SEASIDE GROUNDWATER BASIN WATERMASTER
REGULAR BOARD MEETING AGENDA
WEDNESDAY, APRIL 7, 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 March 3, 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 March, 2010 totaling $11,392.46
B. Consider Fiscal Year Financial Reports – Through March 31, 2010

VII. ORAL PRESENTATION

(None scheduled)
VIII. OLD BUSINESS

A. Consider Approval of Proposed Court Order prepared by legal counsel as directed by the Court

IX. NEW BUSINESS

A. COMMITTEE REPORTS

1. TECHNICAL ADVISORY COMMITTEE (TAC)

a). Consider Approval of Request for Service No. 2010-04 with HydroMetrics Water Resources, Inc. to Perform Groundwater Modeling of Selected Scenarios for a fee not to exceed $24,775.

B. Consider Approving Resolution Expressing Support of the Proposed Monterey Regional Water Supply Program

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

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. DIRECTOR’S REPORTS

XII. EXECUTIVE OFFICER COMMENTS

XIII. NEXT REGULAR MEETING DATE –MAY 5, 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 April 2, 2010 per the Ralph M. Brown Act, Government Code Section 54954.2(a).
ITEM NO. III.

MINUTES
I. CALL TO ORDER
Chairman Rubio called the meeting to order at 2:03 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
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 (arrived at 2:24 p.m.)

Absent: Coastal Subarea Landowner – Director Paul Bruno, Vice Chair

III. APPROVAL OF MINUTES
Moved by Mayor Pendergrass, seconded by Director Costa, and unanimously carried, to approve the minutes of the Watermaster Regular Meeting of February 3, 2010 with correction to two instances where Supervisor Parker was recorded as Supervisor Potter.

IV. REVIEW OF AGENDA
Chair Rubio removed item IX.A.1.c. - Consider Reclassifying the Security National Guarantee (“SNG”) Well from Active Status to Inactive Status - from the agenda per CEO and SNG request.

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 February 2010 totaling $21,920.00.

Moved by Mayor Edelen, seconded by Director Lehman, and unanimously carried, to approve the consent calendar as presented.

VII. ORAL PRESENTATION – None. (2:24 p.m.)

VIII. OLD BUSINESS

A. Information /Action regarding the February 5, 2010 response to the Court Minute Order responding to the Watermaster’s 2009 Annual Report to Court.
1. The board received and reviewed the submitted staff report. CEO Evans stated that, per the Judge’s direction, staff was working to prepare an order reflecting the rulings made in the Minute Order.

Ray Corpuz, Seaside City Manager and Watermaster Budget / Finance Committee Chair, clarified the terms of the Memorandum Of Understanding (“MOU”) between the City of Seaside and the Watermaster noted in item 1 of the Court Minute Order, stating that the City of Seaside had very recently come to an agreement in principal with Marina Coast Water District (“MCWD”) to move forward with the in-lieu project that would alleviate the issue of the Minute Order item involving back payments owed by the City to the Watermaster for replenishment assessments for over pumping the Seaside Groundwater Basin (“Basin”). The Seaside City Council would be reviewing the MOU at its next council meeting in a week, and MCWD most likely would review the MOU at its board meeting on March 16th. Detailed work on legal documents to finalize the MOU would be continuing.

IX. NEW BUSINESS

A. COMMITTEE REPORTS

1. TECHNICAL ADVISORY COMMITTEE (“TAC”)

a) Management Objectives and Initial Scenarios for Groundwater Modeling Work

The board received and reviewed the submitted staff report by Mr. Robert Jaques, Watermaster Technical Program Manager. He stated that the TAC recommended the two scenarios and the management objectives presented, and that the work outlined would most likely deplete the budget for the modeling however the budget contingency amount could cover any overage. An actual contract for scope of work and costs would be brought back to the board at its April meeting. Director Lehman requested that “Scenario 1: Model the effects of additional pumping in the Laguna Seca subarea” include California American Water production within that area along with the effect of additional pumping by Alternative Producers. Darby Fuerst, Monterey Peninsula Water Management District General Manager, stated that MPWMD supported the addition of CAW to the modeling of the Laguna Seca subarea based on its actual pumping and not its legally apportioned limit. Mr. Jaques summarized the desire of the board: Provide a baseline model of actual current production in the Laguna Seca Subarea including CAW production and review how water flows relative to other areas of the Basin; then model a 10% and a 20% increase in pumping by Alternative Producers. Mr. Fuerst suggested that, prior to initiating the modeling, that Watermaster obtain any new information available from the California Public Utilities Commission in terms of scheduling and the type of wells to be used in finalizing the Monterey Regional Water Supply Project-Phase 1. Mr. Jaques stated that the primary information from the project FEIR and/or from the CPUC process would be project timeline and the amounts of water to be provided to the basin – how it is generated by the project is not of concern in the modeling. Mr. Jaques stated that a detailed contract would be presented at the next board meeting.

The board concurred to approve the modeling of the two scenarios with the inclusion of California American Water production in the Laguna Seca Subarea in establishing a
baseline scenario of actual production and resulting current effects to water flow in the Seaside Groundwater Basin.

b) **Contract to Refine Protective Water Levels**

The board received and reviewed the submitted staff report regarding consideration of approval of Request for Service No. 2010-03 with HydroMetrics to refine protective water levels. Mr. Jaques stated that the TAC was recommending the contract work be done to develop an understanding of the amount of replenishment water needed to sufficiently protect the Basin as the CPUC process for the regional water project that would be supplying replenishment water advances. He noted that agencies such as the CPUC were looking to Watermaster technical reports to aid in the configuring of regional projects. He stated that protective water level analysis would take approximately two months to complete once commenced. The adequacy of the 90% protection to the Basin of water levels suggested in the analysis and the urgency of the contract work were discussed. Mr. Jaques stated that more options for protective water level analyses could be provided to the board at a future meeting.

