



STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
1102 Q Street • Suite 3050 • Sacramento, CA 95811

April 25, 2025

Michael Scattini

Via email: scat461@aol.com

John Baillie

Via email: john@celeryhearts.com

Matt Simas

Via email: matt@taproduce.com

Monterey County Water Resources Agency

Via email: mcwater@countyofmonterey.gov

Re: FPPC Complaint No. COM-04222025-01091; Matt Simas, Michael Scattini, John Baillie, Monterey County Water Resources Agency, Monterey County Water Resources Agency

Dear Respondents:

The Enforcement Division of the Fair Political Practices Commission has received a sworn complaint against you. It appears the complainant is alleging you have violated the Political Reform Act's¹ conflict of interest provisions. The information filed in the complaint is below and any attachments filed are enclosed. The complaint was filed against all those listed above.

The person filing the Complaint is:
William Lipe

The violations alleged are:

Conflict of Interest

General Rule (87100)

3. Nature of Alleged Violation

Failure to recuse themselves from public deliberations and decisions concerning water delivery charges directly affecting their financial interests as landowners, lessees, or affiliated operators within the Castroville Seawater Intrusion Project (CSIP) service area.

¹ The Political Reform Act is contained in Government Code sections 81000 through 91014, and all statutory references are to this code. The regulations of the Fair Political Practices Commission are contained in Sections 18104 through 18998 of Title 2 of the California Code of Regulations, and all regulatory references are to this source.

Statutory Basis for Complaint:

Government Code § 87100: Prohibits public officials from making, participating in, or influencing decisions in which they have a financial interest.

Government Code § 87103: Defines qualifying financial interests (e.g., real property ownership, leaseholds, personal finances).

FPPC Regulation § 18707: Requires public identification of conflicts and recusal from discussions, voting, and influence.

Government Code § 1090 (as supportive reference): Bars public officials from being financially interested in agency contracts.

4. Key Facts and Evidence

Initial Violation – April 15, 2024 MCWRA Board Meeting:

During a public hearing to consider increasing CSIP water delivery fees for Zone 2B (up to \$89.60/AF), three directors—Michael Scattini, John Baillie, and Matt Simas—participated in deliberations and voted, despite owning, leasing, or operating agricultural land within the service area.

Scattini acknowledged his lease negotiations would be impacted.

Baillie identified as a landowner and supported lower fees.

Simas spoke as an operator and opposed steep increases.

These actions occurred without disclosure or recusal.

Transcript & Video Evidence (see Exhibits B, C, D):

Scattini: "I have a difficult time wanting to raise [fees] any more than the bare minimums..."

Baillie: "I would be more inclined to move with the lower rate, at least for this year."

Simas: "It's tough to see a big increase one year."

All three voted on a reduced rate, counter to staff recommendation.

Ongoing Violation – April 21, 2025 MCWRA Board Meeting:

A year later, under Agenda Item 13, the same issue returned. The complainant submitted a public comment at 11:17 AM, urging any director with financial ties

to CSIP to recuse. Nevertheless, all three directors again deliberated and voted—unanimously approving the revised rate of \$85.24/AF.

Scattini (02:55:39–02:56:55):

"As much as I begrudgingly will vote yes on this matter, it does strike quite a bit of light on what the CSIP ratepayers pay..."

Public Comment by Mr. Tom Virsik (02:51:00–02:53:53):

"There's only 195 parcels in the CSIP according to the presentation, and that may make a difference with respect to Mr. Lipe's public comment earlier today."

Mr. Virsik, speaking as a member of the public, offered a factual observation that highlights the concentrated nature of the affected zone—intensifying concerns about conflict when multiple board members hold direct interests.

Clarification:

While the vote was unanimous, Government Code § 87100 prohibits participation, not just decisive votes. The violation lies in influence and engagement, not merely the outcome.

5. Impact of Violations

Erosion of Public Trust: Recurring participation by financially interested directors, despite formal warnings, undermines agency transparency.

Material Influence: In a zone with only 195 parcels, even limited participation by interested directors can carry disproportionate weight.

Legal Exposure: Violations of the Political Reform Act expose the agency to regulatory scrutiny, civil challenges, and reputational damage.

Institutional Weakness: The need for recusal was foreseeable and avoidable, yet disregarded—twice.

6. Relief Requested

Formal Investigation:

Initiate an FPPC investigation into the participation of Directors Scattini, Baillie, and Simas during the MCWRA board meetings on April 15, 2024, and April 21, 2025.

Enforcement Measures:

Impose penalties for confirmed violations.

Mandate recusals in any future matter involving financial interest.

Training and Compliance:

Require immediate completion of AB1234 ethics training by all MCWRA board members.

Recommend supplemental training focused on FPPC conflict-of-interest standards.

Policy Reform:

Advise MCWRA to implement independent conflict-review processes and stricter pre-meeting disclosures.

Public Statement:

Recommend MCWRA publicly reaffirm its commitment to lawful, ethical governance.

7. Supporting Documentation

Exhibit A – April 15, 2024, MCWRA Board of Directors Agenda and Meeting Packet

Description: Full packet including agenda item discussing proposed CSIP Zone 2B water delivery charges.

Contents: Board agenda, staff report, and supporting documentation.

Reference Link:

<https://monterey.legistar.com/View.ashx?M=PA&ID=1190161&GUID=1F15F38F-BCE5-43A7-BA38-78F28AB061A5>

Exhibit B – April 15, 2024, Board Meeting Transcript

Description: Verbatim transcript of the meeting with timestamps and quotes from conflicted directors.

File: “20240415 - Transcript for MCWRA BOD meeting CSIP delivery charges.docx” will be uploaded.

Exhibit C – Video Replay of April 15, 2024, Board Meeting

Description: Official meeting video corroborating transcript excerpts and voting activity.

Link:

https://montereycty.zoom.us/rec/share/fqPrtYR3HXQcamTtTdK_pRgmfdqniMTqKUqp_Z85NwWriVhft9ditMLpIeMtUCT.Nrl6yvQyr6F7rkGi?startTime=1713211082000

Exhibit D – Directors’ Statements Illustrating Conflicts of Interest

Description: Highlighted excerpts:

Scattini: Lease renegotiation (01:24:08)

Baillie: Grower-aligned rate reduction (01:00:33)

Simas: Opposition as operator (01:09:36)

Exhibit E – FPPC Statutory References

Description: Complete copies of relevant codes and regulations cited herein.

Contents:

Government Code §§ 87100, 87103, 1090

FPPC Regulation § 18707

Exhibit F – Public Comment Letter Submitted by William O. Lipe (April 21, 2025)

Description: Letter submitted at 11:17 AM urging recusal by conflicted directors during Item 13.

