This meeting is not subject to
Brown Act noticing requirements.
The agenda is subject to change.

Agenda
Water Supply Planning Committee
of the Monterey Peninsula Water Management District
******
Wednesday, December 14, 2022 at 11:00 a.m. | *Virtual Meeting*

As a precaution to protect public health and safety, and pursuant to provisions of AB 361, this meeting will be conducted via Zoom Video/Teleconference only.

Join the meeting at:
https://mpwmd-net.zoom.us/j/81309325040?pwd=M3RFZkNDeWxGS2M2UnJMWFBoQjlPQT09

Or access the meeting at: www.zoom.us
Webinar ID Number: 813 0932 5040
Meeting password: 12142022
Participate by phone: (669) 900 - 9128

For detailed instructions on connecting to the Zoom meeting see page 2 of this agenda.

Water Supply Planning Committee Members:
Alvin Edwards, Chair
Karen Paull
George Riley

Alternate:
Amy Anderson

Staff Contact
David J. Stoldt, General Manager

Jon Lear, Water Resources Manager

Joel G. Pablo Board Clerk

Call to Order / Roll Call

Comments from Public - *The public may comment on any item within the District's jurisdiction. Please limit your comments to three minutes in length.*

Action Items - *Public comment will be received. Please limit your comments to three (3) minutes per item.*

1. Consider Adoption of the October 3, 2022 Committee Meeting Minutes

Discussion Items – *Public comment will be received. Please limit your comments to three (3) minutes per item.*

2. ASR Preparation for Winter 2022-23 Operations

3. Status of Fort Ord Well No. 9 Replacement

4. Condition Report on Fort Ord Well No. 10

5. Update on MPWSP Desalination Project – Coastal Commission and Other Conditions

6. Update on Pure Water Monterey Expansion – Status of Water Purchase Agreement; Alternate Financing Options (*Verbal Report)*

Suggest Items to be Placed on Future Agendas

Adjournment

After staff reports have been distributed, if additional documents are produced by the District and provided to the Committee regarding any item on the agenda they will be made available on the District's website prior to the meeting. Documents distributed at the meeting will be made available upon request and posted to the District's website within five days following the meeting.

Upon request, MPWMD will make a reasonable effort to provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. MPWMD will also make a reasonable effort to provide translation services upon request. Submit requests by 5:00 pm on Friday, December 9, 2022 to: (1) Joel Pablo, *Board Clerk* by email at joel@mpwmd.net or at (831) 658-5652; and (2) Sara Reyes, *Sr. Office Specialist* by email at sara@mpwmd.net, or at (831) 658-5610;

Instructions for Connecting to the Zoom Meeting

Note: If you have not used Zoom previously, when you begin connecting to the meeting you may be asked to download the app. If you do not have a computer, you can participate by phone.

Begin: Within 10 minutes of the meeting start time from your computer click on this link: https://mpwmd-net.zoom.us/j/81309325040?pwd=M3RFZkNDeWxGS2M2UnJMWFBoQjlPQT09 or paste the link into your browser.

DETERMINE WHICH DEVICE YOU WILL BE USING
(PROCEED WITH ONE OF THE FOLLOWING INSTRUCTIONS)

USING A DESKTOP COMPUTER OR LAPTOP
1. In a web browser, type: https://www.zoom.us
2. Hit the enter key
3. At the top right-hand corner, click on "Join a Meeting"
4. Where it says "Meeting ID", type in the Meeting ID# above and click "Join Meeting"
5. Your computer will begin downloading the Zoom application. Once downloaded, click "Run" and the application should automatically pop up on your computer. (If you are having trouble downloading, alternatively you can connect through a web browser – the same steps below will apply).
6. You will then be asked to input your name. It is imperative that you put in your first and last name, as participants and attendees should be able to easily identify who is communicating during the meeting.
7. From there, you will be asked to choose either ONE of two audio options: Phone Call or Computer Audio:

COMPUTER AUDIO
1. If you have built in computer audio settings or external video settings – please click "Test Speaker and Microphone".
2. The client will first ask "Do you hear a ringtone?" •If no, please select "Join Audio by Phone".
•If yes, proceed with the next question:
3. The client will then ask "Speak and pause, do you hear a replay?" •If no, please select "Join Audio by Phone"
•If yes, please proceed by clicking "Join with Computer Audio"

PHONE CALL
1. If you do not have built in computer audio settings or external video settings – please click "Phone Call"
2. Dial one of the numbers listed below using a phone. Select a phone number based on your current location for better overall call quality.

+1 669 900 9128 (San Jose, CA)	+1 301 715 8592 (New York, NY)
+1 312 626 6799 (Seattle, WA)	+1 646 558 8656 (Maryland)
+1 253 215 8782 (Houston, TX)	+1 346 248 7799 (Chicago, IL)

3.Once connected, it will ask you to enter the Webinar ID No. and press the pound key
4.It will then ask you to enter your participant ID number and press the pound key.
5.You are now connected to the meeting.

USING AN APPLE/ANDROID MOBILE DEVICE OR SMART PHONE
1. Download the Zoom application through the Apple Store or Google Play Store (the application is free).
2. Once download is complete, open the Zoom app.
3. Tap "Join a Meeting"
4. Enter the Meeting ID number
5. Enter your name. It is imperative that you put in your first and last name, as participants and attendees should be able to easily identify who is communicating during the meeting.
6. Tap "Join Meeting"
7. Tap "Join Audio" on the bottom left hand corner of your device
8. You may select either ONE of two options: "Call via Device Audio" or "Dial in"

DIAL IN
1. If you select "Dial in", you will be prompted to select a toll-free number to call into.
2. You may select any of the numbers listed below:

+1 669 900 9128 (San Jose, CA)	+1 253 215 8782 (Houston, TX)
+1 346 248 7799 (Chicago, IL)	+1 301 715 8592 (New York, NY)
+1 312 626 6799 (Seattle, WA)	+1 646 558 8656 (Maryland)

3. The phone will automatically dial the number, and input the Webinar Meeting ID No. and your Password.
4. Do not hang up the call, and return to the Zoom app
5. You are now connected to the meeting.

Present Public Comment

Receipt of Public Comment – the Chair will ask for comments from the public on all items. Limit your comment to 3 minutes.

(a) Computer Audio Connection: Select the "raised hand" icon. When you are called on to speak, please identify yourself.

(b) Phone audio connection **with** computer to view meeting: Select the "raised hand" icon. When you are called on to speak, push *6 to unmute and please identify yourself.

(c) Phone audio connection only: Press *9. Wait for the clerk to unmute your phone and then identify yourself and provide your comment. Press *9 to end the call.

Submit Written Comments

If you are unable to participate via telephone or computer to present oral comments, you may also submit your comments by e-mailing them to comments@mpwmd.net with one of the following subject lines "PUBLIC COMMENT ITEM #" (insert the item number relevant to your comment) or "PUBLIC COMMENT – ORAL COMMUNICATIONS". Comments must be received by 8:00 a.m. on Wednesday, December 14, 2022. Comments submitted by 8:00 a.m. will be provided to the committee members and compiled as part of the record of the meeting.

WATER SUPPLY PLANNING COMMITTEE

ITEM: ACTION ITEM

1. CONSIDER ADOPTION OF THE OCTOBER 3, 2022 COMMITTEE MEETING MINUTES

Meeting Date: December 14, 2022

From: David J. Stoldt,
General Manager

Prepared By: Joel G. Pablo

CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

SUMMARY: The Committee meeting minutes for October 3, 2022 (**Exhibit 1-A**) have been drafted and are attached for your review and approval.

RECOMMENDATION: The Committee will review, provided suggested edits and consider adopting the meeting minutes for October 3, 2022 by motion.

EXHIBIT
1-A Draft Minutes of the October 3, 2022 Committee Meeting

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

EXHIBIT 1-A

Draft Minutes
Water Supply Planning Committee of the
Monterey Peninsula Water Management District
Monday, October 3, 2022
Pursuant to AB 361, this meeting was conducted using teleconferencing means.

Call to Order: Chair Edwards called the meeting to order at 3:02 p.m.

Committee members present: Alvin Edwards, Chair
Karen Paull
George Riley

Committee members absent: None

Staff members present: David J. Stoldt, General Manager
Jonathan Lear, Water Resources Division Manager
Maureen Hamilton, District Engineer
Joel G. Pablo, Board Clerk

District Counsel present: David C. Laredo and Fran Farina with
De Lay & Laredo

Comments from the Public: Chair Edwards opened public comment.

Adam Pinterits, Government and Community Affairs Directors for the Monterey County Association of Realtors: Read an excerpt of the Water Supply Planning Committee Charge, Section 1: Primary Function and expressed opposition to Agenda Item No. 3.

No further comments were directed to the Committee

Action Items

1. Consider Adoption of the June 6, 2022 and August 1, 2022 Committee Meeting Minutes

Chair Edwards opened public comment; no comments were directed to the committee.

A motion was made by Paull with a second by Riley to approve the June 6, 2022 and August 1, 2022 Committee Meeting Minutes. The motion passed on a vote of 3-Ayes (Edwards, Paull and Riley), 0-Noes and 0-Absent.

2. Consider Approval of Resolution No. 2022-28 to Apply for and Enter into Grant Agreements for Proposition 1 IRWM Implementation Round 2 Grant, and Authorize a Grant Administration Services Contract

David J. Stoldt, General Manager provided introductory remarks.

Maureen Hamilton, *District Engineer* recommended committee approval of draft Resolution No. 2022 – 28. Hamilton mentioned the District is the lead agency in applying for Proposition 1: IRWM funds for the Monterey Peninsula Regional Water Management Group (RWMG). She mentioned as part of the IRWM Implementation Round 2 grant funds process, the RWMG issued a call for projects in Summer 2022 and competitively ranked those projects locally in August 2022. Lastly, she announced on September 21, 2022 the group voted to apply for $500,000 for the City of Monterey Olivier Street Stormwater Diversion Project (AKA Lighthouse Tunnel Diversion Project) and over $840,000 for the Monterey Tunnel Stormwater Diversion Project for the Carmel River FREE project.

In response to Director Riley, Hamilton reported that the IRWM and RWMG comprise of the same membership and the groups have grown in membership since its inception. *In response to Director Paull,* Stoldt noted that this will be the 1st stormwater diversion in the City of Monterey and briefly described the demarcation lines between the Carmel Area Wastewater District and Monterey One Water. *In response to Director Edwards,* Hamilton informed him that all RWMG stakeholders have been informed on the IRWM Round 2 grant fund process.

No comments were directed to the committee.

A motion was made by Riley and seconded by Paull to recommend to the Full Board to:

1. Adopt Resolution 2022-28 (Exhibit 2-A) authorizing the General Manager to apply for and enter into a grant agreement with the DWR for a Proposition 1 Integrated Regional Water Management Implementation Round 2 Grant; and
2. Authorize the General Manager to enter into sub-grant agreements with project proponents; and
3. Authorize the General Manager to enter into an agreement for grant administration services not to exceed $148,896 and to be reimbursed by the grant.

The motion passed on a roll-call vote of 3-Ayes (Riley, Edwards and Paull), 0-Noes and 0-Abstained.

3. Consider Recommendation to the Board to Adopt a Position Opposing CalAm's Desalination Plant (Verbal Report)

David J. Stoldt, *General Manager* provided introductory remarks. He mentioned on June 2020 the Board adopted a position on a vote of 4 – 3 opposing CalAms desalination project and sent a letter to the CA Coastal Commission to that effect. Stoldt mentioned a legal question has come up as to whether the District has legal authority to approve a desalination plant. District Counsel Laredo opined that the District's enabling legislation provides under Section 363 that "no person, owner, or operator shall establish, extend, expand or create a water distribution system unless and until the approval of the board is first obtained in writing" thus believes the District Board has a role in issuing an amendment to CalAms Water Distribution Permit. Riley commented that he does not seen an issue or an inconsistency in supporting one water supply project and opposing another. Paull emphasized that committee discussion is on opposing CalAm's Desalination Plant and not desalination in general.

Chair Edwards opened public comment:

(a) Paul Bruno, Chairman of the Seaside Groundwater Basin Watermaster: Urged the board to take a stand of neutrality on or support the Desal plant.

(b) John Tilley: Voiced support for CalAm's desal plant and urged the board to review a recent letter from the Monterey County Water Resources Agency concerning the issue of source waters for Pure Water Monterey.

(c) Adam Pinterits, Government and Community Affairs Directors for the Monterey County Association of Realtors: Stated the community needs both Pure Water Monterey and desalination to meet Regional Housing Needs Allocation numbers.

(d) Rick Aldinger: Expressed support for CalAm's desal project and briefly covered letters from the Monterey County Water Resources Agency on the topic of source waters and another letter from the State Department of Water Resources on CA drought conditions.

No further comments were directed to the committee.

