

Supplement to November 13, 2023 MPWMD Board Packet

Attached are copies of letters sent and/or received between **September 21, 2023** and **October 31, 2023**. These letters are listed in the Monday, October 16, 2023 Board Packet under Letters Received.

Author	Addressee	Date	Торіс
Sandy A. Seifert-Raffelson	Karen Paull	September 21, 2023	No Paid Workers' Compensation Claims in 2022-23
Susan Schiavone	Board of Directors	October 3, 2023	Letter to the Editor published in the September 22, 2023 issue of the Carmel Pine Cone
Melodie Chrislock	Board of Directors	October 4, 2023	Letter to the Editor published in the September 22, 2023 issue of the Carmel Pine Cone
Sandy A. Seifert-Raffelson	Karen Paull	October 3, 2023	No Paid Property/Liability Claims in 2022-23
John L. Varela	Board of Directors	October 4, 2023	Central Coast Water Agency Collaboration Forum
Melodie Chrislock	Board of Directors	October 20, 2023	Letters to the Editor for Monterey Herald and Carmel Pine Cone
Melodie Chrislock	Board of Directors	October 23, 2023	Letter to the Editor for Monterey Herald
Mark Milan	MPWMD	October 31, 2023	Letter to the Editor for Monterey Herald



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MPWMD

September 21, 2023

Ms. Karen Paull Board Chair Monterey Peninsula Water Management District Post Office Box 85 Monterey, California 93942

No Paid Workers' Compensation Claims in 2022-23

Dear Ms. Paull,

Re:

This letter is to formally acknowledge the dedicated efforts of the Monterey Peninsula Water Management District's Governing Body, management and staff towards proactive loss prevention and workplace safety. Your agency's efforts have resulted in no "paid" workers' compensation claims for program year 2022-23. A "paid" claim for the purposes of this recognition represents the first payment on an open claim during the prior program year. This is a great accomplishment!

In addition to this annual recognition, members with no "paid" claims during 2022-23 earned one credit incentive point (CIP) thereby reducing their annual contribution amount. Also, members without claims receive a lower "experience modification factor" (EMOD), which also reduces their annual contribution amount.

As SDRMA is dedicated to serving its members and preventing claims, we would appreciate your agency taking a moment and sharing with us what made your District successful in preventing work-related injuries. Our goal is to incorporate your successful ideas and suggestions into our loss prevention programs to benefit all members of SDRMA. Please forward any ideas or suggestions to us at memberplus@sdrma.org.

On behalf of the SDRMA Board of Directors and staff, it is my privilege to congratulate the Governing Body, management, and staff for their commitment to proactive loss prevention and safety in the workplace.

Sincerely, Special District Risk Management Authority

Sandy Seifert - Raffelion

Sandy A. Seifert-Raffelson, President Board of Directors

A proud California Special Districts Alliance partner. California Special Districts Association 1112 I Street, Suite 200 Sacramento, California 95814-2865 T 877-924-CSDA (2732) * F 916-442-7889 CSDA Finance Corporation 1112 I Street, Suite 200 Sacramento, California 95814-2865 T 877-924-CSDA (2732) • F 916-442-7889 Letter to the editor published in Pine Cone

Buyout Brings Lower Cost

Measure J required the district pursue the take-over of Cal-Am, if feasible, and the feasibility study determined it is.

Cal-Am's experience at running a water company is all about making a profit for investors. It has never been about running our water system in a cost-effective, efficient manner. MPWMD has received national awards for transparency and fiscal management. They have been selling water for years to Pebble Beach.

Cal Am has no transparency and a history of charging Monterey ratepayers much more than any of its other operations in California. Average bills in San Diego, and Sacramento are \$50 and \$38 while Monterey is \$115, highest of any comparable system. We have decades of water shortage and arguably the most expensive water in the country to show for Cal-Am's experience at running a water system.

The cost of the buyout is offset by current Cal-Am profit we already pay. The estimated revenue requirement in the first year of operation under MPWMD is actually projected to be lower than Cal Am. Savings increase after thirty years when acquisition bonds are retired, adding estimated annual savings of \$29 million. Savings also occur by eliminating Cal-Am high corporate overhead.