The board concurred to continue the item until more finalized regional project information was available.

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

   A. Timeline Schedule of Milestone Dates (Critical date monitoring)

XI. **DIRECTORS’ REPORTS**

There were no reports from directors.

XI. **EXECUTIVE OFFICER COMMENTS**

The Technical Advisory Committee regular meeting of March 10, 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, April 7, 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 3:06 p.m.
ITEM NO. VI.

CONSENT CALENDAR
TO: Board of Directors

FROM: Dewey D Evans, CEO

DATE: April, 2010

SUBJECT: Summary of Payments Authorized to be paid during the month of March, 2010.

PURPOSE:

To advise the Board of payments authorized to be paid during the month of March, 2010

RECOMMENDATIONS:

Consider approving the payment of bills submitted and authorized to be paid during the month of March, 2010.

COMMENTS and FISCAL IMPACT:

**DDEvans Consulting** (Professional Services Agreement—CEO)—February 24, 2010 through March 26, 2010 worked on Watermaster business a total of 41.5 hours at $100.00 per hour or $4,150.00. Responded to a variety of telephone calls, meetings, email correspondence with a number of people regarding a wide variety of items involving the Seaside Basin. Discussions, review of documents and preparation of March 3rd Board meeting packet. Sent same to Board and all Interested Parties. Attended March 3rd Board meeting and took followed up actions where directed. Reviewed and discussed Draft Basin Storage Agreements with Bob Jaques. Reviewed TAC agenda items and commented on same with Bob Jaques. Discussions with Bob Jaques regarding various invoices received at Watermaster office. Sent out notice of April 7th Board meeting requesting items for the agenda. Various discussions with staff and others regarding the April 7th Board meeting. Processed and audited invoices and delivered to City of Seaside for payment.

**Robert “Bob” Jaques** (Technical Program Manager)—February 24, 2010 through March 26, 2010 worked a total of 46 hours at $100.00 per hour or $4,600.00. Prepared TAC meeting packet, attended and transcribed minutes for TAC meeting of March 10, 2010. Attended Database meeting at MPWMD offices on February 24, 2010. Prepared Draft Basin Storage Agreements and worked on documents as drafting comments came in. Researched SPCA well issue and e-mailed comments to CEO. Prepared Board agenda items, attended March 3, 2010 Board meeting and performed follow-up work as necessary. Prepared staff report for April 7, 2010 Board meeting agenda.

**HydroMetrics Water Resources Inc.**—One invoice was submitted dated March 5, 2010 for $2,642.46 that covered 15 hours of work preparing for and attending the February 10th TAC meeting.

Total payments authorized to be paid during February totaled $11,392.46
### Seaside Groundwater Basin Watermaster

#### Budget vs. Actual Administrative Fund

- **Fiscal Year (January 1 - December 31, 2010)**
- **Balance through March 31, 2010**

<table>
<thead>
<tr>
<th>Available Balances &amp; Assessments</th>
<th>2010 Adopted Budget</th>
<th>Contract Amount</th>
<th>Year to Date Revenue / Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dedicated Reserve</td>
<td>25,000.00</td>
<td>25,000.00</td>
<td></td>
</tr>
<tr>
<td>FY 2008 (Rollover)</td>
<td>43,000.00</td>
<td>47,416.90</td>
<td></td>
</tr>
<tr>
<td>FY 2009 Assessments</td>
<td>82,000.00</td>
<td>48,792.00</td>
<td></td>
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<tr>
<td><strong>Available</strong></td>
<td><strong>150,000.00</strong></td>
<td><strong>121,208.90</strong></td>
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<table>
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<tr>
<th>Expenses</th>
<th></th>
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<tbody>
<tr>
<td>Contract Staff</td>
<td>100,000.00</td>
<td>100,000.00</td>
<td>16,050.00</td>
</tr>
<tr>
<td>Legal Advisor</td>
<td>25,000.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>125,000.00</strong></td>
<td><strong>100,000.00</strong></td>
<td><strong>16,050.00</strong></td>
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<tr>
<td><strong>Total Available</strong></td>
<td>25,000.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Dedicated Reserve</strong></td>
<td>25,000.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Available</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### 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 March 31, 2010**

<table>
<thead>
<tr>
<th>2010 Adopted Budget</th>
<th>Contract Encumbrance</th>
<th>Year to Date Revenue/Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monitoring &amp; Management - Ops Fund</td>
<td>$351,664.00</td>
<td>$327,047.52</td>
</tr>
<tr>
<td>FY 2009 Rollover</td>
<td>$361,581.00</td>
<td>$361,581.00</td>
</tr>
<tr>
<td><strong>Total Available</strong></td>
<td><strong>$713,245.00</strong></td>
<td><strong>$688,628.52</strong></td>
</tr>
</tbody>
</table>

