Monterey Peninsula Water Management District
Water Supply Project
Environmental Impact Report
Notice of Preparation

The Monterey Peninsula Water Management District (MPWMD) is proposing a water supply project that will:

- provide legal compliance for reliably supplying water to meet the existing level of California-American Water Company (Cal-Am) system production of 15,285 acre feet annually (AFA) as a short-term goal and

- augment the community water supply as a long-term goal.

A major component of the project is an aquifer storage and recovery (ASR) system. This system would divert excess winter flows from the Carmel River under specified conditions and store this water in the Seaside Groundwater Basin coastal subareas. The MPWMD will also be evaluating other water supply options. These options include local desalination, wastewater reclamation, off-stream storage, stormwater re-use, and additional water rights. The MPWMD will also be conducting an evaluation of the Carmel River Dam and Reservoir Project currently proposed by Cal-Am.

The MPWMD is acting as the lead agency under CEQA, and is preparing an Environmental Impact Report (EIR) to evaluate the environmental effects of the ASR and other supply options. The EIR will be structured to serve as a combined EIR and Environmental Impact Statement (EIS) in compliance with NEPA for use by the U.S. Army or other federal entities that may need to issue permits for project components.

LOCATION

The project is located in Monterey County, California and is within the boundaries of the MPWMD (Figure 1). The infrastructure for the ASR component includes groundwater extraction wells in the Carmel River Basin, a pipeline extending from Carmel Valley north to Fort Ord, and injection and extraction wells located on Fort Ord (Figure 2). The locations of the desalination, water reclamation, off-stream storage, and stormwater re-use program elements are expected to be within the MPWMD boundaries. The location of the Carmel River Dam is shown in Figure 2.

BACKGROUND

The MPWMD manages and regulates the use, reuse, reclamation, and conservation of water within its boundaries. The MPWMD conserves and augments water supplies by the integrated management of ground and surface water resources. About 80% of water within the MPWMD boundaries is collected, stored, and distributed by Cal Am, which serves about 95% of Peninsula residents and businesses. Over 70% of the water delivered by Cal Am is diverted from the Carmel River Basin. Cal-Am owns two dams and a series of wells along the Carmel River.

In 1995, the SWRCB issued Order No. WR 95-10. The SWRCB ruled that Cal-Am did not have the legal right to take approximately 70% of the water currently supplied to Cal-Am users. The SWRCB recognized the right of Cal Am to divert up to 3,376 acre-feet annually (AFA) from the Carmel River. The SWRCB required Cal-Am to obtain a permit to divert the unlawful amount or replace that amount, estimated at the time to be 10,730 AFA, by another source of water. The water sources could include projects with recognized water rights, such as the MPWMD New Los Padres Dam and Reservoir Project, approved by the SWRCB, or non-dam alternatives. In the interim, the SWRCB has set goals to reduce pumping from the Carmel River Basin. SWRCB Order 95-10 currently directs Cal-Am to reduce the amount of water diverted from the Carmel River Basin to no more than

11,285 AFA.

Since the early 1980s, the MPWMD studied the effects of construction and operation of a new dam on the Carmel River as well as a range of alternatives, and pursued permits for the New Los Padres Project. Key state and federal permits for the New Los Padres Project were obtained by MPWMD in mid-1995, but voters did not authorize construction of the reservoir in November 1995, partly due to concerns about growth. After studying various alternatives, Cal-Am proposed construction of a physically identical dam in November 1996. The proposed water yield from the Cal-Am dam project is focused on meeting the SWRCB requirements regarding the amount of water that could be legally diverted from the Carmel River; water for an increment of growth is not proposed. An EIR/EIS and Supplemental EIR on the dam and reservoir were completed in 1995 and 1998, respectively. Completion of final environmental documents for the Cal-Am reservoir project have been delayed due to state legislation effective in 1999 which mandates the California Public Utilities Commission (CPUC) to identify a non-dam alternative or set of alternatives known as "Plan B." The Draft Plan B Report was completed in Fall 2001; the Final Plan B Report is nearing completion.

Since 1996, the MPWMD has evaluated the feasibility of a municipal ASR project. Efforts have included hydrogeologic testing and construction of pilot and full-scale test injection wells. An ASR project is currently viewed as the most promising means to begin to meet the requirements of SWRCB Order 95-10 and help ensure a reliable supply of water.

