

SEASIDE GROUNDWATER BASIN WATERMASTER

Wednesday, October 3, 2018 – 2:00pm

Monterey One Water Board Room, 5 Harris Court, Building “D”

Ryan Ranch, Monterey, California

AGENDA

Watermaster Board

City of Seaside – Mayor Ralph Rubio, Chairman

Coastal Subarea Landowner – Director Paul Bruno, Vice Chair

California American Water – Alternate Nina Miller

City of Sand City – Mayor Mary Ann Carbone

Monterey Peninsula Water Management District – Director Jeanne Byrne

Laguna Seca Subarea Landowner – Director Bob Costa

City of Monterey – Councilmember Dan Albert

City of Del Rey Oaks – Mayor Jerry Edelen

Monterey County/Monterey County Water Resources Agency – Supervisor Mary Adams, District 5

I. CALL TO ORDER

II. ROLL CALL

A. Notice of Appointment of California American Water Member

III. 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.

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. MINUTES

Approve Minutes of the Regular Board meeting held August 1, 2018 5

VI. CONSENT CALENDAR

A. Consider approving Summary of Payments July - August 2018 totaling \$19,704.70 7

B. Consider Approving Fiscal Year 2018 Financial Reports through August 31, 2018 9

VII. ORAL PRESENTATION - None Scheduled

VIII. OLD BUSINESS – None

IX. NEW BUSINESS

A. COMMITTEE REPORTS

1. BUDGET & FINANCE COMMITTEE / TECHNICAL ADVISORY COMMITTEE

- a. Discussion/Consider Approving the Proposed Annual Budgets for Fiscal Year January 1, 2019 through December 31, 2019
 - i. Administrative Fund 13
 - ii. Monitoring and Management – Staff Transmittal 17
 - Work Plan..... 19
 - Operations Fund 27
 - Capital Fund (unfunded) 31
 - iii. Replenishment Fund (no action required) 33
- b. Discussion/Consider Approving the Proposed Replenishment Assessment Unit Cost for Water Year October 1, 2018 through September 30, 2019..... 35
- c. Consider Approving Request for Increase in Technical Program Manager Hourly Rate 39
- d. Consider Approving Amendment No.1 to Brownstein, Hyatt, Farber, Schreck (Russ McGlothlin) RFS No. 2018-01 41

2. TECHNICAL ADVISORY COMMITTEE

- a. Consider Approval of Application for Storage and Recovery of Water from the Pure Water Monterey Project (*full application is available for viewing at <http://seasidebasinwatermaster.org/Other/Cal%20Am%20Storage%20Agreement%20Application.pdf>*) 45

X. INFORMATIONAL REPORTS (No Action Required)

- A. Watermaster report of production of the Seaside Basin Water Year 2018 (October 1, 2017 – September 30, 2018) thru June 30, 2018..... 49
- B. Notice Of Lodging Of Correspondence Received Re: Pure Water Monterey Project (*is available for viewing at <http://seasidebasinwatermaster.org/Other/2018.08.16%20SEASIDE%20Notice%20of%20Lodging.pdf>*)

XI. DIRECTOR’S REPORTS

XII. STAFF COMMENTS 51

XIII. NEXT REGULAR MEETING DATE – Wednesday, November 7, 2018 - 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 One Water and the California American Water Company for posting on September 26, 2018 per the Ralph M. Brown Act, Government Code Section 54954.2(a).



August 27, 2018

Laura Dadiw
Administrative Officer and Secretary
Seaside Groundwater Basin Watermaster
PO Box 51502
Pacific Grove, CA 93950

Re: Notice of Appointment of California American Water Member

Dear Ms. Dadiw:

In accordance with Section 4.4 of the Rules and Regulations of the Seaside Groundwater Basin Watermaster, California American Water hereby appoints Director of Operations Christopher Cook as its Member to fill the vacancy created by the departure of Eric Sabolsice. Mr. Cook will serve the remainder of the two-year term that began in January of 2018.

Sincerely,

Garry Hofer
Vice President, Operations

cc Richard Svindland, President
Christopher Cook, Director of Operations
Nina Miller, Operations Manager
Lori Girard, Corporate Counsel

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**SEASIDE GROUNDWATER BASIN WATERMASTER (Watermaster)
REGULAR MEETING MINUTES**

Monterey One Water Board Room, 5 Harris Court, Building “D”
Ryan Ranch, Monterey, California
August 1, 2018

I. CALL TO ORDER – Chair Rubio called the meeting to order at 2:00 p.m.

II. ROLL CALL

City of Seaside – Mayor Ralph Rubio – Chair
Coastal Subarea Landowner – Director Paul Bruno - Vice Chair
California American Water (CAW) –Nina Miller (Alternate)
Laguna Seca Subarea Landowner – Director Bob Costa
City of Monterey – Council Member Dan Albert
Monterey Peninsula Water Management District (MPWMD) – Director Jeanne Byrne
Monterey County/Monterey County Water Resources Agency – Supervisor Mary Adams

Absent:

City of Sand City – Mayor Mary Ann Carbone
City of Del Rey Oaks – Mayor Jerry Edelen

Others Present

Watermaster Technical Program Manager – Robert Jaques
Watermaster Administrative Officer – Laura Dadiw
Lori Girard, CAW Legal Counsel

III. PUBLIC COMMUNICATIONS: None

IV. REVIEW OF AGENDA: There were no requested changes to the agenda.

V. APPROVAL OF MINUTES

It was moved by Director Council Member Albert, seconded by Director Bruno and unanimously carried to approve as presented the minutes of the Regular Board meeting held March 7, 2018.

VI. CONSENT CALENDAR

- A.** Consider approving Summary of Payments February – June 2018 totaling \$105,807.79
- B.** Consider Approving Fiscal Year 2018 Financial Reports through June 30, 2018
- C.** Technical Memorandum from HydroMetrics on Updating and Recalibrating the Seaside Basin Groundwater Model (View the full memo at <http://seasidebasinwatermaster.org/sbwmARC.html> in the Meeting Notices/Agenda & Packets/Minutes column on the August 1, 2018 date line)
- D.** Purchase of HydroMetrics by Montgomery and Associates, Consider Issuance of a Professional Services Agreement with Montgomery and Associates, and Consider Reissuance of Existing HydroMetrics Contracts to Montgomery and Associates (View the full agreement at <http://seasidebasinwatermaster.org/sbwmARC.html> in the Meeting Notices/Agenda & Packets/Minutes column on the August 1, 2018 date line)
- E.** Montgomery & Associates Contract to Update the Basin Management Action Plan
- F.** Adjustment to the Watermaster 2018 Administrative Budget to cover unanticipated costs for services from Brownstein, Hyatt, Farber, Schreck (BHFS) (Russ McGlothlin)
Director Bruno requested Item F. be pulled from the consent calendar for discussion.

Moved by Supervisor Adams, seconded by Director Byrne and unanimously carried to approve consent calendar items A – E as presented.

Director Bruno noted that the requested adjustment was not reviewed by the Budget/Finance Committee, which he felt was fine since the adjustment shifts staff cost savings from the Contractor budget line in the Administrative Fund to the Legal budget line for no net change. He cautioned staff against freely engaging counsel on matters that might be handled by counsel to the parties. Director Rubio requested that Don Freeman, Seaside legal counsel, review matters prior to assigning to Mr. McGlothlin. Lori Girard, CAW legal counsel stated she is available to confer with staff or Mr. McGlothlin to determine whether Mr. McGlothlin or parties' legal counsels can best resolve.

Moved by Director Bruno, seconded by Council Member Albert and unanimously carried to approve consent calendar Item F as presented.

VII. ORAL PRESENTATION: None Scheduled

VIII. NEW BUSINESS: None

IX. OLD BUSINESS: None

X. INFORMATIONAL REPORTS:

- A. Technical Advisory Committee (TAC) draft minutes from the meeting held March 14, June 13, and July 11, 2018
- B. Watermaster report of production of the Seaside Basin Water Year 2018 (October 1, 2017 – September 30, 2018) thru June 30, 2018
- C. Stipulation and [Proposed] Order Modifying Exhibit C to Amended Decision and Notice of Vacated Hearing Re: Bishop, McIntosh & McIntosh Motion To Modify Exhibit C To Amended Decision (View the full documents at <http://seasidebasinwatermaster.org/sbwmARC.html> in the Court Docs column on the July 2, 2018 date line)

XI. DIRECTOR'S REPORTS: None

XII. STAFF COMMENTS: Ms. Dadiw advised that a confidential memorandum from Watermaster legal counsel giving the status of a public records request and comments by Mr. Moore was distributed via email to board members late this afternoon. Printed copies of the memorandum were made available to board members. President Rubio stated that if the matter is deemed to require public action, it can be set at a regular or special meeting.

Ms. Dadiw also informed that the Watermaster Treasurer and Budget/Finance Committee chair, Daphne Hodgson will be retiring from the City of Seaside on September 7, 2018. There will be Budget/Finance Committee meeting held prior to her departure then, with board approval, her successor will be trained to assume the treasurer and chair positions.

XIII. NEXT MEETING DATE: The next meeting of the Watermaster board will be held Wednesday, September 5, 2018 at the Monterey One Water board room at 5 Harris Court, Building "D" on Ryan Ranch in Monterey at 2:00 p.m.

XIV. There being no further business, Chair Rubio adjourned the meeting at 2:13 p.m.

SEASIDE GROUNDWATER BASIN WATERMASTER

TO: Board of Directors
FROM: Laura Dadiw, AO
DATE: October 3, 2018
SUBJECT: Summary of Payments made during the months of July - August 2018

RECOMMENDATIONS:

Consider approving the payment of bills submitted and authorized to be paid July - August 2018.

Summary of Payments Made July 2018

Dadiw Associates (Administrative Officer (AO))

June 26, 2018 through July 25, 2018	17.5	\$ 1,750.00
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Responded to telephone inquiries, e-mail, and other correspondence as needed regarding the Seaside Basin. Gathered and posted water production and water level data. Prepared agenda for August board meeting and completed minutes of meeting; discussions w/counsel on Moore PRA request matter; transitioned to new computer after WM PC computer failed; routinely picked up mail from PO Box; reconciled accounts to the City of Seaside Watermaster accounts; prepared financial reports; processed invoices

Brownstein, Hyatt, Farber, Schreck (Russ McGlothlin, Esq.)

June 2018-RFS 2018-01 Miscellaneous legal consultation Moore PRA request matter; BMM amend place o	2.0	900.00
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Robert Jaques (Technical Program Manager)

July 2, 2018 through July 31, 2018	45	4,500.00
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Responded to emails, telephone inquiries, and other correspondence on a variety of Watermaster issues; prepared TAC agenda packet and attended TAC meeting on July 11 and prepared minutes. Prepared for and attended SVBGSA Advisory or TAC meetings MoCo Gov Ctr Salinas; prepare agenda transmittals for August board meeting

Total for June 2018	\$ 7,150.00
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Summary of Payments Made August 2018

Dadiw Associates (Administrative Officer (AO))

July 26, 2018 through August 25, 2018 51 \$ 5,100.00
Responded to telephone inquiries, e-mail, and other correspondence as needed regarding the Seaside Basin. Gathered and posted water production and water level data. Prepared agenda and packet for August board meeting and completed minutes of meeting; corres re:Sabolsic departure; prepared digital copy of Moore memo for emailing to parties; drafted Budget/Finance meeting agenda; cost share billing to MPWMD/M1W; counsel corres re: Judge withdrawl from WM case; draft 2019 Admin budget; SNG calculations per Ghandour request; Moore matter Notice of Lodging review; PRA records request from two public iquiries; prepare for/attend Budget/Finance meeting; assist City of Seaside w/records request; routinely picked up mail from PO Box; reconciled accounts to the City of Seaside Watermaster accounts; prepared financial reports; processed invoices; reviewed and posted items to web site.

