

OFFICE OF THE MAYOR • 200 Lincoln Avenue • Salinas, California 93901 • (831) 758-7201 • Fax (831) 758-7368

RECEIVED

January 2, 2018

JAN 03 2018

MPWMD

The Honorable Mayor Bill Kampe President, MPRWA City of Pacific Grove 300 Forest Avenue Pacific Grove, CA 93950

Dear Mayor Kampe:

As the Mayor of the City of Salinas, I chair the Salinas Valley Groundwater Sustainability Agency (SVGSA). The City of Salinas is also a member of the Monterey Regional Water Pollution Control Agency (Monterey One Water). It has come to the City's attention that the California Public Utilities Commission (CPUC) has requested information to explore options to expand the Regional Water Pollution Agency's project known as the Pure Water Monterey Groundwater Replenishment Project as a possible alternative to the desalination project submitted to you by California American Water Company (CalAm) to supply the Monterey Peninsula with water.

I am writing you based on the City's membership on both the GSA and the Water Pollution Control Agency Boards to inform you that the expansion of the Pure Water Monterey project is not a feasible alternative to CalAm's desalination plant proposal. In fact, it is quite likely there will be no water whatsoever available to augment the 3,500-acre-feet of recycled water that the Pure Water Monterey project has committed to deliver to the Monterey Peninsula.

Based on reports from the Monterey County Water Resource Agency to the Board of Supervisors, over the last 60 days, it appears that salt water intrusion in the Salinas Valley Groundwater Basin is continuing to advance inland, further threatening not only the supply of water to Monterey County's largest industry, agriculture, but also the water supply for the cities near the coast including the City of Salinas

Any expansion of the Pure Water Monterey project would require the diversion of additional water from Salinas Valley to the Monterey Peninsula. This water is needed for the Salinas Valley to address the worsening salt water intrusion problem in the Salinas Valley Groundwater Basin. Neither the SVGA nor the City of Salinas would support the diversion of any additional water beyond the amounts already committed for the 3,500--feet committed to the Monterey Peninsula.

The Monterey Peninsula needs its own independent supply of water not dependent on water made available through reclamation of Salinas Valley groundwater, which is neither a guaranteed source nor a source that would ever be capable of meeting the water certainty for the long-term supply needs of the Monterey Peninsula.

The Honorable Bill Kampe January 2, 2018 Page 2

The Monterey Peninsula has suffered for decades from a lack of political leadership to execute supply solutions. Studying non-existent water from the Salinas Valley Groundwater Basin will only further delay the solution to the Peninsula's water supply problem. A major practical drought-proof and secure water supply solution for the Monterey Peninsula is California American Water Company's desalination plant application currently pending before you. The desalination plant proposed by CalAm will significantly address the current cease and desist order of the State Water Resource Control Board. I urge that you move forward as expeditiously as possible to complete your consideration of that matter so that project may move forward.

Sincerely,

Mayor

City of Salinas

Andrew Clarke, Board of Chair, MPWMD via email only to andympwmd@gmail.com David Stoldt, General Manager, MPWMD via email only to dstoldt@mpwmd.net Rudy Fischer, Board of Chair, M1W via email only to boardclerk@my1water.org Ron Stefani, President, CCSD via email only to rjstefani@aol.com Eric Tynan, General Manager, CCSD via email only to eric@castrovillecsd.org Nancy Isakson, Board Director, SVWCA to nancy@salinasvalleywatercoalition.org Norm Groot, Executive Director, MCFB via email only to norm@montereycfb.com Richard Svindland, President, CAW via email only to Richard.svindland@amwater.com Ian Crooks, VP Engineering, CAW via email only to ian.crooks@amwatere.com



Submitted by staff at 1/23/18 Water Supply Planning Committee Item 3.a RECEIVED

JAN 2 2 2018

MPWMD

1140 Abbott Street, Suite C, Salinas, CA 93901 • PO BOX 1449, Salinas, CA 93902

office (831) 751-3100 • www.montereycfb.com

January 22, 2018

Mr. Dave Stoldt Monterey Peninsula Water Management Dist. 5 Harris Court, Bldg. G Monterey, CA 93940

Mr. Paul Sciuto Pure Water Monterey c/o Monterey 1 Water 5 Harris Court, Bldg. D Monterey, CA 93940 Mayor Bill Kempe Monterey Peninsula Regional Water Authority c/o City of Pacific Grove 300 Forest Ave. Pacific Grove, CA 93950

Mr. David Chardavoyne Monterey County Water Resources Agency 1441 Shilling Place Salinas, CA 93901

VIA: E-Mail

RE: Monterey Peninsula Water Supply Project

Gentlemen:

Monterey County Farm Bureau represents family farmers and ranchers in the interest of protecting and promoting agriculture throughout our County. We strive to improve the ability of those engaged in production agriculture to provide a reliable supply of food and fiber through responsible stewardship of our local resources.

