board that the MPWMD board had an action and she would not be supporting the resolution; MPWMD is in support of the project but not the financial terms of the program. Director Bruno asked that in the resolved section that the water purchase agreement and the settlement agreement are also supported by Watermaster.

Curtis Weeks, MCWRA, addressed the board and expressed his appreciation to the Board for those supporting the project.

Moved by Director Bruno, seconded by Mayor Edelen, and carried, to approve Resolution of the Board of Directors of the Seaside Groundwater Basin Watermaster Expressing Support of the Proposed Monterey Regional Water Supply Program, subject to the modification to the last paragraph, "...supports the proposed Phase 1 Regional Water

Supply Project, the water purchase agreement, and the settlement agreement as ~~an~~ important steps in solving the long standing water supply problems...” Director Lehman voted no.

C. Review Status of Seaside’s In Lieu Replenishment Proposal and Consider Approval of Revised Proposal to the Court re: Seaside Replenishment Assessment Liability and In Lieu Replenishment Program

The board received the submitted memorandum from Russell McGlothlin, attorney representing City of Seaside, regarding the proposal for in lieu replenishment program/credit offset of the City of Seaside’s accrued replenishment assessments; the revised Memorandum of Understanding (“MOU”) between Watermaster and the City of Seaside; and the Land Transfer and Water Service Agreement between the City of Seaside and the Marina Coast Water District. CEO Evans requested more time be allowed for Watermaster to review the documents, especially revisions to the previously adopted MOU.

Moved by Supervisor Potter, seconded by Director Lehman, and unanimously carried, to approve the changes to paragraph four and other less substantive changes to the Memorandum of Understanding between Watermaster and the City of Seaside of the MOU, all subject to Watermaster staff review and evaluation.

X. INFORMATIONAL REPORTS (No Action Required)

- A. Timeline Schedule of Milestone Dates (Critical date monitoring)
- B. Technical Advisory Committee (“TAC”) minutes of March 10, 2010.

XI. DIRECTORS’ REPORTS

Director Bruno and Chair Rubio would be absent at the May 5, 2010 Watermaster board meeting.

Director Bruno thanked CEO Evans for distributing to all the results of the Security National Guarantee court appeal in the Monterey Peninsula Water Management District matter. Shari Damon, counsel for Security National Guarantee, felt the ruling reaffirmed the authority of the Watermaster and Judge Randall in the Seaside Basin adjudication. Copies of the appellate court ruling were available from CEO Evans.

Director Anthony reported that the first water from the Sand City desalination plant was delivered into the California American Water system this morning – a major accomplishment.

XI. EXECUTIVE OFFICER COMMENTS

The Technical Advisory Committee regular meeting of April 14, 2010 would be held at the Seaside modular conference room at 1:30 p.m.

XIII. NEXT MEETING DATE – By consensus of the Board, it was determined the next Regular Meeting would be held on Wednesday, May 5, 2010, at the Monterey Regional Water Pollution Control Agency (MRWPCA) Board meeting room at 5 Harris Court, Building "D" on Ryan Ranch in Monterey at 2:00 p.m.

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

ITEM NO. VI.

CONSENT CALENDAR

SEASIDE GROUNDWATER BASIN
WATERMASTER

TO: Board of Directors

FROM: Dewey D Evans, CEO

DATE: June 2, 2010

SUBJECT: Summary of Payments Authorized to be paid during the months of April and May, 2010.

PURPOSE:

To advise the Board of payments authorized to be paid during the months of April and May, 2010

RECOMMENDATIONS:

Consider approving the payment of bills submitted and authorized to be paid during the months of April and May, 2010.

COMMENTS and FISCAL IMPACT:

DDEvans Consulting (Professional Services Agreement—CEO)—March 29, 2010 through April 28, 2010 worked on Watermaster business a total of 64.0 hours at \$100.00 per hour or **\$6,400.00**. Responded to telephone calls, attended meetings, email correspondence with a number of people regarding a variety of items involving the Seaside Basin. Discussions, review of documents and preparation of April 7th Board meeting packet. Sent same to Board and all Interested Parties. Attended April 7th Board meeting and took follow up actions where necessary. Reviewed TAC agenda items and commented on same with Bob Jaques. Received Appellant Court Decision on SNG project and distributed same to Board. Spent time working with Russ McGlothlin on MOU between City of Seaside and Watermaster regarding use of water from Marina Coast Water District to irrigate golf courses on former Fort Ord and to apply the credit for not using water out of Seaside Basin to reduce the accumulated Replenishment Assessment owed by the City of Seaside. Discussions with Bob Jaques regarding various invoices received at Watermaster office. Sent out notice of May 5th Board meeting requesting items for the agenda. Sent out cancellation notice of May 5th Board meeting due to lack of agenda items. Processed and audited invoices and delivered to City of Seaside for payment.

Robert “Bob” Jaques (Technical Program Manager)—March 27, 2010 through April 26, 2010 worked a total of 41.0 hours at \$100.00 per hour or **\$4,100.00**. Prepared TAC meeting packet, attended and transcribed minutes for TAC meeting of April 14, 2010. Reviewed MPWMD and CalAm’s comments on draft Storage Agreement and incorporated changes into documents. Prepared Board agenda items for April 7th Board meeting and sent same to CEO.

HydroMetrics Water Resources Inc.—One invoice was submitted dated April 5, 2010 for **\$450.00** that covered 2.5 hours of work preparing for and attending the March 10th TAC meeting

Monterey Peninsula Water Management District (MPWMD)—Two invoices were submitted during the month of April and authorized for payment of the first quarter of Water Year 2009-2010, (October 1, 2009 through December 31, 2009) totaling **\$24,213.00**. The amounts billed include conducting ongoing data entry/database maintenance, site representation and selection, collecting monthly water levels, quarterly water quality samples, perform seawater intrusion analysis, prepare response plan, etc. during the quarter ended December 31, 2009.

DDEvans Consulting (Professional Services Agreement—CEO)—April 29, 2010 through May 21, 2010 worked on Watermaster business a total of 25.5 hours at \$100.00 per hour or **\$2,550.00**. Responded to telephone inquiries, e-mail, telephone and other correspondence as needed regarding the Seaside Basin. Discussions, review of documents and preparation for the June 2, 2010 Board meeting packet. Discussed HydroMetrics work and billing with Bob Jaques. Reviewed and discussed Storage and Recovery Agreements and RFS with MPWMD with Bob. Sent out notices to parties requesting agenda items, sent note to Joe Oliver regarding quarterly water level and water quality report for agenda. Followed up with water producers who did not send in quarterly water production reports. Discussed possible excess water from lakes on Pasadera Country Club with Dean Leonard. Attended reception at Sand City Desal. Plant.

Robert “Bob” Jaques (Technical Program Manager)—April 27 through May 20, 2010 worked on Watermaster business a total of 14 hours at \$100.00 per hour or **\$1,400.00**. Prepared for and attended CWP water supply meeting at MPWMD on April 28th. Sent out series of e-mails on TAC issues. Updated Board agenda packet transmittals. Prepared and sent out TAC meeting cancellation notices to public agencies and TAC members. Started working on June 9th TAC meeting agenda. Worked on revisions to list of questions to be answered on water supply issues for meeting with MPWMD.

HydroMetrics Water Resources Inc.—One invoice was submitted dated May 4, 2010 for **\$770.00** that covered 4.5 hours of preparing and participating in the April 14th TAC meeting.