Purpose: Establishes notice to board and provides foundation for willfulness analysis.

From: Bill Lipe [REDACTED]

Date: Mon, Apr 21, 2025 at 11:17 AM

Subject: Public Comment on Item 13 – FY 2025-26 Zone 2B Water Delivery Charge

To: <mcwater@co.monterey.ca.us>

Cc: Donlon, Kelly L. x5313 <DonlonKL@co.monterey.ca.us>, ClerkoftheBoard <cob@co.monterey.ca.us>, <clerk@svbgsa.org>, Azhderian, Ara <AzhderianA@countyofmonterey.gov>

Monterey County Water Resources Agency

Board of Directors

168 W. Alisal Street, 1st Floor

Salinas, CA 93901

Dear Chair LeBarre and Honorable Directors,

As the Board convenes today to consider Item 13, the recommendation to adopt a water delivery charge of \$85.24 per acre-foot for Zone 2B (serving the Castroville Seawater Intrusion Project and Salinas Valley Reclamation Project), I respectfully submit the following public comment for your consideration.

One year ago, during your April 15, 2024 deliberations on similar water delivery charge adjustments, significant concerns were raised regarding potential conflicts of interest. Specifically, Director Michael Scattini, a landowner and operator within the CSIP service area, actively participated in discussions and advocacy on water delivery charges that directly affected his financial interests. His involvement included suggesting "bare-bones" increases to minimize grower costs — a class in which he himself belonged.

Government Code § 87100 strictly prohibits public officials from participating in decisions where they have a financial interest. Government Code § 87103 further defines such financial interests to include circumstances where the decision will have a direct and measurable financial impact on the official. Even the appearance of a conflict of interest can erode public trust and expose the Agency to legal risk.

Thus, as you deliberate today's Item 13, I respectfully urge any Director — including Director Scattini if applicable — whose personal financial interests may be materially affected by the proposed water delivery rate to recuse themselves from all discussion, debate, and voting on the item.

The integrity of this Board, the fairness of this process, and the public's confidence in your actions depend on adherence not only to the letter but also to the spirit of California's conflict of interest laws.

I thank the Board for its attention to this critical ethical standard.

Respectfully submitted,

Bill Lipe

Exhibit G – April 21, 2025, Board Meeting Video Transcript and Public Comment (Virsik)

Description:

Director Scattini remarks (02:55:39–02:56:55)

Mr. Tom Virsik comment as member of the public (02:51:00–02:53:53)

Purpose: Confirms continued participation and conflict amid narrow service population (195 parcels).

Link:

https://montereycty.zoom.us/rec/share/YDE9AM5cZM7BF1WDeHm_F8EGMVKzqnO6xJ-kng1ZFRLpvdzYazokBJuRZ47-XT2A.aSE6oEkg5cPICTB_w

At this time, we have not made any determination about the allegation(s) made in the complaint. Within 14 days, the complainant will be notified of our intent to:

- investigate the allegations of the complaint;
- refer the complaint to another governmental agency;
- take no action on the complaint because, on the basis of the information provided, the Commission does not appear to have jurisdiction to investigate; or
- take no action on the complaint because the allegations of the complaint do not warrant the Commission's further action.

A copy of that letter will be forwarded to you. If you have any comments on the allegation(s), your comments must be submitted in writing directed to Vanessa Greer at the address shown above or by email to vgreer@fppc.ca.gov. Please include the complaint number referenced above in your response.

Sincerely,

Christopher B. Burton

Christopher B. Burton
Assistant Chief, Enforcement Division

CBB: vg

00:19:05.000 --> 00:19:11.000

Excellent. I love it when it works.

00:19:11.000 --> 00:19:23.000

So yeah, I'll be providing an overview. About the budgeting process that we've been going through with respect to CSIP, SVRP, SRDF.

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With the focus particularly on CSIP and SVRP today and the proposed water delivery charges. What we will do is we'll have the presentation, then opportunities for public comment, and then.

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Ask the directors to consider. Offering a recommendation for the Board of Supervisors to consider in their May and June meetings respectively.

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So, so the action would be to approve and adopt a water delivery charge of up to 89 60 for each acre foot in zone 2 B.

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To have agency staff notice a public hearing on May, the 20 ninth. 2,024 for the supervisors and to request the clerk.

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Of the board to publish that hearing notice. Once a week for 2 consecutive weeks prior to the date set for the public hearing.

00:20:22.000 --> 00:20:32.000

So key budget preparation dates on March, the first the agency submitted to the county per the county's requirements.

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What we refer to as a baseline budget. Subsequent to that, staff had considered requesting supplemental funding to support additional activities above the baseline.

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And so March eighteenth we had an initial discussion, a presentation for the directors. We had a more refined and detailed presentation for the CSIP water quality and ops committee meeting.

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And then a follow-up with the agency Finance Committee meeting, as well as a workshop with CSIP landowners and growers.

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So a lot of steps have been taking leading up to today. Subsequent to today, on the calendar are the May 20 ninth public hearing scheduled for the board of supervisors and then the scheduled budget approval date of June twentieth.

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And so we work backwards from that date. The CSIP budgeting process is defined by both the Agency Act and in Ordinance.

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And so with respect to the agency act, I'm just kind of taking it at the highest level here, the agency act, states that after approval of the budget by the directors We will submit the budget to the agency board of supervisors for its adoption.

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Of course, that's That's the biggest layer, right? The Board of Supervisors ultimately are the ones that approve.

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The budgets. But the agency's finances are also very intertwined with the counties. The county acts as our banker.

00:22:01.000 --> 00:22:14.000

They act as our auditor controller and so much of what we do in terms of the timing and the process is really built off of the county's timing and process and working backwards from that June twentieth date.

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So related to that earlier this month, the agency published a notice to notice this public hearing here today. The requirement to publish that notice is from the ordinance itself.

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And it states that at least one week before the board of directors meeting the general manager shall publish a notice including a proposed amount.

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And that following the public hearing, the director shall make a recommendation. So the notice itself doesn't mark a decision.

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I think there may have been some misunderstanding about what that particular document or notice means. It just simply was to provide a awareness of today's hearing.

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So in any typical year the process begins in December Agency and M. One staff begin identify the activities for the upcoming.

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Year and prepare their budget requests. The initial request for CSA, the Salinas Valley Reclamation Project and for the Selena River diversion facility was 23.4 million dollars or a 22% over the current approved budget.

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If we had moved forward to that it would have resulted in a water delivery charge of up to almost \$240 per acre foot.

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Recognizing that that was untenable. But before I get there, let's just highlight the work that was being done.

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So this is the activities over a dozen activities with estimated costs associated with and that were proposed to be undertaken for that rate.