Brownstein, Hyatt, Farber, Schreck (Russ McGlothlin, Esq.)

July 2018-RFS 2018-01 Miscellaneous legal consultation
Moore PRA records request matter & associated letters & filings 11.2 4,395.00
Postage and filing fees 7.20 \$ 4,402.20

Robert Jaques (Technical Program Manager)

August 2, 2018 through August 27, 2018 26 2,600.00
Responded to emails, telephone inquiries, and other correspondence on a variety of Watermaster issues; prepared TAC agenda packet and attended TAC meeting on August 15 and prepared minutes. Prepared for and attended August board meeting.

Todd Groundwater

July 1, 2018 through July 31, 2018
Hydrometrics [Montgomery} Groundwater Modeling peer review 2.25 452.50

Total for July 2018 \$ 12,554.70

Grand Total July - August 2018 \$ 19,704.70

Seaside Groundwater Basin Watermaster
Budget vs. Actual Administrative Fund
 Fiscal Year (January 1 - December 31, 2018)
 Balance through August 31, 2018

	<u>2018 Adopted Revised Budget</u>	<u>Contract Amount</u>	<u>Year to Date Revenue / Expenses</u>
Available Balances & Assessments			
Dedicated Reserve	-		-
FY (Rollover)	42,000.00		32,782.94
Admin Assessments	40,000.00		40,000.00
Available	<u>82,000.00</u>		<u>72,782.94</u>
Expenses			
Contract Staff	40,000.00	50,000.00	23,450.00
Legal Advisor	17,000.00	7,000.00	18,892.00
Filing fees and postage			215.62
Total Expenses	<u>57,000.00</u>	<u>57,000.00</u>	<u>42,557.62</u>
Total Available	25,000.00		
Dedicated Reserve	25,000.00		25,000.00
Net Available	<u><u>-</u></u>		<u><u>5,225.32</u></u>

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Seaside Groundwater Basin Watermaster
Budget vs. Actual Monitoring & Management - Operations Fund
 Fiscal Year (January 1 - December 31, 2018)
 Balance through August 31, 2018

VI.B.
10/3/18

	<u>2018 Adopted Budget</u>	<u>Contract Encumbrance</u>	<u>Year to Date Revenue/Expenses</u>
Available Balances & Assessments			
Operations Fund Assessment	\$ 192,288.00	\$ -	\$ 192,288.00
Pass Through 2018	-	3,915.00	1,957.50
Cost Share Reimbursement	77,185.00	77,185.00	27,178.75
FY 2017 Rollover	100,000.00	-	218,732.19
Total Available	\$ 369,473.00	\$ 81,100.00	\$ 440,156.44
Appropriations & Expenses			
GENERAL			
Technical Project Manager	\$ 50,000.00	\$ 50,000.00	\$ 26,750.00
Contingency @ 10% (not including TPM)	29,043.00	-	-
Total General	\$ 79,043.00	\$ 50,000.00	\$ 26,750.00
CONSULTANTS (Montgomery; Todd Groundwater; Web Site Database)			
Program Administration	\$ 16,900.00	\$ 7,400.00	\$ 1,671.25
Production/Lvl/Qlty Monitoring	2,400.00		
Groundwater Modeling RFS 2018-03	54,370.00	54,370.00	54,357.50
Geochemical Modeling	50,000.00	-	-
Basin Management Action Plan 2018-04	65,260.00	45,260.00	-
Seawater Intrusion Analysis Report 2018-02	20,890.00	20,890.00	-
Total Consultants	\$ 209,820.00	\$ 127,920.00	\$ 56,028.75
MPWMD			
Production/Lvl/Qlty Monitoring	\$ 48,832.00	48,832.00	-
Pass Through 2018	-	3,915.00	-
Basin Management	-	-	-
Seawater Intrusion	1,192.00	1,192.00	-
Direct Costs	-	-	-
Total MPWMD	\$ 50,024.00	\$ 53,939.00	\$ -
CONTRACTOR (Martin Feeney)			
Production/Lvl/Qlty Monitoring	\$ 30,586.00	\$ 30,585.56	\$ 10,234.67
Total Appropriations & Expenses	\$ 369,473.00	\$ 262,444.56	\$ 93,013.42
Total Available	-		347,143.02

Seaside Groundwater Basin Watermaster
 Replenishment Fund
 Water Year 2018 (October 1 - September 30) / Fiscal Year (January 1 - December 31, 2018)
 Balance through August 31, 2018

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Totals WY 2006 Through 2017	Budget WY 2018	Projected Totals Through WY 2018
Replenishment Fund															
Assessment	WY 05/06	WY 06/07	WY 07/08	WY 08/09	WY 09/10	WY 10/11	WY 11/12	WY 12/13	WY 13/14	WY 14/15	WY 15/16	WY 16/17		WY 17/18	
UNL Cost	\$1,192 / \$283	\$1,192 / \$283	\$2,485 / \$612.5	\$3,040 / \$750	\$2,780 / \$695	\$2,780 / \$695	\$2,780 / \$695	\$2,780 / \$695	\$2,780 / \$695	\$2,780 / \$695	\$2,780 / \$695	\$2,872 / \$718		\$2,872 / \$718	
Cal-Aid Water Production		\$1,641,004	\$4,228,710	\$1,287,690	\$1,289,939	\$1,822,291	\$1,060,450	\$1,726,671	\$1,173,771	\$1,102,221	\$1,676,744	\$1,676,744		\$1,676,744	
Cal-Aid Water Production	\$170,000	499,900	362,900	296,600	373,500	346,600	300,000	307,000	332,100	332,100	332,100	332,100		332,100	
Exceeding Natural Sale Yield			5,989,014	3,773,464	4,112,933	3,187,854	2,435,907	2,380,882	2,790,589	2,113,414	2,113,414	184,957		184,957	100,000
Exceeding Alternative Producers Replenishment			20,235	8,511		154,963	181,057		281,012	312,103				20,000	977,881
Operating Yield Overproduction			5,207,826	3,773,464	4,112,933	3,187,854	2,435,907	2,380,882	2,790,589	2,113,414	2,113,414	184,957		184,957	100,000
Operating Yield Overproduction			20,235	8,511		154,963	181,057		281,012	312,103				20,000	977,881
Total California Assessment	\$2,406,652	\$2,885,706	\$5,207,826	\$3,773,464	\$4,112,933	\$3,187,854	\$2,435,907	\$2,380,882	\$2,790,589	\$2,113,414	\$2,113,414	\$184,957		\$184,957	\$31,723,964
CAW Unaudited Balance	\$1,641,004	\$4,228,710	\$12,305,924	\$1,637,414	\$1,639,233	\$1,922,291	\$1,060,450	\$1,726,671	\$1,173,771	\$1,102,221	\$1,676,744	\$1,676,744		\$1,676,744	\$31,723,964
City of Seaside Balance Forward															
Exceeding Natural Sale Yield		\$243,824	\$428,185	\$1,024,472	\$1,619,973	\$891,589	\$1,110,014	\$1,773,813	\$1,575,573	\$1,289,323	\$1,326,548	\$1,323,420		\$1,323,420	\$1,323,420
Exceeding Alternative Producers Replenishment															
Operating Yield Overproduction															
Total Municipal															
City of Seaside - Golf Courses															
Exceeding Natural Sale Yield															
Exceeding Alternative Producers Replenishment															
Operating Yield Overproduction															
Total Golf Courses															
Total City of Seaside	\$232,310	\$174,957	\$428,185	\$1,024,472	\$1,619,973	\$891,589	\$1,110,014	\$1,773,813	\$1,575,573	\$1,289,323	\$1,326,548	\$1,323,420		\$1,323,420	\$1,323,420
City of Seaside - Life Payments %															
Operating Yield Overproduction															
Total City of Seaside - Life Payments %															
Total Replenishment Fund Balance	\$1,884,288	\$4,882,874	\$11,847,471	\$12,939,969	\$12,939,710	\$12,939,710	\$12,939,710	\$12,939,710	\$12,939,710	\$12,939,710	\$12,939,710	\$12,939,710		\$12,939,710	\$12,939,710
Replenishment Fund Balance Forward	2,349,946	2,788,576	5,805,632	4,380,185	4,654,092	3,329,189	2,801,104	2,822,688	3,217,182	2,495,183	114,290	274,877		274,877	34,614,915
Total Paid and/or Credited	(465,648)	(2,788,576)	(12,305,924)	(3,741,741)	(6,174,826)	(6,569,697)	(6,990,409)	(1,065,852)	(1,490,080)	(526,890)	(1,621)	(3,634,247)		(3,634,247)	(38,249,421)
Grand Total Fund Balance	\$1,884,288	\$4,882,874	\$11,847,471	\$12,939,969	\$12,939,710	\$12,939,710	\$12,939,710	\$12,939,710	\$12,939,710	\$12,939,710	\$12,939,710	\$12,939,710		\$12,939,710	\$3,404,247

SEASIDE GROUNDWATER BASIN WATERMASTER

TO: Board of Directors
FROM: Laura Dadiw, Administrative Officer (AO)
DATE: October 3, 2018
SUBJECT: Proposed Fiscal Year (Calendar Year) 2019 Annual Administrative Fund Budget

PURPOSE:

To advise the Board of the estimated amount necessary to properly fund the Administrative oversight portion of the Seaside Groundwater Basin Watermaster for fiscal year 2019.

RECOMMENDATION:

On August 21, 2018 the Budget and Finance Committee approved the proposed 2019 Administrative Budget and recommended board approval.

DISCUSSION:

The court decision states that next fiscal year’s budgets must be approved by the Board of Directors no later than the end of October each year in order for the tentative budgets to be circulated to each adjudication Party “no earlier than November 1 and no later than November 15” of each fiscal year.

To control legal costs, the technical program manager develops the first drafts of the annual report and case management (CM) statement. The annual report is now due January 15th so legal expense for the 2018 Annual Report is budgeted in 2019.

Staff fields whatever issues it can however there have been significant, and mounting, unanticipated issues in 2018 determined to require the expertise of WM legal counsel. These include to date:

Additional information requested by the Judge re: 2018 CM (concluded):	7,695.00
CAW Production of LSRA APA (concluded):	90.00
Bishop McIntosh & McIntosh (concluded):	405.00
PRA records request & comments (on-going & extensive):	<u>4,900.00</u>
	Total \$13,090.00
Budgeted expenditures	7,000.00

A Notice Of Lodging Of Correspondence Received Re Pure Water Monterey Project was filed with Judge Nichols; in his opinion the matter should first be addressed by the Water Board and held in abeyance until the Board has considered the application for the PWM Project. Thereafter, the matter should be thoroughly addressed in the next annual report due by January 15, 2018.

Judge Nichols announced his withdrawal as Watermaster judge due to policy revisions by the Chief Justice to her Assigned Judges Program on May 21, 2018. The need for appointment of a new Watermaster judge was unanticipated and is likely to increase 2019 CM conference costs. The unanticipated 2018 issues will be taken up in the 2018 annual report and will most likely cause an increase in legal expenses in its preparation in 2019.

The proposed legal expenditures in 2019 are as follows:

Annual report:	\$ 3,000
CM Statement and Conference:	11,000
Unanticipated Issues:	<u>11,000</u>
Total:	\$ 25,000

An estimated \$23,000 in unspent 2018 funds are expected to be carried over to 2019 – to be placed in the 2019 reserves and the reserve balance brought up to the customary \$25,000 with 2019 assessments.