Since the filing for project approval with the California Public Utilities Commission in 2012, Monterey County Farm Bureau has participated as an active intervener in the portfolio of projects known as the Monterey Peninsula Water Supply Project. Through numerous settlement conferences and hearings, we have maintained an active stance as a good neighbor helping the Peninsula solve their water supply shortage that yields a sustainable, reliable, long-term supply for residents, businesses, tourism, economic expansion, and lots of record.

We urge the Monterey Peninsula community and water agencies to not lose focus on their long-term water supply solution by:

- Maintaining the portfolio of projects approach for future water supplies (desalination, reclamation, and aquifer-storage-and-recovery); and
- Working to meet the Cease-and-Desist modified order milestones for 2018 & 2019; and
- Advocating that the California Public Utilities Commission decision on the CPCN for the desalination facility expected in September 2018 is adhered to.



office (831) 751-3100 • www.montereycfb.com

Discussion

The Salinas Valley community has a long history of building water resource projects to enhance the reliability of the groundwater basin that supports a robust agricultural economy. Projects built in the past seven decades include the two reservoirs in the southern area of the County, the Salinas Valley Water Project, the Salinas River Diversion Facility, and the Castroville Seawater Intrusion Project (CSIP). These projects, as noted in preliminary groundwater basin assessments, currently recharge the groundwater basin in nearly equal amounts of extractions each irrigation season, aim to contain seawater intrusion in the coastal zone by reducing reliance on wells and extracting less from the basin, and improve underground flow to balance the basin.

An important element of CSIP is that it utilizes municipal waste water from the Peninsula as one of the reclaimed water sources, a recycling project that the Peninsula communities did not or could not build on their own; this facility is paid for by the CSIP users and other landowners of the Salinas Valley. This reclamation project is an example of cooperative efforts between the two communities, finding solutions for the benefit of both the Salinas Valley and the Peninsula.

Seawater intrusion remains the biggest groundwater challenge for the Salinas Valley Groundwater Basin. With nearly 90% of groundwater extractions used for irrigation purposes, Salinas Valley landowners and growers are keenly aware of the issue and continue to seek farm practices and water resource projects that will find resolution to this challenging problem. Recent reports on advancement have heightened that awareness and moved the discussion on possible additional solutions to the forefront.

Salinas Valley landowners and growers are proud of their accomplishments in water resource management, consistently coming forward to build and pay for projects to ensure water is available for future generations.

If only the Peninsula community had undertaken the same development of their water resources, the problems facing this community would be far less than the dire consequences of the Cease-and-Desist order (CDO) issued by the State Water Resources Control Board. Where the Salinas Valley took charge of their water supply destiny, the Peninsula continued to disagree and defer possible water supply solutions, battling their water purveyor, and thereby losing control of their water supply destiny to state agencies.

As the Salinas Valley agricultural community is interested in a strong, robust tourism industry as a major element of our local economy, a deal was struck to provide 3,500 acre feet of potable water each year to the Monterey Peninsula through the development of the Pure Water Monterey project. This involved a year-long negotiation to reallocate waste water flows that were available from various sources, some existing and some newly developed. In the view of the Salinas Valley



office (831) 751-3100 • www.montereycfb.com

agricultural community, we were good neighbors in helping to create a partial supply of new potable water to replace the Carmel River supply deemed inappropriate by the State Water Board's CDO.

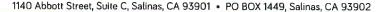
This 'new water' includes a reclamation from agricultural processing plant discharges utilized for food safety treatments on leafy greens and vegetables. As food safety measures evolve and new technologies are developed that allow for less or minimal use of water for pathogen treatment on these products, the available discharges may be reduced or eliminated altogether. It should also be noted that these discharges come from private business enterprises that may change their business models at any time, simply by relocating or changing their operations; it can be expected in the future that water reclamation from these facility discharges will only decrease over time.

Now, current discussions on the proposed expansion of Pure Water Monterey as an effort to provide more potable water come framed as a manner to delay or thwart the possibility of desalinated water production. The Salinas Valley agricultural community remains committed to the Peninsula solving their water supply problem with a portfolio of projects, rather than relying on a single project to run at nearly 100% capacity based on possibly interruptible source waters. Expansion of Pure Water Monterey should be a carefully considered option as part of the portfolio of projects originally contemplated within the Monterey Peninsula Water Supply Project.

There are concerns within the agricultural community about the partial or full barrier lining of the Salinas reclamation ponds that reside over the Salinas Valley Groundwater Basin. Curtailment of any groundwater percolation from these ponds could have serious impacts on the ability to confine seawater intrusion in the Blanco area west of the City of Salinas. Extensive studies are needed to determine if there is an interconnection between these surface water bodies and the perched aquifer where seawater intrusion is so prevalent. Additional source waters for reclamation by Pure Water Monterey need full disclosure, permitting and analysis, along with the required environmental impact investigation.

