This meeting is not subject to
Brown Act noticing requirements.
The agenda is subject to change.

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

Water Supply Planning Committee Members:
Robert S. Brower, Sr. Chair
Jeanne Byrne
David Pendergrass

Alternate:
Kristi Markey

Staff Contact
David J. Stoldt, General Manager

After staff reports have been distributed, if additional documents are produced by the District and provided to the Committee regarding any item on the agenda, they will be made available at 5 Harris Court, Building G, Monterey, CA during normal business hours. In addition, such documents may be posted on the District website at mpwmd.net. Documents distributed at the meeting will be made available in the same manner.

AGENDA
Water Supply Planning Committee
Of the Monterey Peninsula Water Management District
****

Tuesday, February 10, 2015, 2 pm
MPWMD Conference Room, 5 Harris Court, Building G, Monterey, CA

Call to Order

Comments from Public
The public may comment on any item within the District's jurisdiction. Please limit your comments to three minutes in length.

Action Items – Public comment will be received
1. Consider Adoption of January 21, 2015 Committee Meeting Minutes

2. Discussion and Recommendation to the Board on the Acquisition of Los Padres Dam

Discussion Item – Public comment will be received
3. Progress Report on Property Lease from City of Seaside for Aquifer Storage and Recovery Project

4. Discuss Development of Groundwater Sustainability Plan

5. Update on California American Water Co. Desalination Plant

6. Update on Pure Water Monterey Project

7. Update on Local Projects Grant Request by City of Pacific Grove

Suggestions from the Public on Water Supply Project Alternatives (15 min limit)

Set Next Meeting Date

Adjournment

Upon request, MPWMD will make a reasonable effort to provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. MPWMD will also make a reasonable effort to provide translation services upon request. Please send a description of the requested materials and preferred alternative format or auxiliary aid or service by 5PM on Friday, February 6, 2015. Requests should be sent to the Board Secretary, MPWMD, P.O. Box 85, Monterey, CA, 93942. You may also fax your request to the Administrative Services Division at 831-644-9560, or call 831-658-5600.

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WATER SUPPLY PLANNING COMMITTEE

ITEM: ACTION ITEMS

1. CONSIDER ADOPTION OF JANUARY 21, 2015 COMMITTEE MEETING MINUTES

Meeting Date: February 10, 2015

From: David J. Stoldt,
General Manager

Prepared By: Arlene Tavani

SUMMARY: Attached as **Exhibit 1-A** are draft minutes of the January 21, 2015, Water Supply Planning Committee meeting.

RECOMMENDATION: The Committee should review the minutes and adopt them by motion.

EXHIBITS
1-A Draft Minutes of the January 21, 2015 Committee Meeting

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

EXHIBIT 1-A

DRAFT MINUTES
Water Supply Planning Committee of the
Monterey Peninsula Water Management District
January 21, 2015

Call to Order The meeting was called to order at 10:00 am in the Water Management District conference room.

Committee members present: Robert S. Brower, Sr. - Committee Chair
David Pendergrass
Jeanne Byrne

Committee members absent: None

Staff members present: David Stoldt, General Manager
Larry Hampson, Planning & Engineering Division Manager
Arlene Tavani, Executive Assistant

Comments from the Public No comments were directed the committee.

Action Items

1. Consider Adoption of November 10, 2014 Committee Meeting Minutes
On a motion of Pendergrass and second by Byrne, the November 10, 2014 meeting minutes were approved unanimously on a vote of 3 – 0 by Pendergrass, Byrne and Brower. No comments from the public were directed to the committee during the public comment period on this item.

XY. Consideration of Revised Local Projects Grant Request by City of Pacific Grove
Pendergrass offered a motion that was seconded by Brower, to take no further action on the grant request until the City of Pacific Grove submits its revised grant application for consideration. The motion was approved on a vote of 3 – 0 by Pendergrass, Brower and Byrne.

Public Comment: **Tom Frutchey**, City Manager, City of Pacific Grove, stated that he is aware that the project as described in the original grant application was a cause for concern, as a reduction in wastewater flows to the MRWPCA treatment plan could be interpreted by some parties to pose a conflict with the Pure Water Monterey groundwater replenishment project. Frutchey offered to submit a revised application that would address four components of the project. (1) Dry weather diversion program could be increased by upgrading the two 100 gallon per minute pumps at Greenwood Park. (2) Expand the dry weather diversion to West of Lover's Point Park to achieve an increase in diversions. (3) Increase surface area of Crespi Pond and complete the five-

year dredging program, in order to increase storage capacity. This would also allow for metered and delayed flows from the pond. (4) Take all steps to ensure that the local project is on schedule and operational before January 1, 2017. Under this project, additional storm water flows would be treated at a facility to be constructed by Pacific Grove. The storm water would not be sent to the ocean; instead it would be piped to the Monterey Regional Water Pollution Control Agency's (MRWPCA) treatment facility. Frutchey explained that the primary purpose of the project is to replace potable water use at the Pacific Grove Golf Course and Cemetery with tertiary treated water. The most cost effective method in the short term is to utilize sewer flows. In the long term, there will be a greater opportunity to utilize storm water flows, but the first phase does have a storm water component.

The committee members expressed concern about the construction of new wastewater treatment plants in Pacific Grove and Monterey, considering that the regional plant was intended to process all the jurisdictions' wastewater. A question was raised about the ability of MRWPCA to move the heavy waste stream from Pacific Grove's treatment plant, through its distribution lines. Stoldt noted that due to CDO regulations, the reduction in potable use of 125 acre-feet for the City of Pacific Grove may not result in new water for allocation. Ideally, creation of a public water credit would be the best option, but there is no guarantee that could be established. One director expressed opposition to Pacific Grove treating sewer water, but supported treatment of storm water and dry weather flows.

Discussion Items

2. Update on Mid-Year Adjustment to Pure Water Monterey Budget

Byrne offered a motion that was seconded by Pendergrass to increase the budget by $788,838 to be funded from reserves. The motion was approved unanimously on a vote of 3 – 0 by Byrne, Pendergrass and Brower. No public comment was presented to the committee on this item.

3. Discuss Development of Groundwater Sustainability Plan

Stoldt advised the committee that the Water Management District has until June 30, 2016 to make a decision about becoming a Groundwater Sustainability Agency. He recommended that the Water Management District should take on that responsibility. He stated that the District should meet with the State Water Resources Control Board and the California Department of Water Resources to discuss the status of the Carmel Valley Alluvial Aquifer. The legislation that calls for a Groundwater Sustainability Plan designates the Carmel Valley Alluvial Aquifer as a groundwater basin. However, the State Water Resources Control Board has issued surface water rights to pumpers along the river. This might be resolved by removal of the Carmel Valley Alluvial Aquifer from the list of groundwater basins that require a sustainability plan, or moving the aquifer to lower priority on the list.

4. Progress Report on Property Lease from City of Seaside for Aquifer Storage and Recovery Project

Stoldt reported that Directors Potter and Brower joined staff to meet with Seaside representatives. They reviewed a draft agreement, and offered some changes. A thorough review of the agreement is still in progress by Water Management District

Legal Counsel. A revised version will then be submitted to Seaside representatives for review and comment.

5. Update on California American Water Co. Desalination Plant

Stoldt reported that facility design is underway, and test slant well drilling continues on a 24-hour per day schedule. The driller encountered some problems, which may impede their ability to drill down to the desired depth before the Snowy Plover nesting season begins. Another threat to the project may be that Marina Coast Water District is investigating start-up of its 300,000 gallons-per-day desalination plant. If it could be determined that Cal-Am's project interferes with Marina Coast's source water intake, that could delay or bring an end to Cal-Am desal.

Suggestions from the Public on Water Supply Project Alternatives

No comments.

Set Next Meeting Date

The meeting was scheduled for February 10, 2015 at 2 pm.

Adjournment

The meeting was adjourned at 11:05 pm.

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WATER SUPPLY PLANNING COMMITTEE

ITEM: ACTION ITEM

2. DISCUSSION AND RECOMMENDATION TO THE BOARD ON THE ACQUISITION OF LOS PADRES DAM

Meeting Date: February 10, 2015

From: David J. Stoldt,
General Manager

Prepared By: Larry Hampson

SUMMARY: Attached for your review as **Exhibit 2-A** is a summary of three studies that are pertinent to the discussion. Staff will review this summary with the committee.