FISCAL IMPACT:

An Administrative Fund Assessment of \$77,000 is proposed:

$$\$50,000(\text{AO}) + \$25,000(\text{Legal}) + \$25,000(\text{Reserve}) = \$100,000 - \$23,000(\text{Carryover}) = \$77,000$$

The assessments for the parties required to contribute to the Administrative Fund are:

California American Water 83.0%	\$63,910
City of Seaside 14.4%	11,088
City of Sand City 2.6%	2,002

ATTACHMENTS

- 1) Proposed Administrative Fund Budget for FY (Calendar Year) 2019

**Seaside Groundwater Basin Watermaster
Administrative Fund
Proposed Budget
Administrative Year 2019**

	<u>2018 Adopted</u> <u>Revised</u> <u>Budget</u>	<u>2018</u> <u>Estimated</u> <u>Total</u>	<u>2019</u> <u>Proposed</u> <u>Budget</u>
Assessment Income			
Reserve/Rollover*	\$ 42,000	\$ 42,000	\$ 23,000
Administrative Assessment	40,000	40,000	77,000
	<hr/>	<hr/>	<hr/>
Totals	82,000	82,000	100,000
	<hr/>	<hr/>	<hr/>
Expenditures			
Contractual Services - Administrative	40,000	33,500	50,000
Legal Services**	17,000	23,500	25,000
	<hr/>	<hr/>	<hr/>
Total Expenses	57,000	57,000	75,000
Total Available	25,000	25,000	25,000
	<hr/>	<hr/>	<hr/>
Less Reserve	25,000	25,000	25,000
	<hr/>	<hr/>	<hr/>
Net Available	\$ -	\$ -	\$ -
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

** Note: The reserve/rollover balance of \$23,000 was determined upon completion by Watermaster staff of a detailed reconciliation from 2006 through July 2018 of the Administrative Fund financial records held at the Watermaster office against the Administrative Fund financial records held by the City of Seaside - the Watermaster fiscal agent.*

*** October 4, 2018 board action to amend 2018 Administrative Fund Budget to include \$10,000 additional for legal services for unanticipated expenses and \$10,000 reduction in contract services for no net change in the bottom line.*

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**SEASIDE GROUNDWATER BASIN
WATERMASTER**

TO: Board of Directors

FROM: Robert S. Jaques, Technical Program Manager

REVIEWED BY: Laura Dadiw, Administrative Officer

DATE: October 3, 2018

SUBJECT: Consider Approval of Proposed FY (January – December) 2019 Monitoring and Management Program (M&MP), and Proposed 2019 M&MP Operations & Capital Fund Budgets

RECOMMENDATION:

Approve, or make changes to and then approve, the below:

1. FY 2019 M&MP
2. FY 2019 M&MP Operations Fund Budget
3. FY 2019 M&MP Capital Fund Budget (unfunded)

The projected 2020 Operations and Capital Fund Budgets are informational only, no action required.

BACKGROUND:

At its August 15, 2018 meeting the TAC approved the Proposed FY 2019 M&MP, the proposed 2019 M&MP Operations Fund Budget, and the unfunded 2019 M&MP Capital Fund Budget, and recommended that the Board approve these. On August 21, 2018 the Budget and Finance Committee reviewed the TAC-approved M&MP and Budgets, and also approved these documents.

DISCUSSION:

Other than small changes due to changes in hourly rates for some of the consultants, the following are the principle differences between the 2018 M&MP and the proposed 2019 M&MP, and their respective budgets:

Task I.2.b.3 (Collect Quarterly Water Quality Samples): In 2018 the total amount budgeted for this Task was \$51,128. That cost included collecting and analyzing water quality samples from the Watermaster's Sentinel Wells. In 2018 it was determined that water quality samples that have historically been collected from the Sentinel Wells were not representative of the quality of the water in the aquifers. Therefore, the decision was made to discontinue collecting and analyzing samples from these wells. This led to the reduction in cost for this Task to \$42,083 in 2019.

Task I.3.a.1 (Update the Existing Model): \$54,370 was included in the 2018 budget for this Task to have HydroMetrics update the existing groundwater model of the Seaside Basin. That work was completed in 2018 and therefore does not need to be included in the M&MP budget for 2019. This led to the reduction in cost for this Task to \$0 in 2019.

Task I.3.c (Refine and/or Update the Basin Management Action Plan): \$45,260 was included in the 2018 budget for this Task to have HydroMetrics update the existing Basin Management Action Plan. That work is scheduled to be completed in 2018 and therefore does not need to be included in the M&MP budget for 2019. This led to the reduction in cost for this Task to \$0 in 2019.

Task I.3.e (Seaside Basin Geochemical Model): This was a new Task for 2018, and the amount for this Task in the 2018 budget was \$50,000. The Task is being performed by MPWMD’s Consultant, Pueblo Water Resources, Inc., and is expected to be completed in 2018. However, HydroMetrics (now Montgomery & Associates) may need to work on this task if the initial modeling results find that there could be adverse water quality impacts in the aquifers due to the introduction of water from the Monterey Peninsula Water Supply Project (desalinated water), the Pure Water Monterey Project (advance treated wastewater) and/or Aquifer Storage and Recovery Water (Carmel Basin water). If the modeling results in this finding, Montgomery & Associates may need to use the Seaside Basin groundwater model to help Pueblo Water Resources develop means/measures to mitigate such impacts. A \$10,000 amount is included in the 2019 budget to cover the costs of Montgomery & Associates work, if such work needs to be done.

The full cost of the geochemical modeling being performed in 2018 is being borne by the three proponents of the projects that intend to inject new sources of water into the Basin. These are California American Water, MPWMD, and Monterey One Water (formerly MRWPCA).

It is anticipated that, if Montgomery & Associates needs to perform work on this Task in 2019, these same parties will reimburse the Watermaster for all of the costs to perform this work. Therefore, there should be no net cost to the Watermaster for the work of this Task.

SUMMARY:

As indicated by the right-hand column titled “Comparative Costs from 2018 Budget” in the proposed 2019 M&MP Operations Budget in Attachment 2, the proposed Budget is \$162,552 lower (\$369,473-\$206,921) than the 2018 Budget. This significant reduction in cost is largely because of the work items in the 2018 budget that were completed in 2018 and therefore do not need to be included in the 2019 budget.

ATTACHMENTS:

1. Proposed 2018 M&M Work Plan
2. M&M: Operations Fund Budgets Proposed for 2018
3. M&M: Operations Fund Budgets Projected for 2019
4. M&M: Capital Fund Budgets Proposed for 2018 and Projected for 2019 (both unfunded)

ATTACHMENT 1

Seaside Groundwater Basin 2019 Monitoring and Management Program

The tasks outlined below are those that are anticipated to be performed during 2019. Some Tasks listed below are specific to 2019, while other Tasks are recurring such as data collection, database entry, and Program Administration Tasks. Within the context of this document the term "Consultant" refers either to a firm providing professional engineering or other types of technical services, or to the Monterey Peninsula Water Management District (MPWMD). The term "Contractor" refers to a firm providing construction or field services such as well drilling, induction logging, or meter calibration.

M.1 Program Administration

<p>M. 1. a Project Budget and Controls (S0)</p>	<p>Consultants will provide monthly or bimonthly invoices to the Watermaster for work performed under their contracts with the Watermaster. Consultants will perform maintenance of their internal budgets and schedules, and management of their subconsultants. The Watermaster will perform management of its Consultants.</p>
<p>M. 1. b Assist with Board and TAC Agendas (S0)</p>	<p>Watermaster staff will prepare Board and TAC meeting agenda materials. No assistance from Consultants is expected to be necessary to accomplish this Task.</p>
<p>M. 1. c. & M. 1. d Preparation for and Attendance at Meetings (S11,500)</p>	<p>The Consultants' work will require internal meetings and possibly meetings with outside governmental agencies and the public. For meetings with outside agencies, other Consultants, or any other parties which are necessary for the conduct of the work of their contracts, the Consultants will set up the meetings and prepare agendas and meeting minutes to facilitate the meetings. These may include planning and review meetings with Watermaster staff. The costs for these meetings will be included in their contracts, under the specific Tasks and/or subtasks to which the meetings relate. The only meeting costs that will be incurred under Tasks M.1.c and M.1.d will be:</p> <ul style="list-style-type: none"> • Those associated with attendance at TAC meetings (either in person or by teleconference connection), including providing periodic progress reports to the Watermaster for inclusion in the agenda packets for the TAC meetings, when requested by the Watermaster to do so. These progress reports will typically include project progress that has been made, problem identification and resolution, and planned upcoming work. • From time-to-time when Watermaster staff asks Consultants to make special presentations to the Watermaster Board and/or the TAC, and which are not included in the Consultant's contracts for other tasks. <p>Appropriate Consultant representatives will attend TAC meetings when requested to do so by Watermaster Staff (either in person or by teleconference connection), but will not be asked to prepare agendas or meeting minutes. As necessary, Consultants may provide oral updates to their progress reports (prepared under Task M.1.d) at the TAC meetings.</p>
<p>M. 1. e Peer Review of Documents and Reports (S7,500)</p>	<p>When requested by the Watermaster staff, Consultants may be asked to assist the TAC and the Watermaster staff with peer reviews of documents and reports prepared by various other Watermaster Consultants and/or entities.</p>
<p>M. 1. f QA/QC (S0)</p>	<p>A Consultant (MPWMD) will provide general QA/QC support over the Seaside Basin Monitoring and Management Program. These costs are included in the other tasks.</p>

M.1.g Prepare Documents for SGMA Reporting (\$2,140)	Section 10720.8 of the Sustainable Groundwater Management Act (SGMA) requires adjudicated basins to submit annual reports. Most of the documentation that needs to be reported is already generated by the Watermaster in conjunction with preparing its own Annual Reports. However, some information such as changes in basin storage is not currently generated and will require consultant assistance to do so. This task will be used to obtain this consultant assistance, as needed.
<i>I. 2 Comprehensive Basin Production, Water Level and Water Quality Monitoring Program</i>	
I. 2. a. Database Management	
I. 2. a. 1 Conduct Ongoing Data Entry and Database Maintenance/ Enhancement (\$17,004)	The database will be maintained by a Consultant (MPWMD) performing this work for the Watermaster. MPWMD will enter new data into the consolidated database, including water production volumes, water quality and water level data, and such other data as may be appropriate. Another Consultant will periodically post database information to the Watermaster's website, so it will be accessible to the public and other interested parties. No enhancements to the database are anticipated during 2019.
I. 2. a. 2 Verify Accuracy of Production Well Meters (\$0)	To ensure that water production data is accurate, the well meters of the major producers were verified for accuracy during 2009 and again during 2015. No additional work of this type is anticipated during 2019.
I. 2. b. Data Collection Program	
I. 2. b. 1 Site Representation and Selection (\$0)	The monitoring well network review that was started in 2008 has been completed, and sites have been identified where future monitoring well(s) could be installed, if it is deemed necessary to do so in order to fill in data gaps. No further work of this type is anticipated in 2019.
I. 2 b. 2 Collect Monthly Manual Water Levels (\$3,726)	<p>Each of the monitoring wells will be visited on a regular basis. Water levels will be determined by either taking manual water levels using an electric sounder, or by dataloggers. The wells where the use of dataloggers is feasible or appropriate have been equipped with dataloggers. All of the other wells will be manually measured.</p> <p>This Task includes the purchase of one datalogger and parts for the datalogger to keep in inventory as a spare if needed.</p>