Total payments authorized to be paid during the months of April and May totaled **\$39,883.00**

Seaside Groundwater Basin Watermaster
Budget vs. Actual Administrative Fund
 Fiscal Year (January 1 - December 31, 2010)
 Balance through May 31, 2010

	2010 Adopted Budget	Contract Amount	Year to Date Revenue / Expenses
Available Balances & Assessments			
Dedicated Reserve	25,000.00		25,000.00
FY 2008 (Rollover)	43,000.00		47,416.90
FY 2009 Assessments	82,000.00		48,792.00
Available	150,000.00		121,208.90
Expenses			
Contract Staff	100,000.00	100,000.00	25,000.00
Legal Advisor	25,000.00	-	-
Total Expenses	125,000.00	100,000.00	25,000.00
Total Available	25,000.00		
Dedicated Reserve	25,000.00		
Net Available	-		

Administrative Fund Assessments owed by City of Seaside

FY 2009 (including 5% penalty)	16,444
FY 2010 (including 5% penalty)	8,618

Seaside Groundwater Basin Watermaster
Budget vs. Actual Monitoring & Management - Operations Fund
 Fiscal Year (January 1 - December 31, 2010)
 Balance through May 31, 2010

ITEM VI.B.
6/2/2010

	<u>2010 Adopted Budget</u>	<u>Contract Encumbrance</u>	<u>Year to Date Revenue/Expenses</u>
Available Balances & Assessments			
Monitoring & Management - Ops Fund	\$ 351,664.00	\$ -	\$ 327,047.52
FY 2009 Rollover	361,581.00	-	361,581.00
Total Available	\$ 713,245.00	\$ -	\$ 688,628.52
Appropriations & Expenses			
GENERAL			
Technical Project Manager	\$ 100,000.00	\$ 100,000.00	\$ 18,450.00
Contingency @ 20% (not including TPM)	41,944.00	\$ 41,944.00	-
Total General	\$ 141,944.00	\$ 141,944.00	\$ 18,450.00
CONSULTANTS (Hydrometrics)			
Program Administration	\$ 8,000.00		
Production/Lvl/Qlty Monitoring	30,000.00	\$ 12,000.00	\$ 6,712.47
Basin Management (BMAP, Modeling)	50,000.00		
Seawater Intrusion (Plan, Analysis)	27,000.00	22,020.00	-
Total Consultants	\$ 115,000.00	\$ 34,020.00	\$ 6,712.47
MPWMD			
Production/Lvl/Qlty Monitoring	\$ 91,120.00	74,780.00	\$ -
Basin Management	-	5,000.00	-
Seawater Intrusion	3,600.00	3,600.00	-
Direct Costs	-	-	-
Total MPWMD	\$ 94,720.00	\$ 83,380.00	\$ -
Transfer Out to Capital Fund			
			-
Total Appropriations & Expenses	\$ 351,664.00	\$ 259,344.00	\$ 25,162.47
Total Available	361,581.00		

Operations Fund Assessments owed by City of Seaside

FY 2009 (including 5% penalty)	50,274
FY 2010 (including 5% penalty)	25,847

**Seaside Groundwater Basin Watermaster
 Budget vs. Actual Monitoring and Management - Capital Fund
 Fiscal Year (January 1 - December 31, 2010)
 Balance through May 31, 2010**

ITEM VI.B.
 6/2/2010

	2009 Adopted Budget	Contract Encumbrance	Year to Date Revenue / Expense
Available Balances and Assessments:			
Monitoring & Management Fund - Capital	\$ -		\$ -
FY 2007-2008 Rollover to 2009	5,499		5,499
Transfer in from Operations Fund	-		-
Subtotal	<u>5,499</u>		<u>5,499</u>
Appropriations & Expenses:			
Professional Services			
Project Management	-	-	-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>
Direct Costs			
Well Drilling -	-	-	-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>
Total Appropriations and Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Available	<u><u>\$ -</u></u>		
Capital Fund Assessments owed by City of Seaside			
FY 2009 (including 5% penalty)	16,538		
Total	<u><u>\$ 16,538</u></u>		

Seaside Groundwater Basin Watermaster

Budget vs. Actual - Replenishment Fund

Water Year 2010 (October 1 - September 30) / Fiscal Year (January 1 - December 31, 2010)

Balance through May 31, 2010

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	2,108,570	2,484,533	5,164,969	3,773,464	\$ 13,531,537	5,778,119	\$ 19,309,656
Operating Yield Overproduction Replenishment	-	80,938	34,045	-	\$ 114,983	38,086	\$ 153,069
Total California American	2,108,570	2,565,471	5,199,014	3,773,464	\$ 13,646,520	5,816,205	\$ 19,462,725
CAW Credit Against Assessment	(465,648)		(12,305,924)	\$ (3,741,714)	\$ (16,513,286)	-	\$ (16,513,286)
Balance	1,642,922	2,565,471	\$ (2,898,517)	\$ (2,866,766)	-	-	\$ -
CAW Unpaid Balance	\$ -	\$ -	\$ -	\$ -	\$ (2,866,766)	\$ 5,816,205	\$ 2,949,439
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	73,670	\$ 275,076
Operating Yield Overproduction Replenishment	-	-	131,705	69,701	\$ 201,406	73,670	\$ 275,076
Total Golf Courses	-	-	263,410	139,402	\$ 402,812	147,340	\$ 550,152
Total City of Seaside*	219,687	174,079	665,950	604,702	1,664,418	597,672	2,262,091
City of Seaside Late Payment 5%	10,984	8,704	26,712	26,750			
City of Seaside Paid Assessments	-	-	-	-	\$ -	-	-
City of Seaside Unpaid Balance	\$ 230,671	\$ 182,783	\$ 692,662	\$ 631,453	\$ 1,737,569	\$ 597,672	\$ 2,335,241
Grand Total Replenishment Fund Balance	\$ 230,671	\$ 182,783	\$ 692,662	\$ 631,453	\$ (1,202,348)	\$ 6,413,877	\$ 5,211,529
Total Replenishment Assessments	1,873,594	2,748,254	5,891,676	4,404,917	15,310,938	6,413,877	\$ 21,724,815
Total Replenishment Paid and Credited	(1,642,922)	(2,565,471)	(5,199,014)	(3,741,714)	(16,513,286)		(16,513,286)
MRWPCA GWRP Payment			13				(100,000)
Grand Total Replenishment Fund Balance	230,671	182,783	692,662	663,203	\$ (1,202,348)	6,413,877	\$ 5,111,529.23

**SEASIDE GROUNDWATER BASIN
WATERMASTER**

TO: Board of Directors

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

DATE: June 2, 2010

SUBJECT: Request for Service (RFS) No. 2010-03 with MPWMD to Prepare Improvements to Watermaster's Database

RECOMMENDATION:

The TAC recommends that the Board approve Request for Service (RFS) No. 2010-03 with MPWMD in the amount of \$9,985. to prepare improvements to the Watermaster's Database. In order to expedite this modification to the Watermaster's Database the CEO authorized and approved the not to exceed price of \$9,985.

BACKGROUND:

When the Board approved the M&MP Scope of Work and Budget for 2010, a task was included and \$25,000 was budgeted for making improvements to the Watermaster's Database in order to improve its user-friendliness and functionality. A compilation of potential improvements was approved by the TAC at its March 10, 2010 meeting. At its April 14, 2010 meeting the TAC recommended for Board approval MPWMD RFS No. 2010-03 which will authorize MPWMD to make these improvements.

DISCUSSION:

The attached RFS No. 2010-03 to MPWMD would authorize them, using their database consultant Zone 24x7, to implement certain improvements to the Database, as described in Attachment 1 of the RFS. MPWMD has recommended adding a 15% contingency to the Total Estimated Cost provided by Zone 24x7, to allow for the possible need for extra time for testing of the Database changes once they have been made. This brings the Total Price for the RFS to \$9,985.

This RFS does not include the interactive map capability feature which was briefly discussed at the TAC's March 10, 2010 meeting. More information on that feature is being developed for presentation at a future TAC meeting.