A motion was made by Director Riley and seconded by Edwards directing staff to draft a resolution to bring forth before the MPWMD Board of Director's a resolution of non-support of the CalAm Desal project based on findings to be determined by District Counsel and the General Manager and based off of District Law. The motion passed on a roll call vote of 2-Ayes (Riley and Edwards), 0-Absent, 1-Abstain (Paull).

4. Consider Distribution of Funds for Local Project Grant Funding

Maureen Hamilton, *District Engineer* provided an overview of her staff report and recommended approval of the matter.

Chair Edwards opened public comment. No comments were directed to the committee.

A motion was made by Riley with a second by Paull to recommend to the Full Board to:

1. Approve the City of Monterey grant application to MPWMD for Olivier Street Stormwater Diversion Project development costs, and
2. Authorize the General Manager to enter into a grant agreement with the City of Monterey for Olivier Street Stormwater Diversion Project development costs in the amount of $25,000.

The motion passed on a vote of 3-Ayes (Edwards, Paull and Riley), 0-Noes and 0-Absent).

Discussion Items

David J. Stoldt, *General Manager* recognized Maureen Hamilton for receiving a Certificate of Excellence, *Federal Facility Excellence in Site Reuse Award* from the Federal Facilities Restoration and Reuse Office.

5. Update on ASR Well No. 1 and Injection Wells

David J. Stoldt, *General Manager* stated the District will have its last meet and confer meeting on October 17, 2022 and will report to the Board in Closed Session on the same day. He mentioned

both Jon Lear, Water Resources Manager and Maureen Hamilton, District Engineer have come up with a solution to the current physical limitations of the system.

Chair Edwards opened the public comment period. No comments were directed to the committee on this matter.

6. Update on Pure Water Monterey Expansion

- Phase 1 CPUC Decision on the Amended and Restated Water Purchasing Agreement

Stoldt reported that a draft proposed decision on Phase 1 of the Amended and Restated Water Purchasing Agreement was released on September 30, 2022. Laredo mentioned comments on the proposed decision are due on October 20th and replies are due on October 25th, 2022.

- Letter to the CPUC from the Monterey County Water Resources Agency

David J. Stoldt, *General Manager* touched upon letters sent by the Monterey County Water Resources Agency, Pebble Beach Company and the Monterey County Hospitality Association and were designed to influence the California Public Utilities Commission.

Chair Edwards opened public comments. No comments were directed to the committee on this matter.

Suggest Items to be Placed on Future Agendas

None

Adjournment

There being no further business, Chair Edwards adjourned the meeting at 4:41 p.m.

/ s/ Joel G. Pablo

_____

Joel G. Pablo, Board Clerk
MPWMD Water Supply Planning Committee

Approved by the MPWMD Water Supply Planning Committee on December xx, 2022
Received by the MPWMD Board of Director's on December xx, 2022

WATER SUPPLY PLANNING COMMITTEE

DISCUSSION ITEM

2. ASR PREPARATION FOR WINTER 2022-23 OPERATIONS

Meeting Date:	**December 14, 2022**	**Budgeted:**	**N/A**
From:	**David J. Stoldt General Manager**	**Program/ Line Item No.:**	**N/A**
Prepared By:	**David J. Stoldt**	**Cost Estimate:**	**N/A**

General Counsel Approval: N/A
Committee Recommendation: N/A
CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.

SUMMARY: Attached as **Exhibit 2-A** are the statistics for spill and fill of Los Padres since 1986. The average rainfall required to fill and spill is about 6.4 inches. We have received 4.29 inches through December 7, 2022. Often after a few dry years, a few more inches are required, but it also matters on the intensity of the storms delivering the rainfall. On Dec 7, the reservoir elevation was 1033.34 feet and spill is 1040 feet, so there is just under 7 feet of storage to go before spill.

December 1 marks the first day State water permits allow the District to inject, should the District meet the in-stream flow requirements.

Staff will keep monitoring the forecast and tracking the filling process of the reservoir. Based on past experience, if the watershed receives another significant rainstorm of 2 to 3 inches, ASR may be within the requirements to inject.

EXHIBIT
2-A Historical Los Padres Dam Statistics

EXHIBIT 2-A

Los Padres Reservoir: Dates During Each Water Year that Reservoir Reached Spillway Capacity and Cumulative Rainfall Prior to Spilling

Water Year (WY)	Date of Spill	Cumulative WY Rainfall Through Spill Date (Inches)
1986	12/4/1985	6.05
1987	2/2/1987	3.70
1988	1/6/1988	6.44
1989	2/13/1989	8.78
1990	2/4/1990	7.07
1991	3/5/1991	8.41
1992	1/9/1992	8.20
1993	12/30/1992	6.52
1994	1/25/1994	5.65
1995	1/6/1995	7.77
1996	1/17/1996	6.17
1997	11/29/1996	4.52
1998	12/8/1997	10.08
1999	12/1/1998	3.14
2000	1/23/2000	4.92
2001	1/12/2001	8.58
2002	12/2/2001	5.65
2003	11/9/2002	5.24
2004	12/29/2003	7.97
2005	12/12/2004	6.31
2006	12/22/2005	5.35
2007	1/3/2007	4.54
2008	1/4/2008	7.53
2009	1/24/2009	5.70
2010	10/13/2009	5.05
2011	12/19/2010	5.03
2012	1/24/2012	6.58
2013	12/1/2012	5.21
2014	3/1/2014	7.57
2015	12/7/2014	4.02
2016	1/7/2016	10.82
2017	12/16/2016	5.11
2018	3/1/2018	6.58
2019	12/17/2018	5.43
2020	12/2/2019	5.99
2021	1/27/2021	8.19
2022	12/14/2021	5.72
Average	January 2	6.37
Median	January 4	6.11
Earliest Fill	October 13, 2009	
Latest Fill	March 5, 1991	

WATER SUPPLY PLANNING COMMITTEE

DISCUSSION ITEM

3. STATUS OF FORT ORD WELL NO. 9 REPLACEMENT

Meeting Date:	**December 14, 2022**	**Budgeted:**	**N/A**
From:	**David J. Stoldt** **General Manager**	**Program/** **Line Item No.:**	**N/A**
Prepared By:	**David J. Stoldt**	**Cost Estimate:**	**N/A**

General Counsel Approval: N/A
Committee Recommendation:
CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.

SUMMARY: Attached as **Exhibit 3-A** is the District's edited contract for a replacement well for Fort Ord Well No. 9 – Shallow. It was returned to the Watermaster November 16th, but not acted upon and was not on the December 7th agenda. It reflects the cost sharing percentage recommended by the Water Supply Planning Committee late last year.

EXHIBIT
3-A Draft Cost Sharing Agreement for Replacement Well FO-09 Shallow

EXHIBIT 3-A

MEMORANDUM OF AGREEMENT

BETWEEN THE SEASIDE BASIN WATERMASTER THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT AND THE MARINA COAST WATER DISTRICT

TO SHARE IN THE COSTS OF INSTALLING A GROUNDWATER MONITORING WELL

THIS AGREEMENT is made and entered into this _____ day of _____, 2023, by and between the SEASIDE BASIN WATERMASTER, hereinafter referred to as the "WATERMASTER", and the MONTEREY PENINSULA WATER MANAGEMENT DISTRICT, hereinafter referred to as the "DISTRICT", and the MARINA COAST WATER DISTRICT, hereinafter referred to as "MARINA COAST," as follows.

In this Agreement the terms "Party" and "Parties" refer to the WATERMASTER, the DISTRICT, and/or MARINA COAST, either individually or collectively.

RECITALS:

A. Under Case No. M66343, California Superior Court, Monterey County, on March 27, 2006 by entry of Judgment ("Judgment") the WATERMASTER was created. The purpose of the WATERMASTER is to assist the Court in the administration and enforcement of the provisions of the Judgment.

B. As part of carrying out its duties and responsibilities under the Judgement, the WATERMASTER carries out a Monitoring and Management Program (M&MP). Under the M&MP groundwater level and groundwater quality data is collected from a network of monitoring and production wells.

C. One of the monitoring wells, FO-9 Shallow, developed a casing leak and had to be destroyed. The Parties wish to install a new monitoring well to replace FO-9 Shallow.

D. The Parties wish to enter into this Agreement to share in the cost of installing the replacement well.

Terms and Conditions

In consideration of the mutual promises contained herein, the WATERMASTER, the DISTRICT, and MARINA COAST hereby agree to the following terms and conditions:

A. Work to be performed. The WATERMASTER will have its consultant, Montgomery & Associates, design and install the replacement monitoring well. The Scope of Work and the estimated costs to perform this work are described in Attachment 1 to this Agreement. The staff of each of the Parties to this Agreement will be invited to attend any key meetings and/or conference calls that are held between the WATERMASTER and its consultant as the work is being performed, in order to enable each of the Parties to stay abreast of the work, raise pertinent questions in a timely manner, and provide input as appropriate.

The Parties hereto understand, as stated in Attachment 1, that it is difficult for Montgomery & Associates to accurately estimate the costs to perform the work and that the costs listed in the table titled "Cost Estimate for FO-9 Shallow Replacement Monitoring Well" in Attachment 1 are Montgomery & Associates' best estimates. In the event it is determined, during the course of the work, that the cost to complete the work will be greater than the total cost listed in that table, the Parties agree to meet and confer to reach agreement on a revised cost that will be shared as described in paragraph B, so that the work can be completed. Agreement on said revised cost shall not be binding on any Party unless and until that Party formalizes its agreement to the revised cost in writing to each of the other Parties.

B. Costs to be shared. The costs to be shared are listed in Table 1 of Attachment 1. These costs will be shared in the following percentages:

WATERMASTER share = 42.5% (estimated to be $106,988.65)
DISTRICT share = 15% (estimated to be $37,760.70)
MARINA COAST share = 42.5% (estimated to be $106,988.65)

(In the event a revised cost is agreed to, as described in paragraph A, these dollar figures will change).

C. Documents to be provided. Once the Draft Technical Specifications are prepared under Task 2 as described in Attachment 1, the WATERMASTER will provide the DISTRICT and MARINA COAST each with one copy of the Draft Technical Specifications for their review and comment. After receipt of those comments, and any comments the WATERMASTER provides, the Final Technical Specifications will be prepared incorporating any appropriate revisions to address those comments. The DISTRICT and MARINA COAST will each be provided one copy of the Final Technical Specifications that will be used for the installation of the replacement well, and will also be provided one copy of the Well Installation Report referred to in Task 3 of Attachment 1, following completion of installation of the replacement well.

D. Payment of costs and reimbursement to the WATERMASTER. The WATERMASTER will make progress payments to Montgomery & Associates as it satisfactorily performs the work described in Attachment 1. After the satisfactory completion of the work, the WATERMASTER will provide to the DISTRICT and to MARINA COAST, copies of the payments it made to Montgomery & Associates. Within 30 days of receiving those documents, the DISTRICT and MARINA COAST will reimburse the WATERMASTER for their percentage shares of those costs, subject to the limits set forth in sections A and B.

E. Term of Agreement. The term of this Agreement shall commence on the date of its execution, and shall continue in effect until the WATERMASTER has been reimbursed as described in paragraph D.

F. Hold Harmless. Under this Agreement each of the Parties does hereby agree to indemnify, defend, and hold each of other the Parties and their Board members, officers, employees, agents, and representatives harmless from and against any and all liability, claims, suits, actions, damages, and causes of action of any kind arising out of the performance of the work described in this Agreement.

G. Venue. In the event that suit shall be brought by any Party to this Agreement, the Parties agree that venue shall be exclusively vested in the state courts of the County of Monterey, or, if brought in federal court, in the United States District Court handling matters arising in Monterey County. Further, the prevailing Party shall be entitled to reasonable attorney fees and costs.

H. Notices. Written notice shall be deemed to have been duly served if delivered in person or by mail to the individuals and at the addresses listed below:

A. WATERMASTER:
Technical Program Manager
Seaside Basin Watermaster
P.O. Box 51502
Pacific Grove, CA 93950

B. DISTRICT:
General Manager
Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93940

B. MARINA COAST:
General Manager
Marina Coast Water District
11 Reservation Road
Marina, CA 93933

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the dates shown below.

WATERMASTER

Date: _____ By: _____
(Name) Chair, Board of Directors

DISTRICT

Date: _____ By: _____
David Stoldt, General Manager

MARINA COAST

Date: _____ By: _____
Remleh Scherzinger, General Manager

ATTACHMENT 1

Scope of Work and Cost
to
Design and Install the Replacement Monitoring Well

(From Montgomery & Associates Proposal Letter Dated August 3, 2022)

MONTGOMERY & ASSOCIATES
Water Resource Consultants

Groundwater experts since 1984

August 3, 2022

Mr. Bob Jaques
Seaside Watermaster Technical Program Manager
83 Via Encanto
Monterey, CA 93940

SUBJECT: SCOPE AND FEE FOR REPLACEMENT MONITORING WELL FO-9 SHALLOW

Dear Mr. Jaques,

Montgomery & Associates (M&A) is pleased to submit this scope, fee, and schedule proposal to the Seaside Groundwater Basin Watermaster (Watermaster) to provide hydrogeological support and construction management services for a replacement monitoring well for FO-9 shallow. The current FO-9 shallow monitoring well is constructed of 2-inch diameter PVC well casing with a screen intake from 610 to 650-feet below ground surface. This proposal assumes a borehole depth of 660-feet below ground surface (bgs), total well depth of 650-feet bgs, and proposes 2.5-inch Schedule 80 PVC well casing and screen. The deeper depth assumed is because the replacement well may not be located at the location of the original FO-9 shallow monitoring well. The actual location of the well will be determined during Task 2. Schedule 80 PVC is proposed to increase the lifespan of the replacement well.