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Much of this ended up on the cutting room floor, but of particular note and concern to us as staff is the construction of a second replacement well and I'll talk about the wells in more detail here shortly.

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And then also beginning the replacement of the 21,000 volts switch gear the high voltage equipment out in CSIP is definitely showing its age.

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We have had failures. Out there last year had a transformer go. We were fortunate in that we were able to get a used one.

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But this one keeps us up at night just because the lead times are so long and you know there is potential for disruption if a piece of equipment goes down so this is definitely going to remain a high priority for us moving forward.

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But for this year, we just decided to focus on the design phase.

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So kind of backing up to the initial request. So January and February, m 1 staff and agency staff met frequently to review and refine the budgets.

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We decided to propose to continue the delay of a number of important activities and and those delays result in reduced requests of 1.5 9 million under the CSIP fund we reduce the requests 1.5 4 million under the SVRP fund and 2.5 2 million under the SRDF for total reductions from the initial budget of 5.6 5 million.

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From there, we created the base budget which will walk through momentarily and then per the county. Our baseline budget on March, the sixth which is the deadline they provided us.

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And the base budget represents a water delivery fee of \$64 and 60 cents per acre foot. And so what does that cover?

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It really largely covers the CSIP. Utility and SVRP utility costs, the costs of chemicals and a portion of salary and benefits increases and it's important to understand that it only covers portions of these costs.

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We look at the \$64 rate and the way that rate gets split up is with \$53 and 36 cents going in the SVRP for chemicals utilities and labor.

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And 1124 going to CSIP for utilities and labour. So it's really the rate at this point in the base budget is very much focused on The day to day operations and maintenance of the facility.

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The chemical and utility trends rather than relying on forecasts, we relied on analysis of the recent historical costs.

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And so these are actual numbers that we built last next year's estimates off of. And you know, respectively, there's a 33% increase in the chemical costs and a 17% increase in the utility costs.

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In addition, there were some very important items that we did want to cover, recognizing that the 6,460 can only partially cover.

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The the total cost of the projects. Other sources of funding include the assessments. Grants, the SRDF water, service charge and of course fund balances.

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And so we are relying quite heavily in the base budget from, you know, drawing from reserves. And you can see CSIP is incurring the largest proposed impact at nearly 1.3 million dollars.

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SVRP, we tried to keep closer and as we did with SRDF. To a balanced budget.

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But the total fund impact under the base budget is nearly 1.5 million. So what we did keep in notwithstanding the draw from reserves was funding for the Catholic protection repair, the catholic protection system is what maintains the pipes or prevents the pipes from a corroding too quickly.

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We included the, the effort to initiate a master plan and rate study where we could perform, begin to perform an assessment of the systems existing.

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A condition and then develop a plan and a rate to begin to address that over a period of time. And then thought it was important to move forward with the replacement of one supplemental well.

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For budgeting purposes, we plugged in \$300,000, however we note. That depending on how the costs of the replacement go, it could be from 3 to 600,000.

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The good news here is, 900,000 of that will be funded by funds that we receive from the United States Environmental Protection Agency.

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In in the last in this federal fiscal year. So moving from the base budget and the list of items that we left on the cutting room floor, if you will, following the submission on March, the sixth to the county, staff began to prepare a request for an additional \$25 per acre foot to fund.

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Supplemental well maintenance projects to begin a design of the second replacement well. To perform a flow meter replacement and calibration.

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And to support new source water investigations. And so if approved these efforts would result in a proposed water delivery fee of \$89 and 60 cents per acre.

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We presented this initially to the directors on March, the eighteenth and again to the CCP Water Quality and Ops Committee on March, the 20 first and so this has been refined a

little bit as we've been having conversations over the last month or so and this just helps to illustrate what those additional activities are.

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And how they fit. So the supplemental well maintenance, we're eager to move forward on this because we recognize that we are in an excellent time to perform it and we recognize that we are in an excellent time to perform it.

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We are fortunate that we have Surface water stored behind the reservoirs and that we will likely, you know, have a good run of the river this year as well as next.

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And so the need to rely on the wells is greatly diminished and so it creates for us an opportunity to take them offline to perform this this maintenance work at a time where it would likely be low disruptive to system operations.

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You know, what we want to achieve here, we want to improve the operational efficiency. We find a number of these wells are not producing as they once did.

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We certainly want to improve reliability and we certainly want to get these things done. For the next drought.

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And so to update where we are on the wells. Currently what we anticipate in in operation for the 2,024 season.

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Are 8 wells.

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And. 2022 we had 10 in service. But since that time we've had 2 go out.

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One, we have confirmed has suffered a collapse and so will require destruction and replacement and that's the one we're proposing to do with the 1.2 to 1.5 million dollars.

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The second one is undergoing assessment currently but initial indications are that it is in fairly poor condition and likely in need of replacement.

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We'll know more in the coming weeks. Well replacements take a while and so securing a location is probably the hardest and but most important piece of it.

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Of course, there's design and permitting and construction. Construction is heavily weather-dependent.

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And so we can take up to 2 years to replace a well, which is why. We're wanting to get going now while we know we have some time.

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Probably the most important decision to be made is determining the feasibility of the areas for replacement wells.

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What's the quality of the well? Are there utilities in place? Is there a land owner who's willing to work with us?

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So a number of factors that go into that consideration. And then just as a reminder, the agency has been working with our federal representatives to pursue additional federal funding.

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And so we have submitted. Congressionally directed spending requests to Senator Butler and Senator Padilla.

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As well as the house equivalent to representative Lofgren. And so we do continue to pursue. Outside sources of funding to help support the important work to replace these wells.

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The flow meter and calibration project, this really addresses the fact that these are mechanical flow meters that were installed 25 years ago.

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Mechanical meters only do one thing over time and that is slow down and we do see discrepancies between the volume of water calculated for production versus delivery.

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And so we want to be able to address that. The idea here would be to purchase some backup meters and so we don't have to take a turnout offline when the calibration is being performed in between irrigations.

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We can simply remove a meter, put in a new meter, take the old one, get it calibrated, put it on the shelf when we're ready for the next.

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Turn of that wheel and so the idea is to be able to do these this systematic calibration in a way that isn't disruptive to deliveries to the to the growers.

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And ultimately what we're aiming to do here is ensure the accuracy of our groundwater monitoring as well as our water delivery and billing data.

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Lastly, they ask for support for the negotiations with the city of Selena to really get into issues that remain uncertain such as the regional water quality control board requirements and so will we need technical support there.

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And so forth in terms of helping to facilitate a negotiation. So why we plugged in a small number to help support that work effort.

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Those were the activities we proposed to undertake. Under the what we're calling the recommended activities. And this is what that budget looks like.