EXHIBITS

2-A Summary of three studies: Carmel River Instream Flow Study; Coupled Groundwater-Surface Flow Model for the Carmel River Basin; and Los Padres Dam Long Term Plan (2015-17 General Rate Case Project IP 15-400100)

EXHIBIT 2-A

Carmel River Instream Flow Study

SUMMARY

The Monterey Peninsula Water Management District (MPWMD) is developing a scope of work to apply the Instream Flow Incremental Methodology (IFIM) to the Carmel River main stem. The results of the work are intended to update existing instream flow recommendations and to support an application to the California State Water Resources Control Board (SWRCB) for a change petition to an existing water right permit for Carmel River flow diversions in the wet season as part of an expansion of MPWMD's Aquifer Storage and Recovery project. Other goals include developing a better understanding of habitat value and flow needs during the dry season and evaluating operational changes due to proposed water supply projects that replace Carmel River diversions. The reach of primary interest is located between the ocean and San Clemente Dam at River Mile 18.6 (RM, measured from the ocean). In addition, due to the pending removal of San Clemente Dam and need for studies associated with the long-term management of Los Padres Dam at RM 24.8, the interdam reach is also included.

National Marine Fisheries Service (NMFS), the California Department of Fish and Wildlife (CDFW, previously Fish and Game), MPWMD, and California American Water (Cal-Am, the local water purveyor) have expressed an interest in updating current instream flow requirements for the Carmel River. NMFS and CDFW interests are focused on protecting, enhancing, and recovering the threatened steelhead trout population in the Carmel River watershed. MPWMD and Cal-Am share these interests while also pursuing water supply projects that require Carmel River diversions for municipal supply. At times, these two interests compete with each other for available water. The best approach to resolve Carmel River issues is use of the IFIM assessment method and the use of both one and two-dimensional hydraulic models.

An initial cost estimate to complete the study was up to $500,000 and would take two to three years to complete; however MPWMD is in discussions with CDFW and NMFS about sharing resources among the agencies in order to reduce the study cost. In 2013, the MPWMD Board authorized up to $50,000 to retain a consultant for assistance with development of a scope of work for the study. A draft scope was reviewed by several stakeholders in the fall of 2014. MPWMD is awaiting the release of a similar study for the Big Sur River completed by CDFW in 2014 in order to finalize the scope of work for the Carmel River. Portions of the Big Sur study work will likely transfer to the Carmel River study, which could significantly reduce the volume of field work and associated costs.

Coupled Groundwater - Surface Flow Model for the Carmel River Basin

SUMMARY

The Carmel Valley Alluvial Aquifer and the Carmel River have been modeled using various techniques in the past, including the main frame FORTRAM program Carmel Valley Simulation Model (CVSIM); however, these models are not current, and have limited ability to answer questions about how to best manage the coupled resource of surface river flow and flow in the subterranean channels underlying the river (i.e., flow in the alluvial aquifer). Newer models, such as GSFLOW(Groundwater and Surface FLOW), which was first released in 2008 by the United States Geologic Service, more accurately model the link between stream flow and the underlying aquifer and can incorporate the effect of individual diversions on aquifer storage and surface flow. GSFLOW is an integrated model that uses the Precipitation Runoff Modeling System (PRMS) for surface water and the Modular Groundwater Flow Model (MODFLOW) for groundwater modeling. GSFLOW was selected because it is built on the United States Geological Survey (USGS) MODFLOW code which is recognized internationally in water resource planning and has a history of use as a scientific tool in legal proceedings. Ultimately, the new model for the Carmel River Basin is expected to be used to:

1. Predict the effects of changes in well pumping patterns and locations on the surface flow and aquifer storage along the Carmel River;
2. Assess the effects to river flow from management alternatives to be considered for Los Padres Dam and Reservoir, including maintaining and/or increasing storage capacity, dam removal, and the status quo (i.e., no changes in management);
3. Assess the effects on aquatic habitat along the river and at the Carmel River Lagoon from different levels of flow;
4. Assess the potential effects of climate change on runoff and aquifer storage;
5. Assess the impacts of single water distribution systems (private wells) on flows in the Carmel River.

During 2012 and 2013, MPWMD staff and consultants researched the available databases and simulations models with funding from the Prop. 84 Integrated Regional Water Management Program. In August 2014, the MPWMD Board authorized $128,000 to retain two consultant groups to assist the District in developing the GSFLOW model. Programming for both modules was completed in 2014 and the District plans to complete model calibration and develop input files by the end of 2015. Developing input files has been slowed by the lack of consistency in some data sets. Because a long-term record (many decades) is used as input to the model, MPWMD has found that data collection methods have changed over time. Each data set must be examined and a determination made about how to format the data in order to use them in the model.

Los Padres Dam Long Term Plan (2015-17 General Rate Case Project IP 15-400100)

SUMMARY

If approved for funding by the California Public Utilities Commission, MPWMD and Cal-Am have agreed to cooperate on a three-year program to evaluate options for long-term management of Los Padres Dam and Reservoir. California American Water will contribute $1 million toward the studies. MPWMD could provide additional funds and/or staff resources as appropriate.

Studies will include evaluating upstream steelhead passage at Los Padres Dam, whether the Carmel River is better or worse with surface storage at Los Padres Dam, and what options exist to maintain or increase physical existing surface storage in Los Padres Reservoir (i.e., manage sediment accumulation at the reservoir). An analysis of the potential geomorphic effects of a resumption or increase of the natural flow of sediment will also be completed.

Improved Steelhead Passage Facilities at Los Padres Dam
This study would evaluate two options:

1) Improvements to the existing trap and truck operation; scope of work to include:

- topographic survey/measurements of the existing ladder/trap and channel configuration
- hydraulic modeling of existing configuration at expected winter and spring flows (or use another method of analysis capable of determining whether the current configuration is optimal)
- hydraulic modeling of ladder and channel modifications (or use another method of analysis capable of determining the effect or proposed modifications)
- cost estimate for environmental review, permit acquisition, and construction; preliminary schedule

The Consultant would coordinate with Cal-Am, MPWMD, CDFW, and NMFS on modeling criteria and selection of an alternative.

2) Construction of permanent, volitional passage for all steelhead life stages; scope would include:

- topographic survey of dam, spillway and vicinity (if not already complete)
- evaluation of suitable alternatives for adult steelhead upstream passage facilities from the plunge pool to the reservoir;
- for alternatives that include modification of the existing spillway, coordination with California Division of Safety of Dams (DSOD) would be needed concerning requirements for maintaining dam safety

- for alternatives that bypass the dam spillway (e.g., with use of a tunnel into the reservoir), DSOD would need to be consulted for an appropriate setback from the dam and spillway;
- recommendations, cost estimate for geotechnical review/analysis (if required), environmental review, permit acquisition, construction; preliminary schedule

The Consultant would coordinate with Cal-Am, MPWMD, CDFW, and NMFS on design criteria and selection of an alternative. Design should be made compatible with proposed downstream passage facilities to be completed in 2015.

The first phase (improvements to trap/truck operation) could be initiated immediately after CPUC approval of GRC A.13-07-002 (expected by 2015). The second phase (permanent passage facilities) would be initiated after a determination is made about whether to alter Los Padres Dam.

<u>Modeling whether the Carmel River is better or worse with surface storage at Los Padres Dam</u>

This effort would be undertaken after the GSFLOW model is complete and ready to use. Data from this model would be used in conjunction with the IFIM model to determine changes in steelhead habitat value due to varying levels of surface storage in the basin and flow releases. The GSFLOW model would also quantify the effects to the river and aquifer for downstream property owners with riparian rights and for appropriators downstream of Los Padres Dam.

<u>Options to maintain or enhance physical existing surface storage in Los Padres Reservoir</u>

This effort would build on the existing study prepared for Cal-Am in 2013 entitled "LOS PADRES DAM SEDIMENT REMOVAL FEASIBILITY STUDY" and would consider the feasibility of additional reservoir management options such as a dam raise and bypassing some or the entire annual sediment load. The feasibility of moving sediment to areas downstream of the dam and allowing the river to pick up and move the sediment downstream would be evaluated. A geomorphic analysis of the potential effects in the alluvial portion of river from restoring some or the entire natural sediment load in the river would be completed.