ATTACHMENT:

MPWMD RFS No. 2010-03

SEASIDE BASIN WATERMASTER
REQUEST FOR SERVICE

DATE: May 6, 2010

RFS NO. 2010-03

(To be filled in by WATERMASTER)

TO: Joe Oliver

FROM: Robert Jaques

Monterey Peninsula Water Management District
PROFESSIONAL

WATERMASTER

Services Needed and Purpose:

Make improvements to the Watermaster's database in accordance with the Scope of Work contained in Attachment 1.

Completion Date: The work of this RFS No. 2010-03 shall be completed within 90 days from the date of execution of this RFS No. 2010-03.

Method of Compensation: Time and Expense Payment Method (As defined in Section V of Agreement.)

Total Price Authorized by this RFS: \$9,985.00 (See Attachment 1 for details regarding this Total Price. Cost is authorized only when evidenced by signature below.)

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

Requested by: _____ Date: _____.

WATERMASTER Technical Program Manager

Authorized by: _____ Date: _____.

WATERMASTER Chief Executive Officer

Agreed to by: _____ Date: _____.

PROFESSIONAL

ATTACHMENT 1

Scope of Work for RFS No. 2010-03

Background:

The WATERMASTER has a database into which water production, water level, water quality, and other data is entered and stored. This RFS No. 2010-03 authorizes PROFESSIONAL to make certain improvements to the database as more fully described below.

Zone 24X7 will act as a subcontractor to PROFESSIONAL in performing the work, and will perform the work of this RFS under the direction and management of PROFESSIONAL.

Scope of Work:

The detailed scope of work to be performed under this RFS consists of implementing the nine Items described in the attached table titled "Improvements to be Made to the Watermaster's Database Under RFS NO. 2010-03."

Cost:

The Total Price authorized by this RFS No. 2010-03 is \$9,985.00, broken down as shown below:

<u>ACTIVITY</u>	<u>COST</u>
Project Management	\$1,311
Requirement Analysis and System Design	3,718
Implementation	2,664
QA / Testing	<u>990</u>
Total Estimated Cost	\$8,683
<u>Contingency @ 15%</u>	<u>1,302</u>
TOTAL PRICE	<u>\$9,985</u>

Use of any part of the Contingency amount shown in the breakdown above must first be authorized by WATERMASTER's Technical Program Manager. If no use of any portion of the Contingency is authorized, the Total Price of this RFS No. 2010-03 is limited to the Total Estimated Cost of \$8,683.00.

IMPROVEMENTS TO BE MADE TO THE WATERMASTER'S DATABASE
UNDER RFS NO. 2010-03

ITEM NO.	LOCATION WITHIN THE DATABASE	DESCRIPTION
1	Compliance Report (new report)	A Compliance Report will be developed that lists for each type of reporting data (i.e., Water Level, Water Quality, and Water Production): (a) what data each well owner is required to submit to the Watermaster, and (b) whether or not the required data have been submitted (i.e., entered into the database). This improvement will be accessible to all User Access Levels (1 through 4).
2	Well List Screen (well status improvement)	Currently, the Well List screen has only one checkbox to filter for “Only Watermaster Producers” and when checked, the list shows <u>all</u> of the Watermaster Production wells including those that are “inactive.” The programming will be revised to provide the capability to list just the “active” Producer Wells. This will require modifications to the Well Details screen, as there are currently no data fields for “Well Status”, i.e., Active, Inactive, Destroyed. At present in the Contacts screen, a user must select whether or not a particular Contact is a “Watermaster Producer”. Once a user does that and clicks on the checkbox on the Well List screen, all wells associated with that Contact are listed. However, some of the Producers have either active, inactive and/or destroyed wells, and we would like to be able to make this distinction. For example, we would only want to include the “active” Producer wells in the Production Report. This improvement will be accessible to all User Access Levels (1 through 4).

ITEM NO.	LOCATION WITHIN THE DATABASE	DESCRIPTION
3	Well List Screen (custom views improvement)	<p>The programming will be revised to provide the capability, by selecting checkboxes, to use the Well List screen to filter the data to allow various “custom views”. For example, we might want to create a “Well Information Report” view which would display selected fields from the database and would include the Watermaster Well ID No. and the Well Name. The following is a list of the data fields that will be included as checkboxes in a pull-down menu on the Well List screen (in addition to the columns currently listed) to allow custom views:</p> <ul style="list-style-type: none"> • Company Name, Address, City, State, Zip, Contact Person, Telephone, Email, Owner Type, Assessor’s Parcel Number, Subarea, Northing, Easting, Reference Point Elevation, Well Casing Diameter, Total Depth of Completed Well, Date Well Completed, DWR Well Completion Report No. (Construction), Date Well Destroyed, DWR Well Completion Report No. (Destruction), Geologic Unit, Meter Unit. <p>Because this improvement will include certain data regarding well location and completion, this improvement will only be accessible to User Access Levels 3 and 4.</p>
4	Production Screen (format improvement)	<p>The current individual well Production screen (accessible from the Well Details screen) will be modified to match the monthly production reporting template the Watermaster has requested that Producers use to report their well production. This improvement will be accessible to users who enter production data at User Access Levels 3 and 4.</p>
5	<u>Detailed</u> Production Report (existing report)	<p>Currently, when Production is selected from the Report pull-down menu that is accessible in the upper left of most screens, a production report can be produced that shows actual recorded meter readings for a specified time period (i.e., a detailed report). The purpose of this report is to allow users to easily review detailed production data from the database. The user has options to select an individual well owner or ALL well owners, and an individual well or ALL wells. The problems with this structure format include: (a) the report lists a column called “Begin Date” but data that show up in this column do not seem to be tied in any meaningful way to entries in the database; (b) accordingly, the report will not produce a “Begin Reading” to allow an initial meter reading to be used to make the proper production calculation; and (c) for cases when ALL wells of an individual well owner are selected, the report does not show which calculation is attributable to which well. The programming will be revised to correct these problems to facilitate efficient review of the detailed production data. This report will be accessible to all User Access Levels (1 through 4).</p>

ITEM NO.	LOCATION WITHIN THE DATABASE	DESCRIPTION
6	<u>Summary</u> Production Report (new report)	Currently, it is not possible to generate a Production Report that is similar in format to the one that has historically been used by the Watermaster for reporting to the Board, and also in the Annual Report that is filed with Court (i.e., a summary report). The proper summary report format will not show actual meter dates and readings, but rather will be a Water Year report that breaks down production quarterly within the year, by each producer within each subarea. The programming will be revised so that the Summary Production Report matches the format being used by the Watermaster Board. This improvement will be accessible to users who enter production data at User Access Levels 3 and 4.
7	Water Quality screen (format improvement)	Some of the Water Quality analytical results that are being provided by the labs include two extra parameters that would be useful to add to the data entry page of the database. These are: <ul style="list-style-type: none"> 1. Bicarbonate 2. Carbonate The Water Quality data entry screen will be expanded to include these parameters.
8	Contacts Screen (new column)	The programming will be revised to add a column next to “Company Name” titled “Common Name” to enter the Producers’ names as they are more commonly known. This “Common Name” will also be added to the list of check box items shown in Item 3 above.
9	Most Screens and Reports (format improvement)	Where feasible, cross-linking will be provided between the “Well Names” and “Watermaster Well ID Nos.”

ITEM. IX.

NEW BUSINESS

ITEM IX.A.

COMMITTEE REPORTS

ITEM NO. IX.A.1.

**TECHNICAL ADVISORY
COMMITTEE
(TAC)**

**SEASIDE GROUNDWATER BASIN
WATERMASTER**

TO: Board of Directors

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

DATE: June 2, 2010

SUBJECT: Consider Approval of Storage and Recovery Application and Storage and Recovery Agreement Templates

RECOMMENDATIONS:

It is recommended that the Board approve the attached Storage and Recovery Application Template and Storage and Recovery Agreement Template so they can be used when any Standard Producer wishes to request approval to store water in the Basin.