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And so one question that has come up a lot is about the consultants. It's probably not great nomenclature on our part.

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These are by and large contractors. It's not just consultants. You can see that number is largely filled with the supplemental well replacement.

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But you can see the other activities that fall underneath that category. Some of these are regulatory in nature and so they need to move forward.

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Some of these are funded by other agencies such as DPA or the Salinas Valley Basin GSA.

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Some are included like pathetic protection in our base budget request and some represent. Work that we would propose to do under the recommended activities.

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And, and so but that's how that 2.6 million. Breaks out. So, having gone through this, we met with the Finance Committee on April, the fifth presented both budgets.

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To the Finance Committee. The Finance Committee expressed its concern with the magnitude of the proposed increases in in in all the discussions that have been going on the vast majority of folks.

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To see the necessity of the work that's being proposed. The question has really been more about how rapidly we can get to, you know, a revenue stream that can support all of that work.

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And so the Finance Committee expressed that concern and requested that staff prepare 2 additional options. Both below the, the rate of the base budget.

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So staff subsequently prepared that. One option we were asked to take a look at was at approximately a 20% increase over the current rate.

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And so that's what we're referring to as option X. And then option Y, essentially we're splitting the difference between the 20% increase and the base budget.

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And so, you know, it's it's arbitrary somewhat, but this really doesn't affect.

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What's being proposed in terms of the work, or in other words, There isn't a relationship in these numbers between the work that's proposed and the way that drives the rate as opposed to this being more reflective.

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Of the, you know, willingness or ability to pay the rate and the need to step into it.

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And so those were the rates that we we had proposed or prepared in response to the Finance Committee's request.

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And so we present them here side by side. And so you have 4 options for consideration. So there's the recommended activities rate.

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There is the base budget rate that we submitted to the county. There's option Y, which is halfway between that and then option X, which is the lowest rate.

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And then you can see the way it falls out now. We'll show this both for CSIP and for the SVRP and this particular area you'll notice there's a change in the consultant's cost of \$300,000 and what we back out of that.

00:38:03.000 --> 00:38:23.000

Was \$300,000 for the first well replacement just recognizing that that work could drag out into the next fiscal year and so we could defer obligation of those dollars the risk on you know the other side of the risk on all of that is if the work proceeds more quickly then we'll have to stop.

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And so, but it does also buffer the impact on the fund balances some degree. Which is a good thing.

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And so for Fund 132. Because the costs there are basically the operations, the daily operations and maintenance, that you see how the changes in rate directly step into the incremental revenue reductions, right?

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So each one hits fund balance a little bit harder. But it, you know, it is doable.

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It really comes down to what level of fund balance folks are comfortable with. And I think this highlights the importance of you know, considering a reserve policy to describe, you know, what would we be using?

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Fund balances for in the future and and what are appropriate levels of fund balance to maintain. So those are the 4 options that that we've developed.

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Just a reminder the water delivery revenue, we're doing that those rate estimates based on 20,000 acre feet of water delivered so that is the the average of deliveries out there.

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The total fiscal impacts, they remain unknown and that will be dependent upon, of course, whatever recommendation you all make as well as whatever final decision the board of supervisors make.

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You know, a little bit more than 2 months from now. One thing I wanted to highlight and this is just to highlight kind of the way perspectives affect all of this.

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And so the proposed change in water delivery rates, the water delivery rate is only one component in terms of the total revenue support programs, right?

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So if you think about the 3 physical systems we have. And everything that goes into operating them. In conjunction, right, you've got this whole sort of.

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Program if you will and so it's really easy to focus in on the rates and if I'm a grower I'm looking at these rates and I'm looking at these jumps and they are substantial, right?

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And so I totally understand. The concern about you know, how high, how fast, and that all makes sense.

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As project managers, the way we're looking at it is in the context of the total revenues, right, to support project.

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And when we look at the total revenues in the 24 approved budget that we're currently in versus under the recommended base option wire option X alternatives.

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What you can see is the percentage change is quite a bit smaller. Far less impactful, negative, in some of the options which is concerning.

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When we're sitting down and we're looking at this list of activities that need to be performed.

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And contemplating the revenues that are required to do it. But this reflects not just that one revenue component being water delivery rate, this represents the assessments.

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The grants, the water delivery rate, all of the other components. And so, again, from a systems perspective, This is the way that we would tend to look at it.

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And so just 2 different perspectives on the same. For proposals. So, next steps.

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So assuming there's a director's recommendation today, will direct the clerk of the board to notice the public hearing for the agency's supervisors on May, the 20 ninth.

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And then whatever comes of that public hearing, you know, the final budget will be presented to the agency's supervisors on June, the twentieth for them to consider adoption.

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If there is no recommendation today, then it will need to schedule a special meeting of the directors so that we can in fact develop a in the likely need to do that the last week of April or certainly the first week of May.

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And because we still need to be able to provide the clerk the information they need. To notice the agency supervisor's public hearing on May, the 20 ninth.

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So that is my overview. The CSIP budget options as we see them today. Where we've been and how we got here.

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And so yeah, just to recap. Today's action would be to approve and adopt the water delivery charge.

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To notice the meeting from A. 20 ninth and direct to clerk to publish those notices. And this concludes my presentation.

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Alright, thank you, Ara. And for my board of directors, normally when I do a public hearing, I like to hear from the public first so that when we have our conversation, we have all the information available.

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Given that and see in concurrence with my fellow board of directors. I will now open the public hearing.

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Any members of the public who would like to speak on this item?

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Hmm.

00:43:42.000 --> 00:43:51.000

Good afternoon the state of the agriculture industry right now in sir. Can you please state your name? Yes.

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For the record? Ryan Kelly. So again the state of the agriculture industry in this area is on probably about the worst five-year run that it's been on in recent history.

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Business moving out tax revenue is going down really have to watch our spending very, very closely. I believe that we should table any vote on rate adjustment pinning the middle of an operational budget.

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And priority list for the capital projects with a little more detail than we've seen thus far. Supporting rationale provided thus far is insufficient to support an increase of this magnitude.

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It also includes a 10% hike on salary and benefits. No one in the private sector. Has gotten that kind of an increase.

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In recent history. Our economy is in a recess state at this time. And we just can't afford that kind of a hike.

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We know we need to increase. But we have to do it in a sustainable way. I would support one of the lower increases and you know, revisit it next year for.

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Additional projects and management actions. Thank you. Thank you.

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My name is Steve Rodoni, property owner in the project area. Been involved with the project since 1,992.

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From the first meetings before it was ever built. I also oppose the rate increase as Australia said. I'd like to see more detail, more accountability financially of what it's going towards and look at a lower tier increase if one was going to be put in place.