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WATER SUPPLY PLANNING COMMITTEE

ITEM: DISCUSSION ITEM

4. DISCUSS DEVELOPMENT OF GROUNDWATER SUSTAINABILITY PLAN

Meeting Date: February 10, 2015

From: David J. Stoldt,
General Manager

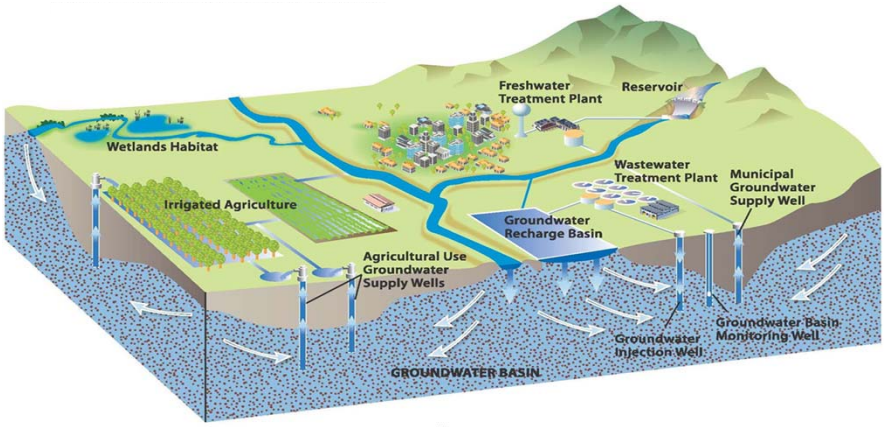
Prepared By: David J. Stoldt

SUMMARY: Attached for your review as **Exhibit 4-A** is the County Water Resources Agency presentation from January 21, 2015. Staff will review this presentation with the committee.

EXHIBIT
4-A County Water Resources Agency presentation from January 21, 2015

TODAY'S PRESENTATION

The Sustainable Groundwater Management Act:
Just the facts, and then some…



Agenda

SGMA Background Information

Review BOD / BOS Actions

Seek Stakeholder Input

Develop Next Steps

Questions

Discussion

- "Thumbnail Sketch" of the State Comprehensive Water Strategy:
  - Conserve more
  - Store more
  - Fix the Delta
  - Manage Groundwater
  - Provide safe drinking water
  - Invest in habitat and watersheds
- Manage Groundwater

Discussion (cont.)

- On September 16, 2014, Governor Brown signed three bills collectively called the Sustainable Groundwater Management Act into law
  - SB 1168
  - AB 1739
  - SB 1319
- Effective January 1, 2015, the bills established a new paradigm for management of the state's groundwater

Discussion (cont.)

- Legislation is complex
  - DWR is to adopt regulations for implementation
  - Expect cleanup legislation
    - Multiple versions being drafted currently
  - May result in litigation
- Legislation generally requires the adoption of a plan that will provide for sustainable management of a basin no later than 25 – 27 years, and over a 50-year time frame

Discussion (cont.)

- "Groundwater" means water beneath the surface of the earth within the zone below the water table in which the soil is completely saturated with water, but does not include water that flows in known and definite channels
  - Surface water is generally everything else except water that flows in known and definite underground channels (which is subject to SWRCB jurisdiction)

Discussion (cont.)

- Current Drought has worsened a growing groundwater crisis
  - Groundwater crisis just won't go away
  - Groundwater regulation is by far the most controversial issue in California today
- Inconvenient Truths
  - Crisis is real
  - Legislation was inevitable

Discussion (cont.)

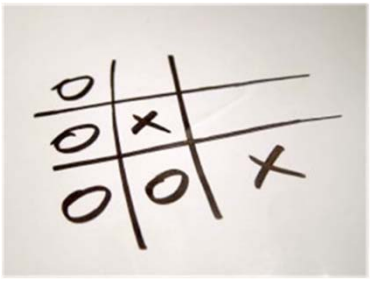
- All or parts of six groundwater basins are within Monterey County
  - Salinas Valley (extends into San Luis Obispo County)
  - Carmel
  - Pajaro (includes portion of Santa Cruz and small portion of San Benito Counties)
  - Cholame
  - Lockwood
  - Peachtree

Discussion (cont.)

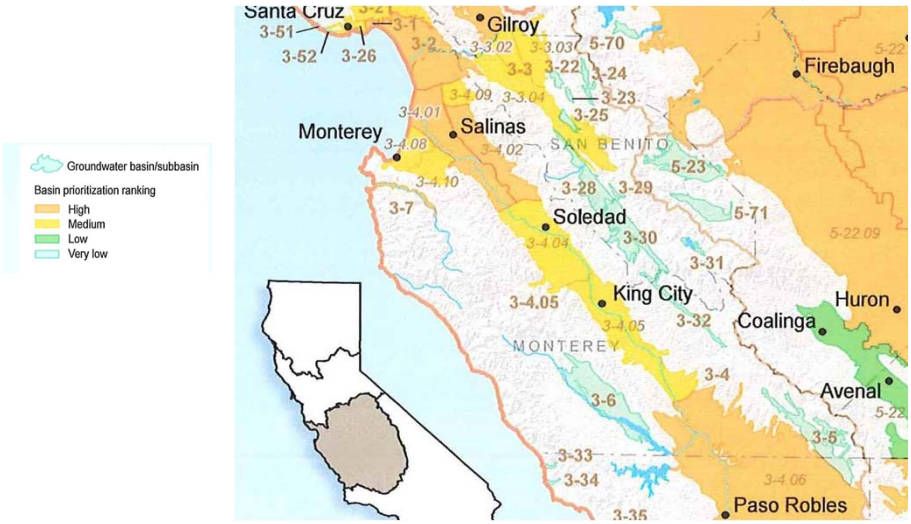
3-2	Pajaro Valley
3-4	Salinas Valley
3-4.01	180/400 Foot Aquifer
3-4.02	East Side Aquifer
3-4.04	Forebay Aquifer
3-4.05	Upper Valley Aquifer
3-4.06	Paso Robles Area
3-4.08	Seaside Area
3-4.09	Langley Area
3-4.10	Corral de Tierra Area
3-5	Cholame Valley
3-6	Lockwood Valley
3-7	Carmel Valley

Discussion (cont.)

- DWR categorizes all basins on the basis of priority with respect to the need for groundwater monitoring:
  - High
  - Medium
  - Low
  - Very low



Discussion (cont.)



Discussion (cont.)

- DWR has identified 11 basins that are in a "critical condition of overdraft"
  - Pajaro Basin in Monterey/Santa Cruz/San Benito Counties
    - Also classified as high priority

Discussion (cont.)

- Groundwater Sustainability Definitions:
  - Groundwater sustainability agency:
    - One or more local agencies implementing the legislation
  - Local agency:
    - Local public agency that has water supply, water management, or land use responsibility within a basin
  - Sustainable groundwater management:
    - The management and use of groundwater in a manner that can be maintained over a 50-year period without causing undesirable results

Discussion (cont.)

- Groundwater Sustainability Deadlines:
  - January 31, 2020
    - high and medium priority basins that are subject to critical conditions of overdraft must be managed by a sustainability plan or coordinated sustainability plans
      - Pajaro Basin
  - January 31, 2022
    - high and medium priority basins that are not subject to critical conditions of overdraft must be managed by a sustainability plan or coordinated sustainability plans
      - Salinas Valley
      - Carmel
- DWR has until January 31, 2015 to finalize basin priorities

Discussion (cont.)

- Groundwater Sustainability Agencies:
  - Any local agency, or combination of local agencies, overlying a basin may elect to be a Groundwater Sustainability Agency for that basin
  - A combination of agencies may form a JPA, or use an MOU or other type of agreement
  - A regulated water corporation may participate if the local agency approves
    - Cal Water, Cal-Am, etc.

Discussion (cont.)

