

Supplement to 05/16/2022 MPWMD Board Packet

Attached are copies of letters received between **April 13, 2022 and May 10, 2022**. These letters are listed in the **May 2022** Board packet under Letters Received.

Author	Addressee	Date	Topic
Melodie	Board of	April 13, 2022	Opposing Monterey's Request for Water
Chrislock	Directors		
David Stoldt and	Christopher	April 18, 2022	ASR-1 Well Non-Operational Status
Paul Sciuto	Cook		
Chayito Ibarra	Coalition of	April 20, 2022	Monterey One Water- CA PRAR Received
	Peninsula		on March 21, 2022- Production Letter
	Businesses		Dated April 20, 2022
Melodie	Board of	April 27, 2022	Impact of Senate Bill 1157
Chrislock	Directors		
David D. Cooke	General	April 28, 2022	Status of Aquifer Storage and Recovery
	Manager		Well (ASR) -01
Melodie	Board of	May 5, 2022	S.J. Mercury Newsom Wants Desal
Chrislock	Directors		

From: <u>mwchrislock@redshift.com</u>

To: <u>Eileen Sobeck - SWRCB; joaquin.esquivel@waterboards.ca.gov; dorene.dadamo@waterboards.co.gov;</u>

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Executive Officer LAFCO; mcbaind@monterey.lafco.ca.gov; Norm Groot; Paul Bruno; John Tilley; Ron Stefani; Tom Moore; Mary Ann Carbone personnal e-mail; Paul Sciuto; Dave Stoldt; Tom Rowley; Kevin Dayton - Monterey Peninsula Chamber of Commerce; Kevin Stone - Realtor MCAR; Jeff Gorman; Jeff Davi; Rick Heuer; Alvin Edwards; George Riley; Safwat Malek; Karen Paull; Clyde Roberson; Eric Tynan - Castroville Comm. Svcs. Dist.; Kelly Nix of Carmel Pine Cone; Dave Kellogg - Monterey County Herald; PG Resident - Kirstie Wilde; Gary

Baley; Chris Cook - SWRCB; Ron Weitzman

Subject: Re: Opposing Monterey"s Request for Water Date: Wednesday, April 13, 2022 8:51:49 AM

I'm sorry Rudy Fischer continues his crusade and feels the need to burden all of you with his personal issues. He lost in his run for the MPWMD board in 2020 and can't let it go.

For the record neither Public Water Now, nor I, have ever taken a nogrowth position. Public Water Now wants an affordable, sustainable water supply for the Monterey Peninsula. That has always been our goal and our only goal.

We applaud the efforts of the MPWMD and Monterey One in moving the Expansion of Pure Water Monterey forward. The Water Purchase Agreement for the Expansion is now at the CPUC for approval. This will give us the water we need for decades of growth at a much lower cost than desal.

Melodie Chrislock
Director
PUBLIC WATER NOW
http://www.publicwaternow.org
mwchrislock@redshift.com

From: Rudy Fischer < rudyfischer@earthlink.net >

Date: Tue, Apr 12, 2022 at 9:53 PM

Subject: Opposing Monterey's Request for Water

To: Eileen Sobeck - SWRCB

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Monterey County Herald <<u>dkellogg@montereyherald.com</u>>, PG Resident - Kirstie Wilde <<u>kirstiewilde@gmail.com</u>>, Gary Baley <<u>gary.baley@gmail.com</u>>, Chris Cook - SWRCB <<u>Christopher.Cook@amwater.com</u>>

TO: The California State Water Resources Control Board Eileen Sobeck
E. Juaquin Esquivel
Dorene D'Adamo
Sean Maguire
Laurel Firestone
Nichole Morgan
Steven Westhoff
Michael Lauffer

The city of Monterey's Mayor, Clyde Roberson, recently asked the State Water Resources Control Board (SWRCB) for a specific and special allocation of water to build affordable housing. But it is incredible - and more than a little dishonest - for him to blame the lack of local housing on your agency. His letter represents selective memory and a "cherry picking" of his own "facts". I am writing to oppose this request.

The Monterey Peninsula Water Management District (MPWMD) was formed in 1978, in response to the drought of 1976-77 when there was little rain, a much lower than usual snow pack in the Sierra's, forty-seven of California's 58 counties declared drought emergencies, and severe water rationing was imposed on the Monterey Peninsula.

Because of that agency's failure to solve the Peninsula's chronic water shortage for over 17 years, the SWRCB I properly imposed that Cease-and-Desist Order (CDO) in 1995 (27 years ago!!!). It was partly to force Cal Am to take less water from the Carmel River, and that goal has been met. But the SWRCB also made removal of that 1995 CDO contingent

on the development of "sufficient and reliable" sources of the water for ALL of the Peninsula's current and long-term needs. THAT goal has NOT been met and we currently still have a severe water shortage!

But Mayor Roberson is one of the people who has the power to change that! He has spent over 20 years on the Monterey City Council – 12 of those as mayor. He now sits on the board of the Monterey Peninsula Water Management District, which has not done enough to actually meet the goals set by the state for the CDO to be lifted - but could and should.