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And revisit next year with more detailed budgets and more expectations, meaning if I'm going to fund something.

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I want to see a timeline when it's going to be completed and what it actually costs. Not just a proposed budget and if everyone agrees to it, we're paying for it because as Brian said, it's not a good economy right now and We're all bleeding money and we don't want to pay any more than we have to at this point.

00:46:12.000 --> 00:46:22.000

We all have wish lists of what we'd like to do on our farm. And it's not feasible for us to pay this much more of an increase this year.

00:46:22.000 --> 00:46:31.000

For water in our district. Thank you. Thank you.

00:46:31.000 --> 00:46:40.000

Thank you, Chair. Bill Life, Monterey County resident. I just hope you do something to get this moving forward.

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Whatever option you choose and I know it's not an easy one. But there are some long dated.

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Capital requirements to upkeep this system to make it better. I think the GM just presented sort of what their budget number is on.

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His professional opinion. I think it should be respected, but I understand this is something It's never a good time to increase rates.

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Maybe now is worse than others, but at some point this has to be fixed. And we have to we have to really take on this seawater intrusion problem that's presented itself over the last 60 years.

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Thank you. Thank you.

00:47:32.000 --> 00:47:50.000

Hello, I'm Gary Beck and I went to the grower and landowner meeting last week and I were kind of brushed over the fact that over there since 2011 if held rates rather to relatively low and all of a sudden a massive increase.

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We kind of had a impromptu discussion at that meeting and we were thinking more like rate should go up over a longer period of time at a lower rate because I've only been involved with the system for about 5 years now as a manager out there and over that time print there's been a lot of issues with it and I've always heard of the thing deferred maintenance deferred maintenance to for maintenance.

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I really hope that the agency would seek funding from the federal government. I just received 2 things here from Zoiloffgren and Jimmy Panetta.

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Both of their districts are out in the CSIP area. So, Ilafka and she brought in 50 million dollars for projects.

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And Jimmy found out about him 15 million dollars for projects. Well this project hits a lot of hot points.

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Foods, I mean water safety, you know, for slenas water, well water, salt water intrusion, the basement management plan and a lot of other issues, environmental stuff, recycling.

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I think these people would be interested in that and you should seek more outside funding state and federal. Thank you.

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Thank you.

00:49:01.000 --> 00:49:13.000

Other members of the public here in the chambers like to speak on this item. Do we have anyone online?

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No hands raised. I will ask one more time for both online and in the chambers or anyone else that would like to speak during this public hearing.

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Hearing and seeing none, I close the public hearing. We'll now come back to the board for a conversation and I do want to make a couple comments before we go forward.

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Appreciate everybody's input. Our, please correct me, but we are currently working with our legislators on occur aggressively directed Grant for 3 million dollars that's correct we have requests in for 3 million dollars for the upcoming federal fiscal year, yes.

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Would that apply to CSIF? That is exactly what it's for. Yeah. And I did, I wanted to make sure that the public understood that we are looking all different options as well.

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Because those are absolutely crucial sources of revenue.

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All right, now the fun begins fellow board members who would like to start. Any questions or comments?

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That's a question. Absolutely. And then I'll go to you, Ken. No, no, you first.

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So there was 4 options, but the first option was up to \$89. How does that get?

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Why is there 4 choices but the first one being almost like a variable choice? How does that get? Analyzed.

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Yeah, no, it's a great question, Marvin, and it has to do with the requirement in the ordinance that we post in amount.

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And so the amount that we posted in there would be the highest rate possible, but the directors can certainly choose, you know, anything below that.

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We just couldn't go beyond it. So that's why we set up to. And so they're the 4 options there.

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Things in between.

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But it's not based off of reality or facts or performance or budgets or actual numbers at the end of the day?

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No, the 89 60 is there's a there's a lot of detail behind you know a 25 slide powerpoint presentation.

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So the the base budget is If you think about it this way, it really reflects the day-to-day ONM.

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Okay, with a few. Really important maintenance activities that we're proposing not be funded by the rate, but out of reserves.

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So that's the base budget and that's the budget we submitted to the county on March, the sixth per their requirements.

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We then created the recommended activities budget. Now that's the one that adds up to 89, 60 or whatever the number is and that reflects the additional activities that we would propose to do.

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So that would be fully funding the supplemental well maintenance for this year. So that would be fully funding the supplemental well maintenance for this year.

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That would be undertaking the design work for the second Supplemental Well, that would be implementing the meter calibration program and then providing some funding.

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To support investigations for new source water supplies. So those are the 4 activities. That would be performed that make up the difference between the base budget and the recommended.

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And conversely on the 2 that we were asked to prepare by the Finance Committee. There, there isn't the one thing we cut out was the 300.

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1,000 that relates to the supplemental well replacement recognizing that could take up to 2 years. And so there is a bit of risk in doing that, but it didn't seem.

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Unmanageable. And so we did cut a bit more. Activity out of that budget, but really because the base is very much the base, the rest of that rate reduction would have to come out of

reserves, which just simply means that we need to address that out and over time and I think folks have noted that.

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Does that answer your question? Okay.

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Thank you, Ara, for your presentation. Yeah, it is really so bring to see the kinds of amounts were there, it is really sobering to see the kinds of amounts were there, but it's clear to me that.

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The this overall program is completely underfunded. And it's just waiting to fall apart if if we don't agree at some point to pay these things.

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The supplemental wells. I mean, I've been watching that every year. I mean, we all have going down and we We're lucky we got some money to help do some destruction and we're lucky we've got a little bit of a grant right now.

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If I'm going back to the original number, which is that I think it's 2 34.

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And acre foot of water was that the original thing that you oh 238 yeah with initial staff all getting together and identifying their list of a dozen things yes Okay, every single one of those things must happen at some point for this program, I mean, because we have to obviously even the studies because we have we had I mean I I didn't see anything on there that doesn't have to happen.

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Correct. Okay, so.

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If we were going to go with less than the 89. Would we we would have to do it to 18 right I mean at some point we've got to make up that money somewhere or other Yeah, the program will not continue to.

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To to run at this level of funding. Right. There are a number of paths forward. To make the revenue stream more robust than it is today, updating the prop to 18 engineers report is one of the alternatives Well, we were very much looking at here this year, given the timing and giving the opportunity that we have to perform some work was.

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More reliance on the water delivery charge rather than an engineer's report in a 218 update because that A can cost a significant amount and then also takes an awful lot of time.

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And so that's why in this moment we were relying more on the water delivery charge than other rate alternatives such as what we've discussed, say, for dam safety funding.

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That said I would very much look to the master planning process that we want to initiate to help inform that more robust.