BACKGROUND:

The Amended Decision of the Court which created the Watermaster calls for the Watermaster to formally declare what the Total Usable Storage Space in the Seaside Groundwater Basin ("Basin") is, and also how that storage space is to be allocated to the producers. At its January 25, 2010 meeting the Board issued a Declaration of the Total Usable Storage Space of the Basin, and also allocated this Storage Space amongst the Standard Producers. Pursuant to the Amended Decision, Alternative Producers do not receive a storage allocation, only Standard Producers receive such an allocation.

The Amended Decision requires that any Standard Producer that wishes to store and recover water from the Seaside Basin must first receive approval by the Watermaster to do so. In anticipation that some Standard Producers may wish to use their storage allocations for this purpose, the attached Storage and Recovery Application template and Storage and Recovery Agreement template have been prepared.

DISCUSSION:

Drafts of these documents were provided to the TAC in January 2010 for its review and editing before they were sent out to all Producers, both Standard and Alternative, for further review and editing. The attached versions of these documents reflect the edits recommended by these parties.

ATTACHMENT:

1. Storage and Recovery Application Template
2. Storage and Recovery Agreement Template

**APPLICATION TO STORE AND RECOVER NON-NATIVE WATER
FROM THE
SEASIDE GROUNDWATER BASIN**

INSTRUCTIONS: This Application form is for use by Standard Producers in the Seaside Groundwater Basin (Seaside Basin) for the purpose of obtaining approval from the Seaside Basin Watermaster (Watermaster) to store Non-Native water in, and to subsequently recover that stored water from, the Seaside Basin. The application process is as described in Section III.L.3.j.xx of the Amended Decision of the Monterey County Superior Court, Case No. M66343, filed February 9, 2007.

Name of Standard Producer (Applicant)

Contact Information for Applicant:

Contact Person: _____

Address: _____

Telephone: _____

Proposed quantity of non-native water Applicant seeks to store through spreading or direct injection into the Seaside Basin (acre-feet per year):

Proposed location(s) where the spreading or direct injection of non-native water into the Seaside Basin will occur. If injection will be performed using one or more injection wells, provide indentifying information for those wells including the aquifer(s) into which the injection will occur. If spreading will be performed, provide coordinate location information, as well as any physical street address information for the proposed location.

Proposed location(s) where the stored water may be recovered. Provide identifying information for each well from which the stored water will be recovered, including the aquifer(s) from which recovery will occur.

Water quality characteristics of the non-native water proposed for spreading or direct injection into the Seaside Basin. Provide sufficient physical, chemical, and microbiological information about the water being proposed for storage, so that the Watermaster can determine whether or not storing such water will have any adverse water quality impacts on the Seaside Basin. Provide this information in the form of analytical results from a properly certified water testing laboratory, attached to this Application.

Also provide sufficient information to demonstrate to the Watermaster that the water quality characteristics of the water being proposed for storage will meet all of the requirements imposed on the Applicant by permits and/or approvals issued to the Applicant by the regulatory agency or agencies with jurisdiction.

Permits and approvals from regulatory agencies. Attach copies of all permits and approvals the applicant has received from regulatory agencies, which relate to the storage of water in the Seaside Basin. Such agencies will likely include some or all of the following:

- California Regional Water Quality Control Board
- California Department of Public Health
- County of Monterey Department of Health
- State Water Resources Control Board

**AGREEMENT FOR STORAGE AND RECOVERY
OF
NON-NATIVE WATER
FROM THE
SEASIDE GROUNDWATER BASIN**

THIS AGREEMENT is made and entered into on _____, _____, by and between the SEASIDE BASIN WATERMASTER (the "WATERMASTER"), and _____, a _____, (the "PRODUCER"), as follows:

Recitals

1. The WATERMASTER was created by the Amended Decision of the Monterey County Superior Court, filed February 9, 2007, Case No. M66343 (the "Decision"). This Decision was made for the purposes of managing and protecting the Seaside Groundwater Basin ("Basin") for the benefit of the businesses, individuals, and public agencies that overlie or extract groundwater from the Basin.
2. The PRODUCER has applied to the WATERMASTER for permission to store Non-Native water in, and to subsequently recover that stored water from, the Basin.
3. Under the authorities granted to the WATERMASTER by the Decision, the WATERMASTER has approved PRODUCER's application and hereby grants permission to the PRODUCER to store Non-Native water in, and to recover that stored water from, the Basin, subject to the Terms and Conditions contained in this Agreement.

Terms and Conditions

NOW, THEREFORE, in consideration of the foregoing and the mutual promises contained herein, the parties hereto agree to the following terms and conditions:

1. Definitions. Unless otherwise specifically defined herein, the defined terms shall be given the same definition and meaning set forth in the Decision, as listed in Attachment A.
2. Storage Quantity. The PRODUCER is authorized to store by means of *[insert method of storage, i.e. spreading or direct injection]* _____ acre-feet per year of Non-Native Water in the Basin. In the event the WATERMASTER revises the Total Usable Storage Space of the Basin in accordance with Section III.H.4 of the Decision, or if one or more Alternative Producers converts entirely or in part from an Alternative Production Allocation to a Standard Production Allocation in accordance with Section III.B.3.e of the Decision, the PRODUCER's Storage Allocation may change, and this may affect the storage quantity authorized by this Agreement. In such instance this Agreement will be modified to reflect these changes.
3. Storage Location(s). The storage of water authorized under paragraph 2 above will

be performed at the following location(s): *[insert proposed spreading or injection location(s)]*.

4. Recovery Location(s). Recovery of water stored at the location(s) described under paragraph 3 above must be performed within the same Subarea of the Basin as the location(s) within which it was stored. Recovery of this water will be performed at the following location(s): *[insert proposed recovery location(s)]*.
5. Recovery Quantity. The PRODUCER is initially authorized to recover (Extract) the full amount of the water actually Stored in accordance with this Agreement. However, due to the hydrogeologic characteristics of the Seaside Basin, naturally occurring losses of Stored Water may result in the WATERMASTER reducing the percentage of Stored Water that may be Extracted. Should the WATERMASTER determine that this needs to be done, this Agreement will be modified to reflect the reduced quantity of water that the PRODUCER may recover, and the technical basis for this determination will be provided to all PRODUCERS.
6. Water Quality. The PRODUCER hereby certifies that prior to the Non-Native water being introduced into the Basin for Storage in accordance with this Agreement, all such water will meet all of the requirements imposed on the PRODUCER by permits and/or approvals issued to the PRODUCER by the California Regional Water Quality Control Board and any other water quality standards imposed by any other government entity, including without limitation the California Department of Public Health and the Monterey County Department of Environmental Health.

The representative water quality characteristics of the water that will be stored under this Agreement are as follows, and are considered by both parties to this Agreement to not pose a threat of harm to the Basin:

[Insert physical, chemical, and microbiological information about the water being proposed for storage]

7. Carryover of Unused Production Allocation and Carryover Credits. In accordance with Section III.F of the Decision, if during a particular Water Year the PRODUCER does not Extract from the Basin a total quantity equal to the PRODUCER's Standard Production Allocation for the particular Water Year, the PRODUCER may establish Carryover Credits, up to the total amount of the PRODUCER's Storage Allocation.

However, in accordance with the Decision in no circumstance may the sum of the PRODUCER's Stored Water Credits and Carryover Credits exceed the PRODUCER's available Storage Allocation. In accordance with the Decision in consideration of the Seaside Basin's hydrogeologic characteristics, the WATERMASTER may reduce the quantity of Water that may be Extracted pursuant to a Carryover Credit.