Cal-Am ratepayers subsidize Cal-Am acquisitions of other water utilities and Cal-Am pushes up rates through excessive surcharges. Cal-Am spends massive amounts of our money for capital projects they abandon or modify, providing little or no benefit.

Investor-owned monopolies like Cal-Am don't have competition. The CPUC was created to remedy this with regulation, but they don't. When Cal Am held our urgently needed new water supply hostage, demanding another \$20 million before they would buy the water, the CPUC caved to their demand.

Under public ownership, we won't be subject to Cal-Am's defective decision-making or CPUC forcing ratepayers to pay for failed projects. Simply put, public agencies, which make no profit, provide retail water at lower cost.

Susan Schiavone, Seaside

From:	mwchrislock@redshift.com
To:	Alvin Edwards; Amy Anderson; George Riley; Karen Paull; District 5; Marc Eisenhart; Ian Oglesby; Dave Stoldt;
	Sara Reves
Subject:	Letter to the Editor
Date:	Wednesday, October 4, 2023 8:43:20 PM
Attachments:	image001.png

Carmel Pine Cone | September 22, 2023

'Verifiable facts' Dear Editor,

There have been a number of misleading and inaccurate facts cited in your recent position statements regarding the potential buyout of Cal Am's water system. To be very brief, here are bullet points of verifiable facts for clarification:

■ When Measure J passed in 2018, it became a mandate to the Monterey Peninsula Water District (MPWD) to determine the feasibility of acquiring Cal Am. Measure J was not a feasibility study and over 24,000 voters passed Measure J by a majority 56%. Actual feasibility was proven in 2019.

Still in September of 2023, Monterey County has some of the most expensive water in the USA at a cost of over \$ 150 for approximately 5,000 gallons per month.

■ There have been decades of water shortages.

No new water has had the impact of no new housing.

Lastly, there has been an over-pumping of our two natural water sources of the Carmel River and the Seaside Basin.

Until the final terms of the transfer can be determined, it is not possible to finalize the potential cost savings but it will surely result in a more transparent, equitable, and non-usurious water company management.

Kenneth Pelletier, Carmel



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MPWMD

October 3, 2023

Ms. Karen Paull Board Chair Monterey Peninsula Water Management District Post Office Box 85 Monterey, California 93942

Re: No Paid Property/Liability Claims in 2022-23

Dear Ms. Paull,

This letter is to formally acknowledge the dedicated efforts of the Monterey Peninsula Water Management District's Governing Body, management, and staff towards proactive risk management and loss prevention training. Your agency's efforts have resulted in no "paid" property/liability claims for program year 2022-23. A "paid" claim for the purposes of this recognition represents the first payment on an open claim during the prior program year and excludes property claims. This is a great accomplishment!

In addition to this annual recognition, members with no "paid" claims during 2022-23 earned one credit incentive point (CIP), thereby reducing their annual contribution amount.

As SDRMA is dedicated to serving its members and preventing claims, we would appreciate your agency taking a moment and sharing with us what made your District successful in preventing property/liability losses. Our goal is to incorporate your successful ideas and suggestions into our loss prevention programs to benefit all members of SDRMA. Please forward any comments or suggestions to us at memberplus@sdrma.org.

On behalf of the SDRMA Board of Directors and staff, it is my honor to congratulate the Governing Body, management, and staff for their commitment to proactive risk management and loss prevention training.

Sincerely, Special District Risk Management Authority

Sandy Seifert - Raffelson

Sandy A. Seifert-Raffelson, President Board of Directors

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Clean Water • Healthy Environment • Flood Protection

October 4, 2023

John L. Varela / Chair (District 1) Barbara F. Keegan / Vice Chair (District 2) Richard P. Santos (District 3) Jim Beall (District 4) Nai Hsueh (District 5) Tony Estremera (District 6) Rebecca Eisenberg (District 7) CHIEF EXECUTIVE OFFICER Rick L. Callender, Esq. CLERK OF THE BOARD Michele L. King, CMC

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BOARD OF DIRECTORS

Subject: Central Coast Water Agency Collaboration Forum.

Dear Members of ACWA Region 5:

Santa Clara Valley Water District (Valley Water) is gauging interest in starting a collaboration forum for water agencies in California's Central Coast region.