He and the other members of the MPWMD have failed the people of Monterey. They have failed those who look for affordable housing and those who are willing to provide it. And they have failed the people who own hundreds of properties in the city of Monterey (and other cities) but cannot build because of a lack of water and the state's Cease and Desist Order. They are even failing the families who already have homes and want to add water fixtures to accommodate family growth but are prevented from doing so by those restrictions.

And, by aligning himself with Public Water Now, I think he is now failing everyone.

That is because for 44 years the MPWMD has had several goals:

- * To increase the water supply to meet community and environmental needs.
- * To assist California American Water in developing a legal water supply.
- * To protect the quality of surface and groundwater resources and continue the restoration of the Carmel River environment.
- * To manage and allocate available water supplies and promote conservation.

AND ONLY since 2019, with the passage of Measure J, to

evaluate the feasibility of acquiring the local operation of California American Water (Cal Am).

But Cal Am has tried for years to build other water projects, only to be opposed at every step by Mr. Roberson's friends at Public Water Now [see Attachments]. But the board of the MPWMD (which includes Clyde Roberson, Alvin Edwards, George Riley, Safwat Malek, Amy Anderson, Karin Paul, and Mary Adams) is now dominated by members of Public Water Now. And he supported and endorsed many of them as candidates!!

This group – which was fined by the state last year for not disclosing their Political Action Committee status - is focusing ONLY on the last and newest of the agency's goals – acquiring Cal Am. And I believe they are doing so not to create more water, but because of their long-term hatred of the water company. That is significant because most of the members of the MPWMD board are members of PWN and,I believe acting more in the interest of the organization than in the interest of the public or getting off of the CDO.

I would also note that at one time there was an agreement on the part of all parties for a three-part project (the "three-legged stool" for several years) which would have provided all the water the Peninsula – and other local cites which need water – could have used. Much time and money were spent on that agreement because of the belief there was a deal which all the parties would stick to.

One of the current board members (at the time with a predecessor to Public Water Now – George Riley as a representative of Public Water Now [see

-https://www.montereycountyweekly.com/blogs/news_blog/cal-am-alleges-public-water-advocate-george-riley-breached-desal-agreement/article_b2070336-4519-11e4-ab76-0017a43b2370.html]—

https://www.montereycountyweekly.com/blogs/news_blog/cal-

am-alleges-public-water-advocate-george-riley-breached-desal-agreement/article_b2070336-4519-11e4-ab76-0017a43b2370.html%5D%E2%80%93> reneged on their agreement to that Water Supply Project. The MPWMD board did so later on once he and other Public Water Now members had been elected to that board.

Because they want to acquire the local assets of Cal Am, they want to keep the company's assets as low as possible (in order to meet the "feasibility" part of Measure J). As a result, they will do just about anything to keep the company from undertaking projects – even if those projects will benefit the water users of the Peninsula.

For instance: when CalAm proposed to construct a new 36-inch-diameter, 7,000 LF, potable water transmission pipeline (Bypass Pipeline) to connect to an existing 36-inchpipeline at each end, the current head of Public Water Now opposed it [see Water – Chrislock Letter].

The purpose of the Bypass Pipeline was to be the improvement to the then existing Aquifer Storage and Recovery system and allow Cal Am and the MPWMD to perform simultaneous injection and extraction operations so as to meet long-term customer demand. I believe it was George Riley (again) who made the motion to oppose and delay that.

Though the project was later done (because it just made way too much sense) and has helped to move water around in both directions and for both Pure Water Monterey and ASR. But I believe the delay cause the MPWMD to not be able to move much needed water during a particularly wet year. In my opinion, this further exacerbated the Peninsula's water shortage.

But Public Water Now wants to take over the local operations of Cal Am not to help Peninsula customers get more water, but for control. They blame Cal Am for the high cost of water, while at the same time claiming their creation of delays and helping to kill proposed water projects had nothing to do with influencing costs.

While none of us like high water rates, we also don't like high gas prices; but we aren't talking of taking over the oil companies are we? But it has become clear to many that buying the local operation of Cal Am will cost \$500 million to \$1 billion of Monterey Peninsula rate payer dollars – even though that will not produce a single new and additional drop of water. AND THAT IS WHAT IS NEEDED TO GET OFF OF THE CDO!

They will point to Pure Water Monterey as the answer to new water and, while that project will help, it is not the total solution. That is a great project and will replace what we can now (appropriately) no longer take from the Carmel River, but it will not provide the new additional sufficient and reliable water we need in order to get off of the CDO.

They will claim credit for the new water, but that is also dishonest and silly. It is the expansion of an already existing water project started by Paul Sciuto of Monterey One Water when I served as Board Chair there. It is not new, and it does not create the "sufficient and reliable" source of water on which the Monterey Peninsula can rely long term.

I also strongly believe in the need for workforce housing - and worked with the business community and championed that for for more than a decade), but it should be housing of all types. If the Monterey Peninsula had focused in past years to get the water needed, we could approach that housing in a normal manner rather than picking who can and cannot build based on political considerations. But the very groups the mayor supports kept that from happening. So, you can see that for the Mayor to now blame the State Water Resources Control Board for his and the MPWMD's failure is dishonest at best. For him to ask for water to build mostly subsidized

affordable housing is a travesty and a total failure on both his and the board's part.