In accordance with Section III.H.5 of the Decision, the PRODUCER has the right to use its Storage Allocation to Store any Carryover Water subject to the provisions of the Decision and this Agreement. In accordance with the Decision unused (not Extracted) Stored Water Credits and Carryover Credits may be carried over from year to year, but the amount that may be carried over in any year is subject to a percentage

decrease, if a decrease in the Basin's Operating Yield is declared by the WATERMASTER in accordance with Section III.B.2 of the Decision.

8. Measurement and Reporting of Extractions and Storage. In accordance with Section III.J of the Decision, the PRODUCER shall install, maintain, and use adequate measuring devices on all Storage and Extraction facilities as required by the WATERMASTER's Rules and Regulations and this Agreement.

The PRODUCER shall provide to the WATERMASTER, as part of each monthly Production Report, data for the reporting period stating:

- The quantity of water that was stored
- The quantity of stored water that was recovered (Extracted)
- The location(s) where the water was stored
- The location(s) where the water was recovered (Extracted)

9. Indemnification. The PRODUCER shall assume the defense of, indemnify and hold harmless, the WATERMASTER, its officers, agents and employees from all claims, liability, loss, damage or injury of any kind, nature or description arising directly or indirectly from actions or omissions by PRODUCER or any of its officers, agents, employees, or independent contractors relating to this Agreement, , excepting claims, liability, loss, damage or injury which arise from the willful or negligent acts, omissions, or activities of an officer, agent or employee of the WATERMASTER.
10. Successors and Assigns. This Agreement, and all the terms and conditions hereof, shall apply to and bind the successors and assigns of the respective parties hereto; provided that the PRODUCER shall not assign this Agreement without prior written consent of the WATERMASTER.
11. Further Cooperation. Each of the parties agree to reasonably cooperate with each other, and to execute and deliver to the other all such documents and instruments, and to take such further actions, as may reasonably be required to give effect to the terms and conditions of this Agreement.
12. Interpretation. It is agreed and understood by the parties hereto that this Agreement has been arrived at through negotiation and that neither party is to be deemed the party which prepared this Agreement within the meaning of Civil Code §1654. The provisions of this Agreement shall be interpreted in a reasonable manner to effect the purpose of the parties and this Agreement.
13. Disputes. If any dispute under this Agreement arises the parties shall first meet and confer in a good faith attempt to resolve the matter between themselves. Each party shall make all reasonable efforts to provide to the other party all the information that the party has in its possession that is relevant to the dispute, so that both parties will have ample information with which to reach a decision. If the dispute is not resolved by meeting and conferring, the matter shall be submitted to the Court for resolution pursuant to the Court's reserved jurisdiction as set forth in the Decision.
14. Modification. This Agreement may be amended, altered or modified only by a writing, specifying such amendment, alteration or modification, executed by authorized

representatives of both of the parties hereto.

15. Attorney's Fees and Costs. In the event it should become necessary for either party to enforce any of the terms and conditions of this Agreement by means of court action or administrative enforcement, the prevailing party, in addition to any other remedy at law or in equity available to such party, shall be awarded all reasonable costs and reasonable attorney's fees in connection therewith, including the fees and costs of experts reasonable consulted by the attorneys for the prevailing party.

16. Counterparts. This Agreement may be executed in two counterparts, each of which shall be deemed an original, but both of which shall be deemed to constitute one and the same instrument.

17. Written Notice. Written notice shall be deemed to have been duly served if delivered in person or by mail to the individuals and at the addresses listed below:

A. WATERMASTER: Chief Executive Officer
Seaside Basin Watermaster
2600 Garden Road, Suite 228
Monterey, CA 93940

B. PRODUCER: *[Insert Producer's contact information here]*

18. Conflicts with the Decision. The PRODUCER's rights under this Agreement are subject to the Decision and in the event of any conflict between the provisions of this Agreement and the Decision, the Decision shall control.

19. Entire Agreement. This Agreement constitutes the entire and complete agreement between the parties regarding the subject matter hereof, and supersedes all prior or contemporaneous negotiations, understandings or agreements of the parties, whether written or oral, with respect to such subject matter.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement consisting of five (5) pages and one (1) attachment in duplicate on the date hereinabove written.

WATERMASTER

PRODUCER

By _____
Dewey Evans
Chief Executive Officer

By _____
Insert Name
Insert Title

ATTACHMENT A
DEFINITIONS
(Excerpted from the Decision)

"Artificial Replenishment" means the act of the WATERMASTER, directly or indirectly, engaging in or contracting for Non-Native Water to be added to the Groundwater supply of the Seaside Basin through Spreading or Direct Injection to offset the cumulative Over- Production from the Seaside Basin in any particular Water Year pursuant to Section III.L.3.j.iii. It shall also include programs in which Producers agree to refrain, in whole or in part, from exercising their right to produce their full Production Allocation where the intent is to cause the replenishment of the Seaside Basin through forbearance in lieu of the injection or spreading of Non-Native Water.

"Carryover" means that portion of a Party's Production Allocation that is not Extracted from the Basin during a particular Water Year. Each acre-foot of Carryover establishes an acre-foot of Carryover Credit.

"Carryover Credit(s)" means the quantity of Water established through Carryover, that a Party is entitled to Produce from the Basin pursuant to Section III.F.

"Extraction," "Extractions," "Extracting," "Extracted," and other variations of the same noun or verb, mean pumping, taking, diverting or withdrawing Groundwater by any manner or means whatsoever from the Seaside Basin.

"Groundwater" means all Water beneath the ground surface in the Seaside Basin, including Water from Natural Replenishment, Artificial Replenishment, Carryover, and Stored Water.

"Natural Replenishment" means all processes by which Water may become a part of the Groundwater supply of the Seaside Basin without the benefit of the Physical Solution and the coordinated management it provides. Groundwater that occurs in the Seaside Basin as a result of the Physical Solution, which is not Natural Replenishment, includes, but is not limited to Storage, Carryover, and Artificial Replenishment.

"Non-Native Water" means all Water that would not otherwise add to the Groundwater supply through natural means or from return flows from surface applications other than intentional Spreading.

"Physical Solution" means the efficient and equitable management of Groundwater resources within the Seaside Basin, as prescribed by this Decision, to maximize the reasonable and beneficial use of Water resources in a manner that is consistent with Article X, Section 2 of the California Constitution, the public interest, and the basin rights of the Parties, while working to bring the Production of Native Water to Natural Safe Yield.

"Producer" means a Party possessing a Base Water Rights.

"Standard Production Allocation" is the amount of Groundwater that a Producer participating in this allocation method may Produce from a Subarea of the Seaside Basin as provided in Section III.B.2, which is determined by multiplying the Base Water Right by the Operating Yield.

"Storage" means the existence of Stored Water in the Seaside Basin.

"Storage Allocation" means that quantity of Stored Water in acre feet that a Party is allowed to Store in the Coastal Subarea or the Laguna Seca Subarea at any particular time.

"Storage Allocation Percentage" means the percentage of Total Usable Storage Space allocated to each Producer proceeding under the Standard Production Allocation. Producers proceeding under the Alternative Production Allocation are not allocated Storage rights and, consequently, their share of the Total Usable Storage Space is apportioned to the Producers proceeding under the Standard Production Allocation. Pursuant to the terms of Section III.B.3, Parties proceeding under the Alternative Production Allocation enjoy a one-time right to change to the Standard Production Allocation. Due to the recalculation of the Storage Allocation Percentage necessitated when a Party changes to the Standard Production Allocation, the WATERMASTER will maintain the up-to-date Seaside Basin Storage Allocation Percentages.

"Storage and Recovery Agreement" means an agreement between WATERMASTER and a Party for Storage pursuant to Section III.L.3.j.xx.