### Appropriations & Expenses

#### GENERAL

- **Technical Project Manager**
  - $100,000.00
  - $100,000.00
  - $12,950.00

- **Contingency @ 20% (not including TPM)**
  - $41,944.00
  - $41,944.00
  - 

- **Total General**
  - $141,944.00
  - $141,944.00
  - $12,950.00

#### CONSULTANTS (Hydrometrics)

- **Program Administration**
  - $8,000.00
  - $12,000.00
  - $5,492.46

- **Production/Lvl/Qlty Monitoring**
  - $30,000.00
  - 

- **Basin Management (BMAP, Modeling)**
  - $50,000.00
  - $22,020.00

- **Seawater Intrusion (Plan, Analysis)**
  - $27,000.00
  - 

- **Total Consultants**
  - $115,000.00
  - $34,020.00
  - $5,492.46

#### 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
- $18,442.46

### 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 March 31, 2010

<table>
<thead>
<tr>
<th>Available Balances and Assessments:</th>
<th>2009 Adopted Budget</th>
<th>Contract Encumbrance</th>
<th>Year to Date Revenue / Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monitoring &amp; Management Fund - Capital</td>
<td>$ -</td>
<td>$ -</td>
<td>-</td>
</tr>
<tr>
<td>FY 2007-2008 Rollover to 2009</td>
<td>5,499</td>
<td>5,499</td>
<td></td>
</tr>
<tr>
<td>Transfer in from Operations Fund</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>5,499</strong></td>
<td><strong>5,499</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Appropriations &amp; Expenses:</th>
<th>2009 Adopted Budget</th>
<th>Contract Encumbrance</th>
<th>Year to Date Revenue / Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Services</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Project Management</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>-</strong></td>
<td><strong>-</strong></td>
<td><strong>-</strong></td>
</tr>
<tr>
<td>Direct Costs</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Well Drilling -</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>-</strong></td>
<td><strong>-</strong></td>
<td><strong>-</strong></td>
</tr>
<tr>
<td><strong>Total Appropriations and Expenses</strong></td>
<td><strong>$ -</strong></td>
<td><strong>$ -</strong></td>
<td><strong>$ -</strong></td>
</tr>
<tr>
<td><strong>Total Available</strong></td>
<td><strong>$ -</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Capital Fund Assessments owed by City of Seaside
FY 2009 (including 5% penalty) | 16,538 |
Total | **$ 16,538** |
### Water Year 2010 (October 1 - September 30) / Fiscal Year (January 1 - December 31, 2010)

#### Replenishment Fund

<table>
<thead>
<tr>
<th>Replenishment Fund</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>Totals Through WY 2009</th>
<th>2010 Adopted Budget (10/7/09)</th>
<th>Projected Totals Through WY 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assessments:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>California American Water</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exceeding Natural Safe Yield Considering Alternative Producers</td>
<td>2,108,570</td>
<td>2,484,533</td>
<td>5,164,969</td>
<td>3,773,464</td>
<td>$13,531,537</td>
<td>5,778,119</td>
<td>$19,309,656</td>
</tr>
<tr>
<td>Operating Yield Overproduction Replenishment</td>
<td>-</td>
<td>80,938</td>
<td>34,045</td>
<td>-</td>
<td>$114,983</td>
<td>38,086</td>
<td>$153,069</td>
</tr>
<tr>
<td>Total California American</td>
<td>2,108,570</td>
<td>2,565,471</td>
<td>5,199,014</td>
<td>3,773,464</td>
<td>$13,646,520</td>
<td>5,816,205</td>
<td>$19,462,725</td>
</tr>
<tr>
<td>CAW Credit Against Assessment</td>
<td>(465,648)</td>
<td>(12,305,924)</td>
<td>(3,741,714)</td>
<td>(16,513,286)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Balance</strong></td>
<td>1,642,922</td>
<td>2,565,471</td>
<td>(2,898,517)</td>
<td>(2,866,766)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>CAW Unpaid Balance</td>
<td>$</td>
<td>-</td>
<td>$</td>
<td>-</td>
<td>$</td>
<td>-</td>
<td>$</td>
</tr>
</tbody>
</table>

| 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) | (100,000) | 16,513,286 |
| MRWPCA GWRP Payment | - | - | - | - | - | - | - |
| Grand Total Replenishment Fund Balance | 230,671 | 182,783 | 692,662 | 663,203 | $(1,202,348) | $6,413,877 | $5,111,529.23 |
ITEM NO. VIII.

OLD BUSINESS
TO: Board of Directors

FROM: Dewey D Evans, CEO

DATE: April 7, 2010

SUBJECT: Proposed Court Order prepared by legal counsel as directed by the Court

PURPOSE:

To advise the Board of the Watermaster’s response to the Court directing the Watermaster’s legal counsel to prepare a Order reflecting the direction of the Court in the Minute Order dated February 19, 2010.

RECOMMENDATION:

Consider approving the attached Court Order prepared by legal counsel from California American Water Company on behalf of the Watermaster

DISCUSSION:

The February 19, 2010 Minute Order clearly pointed out the decision of the Court and the Watermaster staff was directed to have legal counsel prepare an order reflecting those decisions. California American Water Company’s legal counsel agreed to prepare the order for the Watermaster.

ATTACHMENT:

Pursuant to the Court’s continuing jurisdiction set forth in Section III.O.1.a of the final decision in this action, having read, reviewed and considered the 2009 Annual Report of the Watermaster, the Watermaster Response to the Court’s January 6, 2010 Minute Order, and the City Of Seaside’s Response to January 6, 2010 Minute Order Re
Annual Report of Watermaster, and good cause appearing therefore,

**IT IS HEREBY ORDERED, ADJUDGED AND DECREED:**

1) With respect to Paragraph 4 of the Memorandum of Understanding Between the Seaside Basin Watermaster and the City of Seaside, no stay of enforcement of Replenishment Assessments against the City of Seaside shall be permitted: (a) in advance of the City of Seaside securing replenishment water; or (b) to the extent that the Replenishment Assessments exceed the amount of water the City of Seaside obtains from Marina Coast Water District (“MCWD”). Replenishment water obtained by the City of Seaside from MCWD may offset, on a unit for unit basis, future Replenishment Assessments.