- Groundwater Sustainability Agencies:
  - Monterey Peninsula Water Management District is the designated GSA for the Carmel basin
  - Pajaro Valley Water Management Agency is the designated GSA for the Pajaro basin
  - There is an opt out process…
    - If so, any other local agency within boundaries may elect to be the GSA

Discussion (cont.)

- Groundwater Sustainability Agencies (cont.):
  - There is also an opt-in process…
    - An interested local agency must hold a noticed public hearing before electing to be a GSA
    - If local agency elects to be GSA a notice of intent to be a GSA must be submitted to DWR

Discussion (cont.)

- Groundwater Sustainability Agencies (cont.):
  - Salinas Valley Basin eligible local agencies:
    - County
    - WRA
    - Cities of Salinas, Soledad, Gonzales, Greenfield, & King
    - Marina Coast, San Ardo, & San Lucas Water Districts
    - Community Services Districts (to the extent water supply authority exercised)
    - Cal Water (with permission)
    - Uncertainty regarding Seaside, Del Rey Oaks, Sand City, Monterey & MPWMD

Discussion (cont.)

- GSA Powers and Authorities:
  - New additional powers and authorities:
    - Adopt rules, regulations & ordinances
    - Conduct investigations
    - Inspect property
    - Require registration of extraction facilities (wells)
    - Require metering
    - Acquire & hold property of all kinds
    - Appropriate, import & store water
    - Provide for a voluntary fallowing program
    - Transport, reclaim, purify, desalinate & treat polluted water or wastewater for subsequent use

Discussion (cont.)

- GSA Powers and Authorities (cont.):
  - Regulate, limit, or suspend groundwater extractions, construction of new wells, expansion or reactivation of wells
    - Must be consistent with applicable element of city or county general plan unless insufficient sustainable yield
    - No authority to issue well permits unless County agrees
      - Environmental Health Bureau is still authority
  - Authorize transfers of extraction allocations

Discussion (cont.)

- Groundwater Sustainability Plans:
  - May be a single plan implemented by a single agency
  - May be a single plan implemented by multiple agencies
  - May be multiple plans implemented by multiple agencies and coordinated by agreement

Discussion (cont.)

Time Frame for Successful Implementation

Time	Action	
6/30/2017	Formation of GSAs	☑
1/31/2020	Completion of GSPs in critically overdrafted basins	☑
1/31/2022	Completion of GSPs in all other basins	☑
20-year implementation period	Implementation of GSPs under local management	☑

Checking these boxes shields local managers from state intervention

Discussion (cont.)

- Groundwater Sustainability Agency Financing
  - GSAs may impose fees to fund the sustainability program
    - Permit fees
    - Fees on groundwater extraction or other regulated activity
  - Fees based on groundwater extraction must comply with Proposition 218
  - GSAs may also impose a property-based fee
    - Based on maximum extraction capacity
  - GSAs may impose taxes, fee and charges as otherwise provided by law

Discussion (cont.)

- Groundwater Sustainability Enforcement
  - GSAs may:
    - Levy fines
    - Order interruption of extractions
    - File suit

Discussion (cont.)

- The State can Intervene:
  - Plan must be submitted to DWR for review after adoption
    - DWR has 2 years and must issue an assessment of the plan
    - Must assess impact on adjacent basin plan
  - DWR must review plans every five years
    - Multiple plans must be reviewed together
    - By June 2016, DWR must adopt regulations for evaluating plans

Discussion (cont.)

- State Intervention (cont.):
  - SWRCB may declare a basin "probationary" if, after June 30, 2017:
    - No single GSA identified for whole basin, or
    - No collection of local agencies has agreed to form a GSA or agreed to develop plans that would collectively serve the whole basin, or
    - No local agency has submitted an "alternative plan"
      - Existing groundwater management plan
      - Adjudication
      - 10-year operation within sustainable yield (no overdraft)

Discussion (cont.)

- State Intervention (cont.):
  - SWRCB may declare a basin "probationary" if, after January 31, 2022:
    - No GSA has adopted a plan for the entire basin, or
    - No collection of local agencies have adopted plans that serve the whole basin, or
    - DWR has not approved an "alternative plan" and
    - DWR determines plan is inadequate, implementation is inadequate, and basin is in long-term overdraft, or
    - After January 31, 2025, DWR determines plan is inadequate, implementation is inadequate, and extractions result in significant depletions of interconnected surface water

Discussion (cont.)

- State Intervention (cont.):
  - If a basin is declared probationary
    - Local agencies are given the opportunity to correct deficiencies
    - SWRCB may require reporting
    - SWRCB may adopt an interim plan that:
      - Identifies actions necessary to correct long-term overdraft conditions or significant depletions of interconnected surface waters
      - Establishes a time schedule
      - Describes monitoring system

Discussion (cont.)

- State Intervention (cont.):
  - Interim plan may also include:
    - Restrictions on extractions
    - A physical solution
    - Principles and guidelines for the administration of rights to connected surface waters
  - Interim plan must be consistent with water right priorities under CA constitution
  - Interim plan could rely upon an adjudication
  - GSA may petition to rescind interim plan

Discussion (cont.)

State Board Intervention Timeline

After	Cause of Intervention
6/30/2017	No GSA formed
1/31/2020	In critically overdrafted basins, no GSP or the GSP is deemed inadequate
1/31/2022	In other basins, no GSP or GSP is inadequate and basin is in long-term overdraft
1/31/2025	GSP is inadequate and significant depletions of interconnected surface waters

In all triggering events, intervention is the result of a failure by locals to create a GSA and adopt and implement a GSP.

Prior BOD / BOS Action

- October 21 – County Counsel provided an informational presentation on the Sustainable Groundwater Management Act (SGMA)
- October 27 – WRA BOD recommended that the WRA become the Groundwater Sustainability Agency (GSA)
- October 28 – WRA BOS recommended a public process to gain stakeholder input
- December 10 – WRA BOS / BOD recommended WRA move forward with the public process

Summary

- New paradigm for groundwater management
- Lots of details still being worked out
- Definite deadlines for basin priorities and plan development
- WRA directed to begin a public process to work through complexities of SGMA legislation

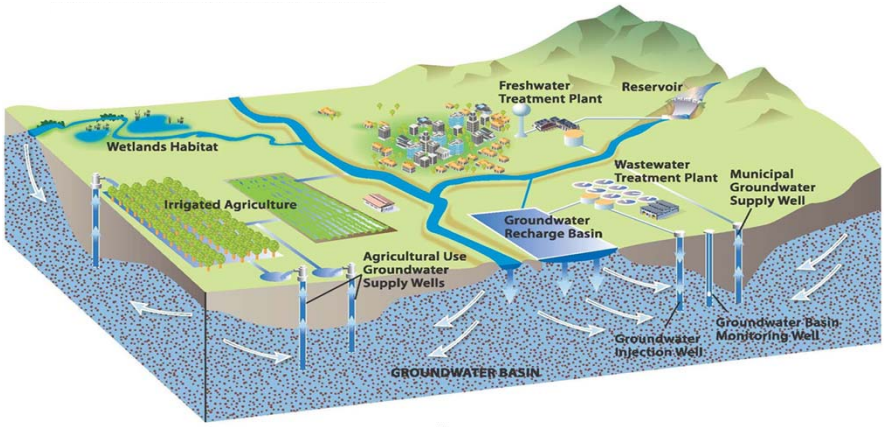
- If WRA becomes GSA, changes to current structure and business model will be necessary

Options and Input

- Implementation Options
  - BOS could set up a new GSA
  - MCWRA could become the GSA
  - A new JPA could become the GSA
  - Do nothing – let the State take over
- Other Options…

TODAY'S PRESENTATION

The Sustainable Groundwater Management Act:
Just the facts, and then some…



WATER SUPPLY PLANNING COMMITTEE

ITEM: DISCUSSION ITEM

5. UPDATE ON CALIFORNIA AMERICAN WATER COMPANY DESALINATION PLANT

Meeting Date: February 10, 2015

From: David J. Stoldt,
General Manager

Prepared By: David J. Stoldt

SUMMARY: Attached for your review as **Exhibit 5-A** is the schedule for the desalination facilities. Staff will review this exhibit with the committee.