They will literally leave thousands of Monterey Peninsula residents who have owned property and paid property taxes on those properties for years high and dry. That is because even if the SWRCB approves that special allocation of water, those people will still not be able to build on THEIR properties. In addition, people who wish to add additional water fixtures because of growth in their families over the years will still not be able to do so because of the CDO.

I recently looked at a couple of properties to buy and build a house on. One lot was \$500,000, and the other just under \$250,000. But I just can't justify buying a property on which I may have to pay \$25,000 to \$50,000 (or more) in property taxes before I can actually build on it. My fear is that I will be in the same situation as others I know – who own property but cannot build even as they continue to pay property taxes on a vacant lot.

Until and unless the board of the MPWMD develops the sufficient and reliable water the Peninsula needs long term and for ALL purposes, the CDO should remain in place and no special allocations of water should be approved for the MPWMD or any cities of the Peninsula. Doing so would only allow them to continue to ignore the reality of the Peninsula's long-term water needs and allow "no-growth" advocates to continue to stifle housing and progress on the Monterey Peninsula by pointing to the lack of water which they themselves create.

Monterey City Manager Hans Uslar was correct when he recently said "something must change immediately." But what needs to change is either the direction of the MPWMD to actually support projects which will create the sufficient and reliable water the Monterey Peninsula needs - or we need new officials and mayors on the Monterey Peninsula and the

MPWMD. Though the best – and possibly most effective – option may be for the State Water Resources Control Board or another state agency to take over the MPWMD in order to finally and at long last develop the water needed for Monterey Peninsula residents.

It is my hope that you will reject this self-serving request and force the MPWMD to the do the right thing by developing the water we all need. I also hope that in this election year Peninsula residents will remember who is keeping them from having water for all of our housing needs.

Collectively they can make changes or you they keep things the same. If they keep things the same, however, they will get what they have always gotten; NO water, NO growth, NO new housing, and NO future for their children locally.

Rudy Fischer
Pacific Grove City Councilman 2010-2018
Board of Directors, Monterey One Water 2013-2018
Board Chair, Monterey One Water 2016-2018

CC
Governor Gavin Newsom
Maura Twomey
Mary Adams
John Phillips
Norm Groot
Paul Bruno
John Tilley
Ron Stefani
Tom Moore
Mary Ann Carbone
Paul Sciuto
Dave Stoldt
Tom Rowley

Kevin Dayton

Alvin Edwards

George Riley

Safwat Malek

Karen Paull

Amy Anderson

Clyde Roberson

Eric Tynan

Kelly Nix

Dave Kellogg

Kirstie Wilde

Gary Baley

Chris Cook

State Senator Scott Wiener

State Senator John Laird

State Senator Nancy Skinner

State Senator Toni Atkins

State Senator Anna Caballero

State Assemblyman Roger Rivas

State Assemblyman Frank Bigelow

State Assemblyman John Laird

State Assemblyman Mark Stone

General Manager - Monterey County Water Resources

Agency

LAFCO Board of Directors

Monterey County Water Resources Agency

City Council of Capitola

City Council of Del Rey Oaks

City Council of Gonzales

City Council of Greenfield

City Council of Hollister

City Council of King City

City Council of Marina

City Council of Carmel by the Sea

City Council of Salinas

City Council of San Juan Bautista

City Council of Santa Cruz

City Council of Watsonville

City Council of Hollister Board of Supervisors of Santa Cruz County Board of Supervisors of Monterey County Board of Supervisors of San Benito County

Rudy Fischer(831) 236-3431



April 18, 2022

Christopher Cook, PE
Director of Operations
California American Water Company
511 Forest Lodge Rd #100
Pacific Grove, CA 93950

RE: ASR-1 Well Non-Operational Status

Dear Chris:

On September 14, 2021 the State Division of Drinking Water (DDW) issued a letter to Cal-Am informing you that "the drinking water source designation of ASR Well 01 (ASR-1) has been changed from active to inactive."

The inactive status remains in effect today and can only be removed if available data clearly demonstrates that the recycled water reaching ASR-1 when the well is in extraction mode meets at least 12-log virus reduction, the minimum underground retention time required by the recycled water regulations of 2 months, and all other applicable recycled water regulations.

Based on recent conversations with DDW, we do not believe that DDW will review and accept the data and analysis by the M1W team to demonstrate minimum underground retention time without significant reduction of Pure Water Monterey (PWM) injection capacity. Such reductions will jeopardize the contractual delivery of water, as well as undermine meeting reserve requirements and delivery of "extra" PWM water to assist with meeting the requirements of the Cease and Desist Order, and in the future, the Seaside Groundwater Basin adjudication. Further, such reductions cannot be guaranteed to be sufficient, will rely on an unproven combination of physical and modeling data, create perplexing complications for writing of permits by both DDW and the Regional Board, and will likely delay review and approval of the Amended T22 Engineering Report. If M1W proposes such conditions, it could ultimately open the door to DDW shutting down PWM if they do not have enough confidence in the technical information to prove the project will meet minimum underground travel time at all times. Given that PWM is the single largest water supply source to your service area, this is a risk that the project sponsors are not willing to take.

As the public agency sponsors of the Pure Water Monterey wholesale water project, including ownership of ASR-1 by MPWMD, we find no substantial rationale for changing the source designation of ASR-1 to active at this time or the foreseeable future.