2) With respect to Section III.L.3.j.iii of the final decision in this action, the Operating Yield Over-Production (“OYO”) Replenishment Assessment is to be assessed in addition to the Replenishment Assessment for cumulative Basin Over-Production. The OYO Replenishment Assessment is charged only against that portion of use exceeding the Operating Yield allotment.

3) With respect to Paragraph J of the 2009 Annual Report of the Watermaster, semi-annual induction logging of the four (4) Watermaster Sentinel wells is acceptable, provided that any significant change detected by the semi-annual induction logging must be immediately reported to the Court.

Dated: April ______, 2010

Honorable Roger D. Randall (Ret.)
ITEM. IX.

NEW BUSINESS
ITEM IX.A.

COMMITTEE REPORTS
ITEM NO. IX.A.1.

TECHNICAL ADVISORY COMMITTEE (TAC)
TO: Board of Directors

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

DATE: April 7, 2010

SUBJECT: Consider Approval of Request for Service No. 2010-04 with HydroMetrics to Perform Groundwater Modeling of Selected Scenarios

RECOMMENDATIONS:
It is recommended that the Board 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.

BACKGROUND:
In the FY 2010 Budget the Watermaster has included a $25,000 line-item for HydroMetrics to simulate additional management Scenarios with the regional groundwater Model which they developed for the Watermaster in 2009.

At the March 3, 2010 Board meeting, a set of Scenarios recommended by the TAC was essentially approved by the Board, but with the following revisions:

- For Scenario 1 (Laguna Seca Pumping Impacts) make the following changes:
  - 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 California American Water 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 cited in the Final Environmental Impact Report. The updated date will be provided by MPWMD just prior to the start of the modeling work, and will be their best estimate based on the status of discussions and negotiations currently in progress regarding implementation of the Regional Water Supply Project.

DISCUSSION:
Following the March 3 Board meeting, RFS No. 2010-04 to have HydroMetrics perform this work was prepared, including the revisions requested by the Board on March 3. A copy of RFS No. 2010-04 is attached. This RFS was reviewed and approved by the TAC at its March 10, 2010 meeting.

ATTACHMENT:
HydroMetrics RFS No. 2010-04
DATE: 4/8/2010

RFS NO. 2010-04
(To be filled in by WATERMASTER)

TO: Derrik Williams
HydroMetrics LLC
PROFESSIONAL

FROM: Robert Jaques
WATERMASTER

Services Needed and Purpose: Perform groundwater modeling of scenarios for the Seaside Basin. See detailed Scope of Work in Attachment 1.

Completion Date: All work of this RFS shall be completed not later than October 1, 2010. See Attachment 3 for planned work schedule.

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

Total Price Authorized by this RFS: $24,775.00 (Cost is authorized only when evidenced by signature below.) (See Attachment 2 for Detailed Breakdown of Estimated Costs).

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

Task 1: Scenario 1: Model the effects of additional pumping in the Laguna Seca subarea. The purpose of this scenario is to begin addressing questions about the impacts on other subareas of the Basin resulting from pumping by wells in the Laguna Seca subarea. In the 2009 modeling work all of the Alternative Producers were allowed to pump their full allocations, rather than using actual historical pumping production figures. The prior modeling work did not examine the movement of water to or from the Laguna Seca subarea, or the impacts of Laguna Seca pumping with regard to the other subareas within the Basin. Under Scenario 1 three new simulations will be run, with 0%, 10%, and 20% pumping increases for all years as follows:

1. For the 0% pumping increase simulation, current actual pumping quantities will be used for all Producers, both Standard and Alternative.
2. For the 10% and 20% pumping increase simulations, all of the current actual Alternative Producer production rates will be increased by 10% and 20%, but the California American Water Standard Producer production rates will be held at their current actual levels.

Each simulation will be analyzed for the following:

1. Impact on coastal groundwater levels,
2. Impact on amount of groundwater flowing into the Southern Coastal subarea,
3. Impact on amount of groundwater flowing into the Northern Inland subarea, and
4. Changes to Laguna Seca subarea groundwater levels.

Task 2: Scenario 2: Model the effects of implementing the “Monterey Regional Water Supply Project – Phase 1” as that project is defined in the Final EIR for the Coastal Water Project. The following parameters describe Phase 1 of this project, and were taken directly from the Final EIR:

- Conservation Programs potentially saving up to 1,000 AFY. Note, however, that this amount is not counted on in terms of reducing demands on the CAW Monterey Peninsula distribution system.
- Sand City Desalination Project providing on average 300 AFY. This amount is counted as reducing demand on the CAW Monterey Peninsula distribution system.
- Regional Urban Water Augmentation Project (RUWAP) which on average would deliver 1,000 AFY of recycled water for landscaping and golf course irrigation on lands some of which overlie the Seaside Basin. However, with the exception of the water currently being pumped from the Seaside Basin by the Seaside Golf Course wells (Bayonet and Blackhorse Golf Courses), which has an allocation of 540 AFY under the Seaside Basin Court Adjudication Decision, the RUWAP would not decrease pumping demands on the Seaside Basin, because the water supplying the demands of the remaining landscape and golf course uses is pumped by MCWD from the Salinas River Basin.
- Regional Desalination System, the principle components of which are:
  - 6 Vertical Seawater Wells located inland of the sand dunes and west of Highway 1 in an area south of the Salinas River and north of Reservation Road.
  - 10 MGD Regional Desalination Facility located just south of the MRWPCA Regional Wastewater Treatment Plant, with brine disposal to MRWPCA’s outfall. This desalination plant on average would produce 10,500 AFY of potable water and would deliver 8,800 AFY of this water to the CAW Monterey Peninsula distribution system for urban users. Of this 8,800 AFY, 2,975 AFY is to offset Cal Am’s pumping from the Seaside Basin, and 272 AFY is to offset other users pumping from the Seaside Basin, for a total amount of 3,247 AFY of pumping from the Seaside Basin being reduced by delivering that quantity of water from the Regional Desalination Plant and the Carmel River ASR facilities. The other 1,700 AFY of potable water from the desalination plant would be delivered to MCWD, in order for MCWD to be able to reduce its pumping of water from the Salinas River Basin.
River Groundwater Basin by this amount to offset the amount of Salinas Basin groundwater that would be extracted by the Vertical Seawater Wells that supply the desalination plant.