EXHIBIT
5-A Schedule for the Desalination Facilities

FULL SCALE PLANT & PIPELINES SCHEDULE - [WORKING PRODUCT & SUBJECT TO CHANGE]

EXHIBIT 5-A

	% Complete	Task Name	Start	Finish
1				
2		MPWSP FULL-SCALE CRITICAL ITEMS		
3				
4	78%	HWG	08/15/13	08/30/15
11	70%	CPUC EIR	08/01/13	02/10/16
12	90%	DEIR Prepared	08/01/13	04/15/15
13		DEIR Release	04/30/15	04/30/15
14	0%	Public Comment Period	05/01/15	06/29/15
15		Final EIR Prepared	06/15/15	10/14/15
16		Final EIR Published	10/30/15	10/30/15
17		CPUC EIR Approval	02/10/16	02/10/16
18		CPUC CPCN Approval	02/10/16	02/10/16
19				
20		COASTAL COMMISSION & LOCAL CONSOLIDATED	11/01/15	07/10/16
21		CDP Application Prepared	11/01/15	12/31/15
22		CDP Application Filed	12/01/15	12/15/15
23		Coastal Commission Decision	07/10/16	07/10/16
24				
25		MARINA LCP - FULL-SCALE WELLS & PIPELINES	10/01/15	05/10/16
26		LCP Application Prepared	10/01/15	11/05/15
27		LCP Application Filed	11/07/15	11/07/15
28		Marina Review	11/08/15	01/06/16
29		Public Meetings & Comment	01/07/16	03/21/16
30		Final CDP Prepared	03/22/16	04/10/16
31		Marina Final LCP Prepared & Decision	04/11/16	05/10/16
32				
33	9%	AGREEMENTS	01/01/14	07/05/17
34		PCA Mixing Studies	08/01/14	12/30/14
35		PCA Long Term Outfall Agreement	02/01/15	10/31/15
36		PCA CSIP Return- CPUC Tariff, Agreement MCWRA & MRWPCA	10/01/14	06/01/15
37		PCA GWR Agreement	11/01/14	04/29/15
38	100%	Landfill Energy Connection Study	01/01/14	04/30/14
39		Landfill Energy Agreement	07/11/16	07/05/17

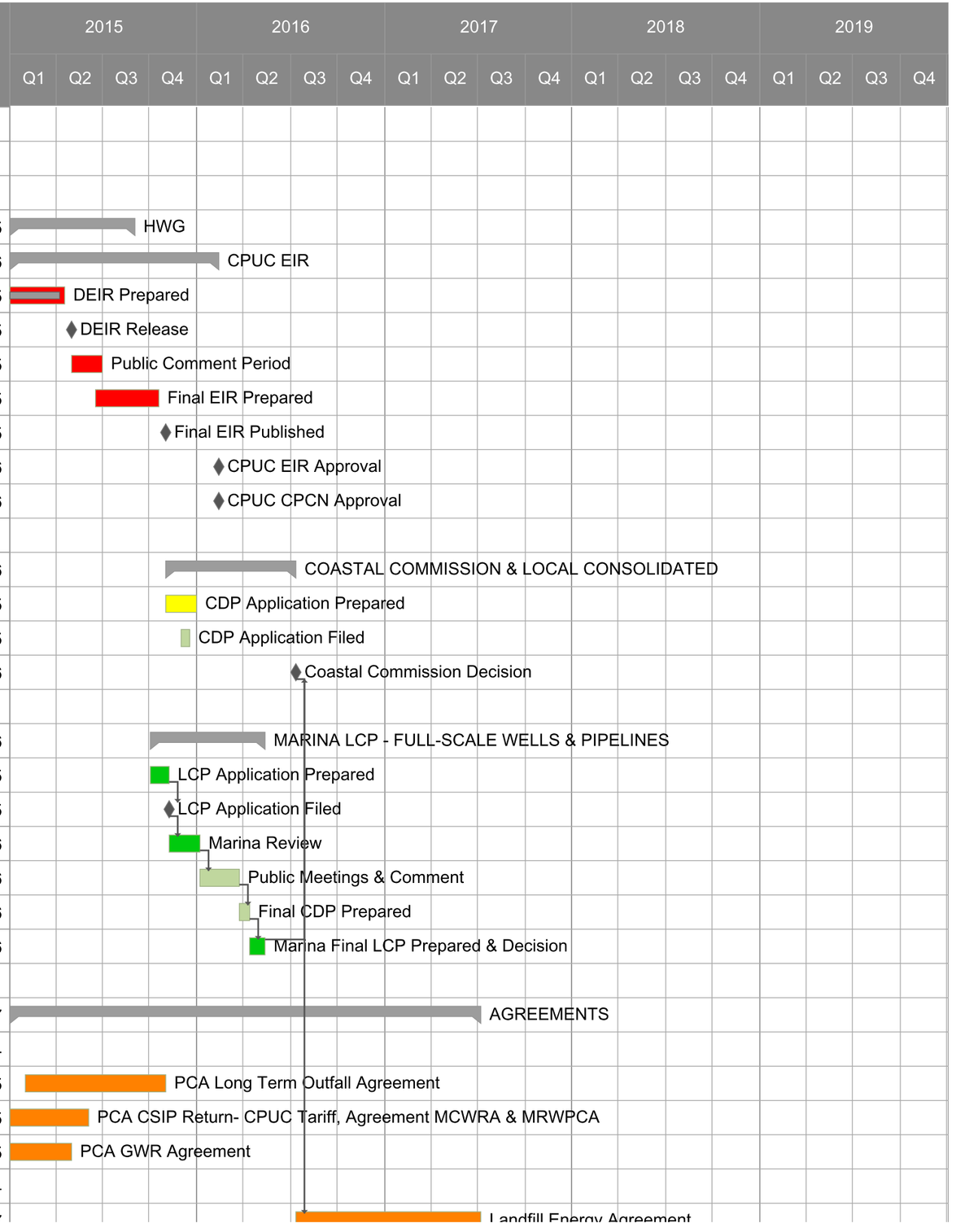


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EXHIBIT 5-A

	% Complete	Task Name	Start	Finish
40				
41	15%	Land	03/01/14	12/31/17
42	15%	Neponset Easements - Pipelines	08/01/14	09/29/15
43	20%	Seaside - Terminal Reservoirs	03/01/14	12/31/15
44	20%	TAMC - Pipelines	06/01/14	12/31/15
45				
46		Misc Items	01/01/17	12/31/17
47		MRWMD Power Agreement	01/01/17	12/31/17
48				
49	60%	CEMEX TEST WELL	01/01/14	09/30/16
50	100%	Environment Permitting	01/01/14	12/31/14
82	100%	LAND	03/15/14	10/28/14
86	96%	CONSTRUCTION	05/01/14	03/01/15
87	100%	Test Well Design Specs & Plans	05/15/14	07/07/14
88	100%	Procurement - Contract Prep, Bids, Award	06/15/14	08/31/14
89	100%	CEQA/NEPA Mitigation Plan Prepared/Appproved	07/15/14	12/08/14
90	100%	Procure long lead items	07/17/14	02/01/15
91	100%	PG&E Service & Meter	05/01/14	01/31/15
92	66%	Test Well Construction	12/01/14	02/28/15
106		Start-up	03/01/15	03/01/15
107		OPERATION		
108				
109				
110		PRODUCTION WELLS	10/15/16	02/28/19
111		Slant Wells Phase 1	10/15/16	02/28/17
112		Slant Wells Phase 2	10/15/17	02/28/18
113		Slant Well Phase 3 (if needed)	10/15/18	02/28/19
114				
115		DESAL PLANT	12/18/13	08/31/19
116		Pre-Design Activities	12/18/13	03/12/14
117		BODR	12/18/13	07/15/14
121		30% Design	04/15/14	07/07/14
125		Value Engineering	07/07/14	07/11/14