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Revenue, that combination of revenues might look like, right? So currently it is assessments, rates, and grants.

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And so what's the right mix of those things going forward? Okay, thank you. Thank you for that.

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It just seems like.

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I understand the tough position that you know the staff's been put into at this point and it just We, it seems to me that we have got to do the replacement well.

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Now, because we're not in a drought. If you look at the numbers of the pumping that we did in the last drought, you can see that we're going to get to a point where people are not being get their water delivery.

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So, so that, and that will affect the entire program. Thank you.

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Other board members?

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Yep. Thanks. Thank you for that report. I probably have a bit of a different perspective than.

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And director Eckland. I think it's important that everybody does understand number one is that the total amounts of dollars that are being spent out there.

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The C. Sub zone to Y to be \$347 an acre. Zone 2 w another \$4 is on Tuesday another \$12.

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There's another delivery fee of \$84 and 22 cents on top of the 30 current \$37 and 24 cents.

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When the diversion facility another \$6 and 18 cents. So when you add all those things up you're looking at \$650 an acre for those for those projects out there for those projects out there.

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I'm looking at the projects in that list of projects out there. I'm looking at the projects in that list of the projects and a lot of that project and a lot of that project are one time deals.

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These are these are one-time projects that are going to get put in place like Gerolano of a new well.

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I can't understand why we have \$140,000 for a for design and engineering of a well.

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We drilled a well in the deep awkward and never even came close to \$140,000 for a consultant on something like this.

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So I don't understand why some of the dollars are there, but but that being said Yeah. Our agency is also.

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There were some questions asked of our agency at the grower meeting. And one of those questions was, where is the \$200,000 that are supposed to come from the hydroelectrical dams to CSIP every year.

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And apparently about 10 years ago it stopped flowing into CSP. So There are funds that that may be coming in from from projects that we haven't been getting the money from.

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We have to do, we have to audit that, we have to look into that. We also have a some other potential dollars that can be coming into the coffers of CSIP.

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We're waiting to know those what those things are. So I'm looking at I'm looking at a fee that that we're wanting to implement, but I'm also seeing a lot of money that can be coming into this program, into the cease of coffers.

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And I have a difficult time. Taken into account what some of the other growers have stated about costs and fees.

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Nothing is getting cheaper out there and then going and raising our rates. On them again and then becoming flush with money from you know, from like the hydroeological or other sources.

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So I have a difficult time. One need to raise it any more than the bare minimums.

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Until we, until we can make a clear accounting of the monies that should be and in the CSAP also.

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You know, I know that there have been times where the monies have been pulled from these funds to fund other projects.

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Other other projects. And we need to make sure that we've been reimbursed for those things.

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Like when we did the repairs on the diversion facility. We need to make sure that all those funds have been, we've been reimbursed.

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So I think until those things get answered, I think we should be looking at the bare bone minimum.

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Okay. And then you, John. Yeah, I would agree also. With scatini that looking at the bare bones minimum, you know, hearing from the growers.

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I haven't heard what the outcome of the meeting was Monday really some of the responses from the public there.

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But, you know, in doing the bare-bone minimums, I think the public needs to know also that they're going to be things that are not going to get addressed.

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As long as people are fully understanding of that, if something happens that this is a result of us reducing the recommendation.

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And that's kind of my thoughts. I would be more entice of moving with the lower rate, at least for this year, to see where we're at.

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Thank you.

01:02:11.000 --> 01:02:20.000

Good afternoon. Thank you, Chair. So I've been part of this since. The First meeting was held in Castroville.

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And I've always been a thousand percent supportive of the CSIP. Fabulous project.

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Okay.

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It's old. We have a few, we have a few waters. Delivery systems that are old in the system, or the oldness county.

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Going back 60 years with our reservoirs. 25 years was C. 7. That said we need to crack.

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Every problem. To make these water delivery systems efficient. Starting with the reservoirs and ending up here at the mouth of the river.

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With that said, The January and February staff meetings that were held. Talking about the budget. And what they were going to do was with fund 131-13-2134.

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Was great, but they made one mistake. Staff should have reached out to stakeholders at that time.

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And asked their opinion of what they were thinking about when you were making your budget cuts. As the stakeholders what they thought.

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Was on their list rather than on your list. The public outreach for this increase has been 0.

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I was very upset being the chair of the Finance Committee meeting. Realizing that we had to vote on something at finance.

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Without it ever having stakeholder opinion. The stakeholder opinion meeting was the following Monday. And needless to, it was already published the night before in the Coast Weekly at \$89.

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So when finance went through everything there was an issue. I've been told, well, Stakeholders had plenty of time to go make their Comment.

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No, stakeholders don't have plenty of time. They don't go to 8 o'clock meetings.

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They don't go to noon time meetings. They don't go on the internet to look at financials.

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They need a 3 o'clock meeting or a 4 o'clock meeting in the afternoon to get Look to be able to look at things.

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Unfortunately, the stakeholders work. At an early hour. And so it isn't as easy. As well.

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There was a 1030 meeting why didn't you attend this or why didn't Not feasible.

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Just not feasible. These are gentlemen. People that live off the ground. Worked the ground and make a living off the ground.

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So with that said, it was left up to our budget committee workshop that we had Lagoon to say at 8 o'clock.

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We had a water quality and ops. Meeting at 10 o'clock in. I don't even know where that was Marina or Solanas.

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And a finance meeting. That was the only outreach until we had the Farm Bureau. Meeting last Monday.

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A week ago. So we need to do a better job. An outrage. On doing, we need to fix things are you know me I've been standing on top of a soapbox as everybody on this board saying we need to fix this. We need to fix that.

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We can't kick the can down the road. And I still believe that. But I have issues with this.

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Amount. As quickly as it was compiled by staff. And then disseminate it out to the stakeholders.

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It caught a lot of people off guard. Shouldn't have, they should have been kept in the loop.

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All the way around and unfortunately there was no transparency.

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Work does need to be done. There are key components out there. You asked the stakeholders what those components are.

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They'll tell you what we need to work on. They have a different list than what staff has.

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But I believe that over the next 3 to 5 years, we'll get those projects done. All of them.

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We have a water service delivery charge, rather service charge of 86 24. For this coming year.

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So that goes up every year as a cost of living increase. We, that, is that correct? This year it is being proposed to raise by the cost of living.

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I don't think it has gone up every year by the cost. Okay. So that is on top of what.

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The delivery charges.

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Deferring our options is not the best. But we're going to have to defer stuff. I look at what the state's doing and they're deferring a lot of their options down next year and a year after.

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I don't like it, but you know what? Maybe we gotta follow. Follow policy and follow what they're doing.