Partners for Pure Water Solutions





Mr. Christopher Cook April 18, 2022 Page 2

We thank you for taking the time to examine these issues and hope to work with you on an interim solution.

Sincerely,

David Stoldt
General Manager

Monterey Peninsula Water Management District

Paul Sciuto General Manager Monterey One Water

cc: via email

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Partners for Pure Water Solutions







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April 20, 2022

Coalition of Peninsula Businesses PO Box 22402 Carmel, CA 93922 jrbobmck@gmail.com

RE: Monterey One Water – California Public Records Act Request Received March 21, 2022 – Production Letter Dated April 20, 2022

To Whom It May Concern:

This letter further responds to your request for records ("Request") received by Monterey One Water ("M1W") on March 21, 2022, under the California Public Records Act ("CPRA") (Gov. Code § 6250, et seq.). The Request is as follows:

- [1] "...What are the projected and historical flow volumes of source waters available for use in PWM?"
- [2] "What are the projected and historical flow volumes of source water potentially available for use in PWMe?"
- [3] "What executed contracts or agreements are in place for PWM and PWMe that grant rights to use the source water flows? What are the term lengths of these contracts?"
- [4] "What contracts or agreements are still under negotiation that will grant PWM and PWMe the use of additional source water flows? How much additional source water could be accessed for either project?"
- [5] "What is the status of negotiations on rights to flows from Salinas Pond 3?"
- [6] "How does M1W reconcile the contentions from City of Salinas and Monterey County Water Resources Agency that various agreements for uses of source water, already signed, were granted only for PWM and not PWMe?"
- [7] "How will California's multi-year drought effect the volumes of source water flows available from each of these source water flows? Please use best estimates to provide this answer."
- [8] "What are the contingency plans for acquiring replacement source water flows if any of the source water flows contracted for or in negotiations are diminished or eliminated? For instance, Ag wash water could be eliminated by a change in current Ag washing practices, internal recycling, or removal of the Ag washing facilities to outside the MIW jurisdiction. As another for instance, waste water flows could be substantially reduced due to prolonged drought conditions, surface water quality restrictions, or by increased conservation mandates."
- [9] "If M1W cannot meet the guarantees for production of potable water for storage in the Seaside Basin and eventual extraction and sale to California American Water Company, what is the alternative plan for supply?"
- [10] If M1W cannot meet the need for treated water for the Castroville Seawater Intrusion Project or its proposed expansion, what is the alternative plan for supply?..."

M1W has prepared the following in response to the items requested above:

For <u>Item [1]</u> What are the projected and historical flow volumes of source waters available for use in PWM? Please see the following:

- Environmental Impact Report https://purewatermonterey.org/reports-docs/cfeir/
- PWM Annual Report <u>https://www.montereyonewater.org/332/Annual-Reports</u> (2020 available; 2021 available 5/1)
- Staff Report Recycled Water Committee 4.14.22 One Drive Link

Future Production Date – Projections of future municipal wastewater flows

For <u>Item [2]</u> What are the projected and historical flow volumes of source water potentially available for use in PWMe? Please see the following:

- Supplemental Environmental Impact Report https://purewatermonterey.org/wp/wp-content/uploads/Final-SEIR-Proposed-Modifications-PWM-GWR-Project-April-2020.pdf
 Section 3.3 Master Response #3 on pages 3-6 through 3-21
- Another source of publicly-available information can be found in compliance reports for M1W and the City of Salinas discharge and storm water permits (https://ciwqs.waterboards.ca.gov/) and USGS gage data for the Salinas River, the Reclamation Ditch, and the Blanco Drain (USGS Current Water Data for the Nation). These databases provide additional information about historical wastewater and source water volumes that are available to M1W as influent to the RTP for recycling and delivery for irrigation and groundwater replenishment.

For <u>Item [3]</u> What executed contracts or agreements are in place for PWM and PWMe that grant rights to use the source water flows? What are the term lengths of these contracts? Please see the following:

The following source water contracts can be found at this One Drive Link:

- 2015 Amended and Restated Water Recycling Agreement
- 2019 Amended and Restated Water Recycling Agreement (Amd 1)
- 2020 Amended and Restated Water Recycling Agreement (Amd 2)
- 2021 Amended and Restated Water Recycling Agreement (Amd 3)
- 1989 MCWD Annexation Agreement
- 1992 MCWD and MCWRA Summer Wastewater Flows Agreement
- 1996 MCWD, MCWRA, and M1W Summer Wastewater Flows Agreement
- 2015 Agreement for Conveyance and Treatment of Industrial Wastewater
- 2020 M1W and City of Salinas Right of Entry Agreement

For <u>Item [4]</u> What contracts or agreements are still under negotiation that will grant PWM and PWMe the use of additional source water flows? How much additional source water could be accessed for either project? Please see the following:

M1W, the City of Salinas, and the Monterey County Water Resources Agency (MCWRA) desire to enter into an agreement regarding M1W's diversion, treatment, and reuse of treated industrial wastewater effluent. Negotiations are underway and updates will be provided in future production submittals.

These agreements will not increase the annual volume of source water available, given that M1W can divert raw industrial wastewater directly to the Regional Treatment Plant. However, the ability to use treated industrial wastewater effluent can provide additional volume and improve influent water quality during peak demand periods (summer peak irrigation days).

