

 De LAY & LAREDO
ATTORNEYS AT LAW

David C. Laredo
Frances M. Farina
Michael D. Laredo

Paul R. De Lay
(1919 – 2018)

Pacific Grove Office:
606 Forest Avenue
Pacific Grove, CA 93950
Telephone: (831) 646-1502
Facsimile: (831) 646-0377

October 20, 2025

TO: Chair Riley, Members of the Board and General Manager Stoldt

FROM: David C. Laredo, Counsel

RE: General Report of Pending Litigation effective October 20, 2025

This memo presents a public summary of litigation matters that are deemed to be open and active. This is a recurring memo; the newly updated data is shown in **highlighted text**.

1 – MPWMD v. Cal-Am; 23CV004102

This lawsuit embodies District efforts to fulfill the electoral mandate of Measure J to acquire ownership and operation of Cal-Am's Monterey Division water supply facilities by eminent domain. Cal-Am's Dec. 16, 2024 Answer contends the District lacks the power to both acquire the water system, or to operate a retail potable water system. The District disputes Cal-Am's contentions and objections. Judge Rivamonte (Department 13A) is assigned as presiding judge for this case.

MPWMD and Cal-Am motions to narrow the scope of this proceeding are presently set for hearing before Judge Rivamonte at 8:30 a.m. on December 12, 2025. Later this month, on October 28, 2025, a Case Management Conference is set case to address progress issues such as pending discovery efforts and to clarify the trial calendar as the matter proceeds. Discovery efforts are continuing.

2 – MPWMD v. Local Agency Formation Commission (LAFCO); Cal-Am; 22CV000925
6th Dist. Court of Appeal H051849

The District successfully challenged LAFCO's decisions affecting and limiting MPWMD's power to acquire Cal-Am water system facilities as directed by the voter mandate in Measure J. LAFCO and Cal-Am then appealed the 2023 decision of Judge Thomas Wills. The matter is on appeal before the Sixth District Court of Appeal. Appellants LAFCO and Cal-Am have filed opening briefs; Respondent MPWMD's brief is to be filed by the end of this month.

3 – City of Marina; MPWMD, et al, v. California Coastal Commission (CCC); Cal-Am;
Trial Case 22CV004063; 6th District Appellate Case H053560

The trial court judgment entered on May 29, 2025 found the CCC did not exceed its jurisdiction or abuse its discretion in this matter. Parties City of Marina, Marina Coast Water District (MCWD), and MPWMD jointly filed a Notice of Appeal on July 24, 2025. Appellants are jointly represented by T. Peter Pierce

of Richards, Watson Gershon in San Francisco. A briefing schedule has not yet been set by the Appellate Court.

4 – Matters before the California Public Utilities Commission (CPUC) pertaining to Cal-Am.

The following actions are separate proceedings in which MPWMD is involved due to their impact on the Monterey area or upon the Cal-Am water system.

4.a A.21-11-024 Cal-Am Amended Water Purchase Agreement

This action deals with Cal-Am's water purchase from the Pure Water Replenishment Project, and updates Cal-Am system supplies and demand estimates.

The CPUC or Commission issued a Final Decision (Decision) on August 14, 2025. The Decision concluded the firm water supply is 11,114 acre-feet per year (AFY) and the demand in 2050 will be 13,372 AFY. The CPUC made a correction to the Decision to show annual water supply for the Monterey Peninsula Water Supply Project is 11,204. This revision now correctly agrees with MPWMD's data.

4.b A.25-07-003 Cal-Am 2025 General Rate Case (GRC)

Cal-Am filed its latest triennial rate request with the CPUC on July 1, 2025. This request is part of the regular three-year rate cycle by which the CPUC reviews and authorizes Cal-Am's rates and charges, and also by which the CPUC authorizes Cal-Am to modify its operating system. MPWMD has been granted full party status in this proceeding, with the right to undertake discovery, and to present witnesses and evidence in forthcoming evidentiary hearings. MPWMD staff and counsel continue to assess issues presented by Cal-Am and points raised by opposing parties.

A Prehearing Conference was held in San Francisco on August 29, 2025. Both Commissioner Matt Baker and Administrative Law Judge (ALJ) Rafael Lirag presided.

Future proceedings in this case will include a Public Participation Hearing (PPH) in Monterey, likely to be held in January 2026. Cal Advocates testimony is due January 23, 2026, and MPWMD testimony will be due February 6, 2026.

Evidentiary Hearings will probably be held in San Francisco (remote appearances have been discontinued) between April 20 – May 1, 2026. A Scoping Memo to be issued in the next few weeks will confirm these and other dates.

4.d R.22-04-003 CPUC Acquisition Rulemaking

This action is a statewide CPUC Rulemaking matter that addresses statewide public utility system policy, and has specific impact on the Cal-Am system. It is unclear when a Proposed Decision will be issued or when the matter may be submitted for consideration by the full Commission. The CPUC's internal Statutory deadline has been extended to September 30, 2025.

In addition to pending matters of active litigation referenced above, one matters of threatened litigation exists as referenced below.

5 –MPWMD v. SWRCB. Case No. 1-10-CV-163328 (Santa Clara County Superior Court) 10/27/2009.

This matter was filed in 2010 to challenge the Cease & Desist Order (CDO) issued by the SWRCB. The case asserted four causes of action against the SWRCB related to the Cease & Desist Order. Originally filed in Monterey County, the case was transferred to Santa Clara County.

In July the Sierra Club (Sierra) and Carmel River Steelhead Association (CRSA) requested the action be dismissed. No parties challenged the request for dismissal and the Court subsequently granted that request.

On August 28, Sierra and CRSA submitted a letter demand for attorney's fees. The Court preliminarily set a hearing on this demand for January 29, 2026, but Cal-Am indicates it will request the hearing be moved to a date in late February 2026. The parties are currently discussing a suitable briefing schedule for the hearing.

6 –CITY OF MARINA & MARINA COAST WATER DISTRICT v. RMC LONESTAR and CAL-AM - Case No. 20CV001387 (Monterey County Superior Court)

Although MPWMD is not a party to this action (which focuses on Cal-Am's access to water and water rights) a deposition has been set in late October for General Manager Stoldt who may testify as to factual issues pertaining to the case. District counsel are tracking this matter and will defend Mr. Stoldt's (and MPWMD's) interests.