Valley Water, as the primary water provider to Silicon Valley and a vibrant agricultural community, manages an integrated water resources system that includes the supply of clean, safe water, flood protection and stewardship of streams in Santa Clara County. Our success in meeting this mission is often the result of collaborations with other agencies, associations, non-governmental agencies, joint powers authorities, and elected officials.

Water agencies throughout the Central Coast share many similarities, including a responsibility to balance municipal and agricultural interests. Due to our unique geography and climate, we also face many of the same challenges in maintaining water supply reliability in the areas we serve, such as an uncertain regulatory future, a changing climate, and pressure to provide affordable service. These circumstances lend themselves to being creative, perhaps through new partnership opportunities.

Please respond to Ms. Roseryn Bhudsabourg at (408)630-3099 or rbhudsabourg@valleywater.org if a Central Coast collaboration forum would be of value to you. If there is sufficient interest, we will explore next steps and follow up with you. Thank you for your consideration.

Sincerely,

ha L. Varela

✓John L. Varela
Board Chair
Santa Clara Valley Water District

cc: Board of Directors (7), R. Callender ka:sd 1002a-l Monterey Herald Letters to the editor: Oct. 18, 2023

Water justice victory

The Monterey Peninsula Water Management District (MPWMD) board unanimously voted 6-0 (with one recusal) to proceed with an eminent domain legal process to buyout Cal Am to the great joy of citizens overwhelmed for decades by Cal Am's tyranny of greed, mismanagement, and unethical practices.

We the citizens want to express our profound gratitude for the courage, impeccable integrity, and conscientious work of the MPWMD board and staff. Their exceptional quality of governance, imbued with transparency and accountability to the voters, inspires us with renewed hope that the Monterey Peninsula's water security can be assured, pending a positive court outcome and Marina's sole water supply no longer threatened.

Thank you to Public Water Now (PWN) leaders and citizens for 10 years of tireless work and perseverance in this monumental struggle for water justice. These community water warriors set the high bar of achievement in upholding our U.S. Constitution and Bill of Rights that make our country the greatest free nation in history.

Most of all, we thank God for this miraculous opportunity to seek eminent domain relief from the soulless corporate control of Cal Am.

Margaret-Anne Coppernoll, Marina

Carmel Pine Cone | October 20, 2023

Public vs. monopoly

A recent letter in the Pine Cone made the common mistake of confusing

Cal Am, an investor-owned CPUC regulated utility, with a typical forprofit business in a competitive market. In a typical market, consumers who can't afford the price of a product can buy from another seller or defer purchasing the product. But water is a necessity and Cal Am is a monopoly. Free market rules don't apply.

The CPUC is supposed to be a substitute for competition and regulate Cal Am to keep water affordable, but it has not done so effectively.

When Cal Am tells the CPUC it expects to sell 10,000 acre-feet of water to generate X amount of revenue, but falls short and sells 9,000 acrefeet, the CPUC allows Cal Am to charge us for that 1,000 acre-feet of water we didn't use. The Public Advocates Office at the CPUC estimates that since 2010, Cal Am has charged us as much as \$60 million to \$70 million for water we didn't use. Charging customers for a service or product they didn't request or use would not be tolerated in normal business practice.

The Monterey Peninsula Water Management District has published 83 findings with evidence that support the public benefits and necessity of a Cal Am buyout.

Eighty-four percent of Californians get their water from publicly owned, nonprofit water companies. Studies comparing those utilities to private for-profit water providers have found that nonprofit, public systems provide water of equal or higher quality at lower cost. The unreasonably high cost of water under Cal Am is the most important reason voters passed Measure J.

Marli Melton, Carmel Valley

Free market doesn't apply

A Cal Am representative quipped, "MPMWD does not have the expertise to run our water system". The workers of Cal Am are a valuable resource, they will not be replaced. The highly paid executives, the constant rate hikes and the millions of dollars in profits from our community that flow back to the parent company in New Jersey, American Water Works will be eliminated. Did Cal Am ever deliver on the state mandate to develop an alternative water source for the Carmel River? In the 60-plus years Cal Am has been in charge of our water system it has never proposed an economical new source of water for the Monterey Peninsula.