For <u>Item [5]</u> What is the status of negotiations on rights to flows from Salinas Pond 3? Please see the following:

Staff from M1W, the City of Salinas, and the Monterey County Water Resource Agency continue to meet and work on the agreement regarding treated industrial wastewater effluent. Management from those three entities are meeting in late April to discuss the status of the agreement.

<u>Item [6]</u> How does M1W reconcile the contentions from City of Salinas and Monterey County Water Resources Agency that various agreements for uses of source water, already signed, were granted only for PWM and not PWMe?

Will be part of a future production of records.

For <u>Item [7]</u> How will California's multi-year drought effect the volumes of source water flows available from each of these source water flows? Please use best estimates to provide this answer. Please see the following:

The source water analyses in the SEIR considered drought scenarios. Multi-year droughts would not change the analyses such that there would be insufficient supply of source water. See Section 3.3 Master Response #3 on pages 3-6 through 3-21 and Chapter 4, Comments and Responses, Response to Comments I-21 and I-23, on pages 4-135 to 4-136.

For <u>Item [8]</u> What are the contingency plans for acquiring replacement source water flows if any of the source water flows contracted for or in negotiations are diminished or eliminated? For instance, Ag wash water could be eliminated by a change in current Ag washing practices, internal recycling, or removal of the Ag washing facilities to outside the MIW jurisdiction. As another for instance, waste water flows could be substantially reduced due to prolonged drought conditions, surface water quality restrictions, or by increased conservation mandates. Please see the following:

M1W intends to meet its contractual agreements for recycled water production. Additional source waters continued to be explored to maximize the beneficial reuse of all wastewaters in the region. Current avenues include: 1) supporting local agency and state efforts to implement stormwater capture and reuse projects and 2) assisting the County and the Regional Water Quality Control Board in consolidating small wastewater and septic systems into M1W's regional wastewater collection system.

Further specifics on the likelihood of diminishing agricultural processing industries in the City of Salinas should be directed to the City. See also page 3-14 of the Final SEIR (M1W, April 13, 2020).

For <u>Item [9]</u> If M1W cannot meet the guarantees for production of potable water for storage in the Seaside Basin and eventual extraction and sale to California American Water Company, what is the alternative plan for supply? Please see the following:

We are committed to providing resilient water solutions for our community and environment, but we are not a water purveyor. Our Board has entered into agreements based on data and guarantees for which they believe are reasonable and feasible. Questions related to the contingency plan for Cal Am's Monterey water supply are best directed to that company. If M1W cannot meet our obligation for certain quantities of water, there are terms in the Water Purchase Agreement to which both the M1W and MPWMD Boards have agreed.

For <u>Item [10]</u> If M1W cannot meet the need for treated water for the Castroville Seawater Intrusion Project or its proposed expansion, what is the alternative plan for supply? Please see the following:

The Monterey County Water Resources Agency is the owner of CSIP and, along with the SVBGSA, responsible for water resource management for the Salinas Valley surface and groundwater resources. CSIP uses three sources of water: 1) recycled water, 2) surface water diversions, and 3) groundwater. There has been no moratorium or regulatory curtailment on any of these sources to date.

M1W is and will continue to be a partner in any efforts to develop solutions to augment or replace use of groundwater for agricultural irrigation. For an expansion of CSIP, capital infrastructure improvements to the distribution system are needed (i.e., new pipelines, pump stations, storage tanks, valves, and flow meters) to substantially increase its historical use of recycled water. Feasibility analyses, environmental review, design, and permitting have not occurred for an expansion of the CSIP distribution system. Timelines related to an expansion of CSIP and future technical and environmental analyses should be directed to the Monterey County Water Resources Agency as the owner of CSIP.

M1W staff members are continuing to gather, review, and redact responsive records. M1W estimates the next production of records will be available on or before **May 4, 2022**, and every two weeks thereafter until production is complete. If we are able to make the records available prior to the production schedule date indicated above, we will do so. Alternatively, if additional time will be needed to complete the review and redaction of the responsive documentation, you will be notified in writing.

Please note, M1W staffing resources are limited and the amount of CPRA requests that the agency needs to respond to effects the reasonableness that applies to the right to inspect and obtain copies of public records that prevents interference with the orderly function of the agency tasked with responding to such a request (*Bruce v. Gregory* (1967) 65 Cal.2d 666,676; 64 Ops. Cal. Atty. Gen. 317 (1981).) In order to make the best use of agency resources and staff members' time, and in compliance with Government Code section 6253.

Should you have any questions or wish to discuss this matter further, please do not hesitate to contact me directly.

Sincerely,

Changt P

Chayito Ibarra

Executive Assistant to Paul A. Sciuto, General Manager/Secretary to the Board

From: <u>mwchrislock@redshift.com</u>

To: Alvin Edwards; Amy Anderson; Clyde Roberson; Dave Stoldt; George Riley; Joel Pablo; Karen Paull; District 5;

SAFWAT MALEK

Subject:Impact of Senate Bill SB-1157Date:Wednesday, April 27, 2022 8:39:58 AM

Mick McCullough's M1W presentation last Monday night included info about Senate bill SB-1157 - currently passed by the Senate and headed to committee in Assembly, then back to Senate and if passed, to Governor to sign. John Laird supported it.