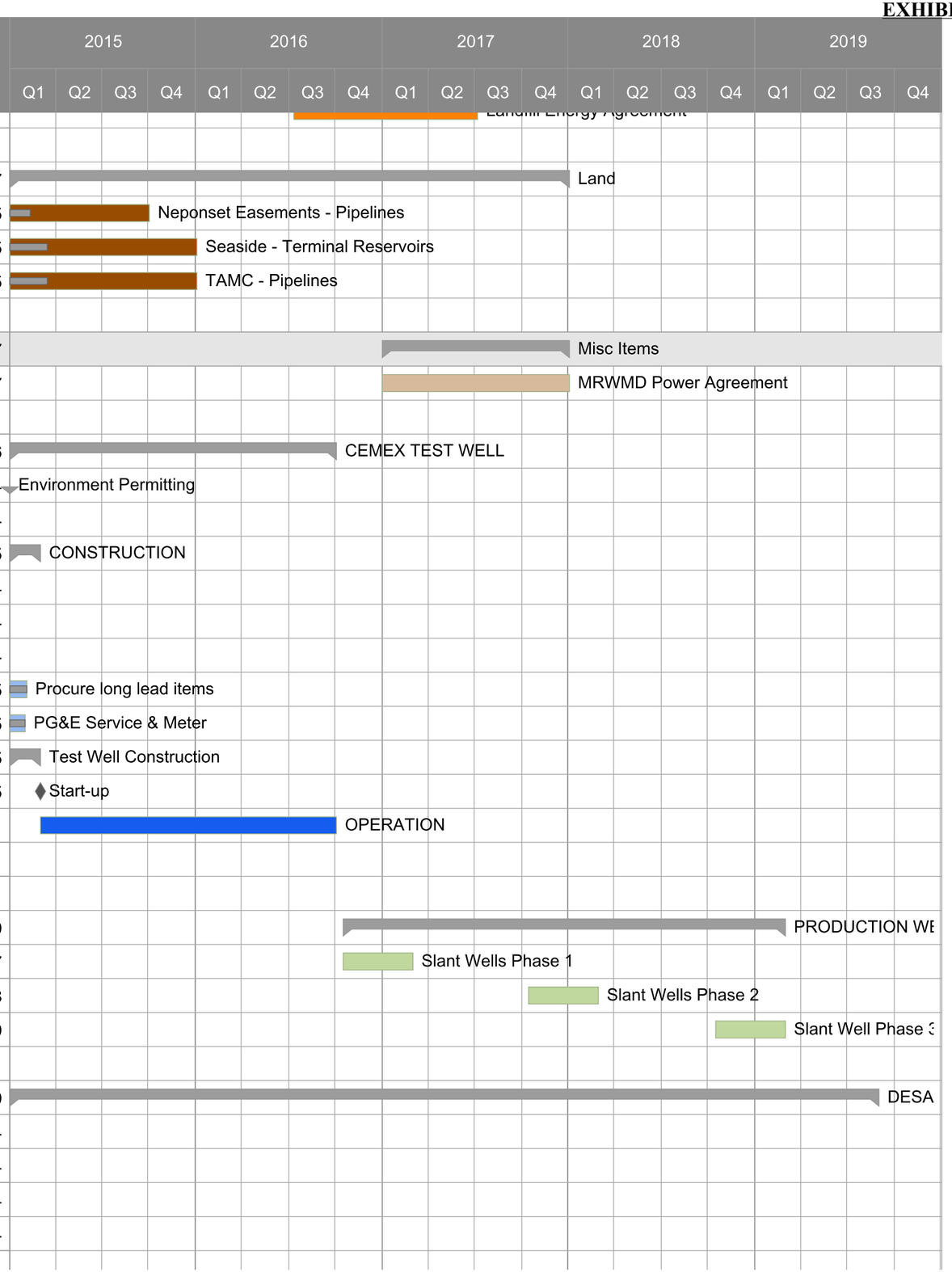

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EXHIBIT 5-A

	% Complete	Task Name	Start	Finish
130		90% Design	11/01/15	09/30/16
134		Final Design	10/01/16	12/15/16
139		Monterey County Permits	01/05/16	07/22/16
146		Monterey Bay Unified Air Pollution Control District Permit	03/02/16	07/01/18
149		RWQCB Permits	07/15/15	07/01/18
153		CDPH Office of Drinking Water Permits	07/01/18	08/31/19
156		Construction	12/15/16	11/25/18
157		Start-up & Commissioning	11/26/18	05/24/19
158				
159		PIPELINES, RESERVOIR, ASR, BPS	02/21/13	08/31/18
160		Design	02/21/13	01/04/16
161		Land Acquistion	01/01/14	11/11/14
162		Permitting	01/01/14	03/07/16
163		Procurement Materials	01/01/15	09/10/15
164		Procure Contractor	01/01/15	12/31/15
165		CONSTRUCTION	11/01/16	08/31/18
166		Feedwater	11/01/16	04/29/17
167		Brine & SVR	05/01/17	06/29/18
168		Transfer North	11/01/16	08/31/18
169		Transfer South	11/01/16	04/02/18
170		Monterey Pipeline	11/01/16	08/31/18
171		Terminal Reservoir & ASR & BPS	02/01/17	08/01/18
172				
173				
174		FINANCE	08/05/13	12/28/15
175		Prop 50 Desal Grant	04/04/14	08/29/14
182		SRF Application	11/22/13	02/13/15
185		Securization	08/05/13	12/28/15
203				
204		GWR - EIR TO APPROVAL	01/01/14	11/01/15
205		GWR - EIR to Decision Point	01/01/14	11/01/15
206				
207		POST SETTLEMENT DATES	04/19/13	09/18/13
208		Common Outline Opening Briefs Due	04/19/13	05/09/13