WATER RIGHTS

The SWRCB is the entity that administers water rights in the Carmel Valley alluvial aquifer area. Previous decisions by the SWRCB have identified water rights held (or permits that need to be obtained) by various entities in Carmel Valley. The SWRCB has determined that the Carmel River is over-appropriated in the drier seasons of the year. The MPWMD was issued water rights associated with mainstem reservoirs on the Carmel River (Permits 20808 and 7130B). As part of the ASR project testing, the SWRCB issued annual temporary urgency permits to MPWMD to divert Carmel River water for injection well testing. In 2001-2002, MPWMD submitted two Petitions for Change based on the 1995 water rights permits associated with the New Los Padres Project. The first petition requests use of the Seaside Basin as a place of storage for some of the Carmel River water, rather than use of a dam on the Carmel River. Approval of this petition would enable a water source for the ASR project. The second petition requests year-round diversions from the Carmel River of up to 7,909 AFA, essentially recognizing the existing diversions greater than 3,376 AFA as lawful. The SWRCB will use the information in the EIR to help determine whether either of the two petitions should be granted.

WATER SUPPLY STEPS/TARGETS

To help guide the process of formulating a wide range of alternatives, the MPWMD established a set of water supply steps and targets. The water supply steps include (1) legalizing the existing Cal-Am production from the Carmel River under the current constrained (mandatory conservation) situation, (2) relaxing existing conservation standards for the existing community, and (3) providing additional water for an increment of future near-term new needs ("growth"). The production targets are 15,285 AFA, 17,461 AFA, and 18,941 AFA for Steps 1, 2, and 3, respectively. These targets, when compared to the existing combined 7,376 AFA production from the Seaside Groundwater Basin and the recognized lawful rights from the Carmel River, provide a means for estimating the additional increment of production that would be required under each alternative. The amount of new water rights that potentially could be approved by the SWRCB also influences the size and number of water facilities that need to be constructed.

ALTERNATIVES

The MPWMD is proposing to evaluate a range of alternatives in the EIR that meet the project purpose. Currently, the EIR will include:

- an evaluation of a no project alternative;

- alternatives based on combining an ASR project with one or more of the program elements, including water reclamation, off-stream storage, and stormwater re-use;

- alternatives based on combining a local desalination project with one or more of the program elements, including water reclamation, off-stream storage, and stormwater re-use;

- an alternative based on the Cal-Am Carmel River Dam and Reservoir Project.

The MPWMD may formulate additional alternatives as the scoping and alternatives development process moves forward.

ENVIRONMENTAL ISSUES

Scoping is an early and open process designed to determine the issues and alternatives to be addressed in the EIR. The EIR will address the environmental and other factors required for analysis in an EIR or EIS. The environmental review will focus on the following issues identified by MPWMD to date that reflect issues of greatest community and agency concern:

- threatened species, including Carmel River steelhead, California red-legged frog, and maritime chaparral;

- water quality, including sedimentation in the Carmel River;

- impact to Carmel River riparian corridor, including flood elevations;

- impact to Seaside Groundwater Basin;

- water supply and availability, including Carmel River streamflow patterns;

- impacts to Monterey Bay and the Monterey Bay National Marine Sanctuary;

- construction and operation related effects , including water quality, air quality, vegetation, wildlife, transportation, and cultural resources;

- cumulative effects; and

- growth inducing effects.

SCOPING MEETINGS

The MPWMD plans to hold scoping meetings to solicit public and agency input to the planning process and impact assessment for the water supply project. Meetings will be held on July 10, 2002 at the following locations:

Monterey Peninsula Water Management District
Conference Room
5 Harris Court, Bldg. G.
Monterey, CA
2 PM

Oldemeyer Center
986 Hilby Avenue
Seaside, CA
7 PM

WRITTEN COMMENTS

The MPWMD requests agency and public input on the scope and issues that should be evaluated in the EIR. The MPWMD requests that comments be submitted at the earliest possible date, but not later than July 17, 2002. Comments should be sent to:

Henrietta Stern, Project Manager
Monterey Peninsula Water Management District
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Monterey, CA 93942-0085