This bill would lower daily use of water to 42 gallons and hold the agencies accountable for monitoring this. This is unreasonable? How many communities have even achieved 55 gallons a day. How is the enforcement of this bill different than the current conservation effort?

This could seriously result in less recyclable water for PWM and other recycling efforts. Lots of water agencies are concerned in the state.

What is your understanding of this? Thoughts?

Bill Text - SB-1157 Urban water use objectives: indoor residential water use. (ca.gov)

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml? bill_id=202120220SB1157

Should the public send comments to Mark Stone, Robert Rivas and John Laird?

Melodie

Melodie Chrislock
Managing Director
PUBLIC WATER NOW
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Allen Matkins

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April 28, 2022

MPWMD

Mr. Paul Sciuto General Manager Monterey One Water 5 Harris Court, Building D Monterey, CA 93940 paul@my1water.org Mr. David Stoldt General Manager Monterey Peninsula Water Management Agency P.O. Box 85 Monterey, CA 93940

Re: Status of Aquifer Storage and Recovery Well (ASR) - 01

Dear Messrs. Sciuto and Stoldt:

I write on behalf of California-American Water Company ("California American Water") to respond to your joint letter to Christopher Cook of April 18, 2022 in which you conclude: "... we find no substantial rationale for changing the source designation of ASR-1 to active at this time or the foreseeable future." California American Water interprets this as your agencies' definitive refusal to take any action to make ASR-1 available to it as an extraction well. That it is within the power of your agencies to restore ASR-1 as an extraction well is clear, as you acknowledge in your letter:

"... we do not believe that DDW will review and accept the data and analysis by the M1W team to demonstrate minimum underground retention time without significant reduction of Pure Water Monterey (PWM) injection capacity."

If reducing the injection capacity of the PWM is what it takes to enable California American Water to extract potable groundwater at ASR-1, then that is what your agencies must do.

As was made clear in Mr. Cook's letter to you dated September 1, 2021, ASR-01 is needed to meet customer demand, and the failure of the PWM project to comply with retention time requirements, directly causing the state to order ASR-01 shut down for extraction purposes, requires a reduction in PWM injection rates. The total loss of ASR-01 is an unacceptable risk to the Monterey Peninsula potable water supply. The right to extract groundwater at ASR-01 is an essential component of California American Water's overall Monterey District water production and delivery system, and its use for extraction of water from the Seaside Basin is specifically authorized under ASR permits and, as discussed more fully below, under the February 1, 2019

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Mr. Paul Sciuto Mr. David Stoldt April 28, 2022 Page 2

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Agreement for Storage and Recovery of Non-Native Water from the Seaside Groundwater Basin ("Storage and Recovery Agreement").

Now that diversions from the Carmel River have been reduced to authorized limits in accordance with the Cease and Desist Order, the Monterey Peninsula is dependent on the Seaside Basin for the majority of its water supplies. And beginning in the fall of 2022, California American Water's inability to use this well will critically interfere with its obligation to deliver water to 38,500 household connections – a total population of about 100,000 citizens. It could also interfere with existing water supply agreements with large-scale customers like the Department of the Army's Presidio of Monterey. California American Water is making every effort to comply with the Cease and Desist Order, as it recognizes that violating the CDO could result in harm to threatened species and critical habitat, and it is totally unreasonable to expect California American Water to violate the Order simply because your agencies desire to continue to inject Advanced Treated Recycled Water (AWT) water at full capacity. Further, the inability to use ASR-01 to extract water leaves California American Water without any redundancy if other wells were to become unavailable for any reason. Such a circumstance would be catastrophic.

The refusal of the Monterey Peninsula Water Management District ("District") to take steps to deliver AWT Water that California American Water can extract at ASR-01 raises serious issues of compliance by the District and Monterey One Water ("M1W") with the parties' agreements.

First, Section 12 of the September 19, 2016 Water Purchase Agreement for Pure Water Monterey Project ("Water Purchase Agreement") requires the District to deliver "Company Water" in certain volumes (as high as 3,500 AFY, with a Water Delivery Guarantee of 2,800 AFY). "Company Water" is defined in Section 2 as "the AWT Water delivered to the Delivery Point to be used and owned by the Company" (emphasis supplied). AWT Water that the District delivers to the Delivery Point but that California American Water cannot use because it does not stay underground long enough to satisfy state retention time regulations cannot be considered "Company Water." Nor can California American Water be expected to pay for water that it cannot use. The risk that the District's actions that have resulted in California America Water's inability to use ASR-01 will constitute a breach of the Water Delivery Guarantee of Section 12, and of the Water Availability Guarantee of Section 13 as well, is significant.