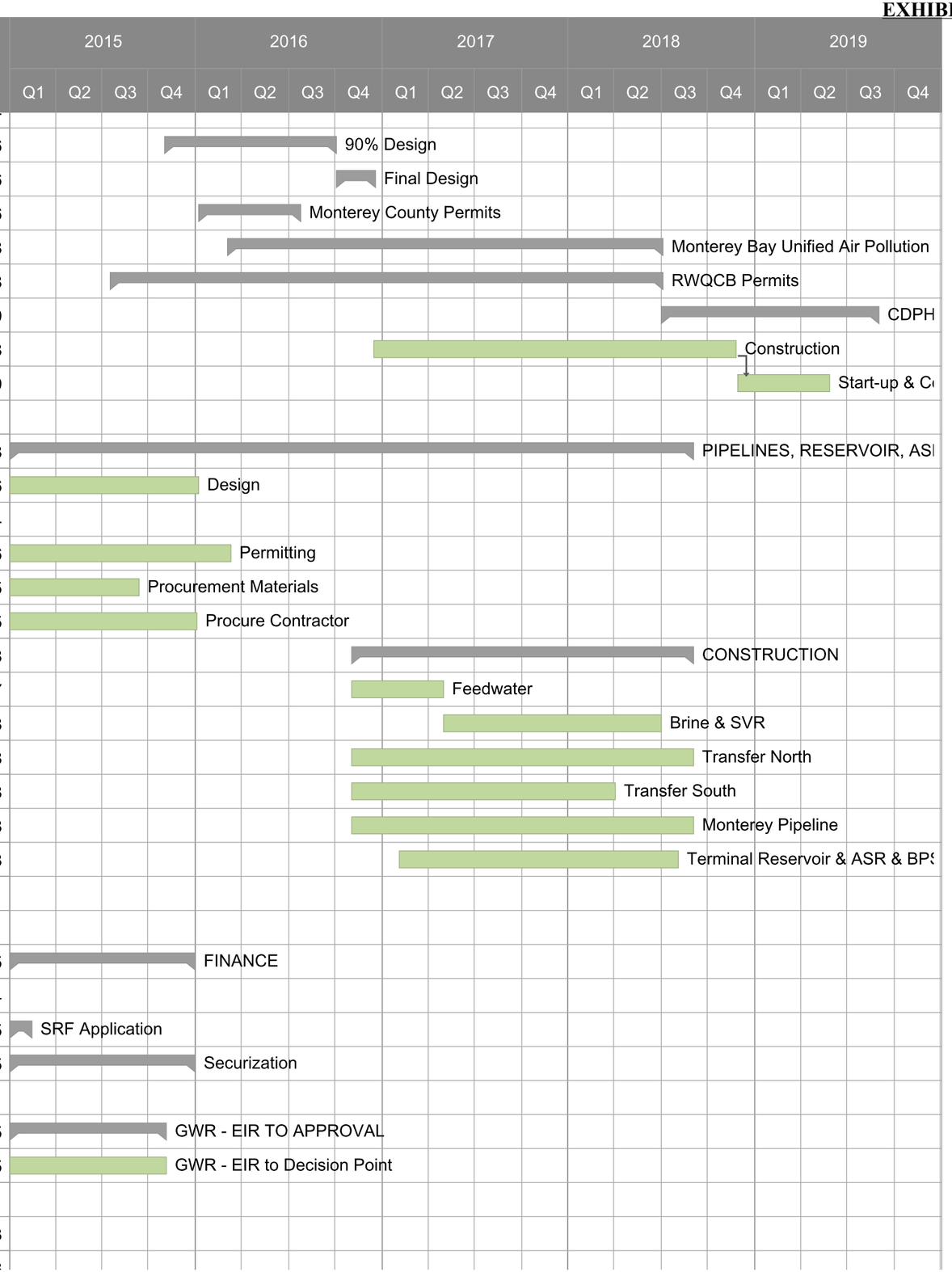

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EXHIBIT 5-A

	% Complete	Task Name	Start	Finish	2015 Q1	2015 Q2	2015 Q3	2015 Q4	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4
208		Common Outline Opening Briefs Due	04/19/13	05/09/13																				
209		Reply Briefs Due	05/10/13	06/06/13																				
210		Proposed Decision on Phase 1 Mailed	08/12/13	08/21/13																				
211		Commission Action on Phase 1	08/22/13	09/18/13																				
212																								
213	2%	POTRERO TEST WELL	06/09/14	03/01/17	POTRERO TEST WELL																			

WATER SUPPLY PLANNING COMMITTEE

ITEM: DISCUSSION ITEMS

7. UPDATE ON LOCAL PROJECTS GRANT REQUEST BY CITY OF PACIFIC GROVE

Meeting Date: February 10, 2015

From: David J. Stoldt,
General Manager

Prepared By: David J. Stoldt

SUMMARY: Attached for your review as **Exhibit 7-A** is Pacific Grove's revised Local Water Project grant application. Staff will review this exhibit with the committee.

EXHIBIT
7-A Pacific Grove's revised Local Water Project grant application

EXHIBIT 7-A

PUBLIC WORKS DEPARTMENT
CITY OF PACIFIC GROVE

2100 Sunset Drive
Pacific Grove, CA 93950
Telephone: (831)648-5722 / Facsimile: (831)375-0627

February 4, 2015

David Stoldt
Monterey Peninsula Water Management District
PO Box 85
Monterey CA, 93942

RE: Pacific Grove Stormwater and Dryweather Flow Reuse Grant Application

Dear Mr. Stoldt,

The City of Pacific Grove is pleased to submit the attached application for funding from the Monterey Peninsula Water Management District for the Stormwater and Dryweather Flow Reuse Project. The City is requesting $100,000 in funding from MPWMD this fiscal year, matched by a City contribution of $100,000. The project has potential to produce 155 acre feet of water by capturing stormwater and dryweather flows.

We look forward to your consideration of our request and to continue to work together collaboratively to address water issues facing the Monterey Peninsula region.

Regards,

Daniel Gho,
Public Works Superintendent
(831)648-5722 ex.203
Email: dgho@cityofpacificgrove.org

City of Pacific Grove
Stormwater and Dryweather Flow Reuse Project
Grant Application Form

DATE: February 4, 2015

Eligibility Summary

Project Geographic Eligibility:	The City of Pacific Grove is within the geographic boundaries of the Monterey Peninsula Water Management District ("District"). Benefits of the Stormwater and Dryweather Flow Reuse Project accrue to all water users within the territory of the District, including but not limited to water users within the City of Pacific Grove, the Pebble Beach Community Services District/Carmel Area Wastewater District, the Presidio of Monterey, the City of Monterey, and unincorporated portions of the County of Monterey.
Project Sponsor:	The City of Pacific Grove ("City") is the Project Sponsor and is a public entity located within District boundaries.
Project Purpose Eligibility:	The increase of stormwater and dry weather flows into the sanitary sewer system will produce an additional volume of non-potable water supply that can be treated and distributed by the District to be used for irrigation purposes by the farming community. This project will also assist the City in achieving regulatory requirements for the Pacific Grove Area of Special Biological Significance (ASBS).
Matching Requirement:	The City of Pacific Grove has thus far committed $100,000 towards the ASBS Regional Discharge Monitoring Program in 2014, and has also committed $235,000 on engineering of stormwater related projects and urban diversion systems since 2012. The City will commit to provide matching funds of at least $100,000, equivalent to 100% or more of the requested grant funds.

Requirements

1) Project Sponsor: City of Pacific Grove

2) Type of entity: Public entity

3) Project Title: Stormwater and Dryweather Flow Reuse Project

4) Project Sponsor Contact Information:
Mr. Daniel Gho
Public Works Superintendent
City of Pacific Grove
2100 Sunset Drive
Pacific Grove, CA 93950
(831) 648 5722 ext. 203
dgho@cityofpacificgrove.org

5) Amount of Funding Requested $100,000.00

6) Project Geographic Location: City of Pacific Grove

7) Project Purpose and Description.
   a. Description of the project – facilities, operations, direct water supply benefits, and ancillary benefits.

Facilities:

The City of Pacific Grove's Stormwater and Dry Weather Flow Reuse Project consists of the design, construction, monitoring, and operation of existing and new facilities to capture and convey stormwater flows and provide additional stormwater storage.

Major Components:

1. The first component of the Project is the upgrade of existing pumps and infrastructure at the Greenwood Park Diversion System.
   - Replacement of two 100 gallon per minute pumps with two 300 gallons per minute pumps
   - Evaluation and potential upgrades of valves, controls, and pipe capacity
   - Potential to produce 100 acre feet of stormwater diversion flow per year (2014 volumes were 15 acre feet, current system potential of 70 acre feet if continuous operation occurred)

The Greenwood Park Diversion System is the primary stormwater diversion system in the City of Pacific Grove. Currently the City has completed Phase Three of the Urban Runoff Diversion Project. All outfalls east of Lovers Point

are connected to this system. During the dry weather months the system is online and pumps all flows to MRWPCA Fountain Street Pump Station, Station 13.

2. The second component of the Stormwater and Dry Weather Flow Reuse Project is to initialize the capture of stormwater flows west of Lovers Point Park.

- Engineering and design of stormwater and sanitary sewer system pipe connections with a series of flow control valves and a SCADA system
- System will accommodate increased volume and ensure all ASBS regulatory requirements are met
- Potential to produce 50 acre feet of stormwater diversion flow per year

Two-thirds of dry weather flows in Pacific Grove are not tied into the current stormwater diversion system.

3. The third component of the Stormwater and Dry Weather Flow Reuse Project is to provide additional stormwater storage at Crespi Pond. Currently Crespi Pond is 1.5 feet deep and has a maximum capacity of approximately 2 acre feet

- If dredged to 3 feet deep and expanded towards the 16th tee of the golf links Crespi Pond could hold roughly 5 acre feet
- Previous exploratory drilling showed granite at a depth of 6 feet towards the north side and 8 feet towards the south end
- Installation of a pumping system into the inflow pipelines or a direct pipeline from Crespi Pond to the reclamation equipment
- Requires engineering, design and Coastal Development permits

Expansion of Crespi Pond would allow the City to supplement stormwater and wastewater influent flows for the production of reclaimed water for irrigation purposes with time-released stored stormwater.

Operations:

The City of Pacific Grove is currently responsible for the operation and maintenance of all existing dry weather flow diversion systems, including the upgrades to accommodate increased stormwater collection. The addition of a diversion system west of Lovers Point would also be the responsibility of the City, in collaboration with MRWPCA, especially during design and construction phases of the Project.

For component three of the Project, Crespi Pond, the City would be responsible for all expansion and dredging activities, and engineering and

design of pumps, valves, and other infrastructure for stormwater distribution. Operation and maintenance of the system would also be the responsibility of the City.