M&A currently anticipates retaining the support of Maggiora Brothers Drilling (Maggiora) of Watsonville, CA, for well installation and development services. The drilling contractor is subject to change based on project requirements and with prior approval from Watermaster. Martin Feeney will additionally be retained to provide hydrogeological review and monitoring well design recommendations based on his history with Watermaster, as requested.

SCOPE OF WORK

The scope of work includes technical specifications, bidding and contract support, construction management, and reporting. M&A proposes the following tasks to complete the project:

- Task 1 – Project Management
- Task 2 – Technical Specifications
- Task 3 – Construction Management
- Task 4 – Reporting

These tasks are described individually below.

Estimated Drilling Costs
Estimated costs for the construction and development of monitoring well FO-9 shallow are included for budgetary purposes. These costs will be revised based on the selection of the well site and the final details of the technical specifications under Task 2. Costs included herein represent good-faith estimates based on current project understanding and/or assumptions, but may be revised to account for adjustments based on site conditions, well construction details and/or logistics, project duration, changes in labor or material rates, and other such factors. The technical specifications prepared under Task 2 will include a detailed bid schedule and timeline which will be used to refine M&A and Maggiora cost estimates. M&A will

MONTGOMERY & ASSOCIATES

provide revised costs for Task 3 and negotiate any required contract changes prior to beginning well construction activities.

Task 1: Project Management

M&A will provide administrative and budgetary management duties throughout the duration of the project; including but not limited to coordination with Watermaster, attendance at project meetings, assistance with site selection, permitting and providing information needed for Watermaster to obtain approvals from the landowner, budget management, and schedule management.

This task assumes a contract completion date of December 31, 2023. Progress reports will be included with invoice submittals.

Task 2: Technical Specifications

M&A will prepare technical specifications for the FO-9 shallow monitoring well to describe well design features, construction logistics, and installation and development procedures. Technical specifications will be used to gain agreement on the well design, construction logistics, and construction approach. Key components of the well design include borehole drilling, borehole geophysics, well installation, well development, and surface completion.

Task 2 includes preparation of draft technical specifications, one round of comments from Watermaster on the draft, and finalization. Draft and final technical specifications will be transmitted electronically. This task includes costs for one visit to the proposed well site with Watermaster and Maggiora to assess access and other site logistics.

M&A will assist the Watermaster with site selection for the well, including assistance in providing the information needed for Watermaster to obtain any necessary permits and approvals from the landowner. Watermaster is ultimately responsible for obtaining necessary permits.

Task 3: Construction Management

M&A will retain Maggiora to complete well installation and development, and will provide construction management during these activities. M&A will observe and document construction activities, including development of a lithologic log and determination of the final well design based on observations during drilling.

ASSUMPTIONS

- M&A can reasonably rely on the accuracy, timeliness, and completeness of information provided by Watermaster.
- M&A is responsible for tracking, cataloging, and approving submittals. M&A will provide Watermaster copies of all approved contractor submittals.
- Fieldwork will generally be conducted during 12-hour workdays on a standard 5-day workweek.
- Equipment rentals and fieldwork consumable purchases may be required. These may include but are not limited to field notebooks, chip trays and other miscellaneous project supplies. Costs for these items are included herein.
- M&A will assist the Watermaster in coordinating property access with the property owner.

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- Prior to the start of drilling activities, M&A will coordinate and oversee subsurface utility locating by a Subtronic Corporation or equally qualified subsurface utility locating company. M&A is specifically not responsible for damages to buried utilities not identified by the property owner, Watermaster, Underground Service Alert of Northern California or the private utility locator.
- M&A and Maggiora will pay for and secure the Monterey County well permit.
- Costs for wellhead surveying (latitude, longitude, and elevation), groundwater sampling and well equipping (datalogger, sample pump, etc.) are not included in this proposal. Costs for these services can be provided upon request.

Construction management costs provided herein are estimated based on anticipated durations for each activity. The following durations are assumed for cost estimating purposes, for a total of approximately 24 field days:

- Utility clearance – 1 day
- Mobilization – 2 days
- Borehole drilling – 13 days
- Well installation – 3 days
- Well development – 3 days
- Well completion and demobilization – 2 days

Actual durations are subject to site conditions, drilling progress, weather and other factors not controlled by M&A. As such, actual costs are subject to increase or decrease based on actual durations. Field oversight costs are based on the Scientist 2 hourly rate, but efforts will be made to use the most cost-efficient, responsible staff level where feasible.

Task 3: Reporting

M&A will prepare a Well Installation Report following completion of site activities. The report will include a description of the work completed, description of the methods and procedures used, results and discussion of drilling and testing activities, conclusions and relevant appendices. A draft well installation report will be prepared in Microsoft Word format for Watermaster comment. Final submittal of this report will include one hardcopy and one PDF copy. The hardcopy report will additionally include long-form print outs of downhole logging (geophysical, caliper, alignment, spinner), a copy of the complete video survey in MP4 format (provided on DVD or flash drive), and one set of drill cutting chip trays.

Maggiora will file the Well Installation Report with the appropriate agency(s) including Monterey County Department of Health.

COSTS

The estimated costs by task are summarized below and detailed in Attachment 1.

		Labor Costs	Expenses	Sub Contractors	M&A 10% Markup	TOTAL
Task 1	Project Management	$7,296	$0	$0	$0	$7,296
Task 2	Technical Specifications	$14,324	$300	$1,500	$180	$16,304
Task 3	Construction Management	$43,572	$5,950	$153,210	$15,916	$218,648
Task 4	Reporting	$8,940	$0	$500	$50	$9,490
	TOTAL COST	**$74,132**	**$6,250**	**$155,210**	**$16,146**	**$251,738**

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M&A hourly rates are subject to increases on January 1, 2023.

SCHEDULE

M&A assumes Task 2 will be completed by the end of calendar year 2022, provided the contract is executed by mid-October 2022 and that site selection is also completed during this time period. Well construction would occur in 2023 according to driller availability. The Well Installation Report will be completed within approximately 45 days following the completion of field activities.

If you have any questions, do not hesitate to contact me.

Sincerely,

Bill DeBoer, P.G., C.Hg.
Senior Hydrogeologist

MONTGOMERY
& ASSOCIATES
Water Resource Consultants

Attachment 1: Cost Estimate for FO-9 Shallow Replacement Monitoring Well

		Bill DeBoer	Field/Staff Hydrogeologist	Editing	Labor	Expenses	Subcontractors			M&A	TOTAL
		Scientist 6	Scientist 2	Technical Editor			Martin Feeney	Maggiora Bros. Drilling	Subtronic Locating	10% Markup	
	$/hr	$228	$138	$80	Costs						
1	**Project Management**										
	Progress tracking, coordination, meeting and invoicing	32	-	-	$7,296	$0	-	-	-	-	$7,296
	Task 1 Subtotals	**32**	**0**	**0**	**$7,296**	**$0**	**$0**	**$0**	**$0**	**$0**	**$7,296**
2	**Technical Specifications**										
	Site Visit	14	10	-	$4,572	$300	-	-	-	$30	$4,902
	Draft Technical Specifications	18	32	4	$8,840	$0	$1,000	-	-	$100	$9,940
	Final Technical Specifications	-	-	-	$0	$0	$500	-	-	$50	$550
	Construction Management cost revisions	4	-	-	$912	$0	-	-	-	$0	$912
	Task 2 Subtotals	**36**	**42**	**4**	**$14,324**	**$300**	**$1,500**	**$0**	**$0**	**$180**	**$16,304**
3	**Construction Management**										
	Subsurface Utility Locating	2	10	-	$1,836	$200	-	-	$1,600	$180	$3,816
	Mobilization, Drilling, Well Installation	12	216	-	$32,544	$4,500	$500	$132,030	-	$13,703	$183,277
	Well Development	2	36	-	$5,424	$750	-	$7,080	-	$783	$14,037
	Wellhead Completion, Demobilization, Waste Management	2	24	-	$3,768	$500	-	$12,000	-	$1,250	$17,518
	Task 3 Subtotals	**18**	**286**	**0**	**$43,572**	**$5,950**	**$500**	**$151,110**	**$1,600**	**$15,916**	**$218,648**
4	**Reporting**										
	Draft Well Installation Report	16	24	2	$7,120	$0	$500	-	-	$50	$7,670
	Final Well Installation Report	4	6	1	$1,820	$0	-	-	-	$0	$1,820
	Task 4 Subtotals	**20**	**30**	**3**	**$8,940**	**$0**	**$500**	**$0**	**$0**	**$50**	**$9,490**
	TOTAL HOURS	**106**	**358**	**7**							
	TOTAL COST	**$24,168**	**$49,404**	**$560**	**$74,132**	**$6,250**	**$2,500**	**$151,110**	**$1,600**	**$16,146**	**$251,738**

MAGGIORA BROS. DRILLING, INC.

DRILLING CONTRACTORS - PUMP SALES & SERVICE

CALIFORNIA CONTRACTOR'S LICENSE NO. 249957

Corporate Office
595 Airport Blvd.
Watsonville, CA 95076

Tel: (831) 724-1338
Tel: (800) 728-1480
Fax: (831) 724-3228

Contractor Bid - 08/01/2022

Montgomery & Associates
1970 Broadway, Suite 225
Oakland, Ca 94612
Attn. Bill DeBoer P.G., C.Hg.

Re: Construction of 2.5" Dia. x 660', PVC cased, monitoring well in Seaside, Ca.

The following is Maggiora Bros. Drilling, Inc. proposal:

1	Mobilization, includes permit	LS	1	$10,000.00	$10,000.00
2	Drill 10.75" bore hole	LF	660	$92.00	$60,720.00
3	E-log	LS	1	$4,500.00	$4,500.00
4	Caliper Log	LS	1	$3,500.00	$3,500.00
5	2.5" Sch 80 FT Blank Casing F&I	LF	620	$25.00	$15,500.00
6	2.5", Sch80 FT .030" screen F&I	LF	40	$35.00	$1,400.00
7	F & I Gravel Pack	LF	110	$56.00	$6,160.00
8	F & I sanitary seal	LF	550	$55.00	$30,250.00
9	Well Development	HR	8	$500.00	$4,000.00
10	test pump install & remove	LS	1	$1,500.00	$1,500.00
11	Pump development	HR	4	$395.00	$1,580.00
12	disposal of fluids & cuttings	LS	1	$12,000.00	$12,000.00
13	Standby time	HR	0	$500.00	$0.00

Price: includes labor, equipment, material, taxes, & freight: $151,110.00

1. Customer is to provide access to site and to mark location of well.
2. Drilling Contractor will USA for drilling. We recommend that the customer have a private locator verify utilities at well location if needed.
3. Customer to provide a source of water for drilling at site and provide a level site for the well drilling equipment.
4. ~~Cuttings and drill fluids to remain on site and are the responsibility of the Customer, unless other provisions have been made.~~
5. Temp fencing, sound-walls, traffic control, or other BMP's are not included. These can be provided at an additional cost.
6. Drilling Contractor will provide a drilling permit from the County. All other permits are excluded.
7. Test hole destruction, if required, will be $75/ft. If drilling slows to < 8' in two hours, drilling converts to hourly at $550.00

MAGGIORA BROS. DRILLING, INC.

DRILLING CONTRACTORS - PUMP SALES & SERVICE

CALIFORNIA CONTRACTOR'S LICENSE NO. 249957

Page 2

8. Bonding is not included in this proposal, but can be provided on a cost/plus basis.
9. Maggiora Bros. Drilling, Inc. current backlog is such that we may not be able to start the project for 4 to 5 months.
10. Proposal is valid for 30 days.
11. Due to the volatility of material & fuel costs in the current market, Maggiora Bros. Drilling, Inc. reserves the right to adjust pricing based on the actual cost of materials at the time of order.

Maggiora Bros. Drilling, Inc is a Union company; Operating Engineers, Local #3, as well as, a Certified Small Business. (34073)

If you have any questions, feel free to contact us!