<p>I. 2. b. 3 Collect Water Quality Samples. (\$42,083)</p>	<p>Water quality data will be collected quarterly from certain of the monitoring wells, but will no longer be collected from the four coastal Sentinel Wells. Discontinuing water quality sampling in those wells is the result of the finding made in 2018 that the water quality samples being extracted from those wells are not representative of the aquifer. Those wells were designed for the purpose of electric induction logging, and will therefore continue to be induction logged twice a year in WY 2019.</p> <p>In 2012 water quality analyses were expanded to include barium and iodide ions, to determine the potential benefit of performing these additional analyses. These two parameters have been useful in analyzing seawater intrusion potential in other vulnerable coastal groundwater basins, and are briefly mentioned in the Watermaster's annual Seawater Intrusion Analysis Reports. These parameters were added to the annual water quality sampling list for the four Watermaster Sentinel wells (SBWM-1, SBWM-2, SBWM-3, and SBWM-4), and also for the 3 most coastal MPWMD monitoring wells (MSC, PCA, and FO-09). Barium and iodide analyses will continue being performed on the 3 most coastal MPWMD monitoring wells in 2019, but will no longer be performed on the Watermaster's coastal Sentinel Wells as discussed above.</p> <p>Water quality data may come from water quality samples that are taken from these wells and submitted to a State Certified analytic laboratory for general mineral and physical suite of analyses, or the data may come from induction logging of these wells and/or other data gathering techniques. The Consultant or Contractor selected to perform this work will make this judgment based on consideration of costs and other factors.</p> <p>Under this Task in 2013 retrofitting to use the low-flow purge approach for getting water quality samples was completed on all of the wells that are sampled. This sampling equipment sits in the water column and may periodically need to be replaced or repaired. Accordingly, an allowance to perform maintenance on previously installed equipment has been included in this Task. Also, in the event a sampling pump is found to be no longer adequate due to declining groundwater levels, or if a sampling pump needs to be installed on a Sentinel Well, an allowance to purchase a replacement sampling pump has been included in this Task.</p> <p>Improvements to the QA/QC program for the water quality sampling work were adopted in mid-2017 and will be included in this work in 2019.</p>
<p>I. 2. b. 4 Update Program Schedule and Standard Operating Procedures. (\$0)</p>	<p>All recommendations from prior reviews of the data collection program have been implemented. No additional work of this type is anticipated in 2019.</p>
<p>I. 2. b. 5 Monitor Well Construction (\$0)</p>	<p>An additional monitoring well was installed in 2009. No further work of this type is anticipated in 2019.</p>

I. 2. b. 6 Reports (\$3,576)	The groundwater level and water quality monitoring will be conducted on a monthly, quarterly, semi-annual or annual basis, as described in the Consultant's Scope of Work. Reports summarizing data collected and analyzed will be submitted to the Watermaster on a schedule to be established during the year, and will consist of:
	<p>1. A review of the water quality and water level data at the end of each quarter of the Water Year, including tabularized data summaries of the WQ/WL data twice per year, once for the Q1 and Q2 period and once for the Q3 and Q4 period, so this data can be posted to WATERMASTER's website. No reporting on a quarterly basis is required but the Consultant will promptly notify the Watermaster of any missing data or data collection irregularities that were encountered during the quarterly reporting period.</p>
	<p>2. An annual report summarizing the water quality and water level data for the Water Year, and containing tables of this data for the complete Water Year. The report will include a brief cover letter describing any missing data or data collection irregularities that were encountered during the reporting period, and any recommendations for changes to be made to the data collection program.</p>
I.2.b.7 CASGEM Data Submittal (\$2,384)	On the Watermaster's behalf MPWMD will compile and submit data on the Watermaster's "Voluntary Wells" into the State's CASGEM groundwater management database. The term "Voluntary Well" refers to a well that is not currently having its data reported into the CASGEM system, but for which the Watermaster obtains data. This will be done in the format and on the schedule required by the Department of Water Resources under the Sustainable Groundwater Management Act.
<i>I. 3 Basin Management</i>	
I. 3. a. Enhanced Seaside Basin Groundwater Model (Costs listed in subtasks below)	The Watermaster and its consultants use a Groundwater Model for basin management purposes.
I.3.a.1 Update the Existing Model (\$0)	The Model, described in the report titled "Groundwater Flow and Transport Model" dated October 1, 2007, was updated in 2009 in order to develop protective water levels, and to evaluate replenishment scenarios and develop answers to Basin management questions. The Model was again updated in 2014.
	In 2018 the Model was recalibrated and updated. No further work of this type is anticipated in 2019.
I. 3. a. 2 Develop Protective Water Levels (\$0)	A series of cross-sectional models was created in 2009 in order to develop protective water levels for selected production wells, as well as for the Basin as a whole. This work is discussed in Hydrometrics' "Seaside Groundwater Basin Protective Water Elevations Technical Memorandum." In 2013 further work was started to refine these protective water levels, but it was found that the previously developed protective water levels were reasonable. Protective water levels will be updated, if appropriate, as part of the work of Task I.3.c.

<p>I. 3. a. 3 Evaluate Replenishment Scenarios and Develop Answers to Basin Management Questions (\$20,000)</p>	<p>In 2009 the updated Model was used to evaluate different scenarios to determine such things as the most effective methods of using supplemental water sources to replenish the Basin and/or to assess the impacts of pumping redistribution. This work is described in HydroMetrics' "Seaside Groundwater Basin Groundwater Model Report." In 2010, and again in 2013, HydroMetrics used the updated Model to develop answers to some questions associated with Basin management. Modeling performed in 2014, 2015, and 2016 led to the conclusion that groundwater levels in parts of the Laguna Seca Subarea will continue to fall even if all pumping within that subarea is discontinued, because of the influence of pumping from areas near to, but outside of, the Basin boundary. Additional modeling work may be performed in 2019 to further examine this situation. This Task includes a \$20,000 allowance to perform modeling or other work to develop answers to basin management questions, if so directed by the Watermaster Board.</p>
<p>I. 3. b. Complete Preparation of Basin Management Action Plan (\$0)</p>	<p>The Watermaster's Consultant completed preparation of the Basin Management Action Plan (BMAP) in February 2009. The BMAP serves as the Watermaster's long-term seawater intrusion prevention plan. The Sections that are included in the BMAP are: Executive Summary Section 1 – Background and Purpose Section 2 – State of the Seaside Groundwater Basin Section 3 – Supplemental Water Supplies Section 4 –Groundwater Management Actions Section 5 – Recommended Management Strategies Section 6 – References</p>
<p>I. 3. c. Refine and/or Update the Basin Management Action Plan (\$0)</p>	<p>During 2018 the BMAP was updated based on new data and knowledge that has been gained since it was prepared in 2009. No further work of this type is anticipated in 2019.</p>
<p>I. 3. d. Evaluate Coastal Wells for Cross-Aquifer Contamination Potential (\$0)</p>	<p>If seawater intrusion were to reach any of the coastal wells in any aquifer, and if a well was constructed without proper seals to prevent cross-aquifer communication, or if deterioration of the well had compromised these seals, it would be possible for the intrusion to flow from one aquifer to another. An evaluation of this was completed in 2012 and is described in MPWMD's Memorandum titled "Summary of Seaside Groundwater Basin Cross-Aquifer Contamination Wells Investigation Process and Conclusions" dated August 8, 2012. This Memorandum did not recommend performing any further work on this matter at this time, other than to incorporate into the Watermaster's Database data from wells that were newly identified by the work performed in 2012. That data has now been incorporated into the Database, and no further work by the Watermaster on this matter is anticipated. In late 2017 a request was made to MPWMD to destroy one of its no-longer-used monitoring wells that is perforated in multiple aquifers (Well PCA-East Multiple). MPWMD performed this work in 2018. No further work of this type is anticipated in 2019.</p>

<p>I. 3. e. Seaside Basin Geochemical Model (\$10,000)</p>	<p>When new sources of water are introduced into an aquifer, with each source having its own unique water quality, there can be chemical reactions that may have the potential to release minerals which have previously been attached to soil particles, such as arsenic or mercury, into solution and thus into the water itself. This has been experienced in some other locations where changes occurred in the quality of the water being injected into an aquifer. MPWMD's consultants have been using geochemical modeling to predict the effects of injecting Carmel River water into the Seaside Groundwater Basin under the ASR program.</p> <p>In order to predict whether there will be groundwater quality changes that will result from the introduction of desalinated water and additional ASR water (under the Monterey Peninsula Water Supply Project) and advance-treated wastewater (under the Pure Water Monterey Project) a geochemical model was developed in 2018 and is being used in the areas of the Basin where injection of these new water sources will occur. If the geochemical modeling indicates the potential for problems to occur, then Montgomery and Associates may use the Watermaster's updated groundwater model, and information about injection locations and quantities, injection scheduling, etc. provided by MPWMD for each of these projects, to develop model scenarios to see if the problem(s) can be averted by changing delivery schedules and delivery quantities. This Task includes an allowance of \$10,000 to have Montgomery and Associates perform such modeling, if necessary.</p> <p>If the modeling predicts that there may be adverse impacts from introducing these new sources of water, measures to mitigate those impacts will be developed under a separate task that will be created for that purpose when and if necessary.</p>
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I. 4 Seawater Intrusion Response Plan (formerly referred to as the Seawater Intrusion Contingency Plan)

<p>I. 4. a. Oversight of Seawater Intrusion Detection and Tracking (\$0)</p>	<p>Consultants will provide general oversight over the Seawater Intrusion detection program under the other Tasks in this Work Plan.</p>
<p>I. 4. b. Focused Hydrogeologic Evaluation (\$0)</p>	<p>MPWMD attempted to compile historical and current water quality data in the coastal area to provide more in-depth evaluation of conditions in the shallow Dune Sand/Aromas Sand aquifer in the vicinity of the Sand City Public Works well, where unique water quality conditions and variability have recently been observed as discussed at TAC meetings. However, it was found that no historical water quality data from Cal Am's now-abandoned wells existed, and consequently it was not possible to answer the question of why water quality in the Sand City Public Works well differs from water quality in other wells in the Basin. The Sand City desalination plant could be affecting water quality in this area, but without the prior water quality data from now-abandoned wells, this could not be determined. The results of this work were summarized in 2013 in a brief Technical Memorandum prepared by MPWMD with conclusions and recommendations, and no further work on this matter is planned.</p>
<p>I. 4. c. Annual Report- Seawater Intrusion Analysis (\$22,742)</p>	<p>At the end of each water year, a Consultant will reanalyze all water quality data. Semi-annual chloride concentration maps will be produced for each aquifer in the basin. Time series graphs, trilinear graphs, and stiff diagram comparisons will be updated with new data. The annual EM logs will be analyzed to identify changes in seawater wedge locations. All analyses will be incorporated into an annual report that follows the format of the initial, historical data report. Potential seawater intrusion will be highlighted in the report, and if necessary, recommendations will be included. The annual report will be submitted for review by the TAC and the Board. Modifications to the report will be incorporated based on input from these bodies, as well as Watermaster staff.</p>

<p>I. 4. d Complete Preparation of Seawater Intrusion Response Plan (\$0)</p>	<p>The Watermaster's Consultant (HydroMetrics) completed preparation of the long-term Seawater Intrusion Response Plans (SIRP) in February 2009. The Sections that are included in the SIRP are: Section 1 – Background and Purpose Section 2 – Consistency with Other Documents Section 3 – Seawater Intrusion Indicators and Triggers Section 4 –Seawater Intrusion Contingency Actions Section 5 - References No further work on the SIRP is anticipated in 2019.</p>
<p>I. 4. e. Refine and/or Update the Seawater Intrusion Response Plan (\$0)</p>	<p>At the beginning of 2009 it was thought that it might be beneficial or necessary to perform work to refine the SIRP and/or to update it based on new data or knowledge that was gained subsequent to the preparation of the SIRP. However, this did not prove to be necessary, and no further work of this type is anticipated in 2019.</p>
<p>I. 4. f. If Seawater Intrusion is Determined to be Occurring, Implement Contingency Response Plan (\$0)</p>	<p>The SIRP will be implemented if seawater intrusion, as defined in the Plan, is determined by the Watermaster to be occurring.</p>