- Approximately 56,000 LF of 36” diameter pipelines (referred to as the Product Water Pipeline and the Transmission Main South) from the Desalination Facility to a point of connection in Seaside to the existing CAW distribution system and to the Terminal Reservoirs, and through another pipeline, the Monterey Pipeline, to a point of connection to the existing CAW distribution system in Pacific Grove.
- 2 - 3 MG Terminal Reservoirs located east of General Jim Moore Boulevard in Seaside on the former Fort Ord. These reservoirs can receive water during dry weather periods from the Desalination Facility and/or the ASR Wells, and via a pipeline from the Carmel River during wet weather diversion periods.
- 2 Existing ASR Wells and 2 New ASR Wells, all located near General Jim Moore Boulevard in Seaside. On average 1,300 AFY of Carmel River water would be stored in the Seaside Basin and then pumped out of the Basin and into the CAW distribution system to potable urban users. This amount is counted as reducing demand on the CAW Monterey Peninsula distribution system.
- Interconnecting piping between certain of the components listed above, and other facilities, to comprise an operational system.
- Start-up of Phase 1 is projected in the FEIR to occur on November 30, 2012. However, for this Scenario the start-up date will be revised to a date later than 2012 to reflect delays being experienced in implementing the early work of Phase 1. The updated date will be provided to the PROFESSIONAL by the WATERMASTER just prior to the start of work on this Scenario.

**Phase 2** of the Regional Water Supply Project is not included in Scenario 2, because the components of Phase 2 are not as fully developed as those for Phase 1 and thus were not fully addressed in the CWP FEIR. In addition, the time schedule for implementation of the Phase 2 components is less certain than the schedule for implementation of the Phase 1 components. Phase 2 would consist of some or all of the following components:

- Pacific Grove Stormwater Diversion Project (up to 200 AFY)
- Expanded Salinas River Diversion Facility (SRDF) delivering river water to a 14 MGD Surface Water Treatment Plant to be located adjacent to the Phase 1 Desalination Facility. This Surface Water Treatment Plant would initially deliver on average up to 2,980 AFY of potable water to urban customers. These facilities could be further expanded at a subsequent date to increase the delivery of water to urban customers to 5,800 AFY.
- Expanded Regional Desalination Facility to 13 MGD capacity and 2 additional intake wells to increase the desalination capacity by 4,400 AFY.
- Groundwater Replenishment Project using highly treated recycled water from MRWPCA for injection of up to 6,720 AFY into the Seaside Basin.
- Auxiliary components that would potentially be needed to support the other Phase 2 components could include:
  - Further expansion of the SRDF
  - Expansion of the Castroville Seawater Intrusion Project (CSIP)
  - Additional ASR wells and pumping capacity
  - Additional Terminal Reservoirs

Under Scenario 2 average rainfall, rather than historical cyclical rainfall data, will be used

Under Scenario 2, California American Water will start using its full Regional Project water supply in the Phase 1 start-up year, and 3,247 acre-feet per year from the Desalination Plant will be used to offset pumping from the Seaside Groundwater Basin by delivering this amount of water to the California American Water distribution system.

**Task 3:** Prepare charts, maps and graphs showing results of both Scenarios 1 and 2. The graphs and charts will show the predicted groundwater elevations at the coast for each scenario. Results for Scenario 1 will also involve evaluating the amount of groundwater flowing into the Southern Coastal and Northern Inland subareas,
and predicted changes to Laguna Seca subarea groundwater levels. A short memorandum will be prepared summarizing the findings and conclusions of these two simulations. Provide 7 hard copies of the completed work, suitably bound, and a CD containing these documents in MS Word or other format that can be used for cutting and pasting, i.e. not a pdf format.

**Task 4:** Attend one TAC meeting and one Board meeting to present the results of this work.
## ATTACHMENT 2

### Estimated Costs

<table>
<thead>
<tr>
<th>Tasks</th>
<th>HydroMetrics WRI Labor</th>
<th>Other Direct Costs</th>
<th>TOTALS</th>
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<tr>
<td></td>
<td>Derrik Williams</td>
<td>Cameron Tana</td>
<td>Georgina King</td>
</tr>
<tr>
<td></td>
<td>Program Manager</td>
<td>Lead Modeler</td>
<td>Senior Hydrogeologist</td>
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<td>Rates</td>
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<td>Task 3. Reporting - Description of model scenarios and results</td>
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<td>Task 4. Attend one TAC meeting and one Board meeting to present results</td>
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### Planned Work Schedule