01:07:55.000 --> 01:08:11.000

On our reserve policy. What our reserves are. We don't I don't think we have a written policy of what we use the reserves for so until we have policy that's written of what we're going to use the reserves for.

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The it's kind of hard to build up. The reserves. I can remember all the reserves 1012 years ago were up 5, 6 million dollars.

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That's why we cut back the. The delivery, delivery fees. I served on that board. I wish we wouldn't have done it, but.

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Send your hate mail to me.

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At the worst case scenario. In my opinion. Is option the 20% increase which would be obstinate option X.

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I don't like it. But I know we have to feed. The coffers, something.

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And, possibly look at this 6 months down the road. If need be, there's lots of moving pieces.

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There right now so we don't know what's going to happen 90 days from now. 160 days, 180 days from now.

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So 6 months from now, we could win the lotta. And have plenty of money. But, That's, that's, I think I have a pretty good idea of what goes on out there.

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And.

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Like I said, I don't like it. But I understand finances and farming out there. I farmed out there.

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Most of my life and It's tough. It's tough to see a big increase one year.

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And we'll get there. We will get there and we will fix everything. That project is something to be very proud of and the stakeholders are very proud of that project.

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So don't ever think that we're going to let it get to such a shape like another project down south.

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That we will keep it, we will get it updated. It just. Is going to take some time.

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Thank you.

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Through the chair. Matt. I have a question. Okay.

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Okay. No, I just want to say that I find myself agreeing with everything that's been said by the fellow directors and all members of the public.

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I don't see how we can do the 89 60 This year just so dramatically, but we.

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Do need to increase these funds and get these projects back on track and maybe we approve one of these lower amounts and.

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Knowing that it's going to be something similar probably next year as well just to get these things funded.

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But if we have more time to do a little more investigation, explain to the stakeholders what these improvements are and with these costs go towards.

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It might be a little less dramatic and impactful to their businesses.

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Thank you. I have a question for the general manager. Before we vote, can you bring up again and explain?

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Options X and Y because I real with some emphasis on the ability to do replacement well this year. Thank you.

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Sure. So the replacement well work is being proposed to fund through 131 which is being proposed to fund through 1 31 which is the CSIP fund.

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In both the in the in both the recommended and in the base budgets. What we set aside for the first well replacement.

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Is 1.2 million dollars

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And I think it's right.

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But 1.2,900,000 of which is expected to be funded through the . S.

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EPA funding. I just can't find it right now. There it is And then right now we're estimating 300,000 out of the fund balance.

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And but recognizing that while that's the number we've plugged in for budgeting purposes. Experiences I guess that the well replacement could be more expensive and so we do Recognize that and that the range is 3 to 600,000.

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In the option. X and Y rates. We back this 300,000 out. In recognition of the fact that we have the 900, we will have the 900 for United States Environmental Protection Agency to get the work going.

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At the work could take longer than the upcoming fiscal year. And while there is some risk to backing it out, it's an acceptable risk, just given the state of things.

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But wouldn't we just be taking the The remainder of that out out of reserves Correct. Okay.

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And even the way it's proposed now, it would be coming. Which is why you don't see a change in fund balance between those Okay, thank you.

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And so, there's a couple of things I want to clarify. One is we do not have a reserve.

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And we need to create a reserve policy for each one of these funds. Then that way we can start getting closer to what is going towards the long-term replacements and what is usable for these activities.

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So I think that is something whatever happens that we need to have that discussion. To create those reserve policies for all these funds for all the for all the revenues coming in.

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One of the gentlemen mentioned the gap where there wasn't any increase and That is just something that happened.

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Ideally, you'd never want to get in that situation again. And I will say my feeling is, is we need to move forward in some manner.

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That gets us away from that. We need to get into whatever the cost of living mode is like we'll see with some of the other items on our agenda.

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We're looking for cost of living increases. Those are more manageable. Those are more easy to budget for.

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And when you're planning out your, believe me, I'm not a grower but I understand how hard life is and how it is tough.

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And so I actually feel for you because people do not understand what you bear to make food available for their families.

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They take it for granted and they don't realize How much work, how much day after day after day, 7 days a week it takes for them to go to the grocery store to get fed.

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They never see this aspect of the cost that you're you have to bear.

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Mature, one other thing. I want to echo what directors Katini said. Could we at some time have a discussion?

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Maybe it will happen today about how much is promised in the hydro reserve. Because it it does change over years and that's probably another thing which frankly is a policy like our reserve policy.

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It's going to and who's doing that because I believe originally it was the board of supervisors.

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That we're taking money out of the hydro for a couple years for the sleeve firewater project.

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If I if I recall correctly so that that we don't want to miss that that's a very good and a long term.

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Problem that we've had here about that. And I was actually getting to that next because that is an important point that he rose.

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But those are not going to be answered today. They're not going to be answered next month and they're not going to be answered in the next 3 months.

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And while we have to get those answers to find out that's going to.

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Take some research that I lost the mic there. Additionally, any other money that was May have been taken from funds and not paid back.

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That's another thing that we need to figure out. And if it happened find out that paper trail But what I see right now is where we're at today.

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And.

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Hard as it is, I want to get us to a point that we're not bringing this, these types of increases to the growers.

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Like this on a consistent basis. I do want to remind everybody these The rate fee is a fluctuating thing.

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So next year. Let's say we got a bunch of grants in and we got a lot of this work done.

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That doesn't mean this is a set rate for every year after this. It can go down. The growers could come to us next year and say we want XY, and Z and it's going to cost this.

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That would, it could go up. So it's not the same as a prop 218 where that fee is set.

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It's not the same where those fees just get to K, you know, that it never goes down.

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These are based on what is actual.

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Given that I do hear what my fellow board members are saying and I think I can definitely agree on those the lower rates X or YI probably lean more towards the Y, the 55 but I am open to Yeah.

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The lower rate increase because we do Look, this work has to be done. We have to get this.

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Each one of these items, the lower the rate. It's going to use more of that fund balance, which means that just goes down.

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And you're right, we don't know it'll happen next year. We don't happen in 6 months.

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We may get another grant. Things can turn around. But we can't we cannot put this system in that kind of scenario.

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Of a what if we need to get to a scenario where this is what we have, this what's needs to be done, and we can pay for it.

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But that can't be done on the backs overnight. So that's where I met. I would prefer why the the 55 I thought but I am amenable to any suggestions.

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I got a question, Chair. Yeah. On option X, there's a design of a second well replacement.

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And if I can get some information on what is, Ben Drilling Wells, why is there such a large cost for designing a well?

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Maybe just my lack of knowledge of that process. Yeah, and so in acts the only well work that remains in X or Y, Director Gonzalez would be the work that we'd be doing on the first supplemental well replacement.