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ATTACHMENT 2

Monitoring and Management Program Operations Budget For Tasks to be Undertaken in 2019							Comparative Costs from 2018 Budget	
Task	Subtask	Sub-Subtask	Cost Description	CONSULTANTS & CONTRACTORS ⁽³⁾				Total
				MPWMD	Private Consultants	Contractors		
				Labor				
			Technical Project Manager	\$0	\$50,000	\$0	\$50,000	\$50,000
M.1 Program Administration								
	M.1.a		Project Budget and Controls	\$0	\$0	\$0	\$0	\$0
	M.1.b		Assist with Board and TAC Agendas	\$0	\$0	\$0	\$0	\$0
	M.1.c & M.1.d		Preparation for and Attendance at Meetings ⁽⁹⁾	\$0	\$11,500	\$0	\$11,500	\$11,500
	M.1.e		Peer Review of Documents and Reports ⁽⁹⁾	\$0	\$7,500	\$0	\$7,500	\$7,500
	M.1.f		QA/QC	\$0	\$0	\$0	\$0	\$0
	M.1.g		SGMA Documentation Preparation	\$0	\$2,140	\$0	\$2,140	\$1,900
I.1 Initial Phase 1 Monitoring Well Construction (Task Completed in Phase 1)								
I.2 Production, Water Level and Quality Monitoring								
	I.2.a		Database Management					
		I.2.a.1	Conduct Ongoing Data Entry/ Database Maintenance/Enhancement	\$14,604	\$2,400	\$0	\$17,004	\$17,004
		I.2.a.2	Verify Accuracy of Production Well Meters	\$0	\$0	\$0	\$0	\$0
	I.2.b		Data Collection Program					
		I.2.b.1	Site Representation and Selection ⁽⁷⁾	\$0	\$0	\$0	\$0	\$0
		I.2.b.2	Collect Monthly Water Levels ⁽⁶⁾	\$3,726	\$0	\$0	\$3,726	\$3,726
		I.2.b.3	Collect Quarterly Water Quality Samples ⁽¹⁰⁾⁽⁹⁾	\$24,542	\$0	\$17,541	\$42,083	\$51,128
		I.2.b.4	Update Program Schedule and Standard Operating Procedures.	\$0	\$0	\$0	\$0	\$0
		I.2.b.5	Monitor Well Construction ⁽⁷⁾	\$0	\$0	\$0	\$0	\$0
		I.2.b.6	Reports	\$3,576	\$0	\$0	\$3,576	\$3,576
		I.2.b.7	CASGEM Data Submittal for Watermaster's Voluntary Wells	\$2,384	\$0	\$0	\$2,384	\$2,384
I.3 Basin Management								
	I.3.a		Enhanced Seaside Basin Groundwater Model	(Costs Shown in Subtasks Below)				
		I.3.a.1	Update the Existing Model ⁽¹¹⁾	\$0	\$0	\$0	\$0	\$54,370
		I.3.a.2	Develop Protective Water Levels ⁽¹²⁾	\$0	\$0	\$0	\$0	\$0
		I.3.a.3	Evaluate Replenishment Scenarios and Develop Answers to Basin Management Questions ⁽¹⁰⁾	\$0	\$20,000	\$0	\$20,000	\$20,000
	I.3.b		Complete Preparation of Basin Management Action Plan	\$0	\$0	\$0	\$0	\$0
	I.3.c		Refine and/or Update the Basin Management Action Plan	\$0	\$0	\$0	\$0	\$45,260
	I.3.d		Evaluate Coastal Wells for Cross-Aquifer Contamination Potential	\$0	\$0	\$0	\$0	\$0
	I.3.e		Seaside Basin Geochemical Model ⁽¹³⁾	\$0	\$10,000	\$0	\$10,000	\$50,000
I.4 Seawater Intrusion Contingency Plan								
	I.4.a		Oversight of Seawater Intrusion Detection and Tracking	\$0	\$0	\$0	\$0	\$0
	I.4.b		Provide focused area hydrogeologic investigation for Sand City Public Works	\$0	\$0	\$0	\$0	\$0
	I.4.c		Annual Report- Seawater Intrusion Analysis	\$1,192	\$21,550	\$0	\$22,742	\$22,082
	I.4.d		Complete Preparation of Seawater Intrusion Response Plan ⁽²⁾	\$0	\$0	\$0	\$0	\$0
	I.4.e		Refine and/or Update the Seawater Intrusion Response Plan ⁽²⁾⁽⁹⁾	\$0	\$0	\$0	\$0	\$0
	I.4.f		If Seawater Intrusion is Determined to be Occurring Implement Contingency Response Plan ⁽²⁾	(No Costs are Included for This Task, as This Task Will Likely Not be Necessary During 2018. If it Does Become Necessary, Use of Contingency Funds or a Budget Modification Will Likely be Necessary)				
TOTALS CONSULTANTS & CONTRACTORS				\$50,024	\$125,090	\$17,541		
SUBTOTAL not including Technical Program Manager =							\$142,655	\$290,430
Contingency (not including Technical Program Manager) @ 10% ⁽⁹⁾ =							\$14,266	\$29,043
Technical Program Manager =							\$50,000	\$50,000
TOTAL=							\$206,921	\$369,473

Footnotes:
(1) Under this Subtask the Watermaster will directly contract with an outside contractor to perform the Sentinel Well induction logging work, and to also collect water level data in conjunction with doing the induction logging. MPWMD will perform the other portions of the work of this Subtask.
(2) The response plan would only be implemented in the event sea water intrusion is determined to be occurring.
(3) Within the context of this document the term "Consultant" refers either to a Private Consultant providing professional engineering or other types of technical services, or to the Monterey Peninsula Water Management District (MPWMD). The term "Contractor" refers to a firm providing construction or field services such as well drilling, induction logging, or meter calibration.
(4) Due to the uncertainties of the exact scopes of some of the larger Tasks listed above at the time of preparation of this Budget it is recommended that a Contingency of approximately 10% be included in the Budget.
(5) Includes \$1,000 to maintain equipment previously installed for this purpose, and \$2,000 to purchase a new sampling pump if an existing one needs to be replaced. Also includes lab costs to analyze for barium and iodide ions in certain of these wells as was done in preceding years.
(6) Does not include costs for MPWMD to collect water level data or water quality samples from wells other than those that are part of the basic monitoring well network, i.e. for private well owners who have requested that the Watermaster obtain this data for them. Costs to obtain that data are to be reimbursed to the Watermaster by those well owners, so there should be no net cost to the Watermaster for that portion of the work under these Tasks. Includes the purchase and installation of one new and/or replacement datalogger at a price of \$700, plus \$50 for installation parts, to keep in inventory as a spare if needed.
(7) No additional monitoring well is expected to be constructed in 2019.
(8) For Montgomery and Associates, Todd Groundwater, and Martin Feeney to provide hydrogeologic consulting assistance to the Watermaster, beyond that associated with performing other specified Tasks, when requested to do so by the Technical Program Manager. This work may include participation in conference calls and reviewing documents prepared by others.
(9) If work under this Task is found to be necessary, it will be funded through the Contingency line item in this Budget.
(10) Since the Model and BMAP were updated in 2018, this Task would only be used if there were other issues the Board wished to evaluate and which were not covered in the updated BMAP.
(11) The Model was updated and recalibrated in 2018, so no costs for this Task are anticipated in 2019.
(12) The protective water levels developed in 2009 were examined in 2013 to see if they needed to be updated. It was concluded that the 2009 protective levels were still satisfactory for Basin management purposes, and that no revisions were needed. No work under this Task is anticipated in 2019.
(13) This was a new Task that was started, and was expected to be completed, in 2018. Funds allocated for this Task in 2019 would only be used if the geochemical modeling performed in 2018 indicated the need to have Montgomery and Associates use the Seaside Basin groundwater model to provide additional information needed by the geochemical model to develop mitigation measures for any adverse water quality impacts the geochemical model predicts could occur from introducing non-native water into the Basin.

ATTACHMENT 3

Monitoring and Management Program Operations Budget							
For Tasks to be Undertaken in 2020 ^(1,2)							
Task	Subtask	Sub-Subtask	Cost Description	CONSULTANTS & CONTRACTORS ⁽³⁾			Total
				MPWMD	Private Consultants	Contractors	
Labor							
			Technical Project Manager	\$0	\$50,000	\$0	\$50,000
M.1 Program Administration							
	M.1.a		Project Budget and Controls	\$0	\$0	\$0	\$0
	M.1.b		Assist with Board and TAC Agendas	\$0	\$0	\$0	\$0
	M.1.c & M.1.d		Preparation for and Attendance of at Meetings ⁽⁵⁾	\$0	\$11,845	\$0	\$11,845
	M.1.e		Peer Review of Documents and Reports ⁽⁵⁾	\$0	\$7,725	\$0	\$7,725
	M.1.f		QA/QC	\$0	\$0	\$0	\$0
	M.1.g		SGMA Documentation Preparation	\$0	\$2,204	\$0	\$2,204
I.1 Initial Phase 1 Monitoring Well Construction (Task Completed in Phase 1)							
I.2 Production, Water Level and Quality Monitoring							
	I.2.a		Database Management				
		I.2.a.1.	Conduct Ongoing Data Entry/ Database Maintenance/Enhancement	\$15,042	\$2,472	\$0	\$17,514
		I.2.a.2.	Verify Accuracy of Production Well Meters	\$0	\$0	\$0	\$0
	I.2.b		Data Collection Program				
		I.2.b.1.	Site Representation and Selection ⁽⁷⁾	\$0	\$0	\$0	\$0
		I.2.b.2.	Collect Monthly Water Levels ⁽⁶⁾	\$3,838	\$0	\$0	\$3,838
		I.2.b.3.	Collect Quarterly Water Quality Samples ⁽¹⁾⁽⁵⁾⁽⁶⁾	\$25,278	\$0	\$18,067	\$43,345
		I.2.b.4.	Update Program Schedule and Standard Operating Procedures.	\$0	\$0	\$0	\$0
		I.2.b.5.	Monitor Well Construction ⁽⁷⁾	\$0	\$0	\$0	\$0
		I.2.b.6.	Reports	\$3,683	\$0	\$0	\$3,683
		I.2.b.7.	CASGEM Data Submittal for Watermaster's Voluntary Wells	\$2,456	\$0	\$0	\$2,456
I.3 Basin Management							
	I.3.a		Enhanced Seaside Basin Groundwater Model	(Costs Shown in Subtasks Below)			
		I.3.a.1	Update the Existing Model	\$0	\$0	\$0	\$0
		I.3.a.2	Develop Protective Water Levels	\$0	\$0	\$0	\$0
		I.3.a.3	Evaluate Replenishment Scenarios and Develop Answers to Basin Management Questions	\$0	\$20,000	\$0	\$20,000
	I.3.b		Complete Preparation of Basin Management Action Plan	\$0	\$0	\$0	\$0
	I.3.c		Refine and/or Update the Basin Management Action Plan ⁽¹¹⁾	\$0	\$0	\$0	\$0
	I.3.d		Evaluate Coastal Wells for Cross-Aquifer Contamination Potential ⁽¹³⁾	\$0	\$0	\$0	\$0
	I.3.e		Seaside Basin Geochemical Model	\$0	\$0	\$0	\$0
I.4 Seawater Intrusion Contingency Plan							
	I.4.a		Oversight of Seawater Intrusion Detection and Tracking	\$0	\$0	\$0	\$0
	I.4.b		Analyze and Map Water Quality from Coastal Monitoring Wells	(Costs Included Under I.4.a)			
	I.4.c		Annual Report- Seawater Intrusion Analysis	\$1,228	\$22,197	\$0	\$23,424
	I.4.d		Complete Preparation of Seawater Intrusion Response Plan ⁽²⁾	\$0	\$0	\$0	\$0
	I.4.e		Refine and/or Update the Seawater Intrusion Response Plan ⁽²⁾⁽⁹⁾	\$0	\$0	\$0	\$0
	I.4.f		If Seawater Intrusion is Determined to be Occurring, Implement Contingency Response Plan ⁽²⁾	(No Costs are Included for This Task, as This Task Will Likely Not be Necessary During 2019. If it Does Become Necessary, Use of Contingency Funds or a Budget Modification Will Likely be Necessary)			
TOTALS CONSULTANTS & CONTRACTORS				\$51,525	\$116,443	\$18,067	
SUBTOTAL not including Technical Program Manager =							\$136,035
Contingency (not including Technical Program Manager) @ 10% ⁽⁴⁾ =							\$13,603
Technical Program Manager							\$50,000
TOTAL=							\$199,638