**Seaside Basin Watermaster Monitoring and Management Program**

**2010 Work Schedule**

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<th>ID</th>
<th>Task Name</th>
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<td>1</td>
<td><strong>I.3.a ENHANCED SEASIDE BASIN GROUNDWATER MODEL</strong></td>
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<td><strong>I.3.a.3 Evaluate Replenishment Scenarios and Develop Answers to Basin Management Questions</strong></td>
<td>Jan  Feb  Mar  Apr  May  Jun  Jul  Aug  Sep  Oct  Nov  Dec  Jan  Feb  Mar  Apr  May  Jun</td>
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<td>3</td>
<td>HydroMetrix Meets with TAC for Preliminary Discussion on Additional Scenarios to be Evaluated</td>
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<td>4</td>
<td>HydroMetrix Meets with TAC to Complete Selection of Management Objectives and Additional Scenarios to be Evaluated</td>
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<td>Board Approves Management Objectives and Scenarios to be Evaluated</td>
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<td>6</td>
<td>Prepare Contract with HydroMetrix to Evaluate Additional Replenishment Scenarios</td>
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<td>7</td>
<td>TAC Approves Contract with HydroMetrix to Evaluate Additional Replenishment Scenarios</td>
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<td>8</td>
<td>Board Approves Contract with HydroMetrix to Evaluate Additional Replenishment Scenarios</td>
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<td>9</td>
<td>HydroMetrix Evaluates Additional Replenishment Scenarios</td>
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*HydroMetrix RFS 2010-04 Schedule Final 3-12-10 Page 1*
TO: Board of Directors

FROM: Dewey D Evans, CEO

DATE: April 7, 2010

SUBJECT: Resolution Expressing Support of the Proposed Monterey Regional Water Supply Program

PURPOSE:
To show support for the proposed Monterey Regional Water Supply Program (Regional Project)

RECOMMENDATION:
Consider approving the attached Resolution “Expressing Support of the Proposed Monterey Regional Water Supply Program.”

DISCUSSION:
The Monterey Regional Water Supply Program (Regional Project) has now been identified by the California Public Utilities Commission (CPUC) as an alternative to California American Water’s (Cal-Am) proposed Coastal Water Project (CWP) to help solve the long standing water supply problem on the Monterey Peninsula. If the proposed necessary agreements are adopted and signed by the involved parties and the CPUC accepts the project, it is possible that the desalination plant and related facilities could be up and operational as early as 2014. It is expected that the project could produce as much as 10,000 acre feet of useable water each year for residents on the Monterey Peninsula and in Monterey County. This would go a long way toward enabling Cal-Am to comply with the requirements of the State Water Resources Control Board’s Order Nos. WR-95-10 and 2009-0060 and the Seaside Basin Adjudication Decision (California American Water vs. City of Seaside, et al., Monterey County Superior Court Case no. M66343.

ATTACHMENT:
Seaside Groundwater Basin Watermaster Resolution No. 2010-01
WHEREAS, the Monterey Regional Water Supply Program (Regional Project) has been identified by the California Public Utilities Commission as an alternative to California American Water’s proposed Coastal Water Project (CWP) to benefit water users on the Monterey Peninsula and in Monterey County; and

WHEREAS, Phase 1 of the proposed Regional Project includes a Desalination Facility and intake wells in the North Marina area, and expansion of the Seaside Basin Aquifer Storage and Recovery program; and

WHEREAS, the purpose of the proposed Phase 1 Regional Project is to enable Cal-Am to fully comply with the requirements of State Water Resources Control Board Order Nos. WR 95-10 and 2009-0060 and the Seaside Basin Adjudication Decision (California American Water v. City of Seaside, et al., Monterey County Superior Court Case No. M66343); and

WHEREAS, the Final Environmental Impact Report (EIR) for the CWP states that the proposed Phase 1 Regional Project is the environmentally-superior alternative, provided that the mitigation measures set forth in the Final EIR are imposed and fully implemented by all pertinent approval and participant agencies; and

WHEREAS, the Seaside Groundwater Basin Watermaster administers and enforces the provisions of the Seaside Basin Adjudication Decision.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Seaside Groundwater Basin Watermaster that

On a motion by Director _____________ and seconded by Director ______________ the forgoing resolution is duly adopted this 7th day of April 2010 by the following votes:

Ayes:

Nays:

Absent:

I, Judi Lehman, Secretary of the Board of Directors of the Seaside Groundwater Basin Watermaster, hereby certify that the forgoing is a resolution duly adopted on the 7th day of April, 2010.
TO: Board of Directors
FROM: Dewey D Evans, CEO
DATE: April 7, 2010
SUBJECT: Status of City of Seaside’s In Lieu Replenishment Proposal and Approval of Revised Proposal to the Court re: Seaside Replenishment Assessment Liability and In Lieu Replenishment Program

DISCUSSION:

Material for this Board agenda item will be sent out separately as soon as the documents are received at the Watermaster office. Legal counsel for the City of Seaside is preparing documents and those documents and a staff report will be sent out later, probably on Monday, April 5th.
ITEM X.

INFORMATIONAL REPORTS

(NO ACTION REQUIRED)
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 declaration with the Court and with the other parties.

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.

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. 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.

California American Water to submit annually to Watermaster any augmentation to water supply for possible credit toward Replenishment Assessment. Water level monitoring - monthly data collection from all members for inclusion in the consolidated database. Water quality monitoring - yearly data collection from all members for inclusion in consolidated database. Summary report of water resources data to all members/parties.

Annual Report to Court:
- 27-Mar-06
- 30-Sep-07

APA to SPA election amended Alternative Producers may change to Standard Production by March 27, 2009 by filing a declaration with the Court and with the other parties.

Operating yield could decrease 10% every three years on October 1st until it is the equivalent of the Natural Safe Yield.

