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Submitted by staff at 10/15/12 Board meeting. 19 Item: Oral Communications

3079 Hermitage Road Pebble Beach, CA 93953

October 9, 2012

SENT VIA U.S. MAIL AND E-MAIL

Board of Directors Monterey Peninsula Water Management District P.O. Box 85 Monterey, CA 93942-0085

SUBJECT: Public Ownership of Water Supply Facilities and Water Rights

Dear Board of Directors:

Relating to your September 17, 2012 action on Item 15 (Discuss and Recommend District Position on Cal-Am Application re: Governance, Ownership, and Finance), I urge you to diligently pursue public ownership to the maximum extent possible of all water supply facilities developed to resolve the current water supply shortage, including desalination project feedwater intake, treatment plant, brine discharge, storage, and transmission facilities. Aquifer storage and recovery (ASR) facilities and all other new facilities that become components of an overall solution should also be publicly owned. In addition, these facilities should be operated and maintained by public agencies to the maximum extent possible.

Water rights originally obtained by the Water Management District should be maintained in public ownership. Portions of District-owned Permit 20808, issued by the State Water Resources Control Board in 1995 for the New Los Padres Dam and Reservoir Project, were split off to support Phases 1 and 2 of the District's ASR project. The District agreed that the water right permits for the ASR projects, Permits 20808A and 20808C, be issued jointly to the District and California American Water at no cost to Cal-Am. The remainder permit, Permit 20808B, authorizes the total amount of water to be taken from the Carmel River and its associated alluvial aquifer by direct diversion and diversion to storage not to exceed 23,674 acre-feet per annum. This permit, which may be used for additional ASR capacity and other uses in the future, is valuable and should be held by the public and not shared with or transferred to any privately-owned entity.

Sincerely,

Andrew M. Bell

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