It was Monterey One Water and MPMWD that brought Pure Water Monterey to the rescue. The expansion of Pure Water Monterey will be completed in less than two years and is expected to lift the CDO and meter moratorium.

Cal Am wasted \$200 million to develop plans for an extraordinarily expensive and unnecessary desalination plant that would enrich American Water shareholders. Cal Am would be the 'middle man' if such a boondoggle construction project were to go forward. No expertise there, just more profits flowing to American Water in New Jersey.

I am all for free enterprise but Cal Am is a monopoly with a government guaranteed profit and no competition. Its expertise lies in knowing how to get around the CPUC to raise our water rates to extreme levels and exceed it authorized profit. Its parent company American Water Works is one of the most profitable utilities on the New York Stock Exchange.

Tammie Timmion, Monterey

Monterey Herald | October 21, 2023

OPINION

Cal Am Buyout

Cal Am is not your normal private business. This is an investor-owned utility regulated by the CPUC. It's a monopoly with no competition. Its revenue is guaranteed by the government based on its assets. The CPUC allows Cal Am to add 10.2% of the value of its assets to our water rates as profit.

The cost of water under MPWMD will always be lower than Cal Am because that 10.2% profit on hundreds of millions of dollars in assets will not be added to our bills, nor will Cal Am's excessive overhead, management salaries, legal costs, regulatory expenses, taxes, failed projects or the cost of statewide acquisitions.

Private businesses try to keep cost down to maximize profit, but it's just the opposite with CPUC regulated utilities. Cal Am must keep costs high to raise its profits. That's right. The more it spends to build or acquire assets the more profit it makes. For example, Cal Am makes no profit on the Pure Water Monterey project because it cannot claim it as an asset. It's owned by a public agency.

But it would make major profits on its proposed desal plant. The CPUC Public Advocates Office estimates that if Cal Am were to build this desal plant and add it to its asset base our water bills would increase by 60% to 70%.

The Water Management District makes no profit and that's why it can offset the cost of acquiring Cal Am without raising water costs.

Cal Am claims MPWMD will lose in eminent domain and cites Apple Valley and Claremont as proof. But they fail to mention the eight successful public water buyouts over the last twenty years, including Ojai, Felton, Montara, and Missoula, Montana.

It's possible that MPWMD could lose. But ten million dollars in legal fees pales in comparison when you realize Cal Am has added 31 million dollars to our rates in the last year alone. Those who oppose the buyout should be looking at the risk and cost of staying with Cal Am.

This is a case of nothing ventured, nothing gained...and in this case the gains for all of us would be huge.

Melodie Chrislock Managing director of Public Water Now

From:	Mark Millan
To:	Undisclosed Recipients
Subject:	Monterey One Water - LTE, Monterey Herald 10/31/23
Date:	Tuesday, October 31, 2023 1:52:55 PM

Letter to Editor – Monterey Herald 10/31/23

Monterey One Water

An Oct. 18 letter regarding Monterey One Water (M1W) was misinformed. M1W is not hiding its rate structure and is a public, not private, entity. Prior to 1971, every community had its own treatment plant discharging sewage into Monterey Bay. The 1972 Federal Clean Water Act required communities to increase treatment standards and bring regional efficiency to sewer system management. M1W was formed by Monterey, Pacific Grove, and Seaside Sanitation Districts. Since then, others in northern Monterey County joined,

forming a Joint Powers Authority. M1W had not raised rates for 12 years, prior to last year, and did so with open public notification and meetings. As a public agency, they must follow Proposition 218 rules for raising rates, including full public hearings and disclosure and will do so in the future. The main reason for adding fees to the tax rolls is to save money by eliminating the outsourced billing service. The projected annual savings of \$400,000 (\$4 million over 10 years) will be used for future capital projects. Staff hours saved will be used to promote increased usage of its customer assistance program.

M1W's financial documents and policies are publicly available. M1W has received the distinguished "Triple Crown" awards from the Government Finance Officers Association for financial excellence and transparency. The agency has received several awards for its visionary Pure Water Monterey recycled water system which will be providing two thirds of our water supply by 2026. We should celebrate having such a great public agency working on our behalf!

— Susan L. Schiavone, Seaside

News Update



You received this news item because your address has been included with a list of individuals interested in updates regarding new water supply options.