Further, there is a *perception* that, once again, the Peninsula community is looking to the Salinas Valley to solve their water supply problems, abandoning their own solution of a portfolio of projects that will ensure a reliable water supply for future needs and growth. While this may be a perception, there continues to be discussion and rhetoric about use of Salinas Valley water rights that are viewed as 'available' flows by those who are advocating for a delayed decision on desalination. The Lettuce Curtain is indeed a reality if these types of discussions gain traction and the Salinas Valley is forced to exert its entitlement to both surface water permits and groundwater rights.

While our organization has worked to help our Peninsula neighbors solve their water supply problems, we assert that any expansion of Pure Water Monterey beyond the original contracted amount of potable water supply to the Peninsula should be carefully considered as part of the





office (831) 751-3100 • www.montereycfb.com

portfolio of projects that includes a desalination component and optimized aquifer-storage-and-recovery (ASR).

Conclusion

We continue to support that the Peninsula community solve their long-term water supply, not just replacement of current supplies based on drought-induced demand, with projects that are complementary and allow for expansion of supply in future decades. Again, we view the deferring of a decision on the desalination facility as another example of the Peninsula community thwarting a solution to their water supply.

Monterey County Farm Bureau urges that the scheduled 2018 milestone for the CDO not be jeopardized or missed, and that the current track for CPCN consideration in September 2018 be maintained. Consideration of Pure Water Monterey expansion should in no way delay or forestall the decision on desalination as a component of the portfolio of projects.

Sincerely,

Norman C. Groot Executive Director

Monterey County Farm Bureau is an intervener in the Matter of Application of California-American Water Company for Approval of the Monterey Peninsula Water Supply Project (California Public Utilities Commission A.12-04-019, filed April 23, 2012).

Submitted by staff at 1/23/18 Water Supply Planning Committee Item 3.a

PURE WATER MONTEREY EXPANSION

Testimony Scenario B

Source Water Needed: 2250 AFY

Assumption: ~19% rejection rate - to meet 2250 AFY, must collect 2760 AFY or 230 AFM

POTENTIAL SOURCE WATERS

WINTER WASTEWATER

Assumptions:

• Recycled water going to growers in Castroville (CSIP) increases 25%

• Marina Coast Water District (MCWD) has the right to monthly allocations per current agreement

9	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Influent*	1662	1570	1681		al div	ja J		Page 1		1784	1619	1624
CSIP + 25%**	162	501	1016					100		1378	486	176
MCWD***	166	155	166		440	a. 4	á.			161	161	167
Remaining TOTAL	1334	914	499	Mr.		THE RESERVE	7		40	245	972	1281

^{*}Influent: Amount of wastewater entering M1W facility

Numbers used are 2015-17 average

Numbers used are 2008-2017 average

SALINAS PONDS RETURN WATER

Assumption:

•Lining installed in three ponds at the Salinas Industrial Wastewater Treatment Facility

660	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Lined Ponds TOTAL				204	107	65	60	90	188			

650 AFY FROM SUMMER WATER RIGHTS PER ARA

ARA: 2016 Amended and Restated Water Recycling Agreement between Monterey One Water and

Monterey County Water Resources Agency

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Agreement TOTAL					138	172	185	155	×			

AFM FOR COMBINED SOURCES

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
COMBINED TOTAL	1334	914	499	204	245	237	245	245	188	245	972	1281



^{**}CSIP: Castroville Seawater Intrusion Project - wastewater recycled for irrigation is provided to Castroville growers to decrease amount of groundwater being used, therefore reducing seawater infiltration

^{***}MCWD: Marina Coast Water District – in a 1989 agreement, Marina Coast Water District reserved their right to monthly wastewater contributions

PURE WATER MONTEREY EXPANSION

Testimony Scenario B

Source Water Needed: 2250 AFY

Assumption: ~19% rejection rate, must collect 2760 AFY or 230 AFM

POTENTIAL SOURCE WATERS CONT.

CONCERNS

- •Impact of seawater intrusion The waters currently being considered for this water supply are waters that would not be utilized for beneficial reuse. These "wasted" water sources would have to be treated to an appropriate level and the infrastructure constructed in order to make a difference in the Salinas Valley Seawater Intrusion problem that exists in the Salinas Valley.
- •Lining ponds: Does lining the ponds produce deleterious effects on well levels in the area? If the growers in the area are using the perched aquifer then lining the ponds could be reducing the amount that is percolating down into that aquifer. It has been calculated that 1,000 to 1,200 AF of water could be percolating each year. According to a study, most of the percolation is going towards the river and is not utilized. Given the amount of water pumped out of the Salinas Valley each year (~ 500,000 AF), this amount of recharge is negligible. Additionally, the area in which the recharge is occurring is not located in an area to make a profound effect on the seawater intrusion fronts.
- Can water be used in the Salinas Valley As mentioned earlier, using these under-utilized water sources for agriculture irrigation or injection into an aquifer will require the water to be treated to appropriate use levels. Building new treatment facilities & infrastructure (storage) to meet these use levels would be cost prohibitive.