Footnotes:

- (1) An outside contractor would be used to perform the induction logging, and potentially to also collect some water level data in conjunction with doing the induction logging. MPWMD is expected to perform portions of the work of this Subtask, and the Watermaster will be the party that subcontracts with the Contractor to perform the induction logging on certain of the wells.
- (2) The response plan would only be implemented in the event sea water intrusion is determined to be occurring.
- (3) Within the context of this document the term "Consultant" refers either to a Private Consultant providing professional engineering or other types of technical services, or to the Monterey Peninsula Water Management District (MPWMD). The term "Contractor" refers to a firm providing construction
- (4) Due to the uncertainties of the exact scopes of some of the Tasks listed above at the time of preparation of this Budget, it is recommended that a 10% Contingency be included in the Budget.
- (5) A portion of this cost is for maintaining sampling equipment that was installed in prior years.
- (6) Does not include costs for MPWMD to collect water level data or water quality samples from wells other than those that are part of the basic monitoring well network, i.e. for private well owners who have requested that the Watermaster obtain this data for them. Costs to obtain that data are to be reimbursed to the Watermaster by those well owners, so there should be no net cost to the Watermaster for that portion of the work under these Tasks.
- (7) No additional monitoring well is expected to be constructed in 2020.
- (8) For Montgomery and Associates, Todd Groundwater, and Martin Feeney to provide hydrogeologic consulting assistance to the Watermaster, beyond that associated with performing other specified Tasks, when requested to do so by the Technical Program Manager.
- (9) If work under this Task is found to be necessary, it will be funded through the Contingency line item in this Budget.
- (10) Not used.
- (11) If necessary to reflect knowledge gained from modeling work or other data sources. Since the BMAP was updated in 2018, no work on this Task is anticipated in 2020.
- (12) Includes a 3% inflation factor on most annually recurring costs in the 2019 Budget, except the Technical Program Manager cost which has no inflation factor applied to it.
- (13) No further work on this Task is anticipated in 2020.

ATTACHMENT 4

Monitoring and Management Program Capital Budget									
For Tasks to be Undertaken in 2019									

No Capital projects are anticipated to be undertaken in 2019, so this budget is \$0.									
--	--	--	--	--	--	--	--	--	--

Monitoring and Management Program Capital Budget									
For Tasks to be Undertaken in 2020									

No Capital projects are anticipated to be undertaken in 2020, so this budget is \$0.									
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SEASIDE GROUNDWATER BASIN WATERMASTER

TO: Board of Directors
FROM: Laura Dadiw, Administrative Officer
DATE: October 3, 2018
SUBJECT: Unit Cost for Water Year 2018/19 Over Production Replenishment Assessment Amounts

RECOMMENDATION:

It is recommended that the Board approve a Proposed Replenishment Assessment Unit Cost of \$2,872 for Operating Yield Overproduction and \$718 (25% of \$2,872) for Natural Safe Yield Over Production for Water Year 2019 (October 1, 2018 - September 30, 2019).

On August 21, 2018 the Budget and Finance Committee approved the proposed Unit Cost for Water Year 2018/19 Over Production Replenishment Assessment Amounts and recommended board approval.

SUMMARY:

The Replenishment Assessment Unit Cost is used to calculate the Replenishment Assessments that are charged to any Standard Producer that exceeds its allocations (both Operating Yield and Natural Safe Yield allocations) during the Water Year.

Per page 33 of the Decision, “*The per acre-foot amount of the Replenishment Assessments shall be determined and declared by Watermaster in October of each Water Year in order to provide Parties with advance knowledge of the cost of Over-Production in that Water Year.*” Thus, the per acre-foot amount determined by the Board on or before October of 2018 will be used to calculate Replenishment Assessments for pumping that occurs during the Water Year which begins on October 1, 2018 and ends on September 30, 2019.

BACKGROUND:

For each of the three Water Years 2014, 2015, and 2016, the Board adopted a unit cost of \$2,702/AF. This unit cost was developed starting with Water Year 2014 by taking the average of the Base Unit Cost (\$/AF) listed in Table 1 for each project $[\$3,507+\$1,800+\$2,000+\$3,500]/4$, as the Replenishment Assessment Unit Cost. The Water Year 2014 unit cost was carried over to the two subsequent Water Years because no updated cost data was available for the projects listed in Table 1, and no other viable projects could be identified. For Water Year 2016/17 the Budget and Finance Committee updated the basis from which the annual calculation of the Unit Cost of replenishment water is established, a blended cost of a reduced size desalination plant for the Monterey Peninsula Water Supply Project and groundwater replenishment provided by the Pure Water Monterey Project $[(\$4,591+\$2,025+\$2,000)/3] = \$2,872$ (see Table 2).

DISCUSSION:

Due to the lack of more supportable data the recommendation is to continue using \$2,872, the average of the Base Unit Cost (\$/AF) listed in Table 2 for each project $[(\$4,591+\$2,025+\$2,000)/3]$ as the Operating Yield Over Production Replenishment Assessment Unit Cost for the Water Year 2018/2019. The Natural Safe Yield Replenishment Assessment Unit Cost is 25% of that amount, or \$718.

ATTACHMENTS:

Table 1: Water Year 2014 Unit Cost Calculation Data
Table 2: Updated Unit Cost Data

WATER YEAR 2014 (October 1, 2013-September 30, 2014)

ANTICIPATED UNIT COSTS OF REPLENISHMENT WATER FOR THE SEASIDE BASIN

POTENTIAL SOURCE OF REPLENISHMENT WATER	POTENTIAL DATE REPLENISHMENT WATER COULD BECOME AVAILABLE	POTENTIAL VOLUME OF WATER THAT COULD BE SUPPLIED BY THE PROJECT (AFY) ⁽¹⁾	LEVEL OF PROJECT DEVELOPMENT	CONTINGENCY INCLUDED IN BASE UNIT COST ⁽²⁾ (%)	BASE UNIT COST (\$/AF)	ADDITIONAL CONTINGENCY ADDED TO REFLECT LEVEL OF PROJECT DEVELOPMENT ⁽³⁾ (%)	UNIT COST INCLUDING ADDITIONAL CONTINGENCY (\$/AF)	UNIT COST INFLATED @ 3% FROM COST BASIS YEAR TO YEAR REPLENISHMENT WATER COULD BECOME AVAILABLE (\$/AF)	VOLUME-WEIGHTED AVG %
Monterey Peninsula Water Supply Project (Regional Desalination) ⁽⁴⁾	2018	9,752	Project Report	30%	\$3,507	0%	\$3,507	\$4,188	56.53%
Seaside Basin ASR Expansion ⁽⁵⁾	2015	1,000	Conceptual	11%	\$1,800	39%	\$2,502	\$2,734	5.80%
Regional Urban Water Augmentation Project ⁽⁶⁾	2017	3,000	Design	5%	\$2,000	10%	\$2,200	\$2,476	17.39%
Groundwater Replenishment Project (GWRP) ⁽⁷⁾	2017	3,500	Conceptual	50%	\$3,500	0%	\$3,500	\$3,500	20.29%
Total Quantity of Replenishment Water (AFY) the Listed Projects Could Cumulatively Potentially be Able to Produce Within the Next 10 Years ⁽⁸⁾ =									17,252

FOOTNOTES:

- (1) For the Monterey Peninsula Water Supply Project this is the total amount of water from this source which could potentially come to the CAW distribution system. Only a portion of this amount might be available as initially unused capacity that could be used to help replenish the Seaside Basin. For the RUWAP this is the total amount of water from this source. Only a portion of this amount might be used for in-lieu replenishment of the Seaside Basin. For the ASR Expansion Project this is the additional amount of water that could potentially be provided by this project (see footnote 5). For the RUWAP this is the total amount of water that this project is expected to produce. Only a portion of this amount might be used as in-lieu replenishment of the Seaside Basin. For the GWRP this is the quantity of water that is being considered at this time by CAW for inclusion in its Monterey Peninsula Water Supply Project.
- (2)(3) The following Contingency percentages were considered reasonable for the indicated levels of project development: Conceptual Level - 50%, Project Report Level - 30%, and Design Level - 15%. The sum of the values in the columns titled "Contingency Included in Base Unit Cost" and "Additional Contingency Added to Reflect Level of Project Development" equals the Contingency appropriate for the project's level of development.
- (4) Project data based on documents provided by Cal Am and MPWMD.
- (5) Project data provided by MPWMD. The 1,000 AFY of potential water that this project could supply would be in addition to the 1,300 AFY included as part of the Monterey Peninsula Water Supply Project, and would be an annual average taking into account river flow and hydrologic conditions that change from year to year.
- (6) Project data provided by MCWD.
- (7) Project data provided by MRWPCA. MRWPCA reported that the GWRP quantity being used in the current CEQA documentation is 3,500 AFY, but that the project could potentially supply 6,500 AFY or more. The unit cost would be lower if a quantity larger than 3,500 AFY were produced.
- (8) This value is the cumulative production capacity of all of the Potential Sources of Replenishment Water that listed in this table, and is used only to determine the "Volume-Weighted Average." It is not the amount of water that is expected to be available to the Seaside Basin.

TABLE 2

WATER YEAR 2017 (October 1, 2016-September 30, 2017)				
ANTICIPATED UNIT COSTS OF WATER COULD POTENTIALLY BE USED FOR REPLENISHMENT OF THE SEASIDE BASIN				
POTENTIAL SOURCE OF REPLENISHMENT WATER	POTENTIAL DATE REPLENISH-MENT WATER COULD BECOME AVAILABLE	POTENTIAL VOLUME OF WATER THAT COULD BE SUPPLIED BY THE PROJECT (AFY) ⁽¹⁾	BASE UNIT COST (\$/AF)	BASE UNIT COST YEAR
Regional Desalination ⁽²⁾	2020	6,250	\$6,147	2019
Groundwater Replenishment Project (Pure Water Monterey) ⁽²⁾	2018	3,500	\$1,811	2018
Monterey Peninsula Water Supply Project (Combined Regional Desalination with Groundwater Replenishment Project)	GWRP in 2018 Regional Desalination in 2020	9,750	\$4,591	
Seaside Basin ASR Expansion ⁽³⁾	2020	1,000	\$2,025	2016
Regional Urban Water Augmentation Project ⁽⁴⁾	2018	1,400-1,700	\$2,000	2018
FOOTNOTES:				
(1) For the Regional Desalination Project this is the total amount of water from this source which could potentially come to the CAW distribution system, based on the desalination plant having a 6.4 MGD capacity which is equivalent to 7,169 AFY. Only a portion of this amount might be available as initially unused capacity that could be used to help replenish the Seaside Basin. For the RUWAP this is the total amount of non-potable water from this source. Only a portion of this amount might be used for in-lieu replenishment of the Seaside Basin. For the ASR Expansion Project this is the additional amount of water that could potentially be provided by this project (see footnote 3). For the GWRP this is the quantity of water that is being planned at this time by CAW for inclusion in its Monterey Peninsula Water Supply Project.				
(2) Base unit cost data based on PUC filing documents and provided by Dave Stoldt of MPWMD .				
(3) Base unit cost data provided by MPWMD. The 1,000 AFY of potential water that this project could supply would be in addition to the 1,300 AFY included as part of the Monterey Peninsula Water Supply Project, and would be an annual average taking into account river flow and hydrologic conditions that change from year to year.				
(4) Project data provided by MCWD.				

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**SEASIDE GROUNDWATER BASIN
WATERMASTER**

TO: Board of Directors

FROM: Laura Dadiw, Administrative Officer

DATE: October 3, 2018

SUBJECT: Request for Increase in Technical Program Manager Hourly Rate

RECOMMENDATION:

Approve the request to increase the Technical Program Manager's hourly rate to \$150/hr. effective October 1, 2018.