Second, the unavailability of ASR-01 due to inability to meet minimum retention times constitutes a present breach of the Storage and Recovery Agreement. Section 9 of the Water Purchase Agreement provides that "[d]elivery by the District and recovery by the Company shall be governed by the Storage and Recovery Agreement." The Storage and Recovery Agreement, at paragraph 4, lists ASR-01 as a location at which "Producer" (i.e., California American Water) "will recover the AWT water." (ASR-01, incidentally, had already been publicly identified as an extraction point for AWT water, as shown in Figure 2-17 of the 2016 Consolidated Final

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Environmental Impact Report for the PWM Groundwater Replenishment Project.) Thus California American Water has a contractual right under the Storage and Recovery Agreement to extract AWT water at ASR-01. It cannot do so due to inadequate retention times when the District is injecting at full capacity at the injection points that it selected and installed. Having agreed that ASR-01 — along with nine other existing wells listed in paragraph 4 - are the wells from which California American Water will recover AWT water, the District cannot be free under the Storage and Recovery Agreement to inject AWT water at rates and volumes that it knows will deprive Cal Am of the use of significant quantities of that water at extraction wells on that list — particularly a well like ASR-01 that is so essential to Cal Am's delivery of potable water to the public. Compliance is required at *all* existing wells listed in paragraph 4 of the Storage and Recovery Agreement; otherwise, their agreed designation as extraction points is rendered merely theoretical.

Failure to ensure that the retention time between injection and extraction at ASR-01 meets or exceeds the regulatory minimum of two months also constitutes a breach of paragraph 6 of the Storage and Recovery Agreement, which provides, in part:

The District hereby certifies that prior to the AWT Water being introduced into the Basin for storage in accordance with this Agreement, all such water will meet all of the requirements imposed on the District or M1W by permits and/or approvals issued to the District or M1W by the California Regional Water Quality Control Board and any other water quality standards imposed by any other governmental entity. . . .

In its Order R3-2017-0003, the Central Coast Regional Water Quality Control Board incorporated (at Section VI, paragraph 1) all of the State Water Resources Control Board Division of Drinking Water regulations governing Indirect Potable Re-use, Groundwater Replenishment-Subsurface Application, including the retention time regulations. Thus, non-compliance with the retention time regulations constitutes a breach of the District's water quality certification set forth paragraph 6 of the Storage and Recovery Agreement.

Third, and in a similar vein, the Water Purchase Agreement provides, at section 14:

All AWT water delivered by the Agency [M1W] to the District or by the District to the Delivery Point must meet the water quality requirements set forth in Applicable Law (the "Water Treatment Guarantee"). AWT Water delivered by the Agency to the District or by the District to the Delivery Point that does not meet the Water Treatment Guarantee shall not be considered Company Water or Excess Water.

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There can be no question that the regulations mandating minimum aquifer retention times for potable use of recycled water are water quality regulations. As explained in the Central Coast Regional Water Quality Control Board Order R3-2017-0003, "[r]ecycled water must be retained underground for a sufficient period of time to identify and respond to any treatment failure so that inadequately treated recycled water does not enter a potable water system. . ." As noted above, moreover, the Regional Water Quality Control Board incorporated all of DDW's regulations governing Indirect Potable Re-use, Groundwater Replenishment-Subsurface Application, including the retention time regulations, into Order R3-2017-0003 (Section VI, paragraph 1). Therefore, as with the water quality certification in the Storage and Recovery Agreement, the District is in breach of the Water Treatment Guarantee, and M1W may be as well.

California American Water understands the operational, administrative and political reasons why the District and M1W would want to continue injecting at full capacity, but if doing so deprives California American Water of the use of ASR-01, and it does, it is a breach of and interference with the Storage and Delivery Agreement and the Water Storage Agreement. California American Water therefore notifies the District that it is invoking the dispute resolution process set forth in section 13 of the Storage and Recovery Agreement, and the District and M1W that it is invoking the dispute resolution process set forth in section 21 of the Water Purchase Agreement.

Compliance with the retention time standards is clearly a responsibility of the District, as the District has repeatedly acknowledged. If more distant injection points would have ensured compliance with retention time regulations at ASR-01, then the District should have identified them and built its injection wells there. Given the expected and continued use of ASR-01 to extract water from the Seaside Basin, any failure by the District and Monterey One Water to recognize ASR-01 as a point of compliance in its modeling of PWM retention times appears to have been a critical mistake. The immediate solution now, however, is not to put California American Water in a position of violating the Cease and Desist Order, or to force needless rationing, but instead to take steps to restore ASR-01 to production status as quickly as possible. To fail to do so would be a breach of trust with the public, interfere with California American Water's obligation to serve its customers, and place both public health and safety and Carmel River threatened species and critical habitat at risk. Avoiding these risks has, after all, has necessarily been an objective of the PWM project from the beginning. As the District and M1W observed in the PWM project environmental impact report six years ago:

The primary purpose of the [PWM] Project is to provide high quality replacement water to allow California American Water Company . . . to extract 3,500 acre-feet per year (AFY) more water from the Seaside Basin for delivery to its customers in the Monterey District service area and reduce Carmel River system water use by an equivalent

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amount. (Consolidated Final Environmental Impact Report For The Pure Water Monterey Groundwater Replenishment Project, Section 2.1.1.2, p. 2-3, January 2016.)

Thank you.

Very truly yours,

David Boster

David D. Cooke

DDC

cc: (via US mail):

Seaside Basin Watermaster Attn: Paul Bruno, Chairman P.O. Box 51502 Pacific Grove, CA 93950)

cc (via email):

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From: <u>mwchrislock@redshift.com</u>

To: Alvin Edwards; Amy Anderson; Clyde Roberson; Dave Stoldt; George Riley; Joel Pablo; Karen Paull; District 5;

SAFWAT MALEK

Subject: S.J. Mercury Newsom Wants Desal **Date:** Thursday, May 5, 2022 4:16:12 PM

WRONG TOOL! Doesn't Newsom get recycled water?