"Store" and other variations of the same verb refer to the activities establishing Stored Water in the Seaside Basin.

"Stored Water" means (1) Non-Native Water introduced into the Seaside Basin by a Party or any predecessors-in-interest by Spreading or Directly Injecting that Water into the Seaside Basin for Storage and subsequent Extraction by and for the benefit of that Party or their successors-in-interest; (2) Groundwater within the Seaside Basin that is accounted for as a Producer's Carryover; or (3) Non-Native water introduced into the Basin through purchases by the WATERMASTER, and used to reduce and ultimately reverse Over-Production.

"Stored Water Credit" means the quantity of Stored Water augmenting the Basin's Retrievable Groundwater Supply, which is attributable to a Party's Storage and further governed by this Decision and a Storage and Recovery Agreement.

"Total Useable Storage Space" means the maximum amount of space available in the Seaside Basin that can prudently be used for Storage as shall be determined and modified by WATERMASTER pursuant to Section III.L.3.j.xix, less Storage space which may be reserved by the WATERMASTER for its use in recharging the Basin.

**SEASIDE GROUNDWATER BASIN
WATERMASTER**

TO: Board of Directors

FROM: Robert S. Jaques, Technical Program Manager

APPROVED BY: Dewey Evans, CEO

DATE: April 23, 2010

SUBJECT: Technical Advisory Committee (TAC) Request for Direction Regarding Having a Public Member on the TAC, and Recommendation to Delay Start of Scenario 2 Groundwater Modeling Work

RECOMMENDATIONS:

It is recommended that the Board: (1) Provide direction to the TAC as to whether or not it wishes to continue having a "Public Member" on the TAC, and (2) Approve the TAC's recommendation to delay the start of work on groundwater modeling for Scenario 2 (Regional Water Supply Project) with reconsideration of that issue to occur at the TAC's July 2010 meeting.

BACKGROUND:

The Watermaster's Technical Advisory Committee (TAC) is working on one item for which it is seeking Board direction, and on one item that the Board previously approved but whose schedule the TAC feels should be delayed. This Agenda Transmittal provides a discussion on each of these two items.

DISCUSSION

1. Appointment of Public Member to the TAC

At the February 2010 TAC meeting John Fischer announced he will be going in for further cancer treatments and will likely be unable to attend Watermaster TAC Meetings for a number of weeks, and in fact it may turn out that he will no longer be able to attend at all, depending on the outcome. He recommended that an Alternate Public Member be selected, so there would always be a member of the public attending the TAC meetings.

Following discussion at the March and April 2010 TAC meetings the TAC determined that Mr. George Riley would be a good candidate to serve as the Alternate Public Member. Mr. Riley has been very active in attending the Regional Plenary Oversight Group (subsequently renamed Water for Monterey County) meetings, so he is up-to-date on issues pertaining to CAW's Coastal Water Project. Mr. Riley has also attended some of the Watermaster Board meetings in the past.

However, at the March TAC meeting there was also discussion regarding the history and background of the appointment of a Public Member to the TAC. No one that was present at that TAC meeting had been present at the Board meeting several years ago when Mr. Fischer had been initially appointed to the TAC. It is my understanding that a Board member had proposed that Mr. Fischer serve as a Public Member of the TAC, but I was not present at that meeting so my understanding is based on information from others.

When I was hired to serve as the Watermaster's Technical Program Manager the membership in the TAC had already been in place for some period of time. The TAC membership today is the same as it was at that time, consisting of a representative from each of the entities that serve on the Board, plus a Public Member, as follows:

- California America Water
- Cities of Seaside, Monterey, Sand City, and Del Rey Oaks
- Monterey Peninsula Water Management District
- Monterey County Water Resources Agency
- Coastal and Laguna Seca Subarea Landowners Groups
- Public Member

The Watermaster's Rules and Regulations contain the following provisions that are pertinent to this topic:

- Paragraph 3.3 states that the Board may establish such committees as it deems necessary to advise the Board on issues, and that persons appointed to such committees need not be a member of the Board. It goes on to say that each committee member shall have one vote.
- Paragraph 3.3.1.1 names the TAC as one of the Board's standing committees, with the purpose of advising the Board regarding implementation of the physical solution (the actions required by the Amended Decision to properly manage the Basin), and to perform other tasks assigned to it by the Board from time to time.

Neither the Rules and Regulations nor the Amended Decision speaks to having a Public Member on the TAC.

Some TAC members thought that perhaps the Board had originally appointed a Public Member in order to provide "transparency" to the TAC's meetings, i.e. to provide an opportunity for a representative of the public to have input during the TAC's discussions on matters that would ultimately come before the Board for action. Other TAC members did not feel it was necessary to have a member of the public on the TAC, since actions the TAC takes must first be approved by the Board at its meetings where public input can be received and considered by the Board. Further, the TAC's meetings are publicly noticed, so the public is aware of the TAC's meetings and agenda items, and any member of the public can attend those meetings when and if they so desire. However, just as is the case with Board meetings, unless the Board designates a specific member of the public to be a "Public Member" of the TAC, and thus have voting rights, members of the public could provide input and ask questions but would not serve as a voting member of the TAC

To ensure that the TAC is functioning in accordance with the wishes of the Board, the TAC is asking the Board if it wishes to continue to have a Public Member on the TAC. If the Board wishes the voting membership of the TAC to include a Public Member, then the TAC recommends that Mr. George Riley be appointed to fill the position during the absence of Mr. Fischer, who has to date served as the Public Member.

2. 2010 Groundwater Modeling Work

At the March 3 and April 7, 2010 Board meetings, the Scenarios and Management Objectives recommended by the TAC to be evaluated in 2010 using the Seaside Basin Groundwater Model, and Request for Service (RFS) No. 2010-04 to have HydroMetrics perform this work, were approved by the Board with the following revisions:

- For Scenario 1 (Laguna Seca Pumping Impacts):
 - ◊ For the 0% pumping increase run, use current actual pumping quantities for all Producers, both Standard and Alternative

- ◇ For the 10% and 20% pumping increase runs, increase all of the current actual Alternative Producer production rates by 10% and 20%, but leave the CAW production rates at their current actual levels
- For Scenario 2 (Regional Water Supply Project) update the start-up date for the Regional Water Supply Project to a date later than the 2012 date in the FEIR. The updated date is to be provided by CAW and MCWD.

At the April 14, 2010 TAC meeting there was discussion of several issues including:

- How the 10% triennial pumping reductions required by the Decision will be accounted for in the modeling
- How the hydrologically "Critically Dry Years" will be accounted for in the modeling
- The quantities of water that the Regional Project will be able to supply to CAW under various hydrological conditions, and how this water will impact the Seaside Basin
- Insuring that the Scenario 2 modeling provides the maximum amount of useful information to the Watermaster, especially since the Scenario 1 and Scenario 2 modeling costs will consume nearly 100 percent of the approved modeling budget for the current fiscal year

These discussions did not lead to clear conclusions. The TAC then discussed the pros and cons of delaying the start of modeling Scenario 2 to wait for a better determination of the size of the Regional Desalination Plant, and to develop answers to these issues. The CAW representative indicated he anticipated more information would become available during the summer or early fall of this year.

As a result the TAC recommends delaying the start of work on Scenario 2 at this time, and reconsidering starting work on Scenario 2 at the July, 2010 TAC meeting. However, the TAC will proceed with work on Scenario 1 at this time, since that Scenario is not affected by these issues.

ITEM X.