Sincerely,

Michael F. Maggiora

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WATER SUPPLY PLANNING COMMITTEE

DISCUSSION ITEM

4. CONDITION REPORT ON FORT ORD WELL NO. 10

Meeting Date:	**December 14, 2022**	**Budgeted:**	**N/A**
From:	**David J. Stoldt General Manager**	**Program/ Line Item No.:**	**N/A**
Prepared By:	**David J. Stoldt**	**Cost Estimate:**	**N/A**

General Counsel Approval: N/A
Committee Recommendation:
CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.

SUMMARY: On April 5, 2021 Martin B. Feeney PG, Consulting Hydrogeologist, issued a condition assessment of Fort Ord Wells No. 9 and No. 10 to the Seaside Basin Watermaster. Monitoring Wells FO-9 and FO-10 were drilled in 1994 and 1996, respectively. The wells are nested completions with multiple casings of varying lengths in the same borehole. FO-10 has 3 completions - one in the Paso Robles Formation, one in the Santa Margarita Sandstone and a third completion in an intermediate depth.

FO-10 Shallow has recently displayed increasing concentrations of chloride ions, raising the possibility that these data are indicative of advancement of seawater into the basin. However, these data are difficult to reconcile with other data from the more seaward Sentinel Wells that have seen no changes. A Seaside Basin ad-hoc advisory team, which includes the District, discussed this and generally believed that the data from the monitoring well would benefit from further confirmation. It was suggested that the monitoring well be induction logged and the data from the induction log be compared to the original electric logs to assist in evaluating if there have been conductivity changes in the formation since the time of the well installation. Such work was completed and the initial data and preliminary interpretations included in Feeney's April 2021 report.

Prior to the 2021 field work, the original e-logs from the boring was digitized such that the original e-logs could be easily compared to the inverse of the induction logs (e-log measures resistivity, induction log measures the inverse, i.e., conductivity). After acquiring a digital versions of the e-log, the well was geophysically logged on March 23, 2021. Both an induction log and a temperature/fluid resistivity log were performed. The induction logging measures the bulk conductivity of a sphere of earth materials (including the borehole contents - gravel envelope and casings) of approximately 6 feet in diameter. The temperature/fluid resistivity measures temperature/resistivity of the fluid in the casing. The temperature data allows for the resistivity data to be corrected for temperature. At the location, the deepest accessible well was induction logged while the shallow well was temperature/fluid resistivity logged. The data from the logging

and the well construction are attached.

For FO-10, the findings were as follows and will be elaborated upon by District Hydrogeologist Jon Lear during the Committee meeting:

• The induction tool was not able descend in the deep well as the upper section has a bend in the casing that is too tight for passage. The intermediate and shallow wells were successfully logged to bottom.

• The induction log is severely muted when compared with the original e-log. At first glance it looks like seawater intrusion, but on further reflection the shift is along the entire profile, which is considered unlikely and odd. The reason for the muted response is unclear. Discussions with the geophysical contractor suggest that all the intermediate well seals are leaking and allowing poor quality water from above. Whereas that theory would explain the data, it is considered highly unlikely because water level data from these wells in the past consistently show significant differences between shallow and deep completions. However, now the water level data appears to be the same for both well readings.

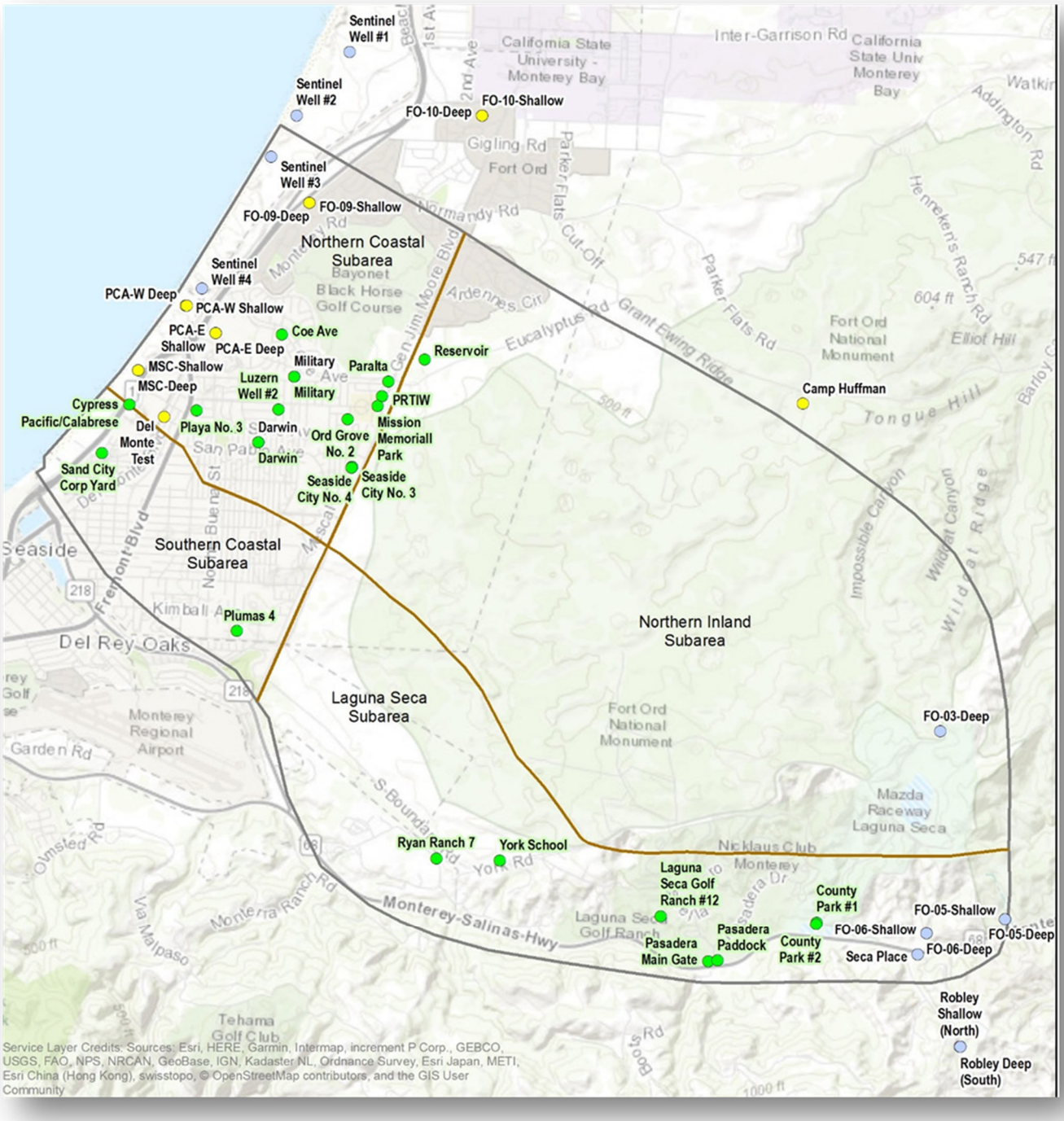
• The fluid resistivity logs show elevated electro-conductivity in the screen section relative to the standing water in the casing, suggesting the quality in the screen section may be changing and the water quality samples from this well may be valid.

The data also confirms that the recent increase in chlorides in FO-10 Shallow is representative of the water in the perforations. The reason for the increase is not known. Ongoing routine sampling may assist in better determining water quality trends and any additional well investigative recommendations at this location. The District has been performing the ongoing sampling.

EXHIBIT
4-A Wells in the Seaside Basin

EXHIBIT 4-A

Wells in the Seaside Basin



WATER SUPPLY PLANNING COMMITTEE

DISCUSSION ITEM

5. UPDATE ON MPWSP DESALINATION PROJECT – COASTAL COMMISSION AND OTHER CONDITIONS

Meeting Date:	**December 14, 2022**	**Budgeted:**	**N/A**
From:	**David J. Stoldt General Manager**	**Program/ Line Item No.:**	**N/A**
Prepared By:	**David J. Stoldt**	**Cost Estimate:**	**N/A**

General Counsel Approval: N/A
Committee Recommendation:
CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.

SUMMARY: On November 17th, the California Coastal Commission (CCC) conditionally approved the desalination facility component of the Monterey Peninsula Water Supply Project (MPWSP). There were 20 conditions in the Staff Report, attached as **Exhibit 5-A**. Conditions 3 through 20 are fairly standard and the more important ones are reflected in Conditions 1 and 2. However, there were three additional conditions added during the hearing which are discussed below.

Also, there are also several other conditions or issues of the 2018 California Public Utilities Commission (CPUC) Certificate of Public Convenience and Necessity (CPCN) that may be triggered and require additional review or modification. These are also identified below.

Three other "special conditions" of the CCC were negotiated at the dais and are not yet in writing:

- $3 million for public beach access, plus a full-time City of Marina position for ten years. Need to see new language from CCC.

- All the low-income ratepayer relief offers made by Cal-Am during the CCC hearing need to be written up. Of note: Cal-Am did offer some low-income rate approaches they are already working on, so those should not be considered as new for this project.

- Additional acreage to be purchased as mitigation for the coastal development also needs to be written up by the CCC.

There are 5 (maybe more) interactions required with the CPUC, but only one was contemplated in the Coastal Commission decision conditions:

- Phase 2 proceedings on supply and demand are ongoing and should be resolved and indicate whether desal is needed (was in CCC conditions).

- The 4.8 MGD option is specifically not permitted under the 2018 CPUC decision. How this option is implemented should involve revisiting the CPUC and its decision.

- The 2018 CPUC decision said if desal and PWM Expansion are both done, Cal-Am needs to do more identification of operational strategy and ratepayer v. shareholder impacts under the decision.

- During the CCC hearing, Cal-Am horse-traded several low-income ratepayer relief mechanisms. These need CPUC hearing. Could be rule-making under the CPUC which is 2-3 years.

- There was a "cost cap" on the project in the 2018 CPUC decision, based on 2017 dollars. To adjust it requires a "petition for modification" of the CPUC decision. The District should not allow this to be an after-the-fact action, such as an advice letter, rather it should pro-actively force Cal-Am to update costs and file a petition if necessary – it takes 18-30 months.

Other: Lawsuits?

- Against CCC over vacating their responsibilities?

- Against CPUC as lead agency for CEQA over project changes?

Other:

What impact do any of our organizations have over the other issues, and where do we see them headed? Such as:

- Superior Court review of Cal-Am's Monterey County permits that were revoked subject to additional environmental review.

- Marina Coast Water District contends that Cal-Am has no rights to take water from the CEMEX site and water extractions there are limited by an agreement with CEMEX's predecessor Lonestar Cement. That case is currently being heard in Superior Court.

- The State Lands Commission has not agreed to a lease for the project's intake wells;

- On October 3, 2022 the State Water Board removed Cal-Am its Intended Use Plan for state revolving loan funding of $279.2 million due to a "lack of progress";

- Cal-Am has not applied for an amendment to its Water Distribution System permit through our District.

- Will M1W allow access to its outfall if PWM Expansion WPA is not resolved?

EXHIBIT
5-A Coastal Commission Preliminary Conditions on MPWSP Approval

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III. SPECIAL CONDITIONS

This permit is granted subject to the following special conditions:

1. **Other Permits and Approvals.** PRIOR TO ISSUANCE OF THIS PERMIT, the Applicant shall submit documentation from the following entities of final approvals, permits, and determinations required for the proposed Project or documentation from those entities that no further permits or approvals are required:

   Local –
   - **Monterey One Water ("M1W"):** authorization for connection to, and use of, the M1W ocean outfall.
   - **Monterey County:** encroachment permit(s) for construction of Project pipelines within the coastal zone and within County jurisdiction.
   - **Cities of Marina, Seaside, and Sand City:** encroachment permit(s) for construction and operation of Project pipelines within the coastal zone and within the jurisdiction of these entities.
   - **Transportation Agency of Monterey County ("TAMC"):** approvals necessary for construction and operation of Project pipelines within TAMC rights-of-way.

   State –
   - **State Lands Commission:** lease(s) of state tidelands for continued use of the Project's existing test well and of new proposed wells beneath state tidelands.
   - **Central Coast Regional Water Quality Control Board:** a National Pollution Discharge Elimination System ("NPDES") Permit allowing the discharge of effluent through the M1W outfall and approval to modify that outfall to allow the discharge.
   - **California Public Utilities Commission ("CPUC"):** final CPUC approval for construction of the Project, including but not limited to a final and binding CPUC determination in the pending proceeding (A.21-024) of water supply and demand estimates for the Monterey Peninsula Water Supply Project (MPWSP) that there is projected demand for additional water supply beyond the Pure Water Market Project Expansion (i.e., the project that would increase the capacity of the previously CPUC-approved Pure Water Market project from 3,500 AFY to 5,750 AFY) by or before 2050.

   Federal –
   - **Monterey Bay National Marine Sanctuary:** authorization from the Sanctuary to allow discharges into Sanctuary waters and drilling and disturbance of submerged lands within the Sanctuary. This is to include any necessary Biological Opinions from the U.S. Fish and Wildlfe Service and the National Marine Fisheries Service or confirmation from the Sanctuary that those Opinions are not required.