On August 21, 2018 the Budget and Finance Committee approved the request for increase in Technical Program Manager hourly rate and recommended board approval.

DISCUSSION:

When Technical Program Manager, Robert Jaques was hired as the Watermaster Technical Program Manager on June 6, 2007 his hourly rate was set at \$100/hour. Mr. Jaques pays all his own travel, office, printing, and other work-related expenses within that hourly rate.

Since his date of employ some 11 years ago he has maintained that same hourly rate, while the hourly rates for all of the consultants the Watermaster uses, as well as the employees of MPWMD and the other governmental agencies associated with Watermaster, have increased during that same time period.

The hourly rates that are billed for these consultants and employees working in professional positions comparable to the Technical Program Manager are shown in the table below. As the table indicates, those hourly rates have grown significantly since Watermaster hired Mr. Jaques.

Mr. Jaques has over 40 years of experience working on local and regional water, wastewater, recycled water, stormwater, and groundwater projects and issues, and 11 years working as the Watermaster Technical Program Manager.

To reflect the experience brought to this position, and to recognize that hourly rates for all of the associated consultants have increased significantly since the date of his employment with the Watermaster, it is requested that Mr. Jaques' hourly rate as Watermaster Technical Program Manager be increased to \$150/hr. effective October 1, 2018.

This should not require an increase in the amount budgeted for this position either this year or in 2019, since the amount budgeted has never been reached in any of the prior years.

ATTACHMENTS: None

ENTITY	JOB TITLE	2007/2008 BILLABLE HOURLY RATE	2018 BILLABLE HOURLY RATE
Martin Feeney	Professional (Martin Feeney)	Field rate \$115/hr.; office rate \$150/hr.	Field rate \$165/hr.; office rate \$195/hr.
MPWMD	Senior Hydrologist (Jon Lear)	\$99/hr.	\$149/hr.
HydroMetrics (now Montgomery & Associates)	Scientist VI (Georgina King)	\$125/hr.	\$200/hr.
	Scientist VIII (Derrick Williams)	\$145/hr.	\$225/hr.
Todd Groundwater	Senior Hydrologist (Gus Yates)	\$140/hr.	\$220/hr.

SEASIDE GROUNDWATER BASIN WATERMASTER

TO: Board of Directors
FROM: Laura Dadiw, Administrative Officer
DATE: October 3, 2018
SUBJECT: Discussion/Consider Approving Amendment No.1 to Brownstein, Hyatt, Farber, Schreck (BHFS) (Russ McGlothlin) RFS No. 2018-01

RECOMMENDATIONS: Approve Amendment No.1 to BHFS RFS No. 2018-01 raising the total authorized cost of the RFS by \$17,000 to \$24,000.00.

On August 21, 2018 the Budget and Finance Committee approved Amendment No.1 to BHFS RFS No. 2018-01 and recommended board approval.

BACKGROUND:

The original Total Price of RFS No. 2018-01 was \$7,000 for BHFS to provide, on an ongoing and as-requested basis, legal services to Watermaster on a variety of topics.

Staff fields whatever issues it can however there have been significant, and mounting, unanticipated issues in 2018 determined to require the expertise of WM legal counsel. These include to date:

Additional information requested by the Judge re: 2018 CM (concluded):	7,695.00
CAW Production of LSRA APA (concluded):	90.00
Bishop McIntosh & McIntosh (concluded):	405.00
PRA records request & comments (on-going & extensive):	<u>4,900.00</u>
Total additional expenditures	\$13,090.00
Budgeted expenditures	2,160.00

This unanticipated work that needed to be performed resulted in all of the monies allocated to providing legal services being exhausted in March 2018. The Board at its August 1, 2018 meeting approved a budget adjustment moving \$10,000 from the Contract Services Administrative Officer (AO) budget line to the Legal Services budget line, increasing the budgeted amount for legal services to \$17,000 and reducing AO to \$40,000.

DISCUSSION:

In order for PROFESSIONAL to continue providing these types of services during the remainder of 2018, this Amendment No.1 to RFS No. 2018-01 hereby adds \$17,000.00 to the authorized cost of RFS No. 2018-01. This amount includes the \$10,000 budget revision approved by the Board at its 8/1/18 meeting and the \$7,000 movement proposed from the Administrative Fund Reserve. Therefore, the revised cost of RFS No. 2018-01 authorized by this Amendment No.1 is \$24,000.00.

FISCAL IMPACTS:

The \$7,000 from the Administrative Fund Reserve leaves an estimated \$18,000 in the fund to be carried over to 2019 reserves and the reserve balance brought up to the customary \$25,000 with 2019 assessments.

ATTACHMENTS:

Amended RFS 2018-01 with Brownstein, Hyatt, Farber, Schreck (BHFS) (Russ McGlothlin)

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SEASIDE BASIN WATERMASTER
REQUEST FOR SERVICE

DATE: October 3, 2018

RFS NO. 2018-01 Amendment No.1

TO: Russ McGlothlin
Brownstein Hyatt Farber Schreck, LLP
1020 State Street
Santa Barbara, CA 93101-2711

FROM: Laura Dadiw
Watermaster
PO Box 51502
Pacific Grove, CA 93950

Services Needed and Purpose: Provide legal services to prepare and file a motion, and attend a status conference hearing via CourtCall on March 30, 2018 with Judge Nichols of the Superior Court; assist as may be requested with preparing the Watermaster Annual Report to Court to be filed by January 15, 2019; and provide miscellaneous legal consultation as may be needed by Watermaster. See Amended Scope of Work in Attachment I.

Completion Date: All work under this RFS will be completed no later than December 31, 2018.

Method of Compensation: Time and Expense Payment Method. Hourly rates and costs for Other Direct Costs and Expenses are described in Attachment I.

Total Price Authorized by this RFS: The revised Total Price for RFS No. 2018-01, as authorized by this Amendment No.1 thereto, is \$24,000
(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: Not Applicable to this RFS Date: _____

Authorized by: _____ Date: _____
Ralph Rubio
WATERMASTER Chairman of the Board

Agreed to by: _____ Date: _____
PROFESSIONAL

ATTACHMENT 1

The original Total Price of RFS No. 2018-01 was \$7,000. A portion of that amount was for PROFESSIONAL to provide, on an ongoing and as-requested basis, legal services to WATERMASTER on a variety of topics.

Unanticipated work that needed to be performed in 2018 resulted in all of the monies allocated to providing legal services being exhausted in March 2018.

In order for PROFESSIONAL to continue providing these types of services during the remainder of 2018, this Amendment No.1 to RFS No. 2018-01 hereby adds \$17,000.00 to the authorized cost of RFS No. 2018-01. Therefore, the revised cost of RFS No. 2018-01 authorized by this Amendment No.1 is \$24,000.00.

**SEASIDE GROUNDWATER BASIN
WATERMASTER**

TO: Board of Directors

FROM: Robert S. Jaques, Technical Program Manager

DATE: October 3, 2018

SUBJECT: Consider Approval of Application for Storage and Recovery of Water from the Pure Water Monterey Project

RECOMMENDATION

Approve the attached application to Store and Recover Non-Native Water from the Seaside Basin for the proposed storage of PWM water in the Basin.

BACKGROUND:

The Amended Decision of the Court which created the Watermaster 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. The application process is described in Section III.L.3.j.xx of the Amended Decision. In anticipation that some Standard Producers may wish to use their storage allocations for this purpose, the Board at its June 2, 2010 meeting approved an application template for storing and recovering water.

DISCUSSION

In early 2018 California American Water and the Monterey Peninsula Water Management District (MPWMD) submitted a draft joint application to store water that will be produced by the Pure Water Monterey (PWM) project. The draft application was revised in consultation with Watermaster staff and was subsequently reviewed by the TAC at its March 14, 2018 meeting. The TAC found the application to be satisfactory, and recommended that the Board approve that application.

The application presented to the Board includes three minor revisions to the version that was submitted to the TAC. Specifically, the contact for California American Water was changed, the term "AWT Water" was defined, and MPWMD was identified as the party injecting the PWM water into the Basin. If the Board approves the attached application, an Agreement for Storage and Recovery will be developed and it is anticipated that the agreement will be presented to the Board for its approval at its December 2018 meeting.

ATTACHMENTS

Application to Store and Recover Non-Native Water from the Seaside Basin for the proposed storage of PWM water in the Basin.

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

[Note: As discussed herein, the Agenda Transmittal version of this Application does not include all of the lengthy attachments that are part of the full Application. However, the full Application, including all of its attachments, is posted for review on the Watermaster’s website.]

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.

California-American Water Company (CAWC);
Co-Applicant Monterey Peninsula Water Management District (MPWMD)

Name of Standard Producer (Applicant)

Contact Information for Applicant:

Contact Person: Christopher Cook

Address: 511 Forest Lodge Rd. Ste 100, Pacific Grove, CA 93950

Telephone: 831-646-3241

Contact Information for Co-Applicant:

Contact Person: Dave Stoldt

Address: 5 Harris Court – Bldg. G, Monterey, CA 93940

Telephone: 831-658-5651

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

CAWC wishes to store 6,000 acre-feet per year of advanced treated recycled water from the Pure Water Monterey project (AWT Water) in the Basin, which includes AWT Water used to backflush an injection well that percolates into the ground. MPWMD wishes to use CAWC’s Storage Allocation to store up to 4,000 acre-feet of the AWT Water for CAWC’s future use (the “Reserve Water”). The AWT Water will be directly injected into the Basin by MPWMD.

Proposed location(s) where the spreading or direct injection of non-native water into the Seaside Basin will occur.

The storage of water will be performed at the location(s) shown in Attachment A.

Proposed location(s) where the stored water may be recovered.

CAWC will recover the AWT Water at the following location(s), or at such other locations as may be approved by the Watermaster. The aquifer from which each of these wells draws is shown in parentheses:

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

Water quality characteristics of the non-native water proposed for spreading or direct injection into the Seaside Basin.

The AWT water that MPWMD will inject into the Seaside Basin will not exceed the water quality limits contained in the Waste Discharge Requirements and Water Recycling Requirements issued for the Pure Water Monterey Project issued by the Central Coast RWQCB in Order No. R3-2017-0003. That document establish limits for:

- Primary Maximum Contaminant Levels for Inorganic Chemicals
- Maximum Contaminant Levels for Radionuclides
- Maximum Contaminant Levels for Organic Chemicals
- Maximum Contaminant Levels for Disinfection Byproducts
- Action Levels for Lead and Copper
- Secondary Maximum Contaminant Levels and Upper Limits for Consumer Acceptance

These limits are quite lengthy and are therefore not included in this agenda transmittal. They are, however, included in Attachment B of the full application which is posted in the “Agreements/Contracts” column of the “Postings and Records” tab of the Watermaster’s website at <http://seasidebasinwatermaster.org/Other/Cal%20Am%20Storage%20Agreement%20Application.pdf> Those limits were taken from the document titled *Final Engineering Report, Volume I: Engineering Report Pure Water Monterey Groundwater Replenishment Project, Revised November 2017*.

Permits and approvals from regulatory agencies.