**INFORMATIONAL
REPORTS**

(NO ACTION REQUIRED)

SEASIDE GROUNDWATER BASIN WATERMASTER CRITICAL MILESTONE DATES

ITEM X.A. 6/2/10

ANNUAL MILESTONES	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016		
Each Producer is authorized to Produce its Production Allocation within the designated Subarea in each of the first three Water Years. 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 on each Standard Producer, 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		CAW Credit Req Granted 2/3/10	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 inclusion 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	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		
Adjudication ordered by Court and filed	27-Mar-06												
Board Directors Terms		7-Nov											
Budget (Administrative) Adopted/distributed					15-Jan-10	15-Jan	15-Jan	15-Jan	15-Jan	15-Jan	15-Jan		
Budget (Operations) Adopted/distributed					15-Jan-10	15-Jan	15-Jan	15-Jan	15-Jan	15-Jan	15-Jan		
Budget (Replenishment) Adopted/distributed					15-Jan-10	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-10	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-10	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	CAW credit	CAW credit	CAW credit	CAW credit	CAW credit	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-09	15-Nov-10	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	5-Feb-10								
Declaration of Replenishment Water Availability	Feb-06	Dec-06	Dec-07	18 Mar	2-Dec-09	1-Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Dec-15		
MONTHLY MILESTONES	2006-09	Jan 10	Feb 10	Mar 10	Apr 10	May 10	Jun 10	Jul 10	Aug 10	Sep 10	Oct 10	Nov 10	Dec 10
Board Directors Terms													
Fiscal Year tentative budgets distribution to all parties													
Operating Yield of 5,600 decreased 10% ; Declaration of Replenishment Water Available	18-Mar-09												
Administrative Assessments					2009 & 10 Seaside Not Recvd								
Operations Assessments					2009 & 10 Seaside Not Recvd								
Capital Assessments					2009 Seaside Not Recvd								
Replenishment Assessments					2005/06 - 2008/09 Seaside Not Recvd								
Develop Repl Assessment Unit Cost													
SPECIAL ISSUES	2006-09	Jan 10	Feb 10	Mar 10	Apr 10	May 10	Jun 10	Jul 10	Aug 10	Sep 10	Oct 10	Nov 10	Dec 10
Cal-Am CWP/Alternative Projects EIR	ALJ & Commission FEIR Proceedings				Board Support								
SWRCB Cease Desist Order California American Water	Stay Issued				Stay Lifted								
Storage and Recovery Application and Agreement Development						Approve Templates							
Watermaster Board Regular Meeting Schedule		6-Jan cancel'd	3-Feb	3-Mar	7-Apr	5-May	2-Jun	7-Jul	4-Aug	1-Sep	6-Oct	3-Nov	1-Dec
SUMMARY PROJECT SCHEDULE (See detailed project schedule for more information)				Monitoring and Management Program 2010									
Program Administration, Database Management			1/1/10 - 12/31/10										
Coastal Wells Cross-Aquifer Contamination Potential Evaluation			2/1/10 - 7/7/10								Complete =		
Enhanced Groundwater Model: Protective Water Levels & Basin Scenarios (Hydrometrics)			1/13/10 - 8/4/10								Scheduled for Board or TAC meeting =		
Production Water Level & Water Quality Monitoring (Hydrometrics, MPWMD)			1/1/10 - 12/31/10								Imminent Critical Deadline =		
Refine/Update BMAP (Hydrometrics)			6/9/10 - 11/3/10										
Seawater Intrusion Analysis (Hydrometrics)			10/6/10 - 11/3/10										

D-R-A-F-T
MINUTES

**Seaside Groundwater Basin Watermaster
Technical Advisory Committee Meeting
April 14, 2010**

Attendees: TAC Members

City of Seaside – Rick Riedl
California American Water – Eric Sabolsice
City of Monterey – Norm Green (arrived @ 2:00 p.m.)
Laguna Seca Property Owners – No Representative
MPWMD – Joe Oliver
Public Member – No Representative
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 & Georgina King (via telephone)

Others:

MPWMD – Jonathan Lear
California American Water – Mike Magretto

Prior to the start of the meeting Mr. Sabolsice introduced Mr. Mike Magretto, CAW's Production Supervisor, who was attending with Mr. Sabolsice to assist in responding to questions pertaining to CAW water production issues.

1. Administrative Matters:

A. Approve Minutes from March 10, 2010 Meeting

Mr. Sabolsice referred to page 5 of the agenda packet with regard to the portion of the meeting minutes pertaining to CAW's S. G. W. B. pumping. He asked that the sentence that read "Mr. Sabolsice confirmed this understanding" be changed to read "Mr. Sabolsice could not confirm this understanding."

Mr. Riedl asked Mr. Sabolsice if the Regional Project will benefit the S. G. W. B. Mr. Sabolsice responded "yes", that the Desalination Plant plus the other components of the Regional Project will allow CAW to reduce its pumping from the S. G. W. B.

There was much discussion with regard to the quantities of water that CAW will be able to pump from the Carmel River Basin during winter and summer months. Mr. Oliver pointed out that there are separate water rights for ASR and for CAW's 3,376 acre-feet per year of allowable pumping under SWRCB Order No. 95-10.

On a motion by Mr. Johnson, second by Mr. Oliver, the minutes were unanimously approved with the revision as noted above.

B. Continued Discussion Regarding Appointment of Alternate Public Member to the TAC

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

Mr. Johnson asked for information on the background regarding the appointment of a Public Member to the TAC. Mr. Jaques summarized his understanding that a Board member had proposed that Mr. Fischer serve as a Public Member of the TAC. However, Mr. Jaques acknowledged that he was not present at that meeting and was relying on information from others.

Mr. Sabolsice said he did not feel it was necessary to have a member of the public on the TAC.

Mr. Riedl said he believed the appointment of a public member of was to provide "transparency" to the TAC's meetings.

Mr. Jaques commented that it would be possible to have a member of the public invited to attend TAC meetings, but not actually serve as a voting member of the TAC.

Mr. Sabolsice made a motion for the TAC to ask the Board if a Public Member is required on the TAC. If a Public Member is required, then the TAC would recommend to the Board that Mr. George Riley be appointed to fill the position during the absence of Mr. Fischer, who is the current Public Member. Mr. Riedl seconded the motion, and it was approved with only Mr. Johnson dissenting.

2. Continued Discussion on RFS No. 2010-04 to HydroMetrics to Perform Groundwater Modeling

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

Mr. Lear asked how the "Critically Dry Years" would be accounted for in the modeling. Mr. Williams responded that he had not planned to use any Critically Dry Years, just average or "Normal" years.

Mr. Williams asked if CAW can take their 3,376 acre-feet per year from the Carmel River Basin in Critically Dry Years. Mr. Magretto responded "yes" as this is a CAW water right.

Mr. Jaques said he wanted to insure that when Scenario 2 is modeled the results provide the maximum amount of useful information to the Watermaster, especially since the Scenario 1 and Scenario 2 modeling costs will consume nearly 100 percent of the approved modeling budget for the current fiscal year.

Mr. Sabolsice asked what the modeling would tell us. Mr. Williams responded that it will tell us whether groundwater levels will drop or rise, and whether the four coastal wells will reach protective water levels, when the Regional Project is implemented.

Mr. Williams said that under Scenario 2 he was only planning to reduce water production rates by the 10 percent triennial amounts required by the Decision. He said he based this on the assumption that the cost of water pumped from the Seaside Groundwater Basin will be less than the cost of water that will be provided by the Regional Project, so there would be a financial incentive to continue pumping as much water as possible from the Seaside Basin.

Mr. Oliver asked that before moving ahead on Scenarios 1 and 2, we should have HydroMetrics provide for the TAC's review and approval the proposed water production levels to be used. Mr. Jaques asked whether the precipitation pattern information should also be provided for TAC review and approval. Mr. Oliver felt it was acceptable to use average precipitation levels, but agreed that historical precipitation patterns could also be used.