   Other –
   - **Other landowners:** authorization from any other landowners within the coastal zone on whose property the Applicant would conduct Project-related construction activities.

- **Legal:** a final judgment or other final disposition of the entirety of the pending action entitled *City of Marina v. RMC Lonestar, et al.*, Monterey County Superior Court No. 20CV001387 (in which the trial court has referred various issues to the Administrative Hearings Office of the State Water Resources Control Board for determination), Cal-Am shall provide proof of such judgment or disposition to the Executive Director. This permit shall not be issued if that judgment or disposition demonstrates that (1) the Applicant does not have, and cannot feasibly obtain, water rights (to the extent applicable) for the Project or (2) Cal-Am's project would cause harm to any aquifer that is a source of drinking water to the City of Marina or the Marina Coast Water District.

If any of these approvals or determinations result in changes to the proposed Project that are not evaluated in this CDP, the Applicant submit a complete application to amend this permit unless the Executive Director determines that an amendment is not necessary.

2. **Project Phasing.** This permit authorizes construction and operation of Phase I of the Project. To obtain authorization for construction and operation of Phase II, the Applicant shall submit an application for an amendment to this permit that includes all of the following:
   a. Authorization from the CPUC for the 6.4 mgd facility and any other required approvals.
   b. A detailed description of the proposed development associated with Phase II.
   c. An assessment of coastal resource effects from Phase II, including whether there are any changed circumstances from what was analyzed as part of this CDP review.
   d. Confirmation that the Applicant has submitted all required monitoring reports for the Phase I Project.

   The Applicant shall not begin operation of Phase II until the following criteria have been met:
   - Phase I has been in full operation for a minimum of two years; and
   - All required monitoring reports have been submitted, including the Groundwater Monitoring Report, Wetland Monitoring Report, etc., for a minimum two-year period, to demonstrate that the Project's Phase I has not caused any significant adverse effect on local groundwater supplies for the City of Marina and Marina Coast Water District, wetlands or other coastal resources.

3. **Construction Best Management Practices.** PRIOR TO STARTING CONSTRUCTION ACTIVITIES, the Applicant shall provide, for Executive Director review and approval, Construction Plans that address construction methods and Best Management Practices ("BMPs") of all project components and that include the following:

a) Construction areas: site plans showing the location of all construction areas, staging areas, fueling areas, and construction access corridors. The areas within which construction activities and/or staging are to take place are to be minimized to the extent feasible to reduce potential impacts to coastal resources.
b) Construction BMPs: the Plans shall identify the type and location of all erosion control and water quality BMPs that will be implemented during construction to protect coastal water quality. Silt fences, straw wattles, filtration equipment, and other similar materials are to be installed and maintained around the perimeter of all construction areas to prevent construction-related runoff and sediment from discharging directly into storm drains or coastal waters. The Plans shall identify all measures that will be used to keep the construction areas physically separate from public recreational use areas, such as using signage, temporary fencing, or other measures to delineate construction areas. The Plans are to also describe all measures that will be implemented to reduce the effects of construction noise and lighting of areas outside the delineated construction areas.
c) Equipment BMPs. Equipment fueling, washing, and maintenance shall take place at a designated hard-surfaced area where any leaks or spills can be contained and collected. All equipment shall be inspected at least daily to identify any leaks or potential leaks promptly. Any fueling and maintenance of mobile equipment conducted on site shall take place at designated areas located at least 50 feet from coastal waters, drainage courses, and storm drain inlets, if feasible (unless those inlets are blocked to protect against fuel spills). Fueling and maintenance areas shall be designed to fully contain any spills of fuel, oil, or other contaminants. Equipment that cannot be feasibly relocated to a designated fueling and maintenance area may be fueled and maintained in other areas of the site, provided that procedures are implemented to fully contain any potential spills.
d) Good Housekeeping BMPs. The Plans shall describe good construction housekeeping controls and procedures that will be implemented, including cleaning up all leaks, drips, and other spills immediately, keeping materials covered and out of the rain, covering exposed piles of soil and wastes, disposing of all wastes properly, placing trash receptacles on site and covering open trash receptacles during wet weather, and removing all construction debris from the site at least daily.
e) Construction timing: The Plans are to provide a construction schedule identifying the expected duration of construction and the hours and days construction is expected to occur.
f) Construction Coordinators. The Plans shall identify one or more designated construction coordinators at each construction site as the point of contact during construction should questions arise regarding the construction (in case of both regular inquiries and emergencies). The Plan shall provide coordinators contact information, including, at minimum, an email address and a telephone number that will be made available 24 hours a day for the duration of construction and that shall be conspicuously posted at the job site where such contact information is readily visible from areas accessible to the public. The Plan shall require that the coordinators record all complaints received regarding construction activities,

including the nature of the complaints, contact information where available (e.g., name, phone number, and email address) and shall require the coordinator to investigate complaints and take remedial action, if necessary, within 24 hours of receipt of the complaint or inquiry. All complaints and all actions taken in response shall be summarized and provided to the Executive Director upon request.

Copies of the approved Plans and of the signed CDP shall be maintained at the appropriate construction site(s) and be available to project personnel and the interested public upon request. All project personnel shall be briefed on the content and meaning of the CDP and the approved Plans prior to their start on project activities.

The Applicant shall implement development in accordance with this condition and the approved Construction Plans. Minor adjustments to the above requirements, as well as to the Executive Director approved Plan, which do not require a CDP amendment or a new CDP (as determined by the Executive Director), may be allowed by the Executive Director if such adjustments: (1) are deemed reasonable and necessary; and (2) do not adversely impact coastal resources.

4. **Spill Prevention and Response Plan.** PRIOR TO THE START OF CONSTRUCTION ACTIVITIES, the Applicant shall submit, for Executive Director review and approval, Project-specific Spill Prevention and Response Plans that address potential spills or releases of hazardous materials during both project construction and project operations. The Plans shall identify worst-case spill scenarios and demonstrate that adequate spill response equipment will be available. The Plans also shall include preventative measures that will be implemented to avoid spills and measures that will implemented should spills occur. The Plans shall specify responsibilities of contractors and project personnel. The Plans shall identify the location of all on- and off-site spill response equipment (including sorbent materials, booms, etc.) that will be available in the event of a spill, and the protocols and expected response times for deployment. The Plans are to clearly identify responsibilities of project personnel and contractors in the event of a spill and shall include necessary contact information for responsible personnel and involved emergency response agencies (e.g., Fire Department, U.S. Coast Guard, etc.).

5. **Closures for Species Protection.** Any construction activities at the Project well field or near the beach for outfall modifications shall occur outside of Western snowy plover breeding and nesting season (March 1 through September 30 of any year), unless authorized by the U.S. Fish and Wildlife Service (“USFWS”). Any construction activities within 30 feet of habitat known to be used by Smith’s blue butterfly shall occur outside of the annual butterfly flight season (June 1 to September 15 of any year) unless authorized by the USFWS. All Project maintenance and repair activities shall occur outside these closure periods to the extent feasible.

If the USFWS authorizations require any changes to the project as approved herein, the Applicant shall submit a complete application to amend this permit and receive approval from the Commission for those changes, unless the Executive Director determines no amendment is necessary.

6. **Permit Term.** This coastal development permit authorizes the approved project slant wells and associated components to be installed and remain on the Applicant's property within the CEMEX site for a period of 25 years, or until January 1, 2050, whichever occurs first. After such time, the authorization for the continuation and/or retention of these project elements shall cease, unless an extension of the permit term is approved, as set forth below.

   No later than two years prior to the end of this permit term, the Permittee shall apply for a new coastal development permit or amendment to this permit to remove, relocate, or rehabilitate these project elements or to modify this term of authorization. This application shall include, at a minimum, the most recent sea level rise projections for the project location, the most recent coastal erosion rates for the location, and the then-current location of site features, including the mean high tide line, foredunes, existing habitat types, and presence of any known or potential sensitive species using the site's habitat types. The application shall also identify and address changed circumstances and/or unanticipated impacts that have occurred or are reasonably expected to occur during the next 25-year period regarding environmental impacts and coastal hazards, including but not limited to ongoing sea level rise projections and changed projections of known and potential coastal hazards. It shall also describe any changes to coastal resources including those resulting from public access or modifications to site habitat types. Provided the Permittee submits a complete application by this date, the termination date for this permit shall be automatically extended until the time the Commission acts on the new or amended coastal development permit application.

   Failure to obtain a new or amended coastal development permit authorizing removal of and/or an additional term to retain the project elements shall cause this development to be in violation of the terms and conditions of this coastal development permit.

7. **Pre-Construction Biological Surveys and Monitoring During Construction.** The Permittee shall enlist one or more qualified biologists acceptable to the Executive Director, to conduct sensitive species pre-construction surveys and to monitor the project site during all construction activities per the following:
   a. **Pre-Construction Biological Surveys.** PRIOR TO COMMENCEMENT OF ANY CONSTRUCTION ACTIVITIES IN SPECIFIED WORK AREAS, Protocol-level surveys shall be conducted for any species that have been previously documented in the work area, its buffers, or within 0.5-mile, and could be reasonably expected on the basis of other known factors (e.g.,

habitat suitability). Surveys shall be conducted to at least 100 feet beyond the specified work areas. In the event that the biologist(s) reports finding any sensitive wildlife (within three days or less of intended construction for a specified work area) or plant species (within the preceding bloom season) during the pre-construction surveys, the Permittee shall delay work, implement any pre-approved mitigation measures, and promptly notify the Executive Director as well as CDFW and/or USFWS, as applicable. Project activities may commence upon written approval from the Executive Director, following any necessary consultation with CDFW and/or USFWS. Surveys and mitigating measures shall additionally:

i. For western snowy plover, nesting surveys shall be informed by the cumulative and trending record of habitat use from recent years and extend out to 500 feet from the work area.
ii. For legless lizards, use a triple-pass method where hand rakes are passed through the upper three inches of soil below the current vegetation layer in areas of appropriate habitat, and each sequential pass should demonstrably locate progressively fewer animals. The first pass shall occur in the early morning, when the species is most readily captured, and an overnight period of no soil disturbance shall be allowed before the second pass. If no animals are found during the second pass, they may be assumed absent and no third pass shall be required. If animals are found during the first or second passes, a third pass shall be required.
iii. For all nesting birds, other than western snowy plover and burrowing owls, surveys shall be completed no more than 72 hours prior to the commencement of construction activities and provide for a minimum of 300-ft buffers for non-raptor species and 500-ft buffers for raptor species, unless determined less may be acceptable during consultation with CDFW and/or USFWS, as appropriate. At a minimum, buffers shall not be reduced below 50 feet or 250 feet for non-raptors and raptors, respectively, and noise shall not exceed 65 dBA at any sensitive receptor site. Noise barriers and visual screens may be considered, in consultation with the Executive Director.
iv. For American badgers, surveys shall include areas along the pipeline alignments in vegetation communities where burrows have been previously recorded, including the various scrubs.
v. For Monterey dusky-footed woodrats, surveys shall extend out to 100 feet from the specified work area.
vi. Include the Executive Director in all relevant natural resource consultations and provide all survey results and supporting documentation, including submissions to other agencies.

b. **Biological Monitoring During Construction.** PRIOR TO COMMENCEMENT OF CONSTRUCTION EACH DAY, the biologist(s) shall inspect the active project areas to ensure that the day's activities will not result in impacts to sensitive species or encroach on established buffers. The biologist(s) shall document the results of each daily pre-

construction survey; the Permittee shall retain and make these available upon request. Construction activities may not commence until any sensitive wildlife species have the left the project area and its vicinity and/or any sensitive plant species have been sufficiently protected or salvaged in accordance with the approved final Habitat Mitigation and Monitoring Plan, pursuant to **Special Condition 10**. In the event that the biologist(s) determines that any sensitive species exhibit reproductive or nesting behavior, the Permittee shall cease work and promptly notify the Executive Director as well as CDFW and/or USFWS, as applicable; construction activities may only resume upon written approval of the Executive Director. If impacts or injury occur to sensitive species, the Permittee shall notify the Executive Director as well as CDFW and/or USFWS and will be advised of the appropriate action or mitigation to be taken.

The biologist(s) shall possess the authority to halt work to prevent any breach in permit compliance occur, or if any unforeseen sensitive habitat issues arise and until they are satisfied that the issue has been resolved. The biologist(s) shall immediately notify the Executive Director if development activities outside of this permit occur and document any incidents requiring the stoppage of work.