Adjudication ordered by Court and filed:
- 27-Mar-06

Board Directors Terms:
- 2006: 7-Nov
- 2007: 15-Jan-10
- 2008: 15-Jan-10
- 2009: 15-Jan-10
- 2010: 15-Jan-10
- 2011: 15-Jan-10
- 2012: 15-Jan-10
- 2013: 15-Jan-10
- 2014: 15-Jan-10
- 2015: 15-Jan-10
- 2016: 15-Jan-10

Administrative Milestones:
- 2006: 15-Jan-06
- 2007: 15-Jan-07
- 2008: 15-Jan-08
- 2009: 15-Jan-09
- 2010: 15-Jan-10
- 2011: 15-Jan-10
- 2012: 15-Jan-10
- 2013: 15-Jan-10
- 2014: 15-Jan-10
- 2015: 15-Jan-10
- 2016: 15-Jan-10

This table represents the critical milestone dates for the Seaside Groundwater Basin Watermaster.
Seaside Groundwater Basin Watermaster
Technical Advisory Committee Meeting
March 10, 2010

Attendees: TAC Members
City of Seaside – Sydney Moe
California American Water – Eric Sabolsice (arrived @ 9:50 a.m.)
City of Monterey – Norm Green
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

Others:
MPWMD – Jonathan Lear

The meeting was called to order at 9:10 a.m. after waiting for a quorum to arrive. In the interest of time the meeting began without a quorum, but no action was taken during the initial part of the meeting until a quorum had arrived.

1. Administrative Matters:
   A. Approve Minutes from February 10, 2010 Meeting
On a motion by Mr. Oliver, second by Mr. Johnson the minutes were unanimously approved as presented with Ms. Moe and Mr. Green abstaining because they were not present at that meeting.

   B. Appoint Alternate Public Member to the TAC
Mr. Jaques summarized the agenda packet materials for this item.

   Mr. Johnson noted that Mr. Riley had asked for reimbursement for his time spent on matters pertaining to RPOG meetings, and he was concerned about this. Mr. Jaques suggested that Mr. Riley could be informed that the position of Public Member does not receive reimbursement to insure this is clear to Mr. Riley.

   Mr. Green asked how Mr. Fischer had gotten appointed to serve on the TAC. Mr. Johnson and Mr. Oliver recalled that he was asked to serve by a member of the Board.
Mr. Johnson recommended that if Mr. Riley is appointed to serve as the alternate Public Member, Mr. Riley and Mr. Fischer should coordinate and communicate between themselves as to who will be attending TAC meetings, so they would not both attend the same meeting.

Ms. Moe reported that she did not know Mr. Riley.

Mr. Johnson said that if the responses from Mr. Riley were positive, then the matter should be put on the next TAC meeting agenda for action.

2. **Recommendations for Changes in Standard Operating Procedures for the M&MP**

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

Mr. Oliver said that no changes are recommended at this time in the Monitoring and Management Program data collection procedures. However, after two years of data has been collected using the low-flow purge sampling method, if results continue to show essentially no change in water quality, he will likely recommended reducing the frequency of sampling the coastal monitoring wells to semi-annually.

Mr. Johnson asked for clarification as to the interpretation of the term "semi-annual." Following discussion there was the agreement that with regard to taking water quality samples this means twice per year, approximately six months apart (spring and fall)

Mr. Jaques asked Mr. Oliver if the Seaside Basin Watermaster sentinel wells were also part of the sampling program, and Mr. Oliver responded that yes, they were sampled annually, except that the northernmost sentinel well was sampled semi-annually.

Mr. Williams asked if the BLM well is being sampled as well. Mr. Oliver responded that yes it was being sampled but only to get initial water quality characterization data. Thereafter, only water level measurements will be made unless there is a desire to get more water quality data from that well in the future.

Mr. Jaques asked if we need to have the Monitoring and Management Program reviewed by MPWMD twice per year, as is currently scheduled, or whether doing this once per year would be sufficient. There was discussion that the Monitoring and Management Program has now been carried out for several years, and it has become fairly routine. There was consensus that it would be satisfactory to have MPWMD perform a review and to make recommendations on this once per year. Mr. Lear and Mr. Oliver suggested having the recommendations made not later than the January TAC meeting in future years.

With regard to other changes that might be recommended in the future, Mr. Oliver said it might be recommended at a future time to include barium as a sampling constituent. Mr. Johnson suggested that SAR might also be considered and Mr. Williams suggested that iodide might also be considered, if there were some indicators of seawater intrusion occurring.

3. **Request for Service (RFS) for HydroMetrics to Perform Modeling Scenarios**

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

Mr. Lear and Mr. Oliver said they believed the Scenario 1 revisions that had been requested by the Board were correctly presented in the agenda packet. They commented that CAW did not want any indication or appearance given that they intended to increase pumping in the Laguna Seca subarea. Mr. Oliver commented that total CAW pumping within the basin in recent years has been less than the amount they are allotted to pump.

Mr. Williams said the original model scenario used the full allocated amounts of pumping. Mr. Oliver said this is now more of a sensitivity analysis as well as examining water moving into and out of the Laguna Seca subarea. Mr. Lear said that CAW needs to keep pumping at current levels in the Laguna Seca subarea in order
to meet demands, so he did not envision them being able to reduce pumping within the Laguna Seca subarea by the triennial 10 percent amount required by the Decision. Rather, they would reduce their pumping in other subareas to achieve this.

Mr. Williams posed the question of whether or not to include the 10 percent triennial reductions. Mr. Oliver said that Scenario 1 came about as a result of a prior request from the Laguna Seca property owners for a determination as to whether Laguna Seca subarea pumping was affecting the other subareas. If not, they wondered if (1) they could not be subjected to the 10 percent triennial pumping reductions and (2) potentially be able to increase their pumping above their currently allotted amounts.

Mr. Williams said that if all Standard Producer production continued being cut back triennially by 10 percent, and all of the Alternative Producers continue to pump less than their allocated amounts, then total pumping within the basin would eventually fall below the Natural Safe Yield of 3,000 acre feet per year. Mr. Sabolsice concurred with keeping CAW's pumping levels at their current levels for Scenario 1.