Direct Water Supply Benefits:

The Stormwater and Dry Weather Flow Reuse Project will be a direct benefit to the water supply as it is directly capturing stormwater for reuse that would otherwise be going directly into the Bay. Capturing stormwater and dry weather flows through diversion systems and conveyance to MRWPCA for distribution to growers, especially once the GWR system is online, is a direct benefit as consumers have become more conscience of the drought scenarios in California, thus reducing overall usage and creating lower volumes of untreated water flowing to the PCA. It is anticipated that the upgrade of the Greenwood Park Diversion System and creation of a diversion system west of Lovers Point could capture and convey at least 155 acre feet per year if the systems are operated continuously.

Ancillary Project Benefits:

- **Ocean water quality improvements:** Diversion, conveyance, treatment, and distribution of stormwater flows will prevent direct discharge into the Ocean. Flows diverted by this project originate both from the City of Pacific Grove and from the New Monterey area of the City of Monterey.

- **Stormwater capture and reuse consistent with California ASBS policy goals:** The Stormwater and Dry Weather Flow Reuse Project will capture, divert, treat, and recycle dry weather discharges and the 85th percentile wet weather flows (design storm requirement for ASBS). The Project will therefore comply with the state ASBS policy goals by ensuring that these flows do not cause or contribute to a violation of the water quality objectives in Chapter II of the Ocean Plan nor alter natural ocean water quality in the PGASBS.

- **Crespi Pond Rehabilitation:** Crespi Pond is widely known by residents and visitors as one of the premier bird watching areas on the Monterey Peninsula. By dredging and enlarging the capacity of the pond, the habitat for migratory birds will be greatly enhanced.

b. Describe capacity (acre-feet and/or MDG) in annual, seasonal or monthly terms.
    - Greenwood Park Diversion System Upgrades = 100 acre feet per year if operated continuously
    - Stormwater Flows West of Lovers Point = 50 acre feet per year if operated continuously
    - Crespi Pond= 5+ acre feet of seasonal storage

c. Describe all project participants and roles for successful execution.
   - The Greenwood Park Diversion System: City to coordinate with MRWPCA for increased volume and system expansion.
   - Installation of a diversion system west of Lovers Point: City to coordinate with MRWPCA, the California Coastal Commission (for permitting), and California State Parks.
   - Expansion of Crespi Pond: City to coordinate with California Coastal Commission (for permitting) and CourseCo, the operators of Pacific Grove Golf Links.

d. Project Phase:
   The Project will be compromised of three independent components. This grant request is for the initial planning and design of each component.

   Component one consists of the pump upgrades at the Greenwood Park Diversion System. This component is achievable as the existing infrastructure, vaults, delivery pipelines to the sanitary sewer system, electronics, and valves, are already in place. Pump replacement would be completed in coordination with MRWPCA to ensure that their systems have the capacity to accommodate the additional inflow. Preliminary engineering will need to be completed to ensure that the electronics, vaults and valves could also accommodate the increased volume of flow.

   Component two would consist of preliminary design and communication with MRWPCA in regards to gravity connections of the storm drain system west of Lovers Point into the sanitary sewer system. Stormwater and dry weather flows from this area of the storm drain system would be directed through the Coral Street Pump Station, Station 15. Preliminary communication, design and engineering would need to be completed to determine pipe capacity and pump station mechanics to ensure adequate capacity to accommodate the increased flow.

   Component three would consist of the dredging of Crespi Pond. Dredging activities are currently underway at the site. The City has received a five year permit to complete maintenance dredging of the pond, and conducted initial dredging in 2014, but the permit does not allow significant expansion. Simultaneously with the other two components of the Project, the City would submit a Coastal Development Permit with the California Coastal Commission for expansion of Crespi Pond. Once a permit is acquired then engineering and design for expansion would be completed.

8) District Goals:

- *Can the Project provide water supply to the District for drought/rationing reserve (i.e. water that is not supplied to a beneficial use immediately upon project completion) and if so, how much?*

  Yes, the projects noted above would supply an additional non-potable water source that could be used for irrigation purposes.

- *Can the Project provide water supply to the District for potential future reallocation to the jurisdictions (i.e. water that is not supplied to a beneficial use immediately upon project completion) and if so, how much?*

  Yes, the expansion of Crespi Pond could provide seasonal storage and ultimately be used to offset outdoor irrigation that currently uses potable water.

  Can the project be run in a manner that would provide surplus production that could be "banked" into the Seaside Groundwater Basin utilizing the District's Aquifer Storage and Recovery project?

  Yes, the diversion of stormwater flows to the sanitary sewer system can be conveyed to MRWPCA for inclusion in the groundwater replenishment project.

- *Are there multiple benefits to the region or the State as described in section 6, above?*

  Yes, the Stormwater and Dry Weather Flow Reuse Project results in multiple benefits to the region and the state from the expansion of the stormwater diversion systems and storage capacities:
  a. Provide a drought/rationing reserve,
  b. Provide a potential future reallocation to the MPWMD's jurisdictions,
  c. Provide surplus water production that could be "banked" into the Seaside Groundwater Basin. Reduce desalination plant operations and costs.
  d. Ensure water supply reliability, conservation, and efficiency of use.
  e. Improve ocean water quality improvements.
  f. Reduce non-point source pollution and point source discharges, consistent with the California Ocean Plan.
  g. Capture and re-use stormwater reuse consistent with California ASBS policy goals.

9) Technical Feasibility of Project. Information about the project and include as exhibits or define links to documents or websites for future reference.

   The Dry Weather Flows Reuse Project technically feasible. The Project proposes to upgrade and construct facilities that are common in other municipal stormwater collection systems.

The City already has a stormwater diversion system in place to capture dry weather flows. Upsizing pumps, ensuring pipe capacity, and identifying other infrastructure needs at the Greenwood Park Diversion System will allow for additional flow capture. The support of the MPWMD will give the City the opportunity to evaluate all options for specific outfall connections and determine the best design and engineering for stormwater collection west of Lovers Point. Crespi Pond has undergone dredging and the City will continue these efforts over the next four years. Expanded engineering and permitting will create additional stormwater storage facility adapting a pond that already exists.

10) Project Schedule. Describe basic project schedule milestones including, but not limited to feasibility study, conceptual design, CEQA/NEPA Process, other permits required, etc. Major milestones included in the schedule are as follow:

- The City is in the process of completing a Concept study for first two components of the Project.
    - The City has yet to undergo any regulatory permitting for improvements to the existing diversion system, but is confident that with communication between MRWPCA and the City that this component is achievable.
    - The City is dedicated to the expansion of the diversion system west of Lovers Point.
- The City currently holds a five year waiver from the California Coastal Commission for the dredging of Crespi Pond and is committed to researching expansion for future storage capacity.

11) Project Financing. Describe project capital costs and construction schedule, even if the project is currently applying only for "planning phase" projects. For "planning phase" projects, also describe costs for solely that phase and sources of funding.
Funding would be applied to the planning phase of all project components.

- Greenwood Park Diversion System upgrades: Estimated upgrades $10,000-$20,000
- Diversion System West of Lovers Point: Engineering, design and permitting $80,000-$100,000
- Crespi Pond Dredge: 2014 dredging of 200 Cubic Yards - $25,000

Demonstrate applicant's matching share. To date the City has committed $360,000 since 2012 for monitoring, maintenance, and engineering of the current diversion system and maintenance of Crespi Pond.

If the District does not provide a grant, how will the Applicant fund that amount and proceed with the project? The City's General fund would continue to fund the evaluation of this project.

12) Land. Describe the site and/or right-of-way requirements and status. Identify any approvals to date.

- Greenwood Park Diversion System Upgrades consist of Right-of-Way land near a greenbelt. This is City-owned land.
- The expansion of the diversion system west of Lovers Point is also located within the City Right-of-Way. Collaboration between the City and California State Parks system will be necessary as the City has outfalls that are located within Asilomar State Park.
- Crespi Pond Expansion solely falls within property that the City owns, but does not operate. In April of 2014 the City leased the operations of the golf course to CourseCo, and together the City and CourseCo are committed to wise use of water.

13) Permits. Describe permits required, scheduled for approval, and already acquired.
- California Coastal Commission – Coastal Development Permit for all three components
- MRWPCA – Approvals to upgrade the current stormwater diversion system and increase flow to MRWPCA pump stations