8. **Construction Impact Validation and Compensatory Mitigation Ratios for Habitat.** NO LESS THAN 90 DAYS PRIOR TO THE COMMENCEMENT OF CONSTRUCTION IN ANY SPECIFIED WORK AREA, the Permittee shall submit baseline surveys documenting, at a minimum: the physical extent and acreage of all habitats within proposed impact areas; each vegetation community's native species diversity, native species cover, invasive species cover, and the relative cover of dominant native vegetation species; and the vegetation community's age classes and/or size structure distributions. Surveys shall be conducted during the late spring/early summer season when most plant species are blooming and readily identifiable, unless otherwise proposed with clear justification, for review and approval by the Executive Director. Existing records and documentation shall be considered in conjunction with the new data to establish as comprehensive a baseline as possible. Any sensitive species detections not previously documented in submitted materials shall be clearly reported, including with annotations identifying occurrences as new, and shall be additionally submitted to CDFW and/or USFWS, as appropriate, and to the California Natural Diversity Database (CNDDB). Photos shall be taken from designated points across the survey area, at spacings and perspectives sufficient to represent existing conditions and support impact evaluations. In addition, post-construction surveys, final impact assessments, and compensatory mitigation requirements shall follow as:
    a. **Post-Construction Surveys.** For each habitat, post-construction surveys shall document, at a minimum: the physical extent and acreage of all impacted habitats, and the activities that occurred within the area, including any vegetation clearance, mortality, or other significant reduction

in vegetation cover due to project activities (e.g., pruning), or ground disturbance. Post-construction surveys shall be completed within 90 days of completion of construction activities in a specified work area and for impacts anticipated to be potentially characterized as temporary, additionally document, at a minimum: the dates of initial and final project-related disturbance to the habitat; each vegetation community's native species diversity, native species cover, invasive species cover, and the relative cover of dominant native vegetation species; the vegetation community's age classes and/or size structure distributions; and, photos from the designated points used for pre-construction surveys, to support impact evaluations.

i. **Impact Validation Report.** A final report comparing the extent and nature of impacts as estimated by the Permittee in the submitted materials with those actually observed following construction shall be submitted within 30 days of post-construction survey completion, for Executive Director review and approval. The observed impacts, once approved, shall form the basis of the compensatory mitigation obligation. If the observed impacts are significantly greater than what has been assessed as part of the Commission's authorization, a permit amendment will be required to address the discrepancy, unless determined unnecessary by the Executive Director. Any such differences between estimated and observed impacts shall require revision or supplement to the HMMP pursuant to **Special Condition 10**.

b. **Temporary Impacts.** Short-term temporary impacts are those that are fully restored within 12 months of initial construction activity disturbance, and long-term temporary impacts are those that may occur for up to a 24-month period from the initial disturbance but require no more than 12 months following the conclusion of construction activity to fully recover. Any impacts that do not meet these timing parameters, significantly disturb the ground (e.g., trenching), or fail to recover vegetation communities to equal or better condition in terms of native diversity, native species cover, the relative cover of dominant native vegetation species, and vegetation community age classes and/or size structure distributions shall be considered permanent and mitigated for pursuant to sub-section C of this condition. Any impacts determined to qualify as temporary shall be mitigated for at a minimum of 1:1 (short-term) or 1.5:1 (long-term) ratio, and comply with the following terms:

i. **On-Site Mitigation.** No less than 1:1 of the mitigation shall occur in-kind and on-site, where temporary impacts are observed.

ii. **Off-Site Mitigation.** For long-term temporary impacts, the balance (0.5:1) shall occur as in-kind mitigation unless no feasible option is available and a clear nexus is identified, subject to Executive Director review and approval. The balance of mitigation acreage shall occur within the geography specified for all compensatory

mitigation in **Special Condition 10** **[HMMP]** and where it can be protected in perpetuity.

iii. **Invasive Species Treatments.** All California Invasive Plant Council (Cal-IPC) -listed species will be removed from temporarily impacted ESHA such that species ranked “high” shall not exceed a total of 1% cover and all ranked invasives shall not exceed a total of 5% cover. If this cannot be achieved by hand, for any herbicide proposed for potential use, the following information shall be provided prior to its use, for review and approval by the Executive Director: rationale for why herbicide(s) would constitute the least environmentally damaging alternative and detail on the specific product(s) that would be used, including certification by the California Department of Pesticide Regulation and allowance for the intended application.

iv. **Revegetation Requirements.** Any revegetation intended to address temporary impacts shall include, at a minimum, replanting with locally and genetically appropriate native species. Documentation of all plant material sources shall be provided.

v. **Restoration Report.** Within 30 days of completion of any active restoration work, the Permittee shall submit a post-restoration report documenting the areas where revegetation and invasive species treatments have occurred.

vi. **Final Short-term Temporary Impact Survey.** Within twelve months of the initial disturbance, the Permittee shall conduct a survey that describes whether areas (physical extents and acreages) identified as short-term temporarily-impacted have returned to their pre-impact condition (or better) by comparison with the baseline condition for each vegetation community, including native species diversity, native species cover, the relative cover of dominant native vegetation species, and the vegetation community’s age classes and/or size structure distributions. Invasive species cover shall also be described. The survey shall be detailed in a report, to be submitted by the Permittee within 30 days of final survey completion, for Executive Director review and approval. If the survey demonstrates impacts persist or any revegetation effort has been unsuccessful, in part or in whole, any remaining impacts are, by definition, permanent, and shall be mitigated accordingly and shall require revision or supplement to the HMMP pursuant to **Special Condition 10**. Digital copies of the survey data and associated metadata shall be provided with the reports.

vii. **Final Long-term Temporary Impact Survey.** Within twelve months of the conclusion of disturbance, the Permittee shall conduct a survey that describes whether areas (physical extents and acreages) identified as long-term temporarily-impacted have been returned to their pre-impact condition (or better) by

comparison with the baseline condition for each vegetation community, including native species diversity, native species cover, the relative cover of dominant native vegetation species, and the vegetation community's age classes and/or size structure distributions. Invasive species cover shall also be described. The survey shall be detailed in a report, to be submitted by the Permittee within 30 days of final survey completion, for Executive Director review and approval. If the survey demonstrates impacts persist or any revegetation effort has been unsuccessful, in part or in whole, any remaining impacts are, by definition, permanent, and shall be mitigated accordingly and shall require revision or supplement to the HMMP, pursuant to **Special Condition 10**. Digital copies of the survey data and associated metadata shall be provided with the reports.

c. **Permanent Impacts**. All impacts failing to qualify as temporary for any of the above cited reasons shall be recognized as permanent and mitigated for, consistent with the following:
    i. A minimum ratio of 3:1 for ESHA impacts, where this base ratio assumes compensation as habitat creation or substantial restoration. Alternatively, enhancement or preservation strategies may be proposed at no less than double or triple the base ratio, respectively. No net loss of dune habitat(s) shall be assured by provision of a minimum 1:1 as habitat creation for the total acreage where permanent development will be located (e.g., the slant well pads and access road infrastructure); any remaining balance may be addressed through the various mitigation strategies, with adjustments to the discounted ratio, as described above (e.g., 2:1 may be satisfied via creation or substantial restoration, or as 4:1 via enhancement, or as 6:1 via preservation).
    ii. All habitat mitigation for permanent impacts, and the 0.5:1 fraction for it, shall occur within areas that are or will be protected, as consistent with **Special Condition 9**.
    iii. Mitigation requirements for particular species impacts, as may be required by other agencies, may be folded into those for ESHA but may not conflict with or otherwise replace the requirements of this permit, and alternatively, may necessitate additional acreage or other requirements.

9. **Dune Habitat and Open Space Protection.** PRIOR TO THE START OF CONSTRUCTION, the Permittee shall submit to the Executive Director for review and approval evidence of existing deed restriction(s) or documentation irrevocably dedicating habitat and open space conservation easement(s) in perpetuity, consistent with the following terms:
    d. **Objective.** Existing restriction(s) and/or conservation easement(s) shall provide for the protection, creation and/or improvement of dune habitat in the subject area(s). At a minimum, the 1:1 dune habitat creation

requirement in **Special Condition 8** **[Construction Impact Validation and Compensatory Mitigation Ratios for Habitat]** shall be satisfied by the establishment of new protections over previously unprotected lands and activities necessary to restore natural dune processes at the site(s). Outside the TAMC corridor, any additional areas supporting compensatory mitigation shall be afforded the comparable protections, whether existing or established by necessity of this permit.

e. **Allowable Uses and Development.** No development, as defined in Section 30106 of the Coastal Act, shall occur within the easement area(s) except for those consistent with ESHA (*e.g., restoration activities, nature study, and low impact recreation)*.

f. **Recordation.** Conservation easement(s) shall be recorded free of prior liens and any other encumbrances that the Executive Director determines may affect the interest being conveyed and shall include formal legal descriptions of the entirety of the parcel, a metes and bounds legal description and graphic depiction, prepared by a licensed surveyor based on an on-site inspection, drawn to scale and approved by the Executive Director, of the dedicated easement area(s). Such easement(s) shall run with the land, binding successors and assigns of the Permittee and the landowner and indicate that the restrictions on the use of the land shall be in effect upon recording and remain as covenants, conditions, and restrictions running with the land in perpetuity.

g. **Dedication.** The Permittee may dedicate dune habitat and open space conservation easement(s) to another public entity, including State Parks or another land management entity, upon approval of the Executive Director.

h. **Deadline.** The Executive Director may extend the deadline if they determine that the Permittee has been diligently pursuing the conservation easement, and that the Permittee has demonstrated good cause for any identified delays.

10. **Habitat Mitigation and Monitoring Plan.** PRIOR TO PERMIT ISSUANCE, the Permittee shall submit two copies of a final Habitat Mitigation and Monitoring Plan (HMMP) prepared by a qualified restoration ecologist to the Executive Director for review and written approval. Impact acreages, which shall be the basis of compensatory mitigation requirements, are estimated in the materials submitted on October 24, 2022 and shall be finalized per **Special Condition 8**.

    i. **Compensatory Mitigation Options.** Compensatory mitigation requirements for habitat impacts may be satisfied by any of the following three alternatives, or combination thereof, with the exception of the dune creation requirement to achieve no net loss of dune acreage, which must be fulfilled on lands not yet protected and contribute significantly to the restoration of coastal dune processes:

        i. **Protection and Improvement of Unprotected Lands.** Lands that presently support or would appropriately support dune habitat(s) following habitat improvement activities may be acquired or otherwise moved into protection from future development threats

(e.g., conservation easement), for the purposes of habitat conservation. Such lands may be of singular or multiple nature, include sites of variable habitat condition, and involve acquisition, restoration or enhancement activities as part or all of the compensation due for habitat impacts and losses associated with the permitted project. Newly protected but unimproved lands will qualify as preservation whereas protected and improved lands may qualify for credit as restoration or enhancement, if approved by the Executive Director.

ii. **Improvement of Protected Lands.** Lands that presently support or would support dune habitat(s) following habitat improvement activities, and which occur on lands already protected for the purposes of habitat conservation, may be restored or enhanced with agreement and coordination with the landowner and Executive Director. In such case, the landowner may specify the acreage available and terms of agreement between the Permittee and landowner. Land already obligated to other regulatory requirements, including but not limited to prior Commission decisions, legal obligation, and Habitat Conservation Plans, shall not be considered available as compensation for this project unless the work would demonstrably exceed those obligations and provide mitigation determined by the Executive Director to be not otherwise available. The landowner shall be included in all discussions concerning site restoration priorities, goals and objectives, methods, maintenance, etc. The Executive Director shall review and approve any tentative agreement between the Permittee and landowner prior to execution, to ensure that all terms are consistent with the requirements of this and other Special Conditions.

iii. **In-Lieu Fees.** A fee of $250,000 per acre of required restoration shall be assessed and paid into an interest-bearing account to be established and managed by a government or non-governmental organization as approved by the Executive Director, for the sole purpose of financing dune habitat protection, restoration, and related activities in the region not otherwise already provided for. If a suitable account to accept and administer in-lieu fee funds for dune habitat in the region does not already exist, the Permittee shall be responsible for facilitating the development and initiation of such an account, including through the provision of funds to establish the account. Any additional costs associated with administering the prescribed fees for habitat benefit shall be the responsibility of the Permittee. For each year between the time of Commission approval and the payment of any in-lieu fees, the cost per acre shall be adjusted by any increase in the consumer price index applicable to the Monterey region. All of the habitat-directed funds and any accrued interest shall be used as consistent with the above stated purposes, in consultation with the Executive Director.

NO LESS THAN 90 DAYS PRIOR TO PERMIT ISSUANCE, if insufficient acreage has been secured by the Permittee for either protection or improvement, the balance shall be assessed as a non-refundable in-lieu fee per the terms above. Evidence of all fees having been received into an approved account shall be provided PRIOR TO PERMIT ISSUANCE.