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Well, I guess technically the second, but the one that's in front of us. And, and that being funded by the 900,000 US EPA funds.

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The costs associated, so here's the downside to the federal funding is there's also an entire other level of regulatory requirements to come with it.

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And so that's a piece of. Accepting that money and so so it adds time it adds cost and so that's what we would be doing under options X or Y would be utilizing the EPA funding and then moving forward as far as we can with that.

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Assuming that we can get to the next fiscal year and then the balance of necessary funding gets proved.

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Well, if there's, I'll put a motion on the floor, Mr. Chair, if anybody else needs to.

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Have conversation. And before you do, could you? Could you put that slide up again with x and y so that we're looking at it when we're voting on it?

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Yeah. Yeah, there's 2 slides. One is the one, the 31 slide, which is up right now.

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And then there's the similar side with 1 32. Isn't on a slide?

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Let's change 21. Okay. Okay. The other there was one I think it's in our board report right that one's a page 21 of this presentation actually shows X and Y.

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This one? That one. There we go. And then you had the other portion just below it that showed the overall revenues.

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Yeah, that one I think is a good one to look at. Is that okay, Ken? I know it doesn't show all the projects, but it clearly shows what we're talking about.

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Make one other kind. Absolutely. Market and behavior and then no one make a motion mark was going to.

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So yeah, I just I think it's important for the public to understand that all of these lands are being rented and they're being negotiated that all of these lands are being rented and they're being negotiated with landowners.

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Regardless of that landowners in New York City or if that's your father, you're still paying rent on all of this and rent is a calculation based on the land, what you can grow, food safety, water, the cost of water and total taxes.

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A substantial increase. On any of those things, you know, as an agency, we have to give enough time in leeway for people to be able to go back out and negotiate those rates accordingly and fairly with our landlords.

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And unfortunately, when it comes to a water delivery fee, that water delivery fee does not go to the landowner.

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It goes to the tenant, goes to whoever is actually farming it, but it still is the cost of doing business on the land and it has to be negotiated with the landlord.

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Another reason why moving slowly through this process is critical for the viability of farming in the northern region.

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So, but can also then bounce off of that then in in. In the outreach process we could probably is there a way that we can Move that forward a little bit so if we have a little kind of looking into the crystal ball that then you can reach out to the farmers.

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For the growers ahead of time because they do they pretty much all is the same general time of the year or the leases are all over the map.

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I'm Typically, leases start in November. But the negotiations are dependent upon each each contract.

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So. Some leases you you have a contract that's you know maybe fixed for 3 years it may have an annual kicker per year.

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You may have an opener. After 2 after 3 after 4, it all, they vary quite a bit, but you still have to give opportunity, advanced notice as we possibly can.

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And that's where I see there's an opportunity for us. To. To. Engage on a different level that we.

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I don't know if it's been done in the past or not, but then maybe that's something we can explore in the future.

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But I'm ready to propose, you know, option XI know it's the lowest one.

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It is, there's going to be an additional 8 of 460,500 to the general fund.

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But as other directors have said, this is a, we don't know where we'll be in 6 months.

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I'll second. Appreciate that in and just if I can add, yeah, I'll stop there.

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Thank you. I'm just gonna ask both the the maker the most and in second there would you consider a compromise amendment of between X and Y of just a straight \$50.

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I'm going to stick to what the staff is coming to appreciate that, Mr. Chair.

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Alright. Before I call for the motion a couple of comments Thank you for the very good discussion. I know this is not easy and everybody is hearing from everyone and we're all trying to make this work and I know this is not easy and everybody is hearing from everyone and we're all trying to make this work and I appreciate and everybody is hearing from everyone and we're all trying to make this work and I appreciate, really appreciate that because that's how we

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go

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And I want to echo what Mark was saying.

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On the engagement portion of it. I think the growers are seeing The numbers. At some point we have to get to a point where things are not draining the funds.

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And that's that's crucial. So if we can start having that conversation of what next year is going to look like.

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And letting them know, you know, we're going after these 3 million dollars and how that could help benefit and keep things down or keep any rate increases either low or to none.

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Hearing if there's any options in them for any optimization opportunities. Those conversations going forward as we get to this process next year I think will be very very beneficial.

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I also want to make sure. That were all in concurrence. On some of the direction that we have talked about, which is creating a reserve policy that could that could be brought at at a later date but I think Ara and staff you've heard us all have that discussion that we would like to have that.

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Discussion as an agenda item as well. We have a first intersecting. Do you have a comment before you make a real quick comment?

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I concur with your policy statement. Have a reserve, let's have it line by line what it's for.

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Highs, lows, minimums. And dot not not defer. Outside that barrier, but.

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Before we have a reserve, we need to have a written policy on it. Secondly, I hope now the agency has a email list that they can reach out to people.

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Prior to this. It wasn't that good. You didn't know how to have outreach to the stakeholders in this zone.

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To confer. So hopefully that list gets better. And your outreach. Will improve immensely.

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The next time we do this if we have to do it again. But those those are just 2 comments.

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I appreciate any final comments before call for the vote. I'd almost go for saying that we, water quality knobs committee but I would almost go for a secondary committee with maybe some of the growers in the audience in attendance.

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And to talk about the budget and to talk about the work that needs to be done there. Potentially even given to some insight on some of the things that should or shouldn't be done.

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For the maintenance of the program, our maintenance of the project. One chair like design exciting. Just adding to that.

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15 years ago, when I sat on the water quality and opposite was chair or vice chair of it.

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We had finance of water, water resource show up every meeting to give us a complete breakdown of what we had in the funds what was available and what what the project Needs were.

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Now, 15 years ago, they weren't as bad as they were, but we have no outreach with financials at our water quality and ops.

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So that might be something we won't. Water quality in ops is basically all we look at and Paul's out in the crowd is we look at water quality.

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We look at volume of water views that past 30 days, we look at if there's any spikes in the water.

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It's basically what it says, water quality and operations of the facility. Nothing more, nothing less.

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So. It might be something to look at. Last thing we need is another committee. But no, no, I, look, I am hesitant on creating another committee, but I am, I think it would be easy enough to have Finance Committee ask that the information we are receiving to be provided to that committee.

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So we can have that conversation offline, but I don't see that as really a problem. All right, we do have a first and a second.

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Approving staff recommendation A, B, and C substituting the amount. With the amount from X, which was Where was that?

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45, \$2445 and 24 cents an acre foot. All in favor?

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Aye. Against? Aye. Did you, that was it?

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I thought you wanted us to vote again. I said I thought you wanted us to vote again. I said I.

01:31:08.000 --> 01:31:14.000

No, no, that was the against. OK, you threw me off there. Passes unanimously, everybody.