There was discussion regarding progress with the Division of Ratepayer Advocates and others to address questions and issues pertaining to implementing the Regional Water Supply Project. Mr. Johnson said this private/public partnership will be a major achievement if it occurs.

Mr. Jaques asked Mr. Sabolsice if he knew how the additional 272 acre feet per year to offset pumping by "other users" would be delivered to the Seaside basin. Mr. Sabolsice said the intent of the Coastal Water Project is to bring Carmel River pumping down to levels allowed by the CDO. Also, CAW has an agreement with MPWMD to perform ASR using Carmel River water to be stored in the Seaside basin. The Laguna Seca system of CAW is not interconnected with any other systems, so desalinated water from the regional desalination plant cannot get to those systems using existing piping. Mr. Jaques asked Mr. Sabolsice to confirm Mr. Jaques understanding that all 3,247 acre feet per year of desalination water intended to go to the Seaside basin would be used to reduce CAW's pumping from the Seaside basin. Mr. Sabolsice confirmed this understanding.

Mr. Williams said that the 3,247 acre feet per year would be close to the total amount of CAW's Seaside basin pumping. Mr. Williams wondered if there was enough water in the Regional Project to also meet CAW's needs to reduce its Carmel River pumping. Mr. Jaques commented that these figures are what are contained in the Final Environmental Impact Report document. Mr. Sabolsice said the ASR capacity will be expanded and other small projects will be involved in helping CAW to comply with the CDO. Mr. Johnson recommended having Mr. Williams e-mailed the TAC with his questions/concerns about the water quantities to be used in the modeling, before asked the starting the work. These would be discussed at the April TAC meeting.

There was consensus to delete the last sentence of Task 1 (on page 13 of the agenda packet) as it could be confusing.

Ms. Moe expressed concern that all of the 3,247 acre feet per year appears to be going to CAW, and none of it to other users.

With regard to Scenario 2, Mr. Sabolsice said that a more realistic start-up date should be available by the April TAC meeting.

Mr. Williams confirmed that there would be no change in costs or schedule to incorporate the revisions recommended by the Board and discussed the today's TAC meeting. On a motion by Mr. Johnson, second by Mr. Sabolsice there was unanimous approval of the RFS with the one change described above.

4. Update on Refining Protective Water Levels
Mr. Jaques summarized the agenda packet materials on this item.
Mr. Lear said he felt the Board wanted to consider evaluating what percentage of protection would be needed to protect all of the production wells. Mr. Williams said there was no way to go directly to the answer to that question. Rather, a series of runs would be needed in order to produce enough data to be able to interpolate to that value.

Mr. Jaques asked the TAC for its direction on whether to continue to recommend having more Protective Water Level work done, or to simply wait for Board direction on when to proceed. There was consensus to wait for Board direction, but also to include performing such work in next year's budget, so the Board could weigh-in on this matter at budget approval time.

5. Approve Enhancements to be Made to the Database
Mr. Jaques introduced this topic and Mr. Oliver briefly summarized the proposed items of work to be done to enhance the Database, as listed on pages 20 through 22 of the agenda packet. There were questions-and-answers on several of these items.

There was brief discussion of the potential benefit of Item 10, interactive mapping, as a potential future activity.

There was consensus to proceed with these enhancements and to get a scope and cost proposal from MPWMD to do the work, so that a draft RFS could be brought to the TAC for approval at its April meeting.

6. SPCA Well Production and Related Issues
Mr. Jaques summarized the agenda packet materials for this item

Mr. Lear said that the substantial reductions in reported pumping quantities in recent years would cause one to question the accuracy of the meter.

Mr. Sabolsice asked if MPWMD had any jurisdiction over the metering accuracy issue. Mr. Oliver said that they could do a flow meter inspection, and went on to say that MPWMD only gets annual production data for the SPCA well. Mr. Oliver said he would follow up with a well inspection and report back to the TAC at a future meeting once this has been done.

7. Schedule
There were no comments or questions on this item.

8. Other Business
Mr. Williams briefly reported on several informational items:

- He is tracking the salt/nutrient management plan process and noted that there was a meeting this afternoon by the RWQCB at the MRWPCA regional treatment plant.

- He is tracking Senate Bill SBX 7-6 (passed in November 2009). Mr. Williams reported that he is a member of an ACWA committee which is dealing with this. It would require seasonal water level reporting to DWR. Not all water levels just "seasonal" water levels a term which is still being defined. They May ACWA meeting will be held in Monterey and at that time more information is expected to be released. He reported that you must sign up by December 31, 2010 if you are one of the parties that are required to submit data. DWR can withhold funding to a County if any basin in the County fails to report data. Basins are defined in DWR Bulletin No. 118.

- He is tracking Senate Bill SBX 7-7 which pertains to conservation laws that need to be addressed through Urban Water Management Plans. The deadline on this has been deferred to June 2010. If an
agency is already conserving to some level (yet to be established) it may not be required to do any additional conservation.

Mr. Johnson said that the State's data tracking system has had significant problems.

Mr. Williams reported to Mr. Jaques that the Watermaster may be the appropriate party to provide data to DWR, but that the Watermaster is not required to do so. Any party can take on this responsibility. Mr. Sabolsice said it made sense to him for MPWMD to take on the reporting responsibility for the Seaside basin.

9. **Set next meeting date:**
The next regular meeting was set for Wednesday, April 14, 2010 at 1:30 p.m. at the City of Seaside City Hall – Portable Buildings Conference Room

The meeting adjourned at 11:15 a.m.
ITEM NO. XI.

DIRECTOR’S REPORTS
ITEM NO. XII.

EXECUTIVE OFFICER COMMENTS