Any and all lands that would be protected and/or improved shall occur within the coastal zone, in dune habitats situated between the southern boundary of the Salinas River and northern boundary of the City of Monterey, and west of Highway 1. Any in-lieu fees that would be paid as compensation shall be applied to the protection and improvement of dune habitats in this same geography. Any and all lands that would support compensatory mitigation requirements, including those that would be protected or improved using in-lieu fees, shall be subject to the requirements of **Special Condition 9** with the sole exception being for temporary impacts that would be restored on-site and in-kind within the TAMC corridor.

j. **Plan Components.** The final HMMP shall include, at a minimum, each of the following components and may necessarily be structured to address multiple mitigation sites:
   i. **Introduction.** Description of the HMMP purpose including an overview of the proposed project associated with the HMMP; a summary of impacts for which the HMMP is intended to mitigate; identification of the general mitigation strategies to be used; the proposed on-site and off-site mitigation locations; and the mitigation areas intended to compensate for each affected resource.
   ii. **Mitigation Goals and Objectives.** Statement of mitigation goals, including the desired habitat type(s), major vegetation components, and sensitive species and wildlife support functions; description of the desired habitat with rationale, to be based on a high functioning reference site where feasible and alternatively, derived from literature describing either the site's historic conditions or "typical" regional habitat conditions; specific, actionable objectives to support stated goals; and a detailed timeline laying out all major activities including any outstanding preliminary work such as surveys, site preparation, mitigation implementation including revegetation activities, interim and final monitoring periods, etc.
   iii. **Description of Existing Habitat(s).** Separate sections describing each of the impacted native habitat types including coastal dune, coastal scrub, and mixed chaparral habitat; final figures, maps, and related information depicting existing ecological resources; and specification of impacts for which the HMMP is intended to mitigate.
   iv. **Design Plans and Construction Methods.** Specification of final mitigation site design and construction methods consistent with identified goals and objectives, including but not limited to:

1. **Mitigation Design**. Detailed plans showing final topography, vegetation, and any other significant features characteristic of the intended habitat; and how these connect to the surrounding environment.
2. **Site Preparation.** Methods and plans for salvage of any plant and/or seed material (including collection from impact areas, storage, relocation, and/or reestablishment); salvage of any topsoils to be stock-piled and reused in the mitigation area; any demolition, debris removal, grading, decompaction, soil amendment, or other substrate-affecting activities; erosion control measures; and treatment of invasive species.
3. **Best Management Practices.** Detailed list of all BMPs that will be implemented as part of project implementation, including triggers for further or remedial action.
4. **Revegetation Plans.** Details on plant palettes; stocks and seed mixes; material sourcing including verification of local and genetically appropriate nature; any proposed irrigation including rationale, method, and schedule; and provisions for removal of any temporary infrastructure following plant establishment.

v. **As-Built Report.** Provision that eight (8) weeks following completion of mitigation site construction and revegetation activities, an as-built report summarizing mitigation activities to-date, a description of consistency with approved plans, documentation of acreage treated, maps and descriptions any temporary infrastructure installed, photos taken from fixed points, and a description of consistency with all terms and conditions, to be submitted to the Executive Director.

vi. **Invasive Species Control.** Provision for continued control of all California Invasive Plant Council-listed species and description of monitoring and control methods. If any herbicide is proposed for potential use, rationale for why it would constitute the least environmentally damaging alternative and detail on the specific product(s) that would be used, including its certification by the California Department of Pesticide Regulation and allowance for the intended application.

vii. **Monitoring Plan.** Detailed plan for quantitatively monitoring the condition and progress of the mitigation site during both the initial mitigation phase as well as over the long-term at reduced frequency and intensity; performance relative to set criteria, as informed by robust sampling and statistics; triggers for adaptive management action; and reporting. Specifically:

1. **Monitoring Frequency.** During the initial phase of no less than five (5) years or three (3) years following cessation of all remedial measures except weeding, whichever is longer,

quantitative monitoring at least once per year during the period of rapid plant growth and flowering, generally in spring or early summer, unless a clear rationale for otherwise is fully presented. Following the determination that success criteria have been met, long-term monitoring to inform maintenance and adaptive management shall occur at a frequency of no less than five (5) years.

2. **Success Criteria.** Final success criteria supported by interim criteria, the latter of which are intended to serve as benchmarks and guide adaptive management, whereas the former will enable measure of mitigation success. Criteria shall have a clear empirical basis (i.e., reference sites and/or published technical literature appropriate for the local area) and generally include representativeness of target vegetation communities (e.g., species composition, cover, structure, diversity, and presence of major structure-producing and habitat-defining species); physical parameters such as topography, bare substrate, and hydrology; and target wildlife support functions or usage. Criteria may be fixed values where there is a strong empirical basis, but, where feasible, should be relative to high-functioning reference sites in order to account for environmental variability. Reference sites should be located within the geography identified in subsection (a) of this condition and be similar to the mitigation site with regard to soil type, aspect, slope, and other relevant abiotic characteristics, and shall be identified, sampled, and quantitatively described as a component of the monitoring plan. Invasive species ranked by the Cal-IPC as “high” shall not exceed a total of 1% cover, and all ranked invasives shall not exceed a total of 5% cover.
3. **Performance Assessment.** Methods for judging mitigation success shall include supporting rationale for their selection and be specified in terms of the type(s) of comparison, including whether relative to fixed criteria or reference sites; identification of any reference sites that will be used; test(s) of similarity; specification of the maximum allowable difference or effect size between the mitigation value and the reference value for each success criterion; and where statistical tests will be employed, statistical power analyses to document that the planned sample sizes will provide adequate power to detect maximum allowable differences. For such a test, alpha must equal beta; these values are typically 0.10 or 0.20, depending on the expected natural variability of the variables of interest.

4. **Sampling Design.** The field sampling program shall be designed in conjunction with the success criteria and selected methods of assessment. The sampling design and methods shall provide sufficient detail to enable an independent scientist to duplicate them, including a description of the randomized placement of sampling units, sampling unit size, planned number of samples, etc.

viii. **Reporting.** Monitoring of and reporting on the mitigation site shall occur annually for no less than five (5) years, and for at least three (3) years following the conclusion of all remediation and maintenance activities other than weeding, whichever is later. All reports shall be prepared by a qualified restoration ecologist and be submitted to the Executive Director for review and approval, no later than December 31st of each year. Raw data and associated metadata shall be delivered with all reports (in digital format).

1. **Annual Monitoring.** Beginning the year after the mitigation project has been installed, annual monitoring reports shall be due each year, including photos taken from fixed points; assessment relative to interim success criteria; a work plan for the subsequent year; and specific recommendations to adaptively manage the effort and facilitate mitigation success. Once a monitoring report is approved by the Executive Director, recommendations identified in the report shall become prescriptive unless otherwise advised in writing.
2. **Final Annual Monitoring Report.** A final monitoring report shall be submitted at the conclusion of all mitigation efforts, no sooner than five (5) years following mitigation implementation and summarize all prior reports; provide a detailed timeline of the overall progress and success; and include sufficient detail to evaluate comprehensive mitigation compliance with the specified goals, objectives, and success criteria set forth in the approved HMMP.
3. **Long-Term Monitoring Reports**. Associated with the long-term monitoring, reports shall be provided to summarize results, document any management actions that have been taken on the mitigation site, and any recommendations for management action going forward.

ix. **Long-Term Maintenance and Adaptive Management.** If a long-term monitoring report indicates that there has been substantial decline in the condition of the mitigation site, adaptive management shall be implemented to resolve this issue(s) to the extent feasible.

x. **Provision for Possible Further Action.**

1. Impact Validation. If final post-construction impact validation surveys or temporary impact performance assessments pursuant to **Special Condition** **8** indicate that

additional compensatory mitigation is necessary, in part or in whole, the Permittee shall submit within 90 days a revised or supplemental HMMP to compensate for those increases relative to the original estimates. The revised or supplemental HMMP(s) shall be prepared by a qualified restoration ecologist approved by the Executive Director and shall specify plans to compensate for the additional acreage consistent with all requirements of this Special Condition, to be reviewed and approved by the Executive Director. The revised HMMP may be processed administratively by the Executive Director, unless the Executive Director determines that an amendment to the original CDP is necessary.

2. **Non-performance.** If the final annual monitoring report indicates that the mitigation effort has been unsuccessful, in part or in whole, based on the approved success criteria, the Permittee shall submit within 90 days a revised or supplemental HMMP to compensate for those portions of the original program which did not meet the approved success criteria. The revised or supplemental HMMP(s) shall be prepared by a qualified restoration ecologist approved by the Executive Director and shall specify measures to remediate those portions of the original approved HMMP that have failed or have not been implemented in conformance with the original approved HMMP. These measures, and any subsequent measures necessary to carry out the approved revised or supplemental HMMP, shall be carried out in coordination with the direction of the Executive Director until the approved revised or supplemental HMMP is established to the Executive Director's satisfaction. The revised HMMP may be processed administratively by the Executive Director, unless the Executive Director determines that an amendment to the original CDP is necessary.

xi. **Partnering Agencies and/or Subcontractors.** The Permittee remains responsible for meeting all CDP terms and conditions, including funding of the full cost and implementing all measures to minimize and fully mitigate project impacts to coastal dune, coastal scrub, and mixed chaparral habitat. If the Permittee elects to enter into a binding agreement with a third-party agency or land management entity to carry out all or a portion of these HMMP requirements, the Permittee shall submit draft agreement provisions to the Executive Director for review and approval prior to finalizing any such agreements.

xii. **Consistency.** The Permittee or the approved third-party entity shall undertake development in accordance with the approved HMMP. The Executive Director may approve minor adjustments to these terms if the Executive Director determines that the adjustments (1)

are de minimis in nature and scope, (2) are reasonable and necessary, (3) do not adversely impact coastal resources, and (4) do not legally require an amendment.

11. **Groundwater Protection.** The Applicant shall install the Project's slant wells to extend at least 1,000 feet seaward of the proposed well head locations and shall screen the wells so they extract from the 180-Foot Aquifer as far seaward as is feasible and without penetrating the 400-Foot Aquifer. Any proposed changes to this approved installation must be reported to the Executive Director for a determination as to whether those changes would require an amendment to this permit.

12. **Monitoring and Remedial Measures to Protect Groundwater.** PRIOR TO ISSUANCE OF THIS PERMIT, the Applicant shall provide, for Executive Director review and approval, a Groundwater Monitoring Plan intended to ensure the Project's source water pumping does not adversely affect the aquifers that are a source of drinking water to the City of Marina and the Marina Coast Water District. The Plan shall include the following:
    a) A detailed description, including maps and diagrams of area aquifers, including those the Applicant would rely upon for the Project's source water and those relied upon by the City and Water District for drinking water. The description shall identify all known existing monitoring or production wells screened within each aquifer. It shall also identify any known existing groundwater monitoring (water level and water quality) that is currently occurring and the availability of the data.
    b) A narrative characterization of all known sources affecting these aquifers (e.g., existing withdrawals for municipal or agricultural purposes, precipitation rates, seasonal variations, inputs or outputs from surface water features, etc.) and the extent of any known existing contamination sources (e.g., locations and rate of seawater intrusion, contaminant plumes, etc.). It shall also describe the known or expected degree that these sources affect the aquifers.
    c) A comprehensive groundwater monitoring program designed to assess how the Project's proposed source water pumping could affect the quality and availability of freshwater within the aquifers relied upon by the City and Water District as sources of drinking water. This program shall include the following components:

        i. Statement of monitoring goals to ensure that the monitoring will adequately identify the percentage of seawater extracted by the Project, will detect any change in the rate of seawater intrusion that the Project might induce, and will provide sufficient time to modify Project operations if monitoring identifies potential harm to the aquifers from those operations.
        ii. A description of monitoring and other measures that will be implemented to establish baseline conditions. This shall include identification of proposed well locations and methods to be used to collect data, existing data to be used, measures to ensure the baseline conditions are sufficient to identify changes that occur from seasonal and water year type

variations. Baseline data shall be collected for at least one year before Project pumping begins.

iii. A description of monitoring methods and frequency to be implemented during Project operations, including the locations and depths of existing or proposed monitoring wells, methods of data collection and review (including frequency of data review), data management and storage, and intended purpose of the data being collected, and shall describe the analyses to be conducted to determine whether adverse effects are likely to occur. All monitoring data collected by the Applicant pursuant to this permit shall be publicly available and posted on the Applicant's website in a clear and conspicuous manner. Monitoring frequency should be adequate to characterize relevant scales of variability and should be conducted continuously for at least the first two years. If continuous monitoring is not feasible, the Plan shall include a justification explaining why.

iv. Proposed thresholds or criteria for total dissolved solids and any other relevant water quality constituents as well as groundwater levels that will be used to indicate or predict potential harm to local groundwater supplies consistent with monitoring goals described in (a). The criteria or thresholds will be established through an appropriate statistical analysis prepared by the Applicant, and the analysis shall identify the methods to evaluate any statistically significant deviations from the baseline data. The Plan shall include a justification for each proposed threshold.

v. A description of model validation to be conducted. This shall include methods to incorporate the above-referenced baseline data and subsequent operational data into the Project's modeling to assess the ability of the model to accurately predict groundwater conditions and identify what, if any, changes can be made to improve its reliability. Model validation shall also incorporate available and relevant Aerial Electromagnetic survey data and modeling into the proposed model validation, as appropriate.

vi. A description of data analyses to be performed to assess impacts to local aquifers including a comparison of monitoring results to baseline conditions and the thresholds described above. If this involves updated groundwater modeling, provide a description of the proposed models, proposed statistical analyses to be conducted, and how monitoring data will be used. As part of the statistical evaluation, the monitoring data collected will be used to evaluate statistically significant deviations from monitoring criteria or thresholds compared to background levels.

vii. Proposed remedial measures and operational controls that could be implemented should any of the above thresholds be reached. Remedial measures for thresholds indicating a lower level of concern may include further in-depth studies to investigate why a particular threshold has been reached. The proposed remedial measures shall include procedures for immediate notification to the Executive Director if Applicant discovers any exceedance of a threshold or criteria established pursuant to this Special Condition. Other remedial measures may include, but are not limited to, reduced or no pumping from one or more wells, repair and maintenance of

existing intake or groundwater supply wells, relocation or redrilling of intake wells, groundwater recharge or similar projects implemented in partnership with affected water supply providers, or other measures to address groundwater quality or supply concerns. All remedial measures shall include timelines for implementation and reporting requirements to the Executive Director.

d) Annual reporting: The Plan shall include a provision for annual reporting of groundwater monitoring results. The annual report shall be submitted to the Executive Director as well as posted on a publicly accessible website and shall include annual results as well as results from previous years. The report shall also discuss comparison of annual data and/or multi-year data (if appropriate) to the thresholds identified in subsection (d), a discussion of planned remedial measures and the success of any previously implemented remedial measures, and an overall assessment of achievement of the monitoring goals set out in subsection (a).