The Central Coast RWQCB has issued Waste Discharge Requirements and Water Recycling Requirements for the AWT Water under Order No. R3-2017-0003. That document includes sections that specify:

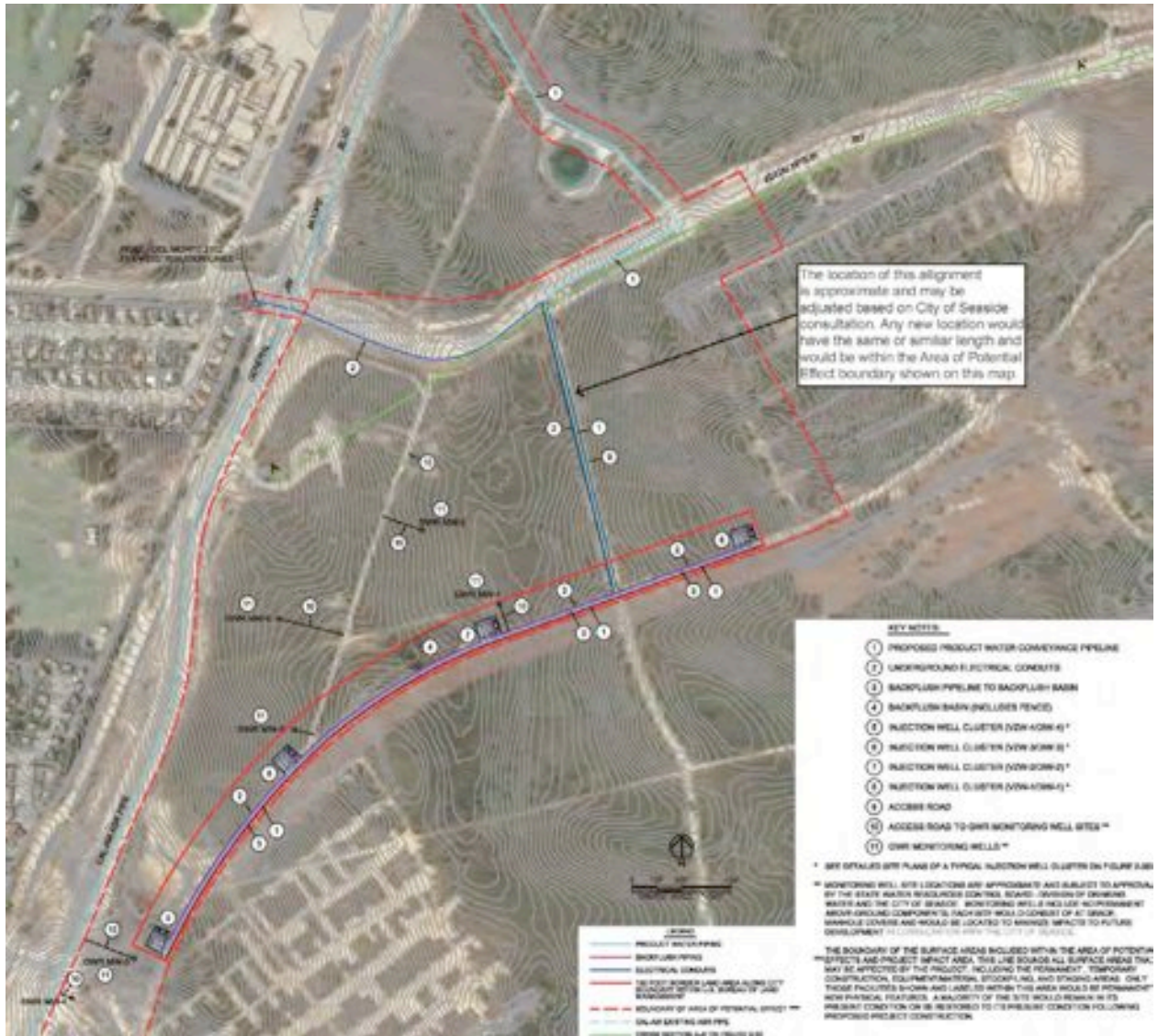
- Influent Specifications
- Recycled Water Treatment Specifications
- Recycled Water Discharge Limits
- General Requirements and Other Provisions (pertaining to the operation of the treatment and injection facilities)
- State Water Resources Control Board Division of Drinking Water (DDW) Requirements
- Enforcement

That document is quite lengthy and is therefore not included in this agenda transmittal. The body of that document, however, is included in Attachment C of the full application which is posted in the “Agreements/Contracts” column of the “Postings and Records” tab of the Watermaster’s website at <http://seasidebasinwatermaster.org/Other/Cal%20Am%20Storage%20Agreement%20Application.pdf>.

ATTACHMENT A

Delivery Point

AWT Water will be injected by MPWMD into the Seaside Groundwater Basin using new injection wells. The proposed new Injection Well Facilities will be located east of General Jim Moore Boulevard, south of Eucalyptus Road in the City of Seaside, including up to eight injection wells (four deep injection wells, four vadose zone wells, in pairs identified as #5, #6, #7, and #8 in the figure below), six monitoring wells, and back-flush facilities.



**SEASIDE GROUNDWATER BASIN WATERMASTER
Reported Quarterly and Annual Water Production From the Seaside Groundwater Basin
For All Producers Included in the Seaside Basin Adjudication – Water Year 2018**

(All Values in Acre-Feet (AF))

Producer	Type	2017			October 1, 2017	2018			Annual Production from SPA Producers	Annual Production from APA Producers	Total Annual Production	Delivered Total	Yield Allocation	From WY 2017	for WY 2018						
		Jan	Feb	Mar		Apr	May	Jun								July	Aug	Sept	October		
Coastal Subirres																					
CAW - Coastal Subirres	SPA	367.69	307.12	315.00	989.81	245.45	241.90	170.36	657.71	711.2	83.16	165.56	321.84	0.00	0.00	0.00	1,969.256	1,537.38	708.80	2,546.17	
City of Seaside (Administrative)	SPA	16.46	13.37	14.39	44.22	13.05	13.64	13.31	39.99	16.11	16.97	16.83	-49.91	0.00	0.00	0.00	134.13	150.74	0.00	150.74	
Gannett-Rock Company	SPA	---	---	---	0.00	---	---	---	0.00	---	---	---	0.00	---	---	---	0.00	0.00	0.00	0.00	
D/B/O Development No. 30	SPA	---	---	---	0.00	---	---	---	0.00	---	---	---	0.00	---	---	---	0.00	0.00	0.00	0.00	
Chalabrese (Cypress Pacific Inc.)	SPA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
City of Seaside (Golf Courses)	APA	45.04	6.11	15.49	66.64	1.94	26.13	8.92	36.99	34.42	83.58	67.24	185.24	0.00	0.00	0.00	0.00	288.87	540.00	16.17	540.00
Sand City	APA	0.02	0.10	0.02	0.14	0.08	0.19	0.15	0.41	0.10	0.13	0.09	0.32	0.00	0.00	0.00	0.00	0.87	9.00	9.00	9.00
SING (Security National Guaranty)	APA	---	---	---	0.00	0.00	0.00	0.58	0.04	---	---	---	0.02	---	---	---	---	0.00	149.00	6.00	149.00
Chalabrese (Cypress Pacific Inc.)	APA	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.04	0.00	0.00	0.02	0.02	0.00	0.00	0.00	0.06	6.00	6.00	6.00	
Mission Memorial (Alderwoods)	APA	2.31	0.46	1.02	3.79	0.64	0.44	0.12	1.20	0.22	1.86	1.25	3.33	0.00	0.00	0.00	0.00	8.31	31.00	31.00	31.00
Coastal Subirres Totals					1,104.60				736.33				560.66				2,401.60	2,766.59	1,456.04	4,222.64	
Laguna Seca Subirres																					
CAW - Laguna Seca Subirres	SPA	24.00	18.60	23.59	66.19	19.19	21.63	18.47	59.29	19.66	27.54	31.26	78.46	0.00	0.00	0.00	0.00	203.94	0.00	0.00	0.00
Ryan Ranch Unit	SPA	2.29	3.97	4.20	10.46	3.66	0.93	0.00	4.59	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.05	0.00	0.00	0.00
Hidden Hills Unit	SPA	10.24	5.63	9.87	25.74	7.75	8.80	7.82	24.37	8.29	10.88	12.33	31.40	0.00	0.00	0.00	0.00	81.51	0.00	0.00	0.00
Bishop Unit	SPA	11.47	9.00	9.52	29.99	7.78	11.90	10.65	30.33	11.37	16.66	19.03	47.06	0.00	0.00	0.00	0.00	107.38	0.00	0.00	0.00
Nicklaus Club Monterey	APA	23.00	0.00	0.00	23.00	0.00	2.00	0.00	2.00	7.00	18.00	27.00	52.00	0.00	0.00	0.00	0.00	77.00	251.00	0.00	251.00
Laguna Seca Golf Resort (Bishop)	APA	30.81	0.00	0.00	30.81	5.08	2.24	0.17	8.10	6.21	29.52	42.09	77.82	0.00	0.00	0.00	0.00	116.73	320.00	0.00	320.00
York School	APA	2.24	0.08	0.71	3.02	0.01	0.54	0.01	0.56	0.85	2.05	1.38	4.88	0.00	0.00	0.00	0.00	8.06	32.00	0.00	32.00
Laguna Seca County Park	APA	1.01	0.65	0.97	2.63	1.15	1.18	0.60	2.93	1.36	1.56	2.96	4.99	0.00	0.00	0.00	0.00	10.54	41.00	0.00	41.00
Laguna Seca Subirres Totals					125.65				72.87				217.75				416.27	644.00	0.00	644.00	
Total Production by WM Producers					1,230.26				809.20				778.41				2,817.87	3,410.59	1,456.04	4,866.64	
City of Seaside Golf Courses In-Lieu (MCHD source water)					0.00				0.00				0.00				0.00				
MCHD delivery					0.00				0.00				0.00				0.00				
CAW/MPP/MD ASR (Carnal River Basin source water)					0.00				341.23				189.26				530.49				
Injection (Recovery)					0.00				0.00				43.15				43.15				
Net ASR					0.00				341.23				232.41				573.64				

Notes:
 1. The Water Year (WY) begins October 1 and ends September 30 of the following calendar year. For example, WY 2018 begins on October 1, 2017, and ends on September 30, 2018.
 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. M66543).
 3. Values shown in the table are based on reports to the Watermaster received by July 15, 2018.
 4. All values are rounded to the nearest hundredth of an acre-foot. Where required, reported data were converted to acre-feet utilizing the relationships: 325.851 gallons = 43,560 cubic feet = 1 acre-foot.
 5. "Base Operating Yield Allocation" values are based on Seaside Basin Adjudication decision. These values are consistent with the *Watermaster Producer Allocation Report Year 2018* (see Item IX.B. in 12/6/2017 Board packet).
 6. Any minor discrepancies in totals are attributable to rounding.
 7. APA = Alternative Producer Allocation; SPA = Standard Producer Allocation; CAW = California American Water.
 8. It should be noted that CAW/MPP/MD ASR "Injection" and "Recovery" amounts are not expected to "balance" within each Water Year. This is due to the injection recovery "rules" that are part of SWRCB water rights permits and/or separate agreements with state and federal resources agencies that are associated with the water rights permits.

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SEASIDE GROUNDWATER BASIN WATERMASTER

TO: Board of Directors
FROM: Laura Dadiw, Administrative Officer
DATE: October 3, 2018
SUBJECT: Status of Appointment of a New Seaside Groundwater Basin Watermaster Judge

STAFF COMMENTS:

Judge Nichols will soon withdraw as assigned all-purpose judge in the Watermaster matter. The revised Assigned Judges Program, effective July 1, 2018, dramatically reduces the availability of program days to the courts throughout the state, caps the number of days an assigned judge may serve in any year, and (retroactively) caps the total number of days (1320) an assigned judge may serve in this capacity. Judge Nichols has exceeded that categorical limit and has elected to conclude his service (as required) by the end of this calendar year, earlier if the program requires earlier separation.

Monterey Superior Court Presiding Judge Lydia Villarreal would be willing to assign this case to a judge of the Monterey Superior Court. Her assumption of that responsibility requires a stipulation by Watermaster parties. If the parties do not so stipulate, efforts will be undertaken to obtain the assignment of an out of county judge.

As of September 20, 2018, Watermaster legal counsel informed that numerous parties objected to using a Monterey County judge so there was no stipulation to that effect submitted to the court. There has been no notice of a new judicial assignment. Thus, Watermaster is waiting for assignment of a neutral, out-of-county judge.