Melodie

https://www.mercurynews.com/2022/04/29/newsom-desalination-project-should-be-approved-we-need-more-damn-tools-in-the-toolkit/

San Jose Mercury | April 29, 2022

Newsom: Desalination project should be approved — "We need more damn tools in the toolkit"

Final vote by California Coastal Commission on \$1.4 billion Orange County plant could influence other desalination projects statewide

By PAUL ROGERS | Bay Area News Group

Citing California's worsening drought conditions, Gov. Gavin Newsom on Friday made a powerful new push for a controversial \$1.4 billion desalination plant on the state's coastline.

The proposed oceanfront facility in Huntington Beach has been under debate for more than 20 years, and its fate could set a course for other desalination plants on the state's coast. The California Coastal Commission is scheduled to take a final vote on the project in two weeks.

"We need more tools in the damn tool kit," Newsom said during a meeting with the Bay Area News Group editorial board when asked about the project. "We are as dumb as we want to be. What more evidence do you need that you need to have more tools in the tool kit

than what we've experienced? Seven out of the last 10 years have been severe drought."

On Monday the staff of the Coastal Commission recommended https://documents.coastal.ca.gov/reports/2022/5/Th9a10a/Th9a10a-5-2022-staffreport.pdf that the project be denied, citing its impact on marine life, energy use, its vulnerability to sea level rise and the potential to drive up water rates for low-income residents. Newsom said a no vote by the full commission to kill the project would be "a big mistake, a big setback."

If approved at the May 12 Coastal Commission meeting, the project would be the second major ocean desalination plant built in California, following the opening in 2015 of a \$1 billion plant in San Diego County by Poseidon Water, the same company that wants to build the Huntington Beach plant.

Some environmental groups fought both, saying they use too much energy, harm marine life and provide the most expensive type of drinking water.

"It's disappointing that the governor doesn't seem to be interested in the scale and nuance that's needed to understand the impacts of this plant," said Mandy Sackett, California policy coordinator of the Surfrider Foundation. "It would be a step backwards in terms of solving our state's water needs."

Orange County has ample groundwater, Sackett said. And other water sources, such as expanding recycled water, stormwater capture and more conservation, including programs that pay people to remove lawns, provide water that is cheaper than ocean desalination, she added.

The project would be located on 12 acres of a 54-acre site also occupied by the AES Huntington Beach Energy Center, a natural gasfired power plant.

It would draw in up to 106 million gallons of seawater per day to

produce up to 50 million gallons a day of potable water — enough for 400,000 people — for purchase by local water districts. Poseidon's desalination plant in Carlsbad, the largest in North America, produces roughly the same amount of water, providing about 10% of San Diego's annual water supply.

The plant would discharge 57 million gallons a day of highly salty brine through the power plant's existing outfall pipe, which extends offshore about 1,500 feet.

The intake pipe would have screens with 1 millimeter mesh to prevent larger fish and other animals from being drawn into the pipe. Despite that, state scientists say the project would kill fish larvae, plankton and other marine life. The project also would use significant amounts of electricity.

Newsom said Thursday he believes the environmental concerns can be addressed.

"In the staff report," Newsom added, "which I had a chance to peruse — I didn't go into all of the specifics, it's a long report — but I appreciate they made a few recommendations that the Coastal Commission can pick up on. That's related to offsets and mitigation on wetlands and other things that Poseidon would be required to do. Those are longer term. Perhaps they can move those sooner."

The Coastal Commission is one of California's more powerful government agencies. It has 12 members, four of whom are appointed by the governor and eight of whom are appointed by the leader of the state Senate and Assembly.

Asked if he has personally spoken with commissioners since the staff report came out recommending the project be denied, Newsom said he had not. He noted that he has supported the project publicly for nine years. Other supporters include Sen. Dianne Feinstein, former Gov. Jerry Brown and Huntington Beach Mayor Barbara Delgleize. "I've been encouraging this project for some time," Newsom said. "And I'm also encouraging accountability, and I'm encouraging making sure they do mitigation. And to the extent they want to strengthen all that,

bring it on. Keep an eye on the environmental justice issues and costs. Be tough. Be fair though. Don't be ideological."

Late Friday, a spokeswoman for Poseidon Water said she welcomed Newsom's remarks.

"This project is the most studied project in the state," said Jessica Jones, a Poseidon spokeswoman. "If the California Coastal Commission denies it, there is not a clear path forward for any desalination project in the state."

Asked about the high cost to produce the water, Jones said that water from the Carlsbad plant currently costs \$2,700 an acre foot, which amounts to \$5 to \$7 per month per household. That cost is two to three times the rate that cities in Southern California and Santa Clara County pay for other sources of treated water from large wholesale suppliers.

Jones said she expects similar costs for water from the Huntington Beach plant.

Newsom also said Friday that he plans to devote more money to water storage projects in his "May revise" budget due out in two weeks. He said he does not plan to use general fund money to pay all the costs of a huge new project, like the proposed Sites Reservoir in Colusa County, but beyond that did not offer details.