Mr. Jaques said it did not appear to him that using just the "Normal Water Year" supply quantities that will be furnished to CAW under the Regional Project would ever enable CAW to get down to its 1,474 acre-feet per year allocated portion of the Natural Safe Yield. Mr. Williams said he concurred with Mr. Jaques' findings.

Mr. Sabolsice asked why the table on page 11 of the agenda packet did not include CAW's 3,376 acre-feet per year from the Carmel River Basin. Mr. Williams explained that the table only listed the Regional Project water supply quantities and the amounts needed to reduce production to comply with SWRCB Order No. 95-10 and the Seaside Basin Adjudication Decision.

Mr. Sabolsice said he would like to review the FEIR figures more closely to better understand the benefit of the Regional Project on the Seaside Groundwater Basin.

There was much discussion with regard to the pros and cons of delaying the start of modeling Scenario 2 to wait for a better determination of the size of the Regional Desalination Plant, which must be done before the Regional Project can be approved by the PUC. Mr. Jaques asked Mr. Sabolsice if he knew when this was likely to occur. Mr. Sabolsice responded that CAW's Certificate of Public Convenience should be before the PUC for approval of the fall of 2010, and that approval of the Regional Project would likely occur at that time. Mr. Sabolsice also said he anticipated that within several months a test well would be installed to determine the correct percentage to use for the portion of desalination plant intake water which is freshwater. This information will affect the size of the Regional Desalination Plant. Mr. Lear reported it was his understanding that MCWRA was planning on a 60-day data collection period from the test well, once it is installed.

Mr. Jaques said he had hoped to start determining if the Regional Project will fully solve the overdrafting of the Seaside Groundwater Basin. If not, he felt that it would be good for the Watermaster Board to begin developing a plan to provide the "rest" of the solution to the overdrafting problem. Mr. Williams said he concurred with Mr. Jaques on this matter.

There was much discussion on what assumptions should be used in the modeling, as well as whether to delay the Scenario 2 modeling work until more specific details about the Regional Project are developed.

Mr. Sabolsice commented that the exact quantity of water that CAW will get from the Regional Project is unknown at this time, but will be better known once the freshwater-seawater percentages are determined through data collected from the test well.

A motion was made by Mr. Sabolsice, second by Mr. Johnson, to delay starting work on Scenario 2 at this time, and to reconsider starting work on Scenario 2 at the July, 2010 TAC meeting, but to proceed with work on Scenario 1 at this time. Mr. Oliver added that he would also like the TAC to be provided HydroMetrics' water production assumptions for both Scenarios 1 and 2 for the TAC's review and approval before work on either of these scenarios would begin. Mr. Oliver's request was added to Mr. Sabolsice's motion, and the motion was unanimously approved.

3. RFS to MPWMD to Implement Enhancements to the Database

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

On a motion by Mr. Johnson, second by Mr. Sabolsice, MPWMD's RFS No. 2010-04 was unanimously approved.

4. Work Plan for MPWMD to Evaluate Coastal Wells for Cross-Aquifer Contamination Potential

Mr. Jaques summarized the agenda packet materials for this item, and Mr. Oliver and Mr. Lear added clarifying comments.

A digital elevation model will be used to evaluate the cross contamination potential of the wells, and will utilize data from as many sources as are available. Mr. Johnson noted that the digital elevation model will be very helpful in analyzing the Basin.

The TAC gave its approval to MPWMD's proposed work plan to perform this work.

5. Discussion of Watermaster Role/Responsibilities Regarding Development of Salt and Nutrient Management Programs

Mr. Jaques briefly summarized the agenda packet materials for this item. He reported that the Watermaster does not appear to have any obligation to prepare these types of Plans, but should be a participant in the development of such a Plan for the Seaside Basin.

Mr. Oliver reported that Integrated Regional Water Management Plans need to include these Plans in them, if funding for them is going to be sought. Mr. Johnson said he will discuss this with the persons managing the Integrated Regional Water Management Plans under MCWRA's jurisdiction, and Mr. Oliver said he would do the same with Mr. Larry Hampton who is handling the Monterey Peninsula Integrated Regional Water Management Plan.

6. Schedule

Mr. Jaques provided brief comments on this agenda item, and there were no questions.

7. Other Business

No other business items were discussed.

8. Set next meeting date:

The next regular meeting was set for Wednesday, May 12, 2010 at 1:30 p.m. at the City of Seaside City Hall – Portable Buildings Conference Room

The meeting adjourned at 3:36 p.m.

2010 WATER YEAR

Seaside Groundwater Basin Watermaster

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

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

Producer	Type	Quarters				Annual To-Date Reported Total	Base Operating Yield Allocation	Carry Over from 2008/09
		Oct-Dec 2009	Jan-Mar 2010	Apr-Jun 2010	Jul-Sep 2010			
<u>Coastal Subareas</u>								
CAW (Coastal Subareas)	SPA	888.3	919.7			1808.0	3,086.6	495.90
Seaside (Municipal)	SPA	69.7	61.1			130.8	253.1	-
Granite Rock Company	SPA	Exempt	Exempt	Exempt	Exempt	0.0	23.9	90.8
DBO Development No. 27	SPA	Exempt	Exempt	Exempt	Exempt	0.0	43.3	192.6
City of Seaside (Golf Courses)	APA	62.8	21.7			84.5	540.0	-
Sand City	APA	0.0	0.0			0.0	9.0	-
Security National Guaranty	APA	-	0.0			0.0	149.0	-
Cypress Pacific Investors*	APA	Exempt	Exempt	Exempt	Exempt	0.0	14.0	-
Alderwoods Group (Mission Memorial)	APA	2.3	0.0			2.3	31.0	-
Coastal Subarea Totals		1,023.1	1,002.6	0.0	0.0	2,025.7	4,149.9	779.3
<i>Previous Year Totals (2008)</i>		<i>1,128.4</i>	<i>111.3</i>	<i>912.8</i>	<i>1,361.5</i>	<i>3,514.0</i>	<i>4,265.2</i>	
<u>Laguna Seca Subareas</u>								
CAW (Inland Subareas)	SPA	215.8	66.5			282.3	246.1	-
Pasadera Country Club	APA	14.8	1.9			16.6	251.0	-
Laguna Seca/Bishop	APA	19.1	0.0			19.1	320.0	-
York School	APA	4.2	1.7			5.9	32.0	-
Laguna Seca Park (County)	APA	1.3	2.4			3.7	41.0	-
Laguna Seca Subarea Totals		255.2	72.5	0.0	0.0	327.7	890.1	-
<i>Previous Year Totals (2008)</i>		<i>186.3</i>	<i>93.0</i>	<i>366.3</i>	<i>415.1</i>	<i>1,060.7</i>	<i>914.8</i>	
Total Pumped Per Quarter		1,278.3	1,075.1	0.0	0.0			
Seaside Basin Production Totals =						2,353.4	5,040.0	
Total Production by Alternative Producers =						132.2		
Total Production by Standard Producers =						2,221.1		

*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 2010 began on October 1, 2009, and ends on September 30, 2010.
2. "Type" refers to water right as described in Seaside Basin Adjudication decision as amended, signed February 9, 2007 (Monterey County Superior Court Case No. M66343).
3. Values shown in the table are based on reports to the Watermaster as received by MPWMD by **January 15, 2010**.
4. 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.
5. "Base Operating Yield Allocation" values are based on Seaside Basin Adjudication decision. These values are consistent with the Watermaster Producer Allocations Water Year 2010 (see Attachment 2 of Item VIII.B. in 11/4/2009 Board packet).
6. Any minor discrepancies in totals are attributable to rounding. CAW = California American Water.
7. 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.

ITEM NO. XI.

**DIRECTOR'S
REPORTS**

ITEM NO. XII.

**EXECUTIVE OFFICER
COMMENTS**