The Applicant shall provide the funding necessary to allow the Executive Director to hire one or more independent third-party reviewers to evaluate the proposed Plan and to recommend any changes to the Plan necessary to ensure it is adequately protective of the aquifers used by the City and Water District. If, after any Executive Director approval of the Plan, new information becomes available to the Applicant demonstrating that less stringent criteria (e.g., Total Dissolved Solids, salinity concentrations, etc.) are adequately protective of sources of drinking water in the relevant aquifers, the Applicant may seek an amendment to this permit unless the Executive Director determines that an amendment is not needed.

13. **Wetlands and Vernal Pond Adaptive Management Program.** PRIOR TO PERMIT ISSUANCE, the Applicant shall submit a Wetlands and Vernal Pond Adaptive Management Program, for review and approval by the Executive Director. The Applicant shall provide the funding necessary to allow the Executive Director to hire one or more independent third-party reviewers to evaluate the proposed Plan and to recommend any changes to the Plan necessary to ensure it is adequately protective of area wetlands and vernal ponds.

The Plan shall provide for the following:

k. Data collection and monitoring during Project operations of wetlands and vernal ponds within, at a minimum, the Project's drawdown zone plus a buffer area extending a distance of at least 50% beyond the edge of the drawdown zone. The Program shall identify the wetland areas to be monitored within this zone. If there is evidence that wetland areas outside this specified monitoring area could be affected by pumping, these wetland areas should also be included in Program. The data collection shall occur annually for no less than two (2) years immediately prior to operations and the first five (5) years following commencement of operations. For vernal ponds and all other wetland types within the monitoring area, appropriate reference sites shall be required to the extent

feasible, and monitoring parameters shall include, at a minimum: evaluation of wetland extent consistent with the Commission's regulations; depth of surface water; depth of saturation; depth to groundwater; characterization of other potential hydrologic inputs; hydroperiods (including duration and timing); water temperature and salinity; characterization of vegetation communities and their relative extents and conditions (e.g., stressed, healthy); root zone depth; and surveys for rare or otherwise sensitive plant and wildlife species. Remote-sensing along with on-the-ground monitoring efforts shall be used. Wetland delineations shall be completed annually. The annual results of Stage 1 shall be submitted to the Executive Director for review and approval by December 31 of each year. Subject to the Executive Director's review and approval, if at the end of the data collection period the results clearly demonstrate that there is no connection between the Project's pumping and the wetlands and/or vernal ponds within the Project's drawdown Project zone and buffer area, the Permittee's requirements under the Wetland and Vernal Pond Adaptive Management Program will be satisfied.

If at any time during the five (5) years of supplemental data collection, the results of Stage 1 suggest that there is a connection between the Project's pumping and the wetlands and/or vernal ponds within the Project's drawdown and buffer zones, the Permittee shall develop a Wetland Resiliency, Enhancement, Restoration, and Monitoring Plan (Plan) to address any, and all, prior and future impacts. The Permittee shall apply for and obtain the Commission's approval of the Plan in the form of an amendment to this permit.

14. **No Future Shoreline Protective Device.**
    a) By acceptance of this permit, the Applicant agrees, on behalf of itself and all other successors and assigns, that no shoreline protective device(s) shall be constructed to protect the wellheads and related development approved pursuant to Coastal Development Permit No. 9-20-0603 in the event that the development is threatened with damage or destruction from flooding, waves, erosion, storm conditions, sea level rise, or other natural hazards in the future. By acceptance of this permit, the Applicant acknowledges that the project is new construction for which there is no right to construct shoreline protective devices, and hereby waives, on behalf of itself and all successors and assigns, any rights to construct such devices that may exist under applicable law.
    b) By acceptance of this permit, the Applicant further agrees, on behalf of itself and all successors and assigns, that the landowner(s) shall remove the development authorized by this permit if: (a) any government agency has ordered that the structures are not to be occupied due to coastal hazards, or if any public agency requires the structures to be removed; (b) essential services to the site can no longer feasibly be maintained (e.g., utilities, roads); (c) the development is no longer located on private property due to the migration of the public trust boundary; (d) removal is required pursuant to LCP policies for

sea level rise adaptation planning; or (e) the development would require a shoreline protective device to prevent a-d above.

c) In the event that portions of the development fall to the beach before they are removed, the landowner(s) shall remove all recoverable debris associated with the development from the beach and/or ocean and lawfully dispose of the material in an approved disposal site. Such removal shall require a coastal development permit. Prior to removal, the Applicant shall submit two copies of a Removal Plan to the Executive Director for review and written approval. The Removal Plan shall clearly describe the manner in which such development is to be removed and the affected area restored so as to best protect coastal resources, including the beach and Pacific Ocean.

15. **Assumption of Risk, Waiver of Liability, and Indemnity.** By acceptance of this permit, the Applicant acknowledges and agrees (i) that the site may be subject to hazards from tsunami, storm waves, surges, and erosion; (ii) to assume the risks to the Applicant and the property that is the subject of this permit of injury and damage from such hazards in connection with this permitted development; (iii) to unconditionally waive any claim of damage or liability against the Commission, its officers, agents, and employees for injury or damage from such hazards; and (iv) to indemnify and hold harmless the Commission, its officers, agents, and employees with respect to the Commission's approval of the project against any and all liability, claims, demands, damages, costs (including costs and fees incurred in defense of such claims), expenses, and amounts paid in settlement arising from any injury or damage due to such hazards.

16. **Reporting of Environmental Justice Benefits.** The Applicant shall submit an annual report to the Executive Director that describes and provides the status of all Project-related measures meant to reduce Project costs to low-income ratepayers. These shall include, but are not limited to:

- All measures taken to enroll additional ratepayers into the Applicant's Customer Assistance and Low-Income Ratepayer Assistance programs, including the number and percentage of customers enrolled.
- All measures implemented to provide low- or no-cost purchase and installation of low-flow water fixtures (e.g., sink and bath faucets, showerheads, toilets, etc.), including the number of each type of fixture installed.
- The status of all requested or required CPUC proceedings meant to reduce costs to low-income ratepayers.
- All measures implemented to ensure that once deliveries of desalinated water from the Project start, ratepayers enrolled in these programs are subject to a rate increase of no more than $10.00 per month for any costs associated with the delivery of desalinated water from the Project for a period of at least five years after start of those water deliveries.
- A description of outreach activities to low-income ratepayers to inform them of the cost-saving measures.

17. **Community Engagement and Public Access Plans and Implementation**. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the Applicant shall submit, for review and approval by the Executive Director, a Community Engagement Plan that ensures residents and representatives of the City of Marina will be equitably engaged in development of a revised Public Access and Amenities Plan.

    The Community Engagement Plan is to describe how the Applicant will provide opportunities for Marina community members to identify public access priorities and projects for the benefit of Marina residents. It shall:

    a. Describe a community engagement strategy using community-centered and culturally relevant engagement and outreach methods (e.g., communication with multiple forms of media and in relevant languages, various methods to participate, such as in person meetings, online options, mail-in surveys, etc.) Materials developed to implement the Plan shall be provided in plain language to prevent cultural or educational barriers from preventing or reducing public participation.
    b. Includes a schedule and agendas for at least five community workshops within the City to allow community input on preferred public access opportunities and improvements. Workshops shall be noticed at least one month in advance and shall include benefits to ensure maximum participation, such as free parking, childcare options, refreshments, translation services, and others.

    Upon Executive Director approval of the Plan, the Applicant shall implement it as approved to prepare a Public Access and Amenities Plan based on preferences expressed in the Community Engagement Plan. This Access Plan shall include:

    - A description of all access amenities to be provided.
    - Identification of all reviews, permits, and approvals that may be needed to implement these amenities.
    - A proposed schedule to complete implementation, which shall ensure amenities are provided within five years of issuance of this permit.

18. **Cultural Resource Monitoring During Construction.** Prior to construction, the Applicant (or its designee) shall retain a Cultural Resource Specialist (“CRS”) that meets the minimum qualifications of the U.S. Secretary of Interior Guidelines (NPS 1983). Prior to construction, the Applicant (or its designee) shall additionally retain a minimum of one Native Monitor, including at least one monitor from each Tribal entity with documented ancestral ties to the area and that expresses an interest in monitoring, appointed consistent with the standards of the Native American Heritage Commission and the Native American most likely decendent (MLD) when State Law mandates identification of an MLD.

    The Applicant shall ensure that all Project personnel are trained by the CRS and Native Monitor on the appropriate identification of potential Tribal cultural resources that may be encountered and on the necessary measures to be implemented should they be encountered. Prior to their presence at any Project construction area, all Project personnel shall complete cultural sensitivity training by Tribal experts to

understand and acknowledge the cultural and ancestral Tribal resources in the region and to ensure that the Native Monitor and Cultural Resource Specialist are treated respectfully during construction of the project**.**

The CRS and Native Monitor(s) shall be present during all ground disturbing activities, including excavations for pipeline trenches, well head installations and other actions that penetrate below native ground surface. The CRS, Native Monitor(s), and the Project Construction Manager shall have the authority to halt construction if previously unknown cultural resource sites or materials are encountered. In the event of unexpected cultural resource discovery, the Native Monitor(s) and CRS shall have the authority to redirect ground disturbance under consultation with the Construction Manager.

19. **Energy Minimization and Greenhouse Gas Reduction.** PRIOR TO THE START OF CONSTRUCTION ACTIVITIES, the Applicant shall submit, for Executive Director review and approval, an Energy Minimization and Greenhouse Gas Reduction Plan that provides the following:

    a) Identifies the expected annual amount of indirect greenhouse gas ("GHG") emissions resulting from the desalination facility's electricity use during its initial year of operations, with provisions to update these expected emissions during each subsequent year of operations. These amounts shall be based each year on the electricity supplier's most recent emission factor for delivered electricity as reported to the California Air Resources Board ("CARB") and/or Climate Action Registry ("CAR") that identifies the tonnes of GHG emissions per megawatt of electricity generated.
    b) For all remaining indirect GHG emissions resulting from facility operations, the Plan shall provide for the Applicant to submit an annual report for each year of facility operations that will identify all measures the Applicant will implement to ensure that the facility operates as "net carbon neutral" on an annual basis. These measures may include carbon offsets or Renewable Energy Credits purchased through CARB or CAR or approved by a California Air Pollution Control District, with reductions achieved using these measures documented by these entities as being "real, permanent, quantifiable, verifiable, and enforceable," pursuant to CARB regulations. Each annual report shall be submitted for Executive Director review and approval within 90 days of the electricity supplier's annual documentation to CARB or CAR of its most recent emission factor for delivered electricity. The Applicant may purchase more than one year's worth of offsets or credits, if deemed prudent, to use in subsequent years, but at no time shall the facility be operating with its annual amount of indirect GHG emissions greater than its purchased offsets or credits for a given year.
    c) The Plan may also identify any on-site and project-related measures the Applicant implements to avoid or reduce the facility's indirect GHG emissions – for example, installation of a roof-mounted solar photovoltaic system, use of a

fuel cell system, etc. - and describe the amount of emissions avoided through these measures.

20. Visual Resources. PRIOR TO CONSTRUCTION, the Applicant shall submit, for Executive Director review and approval, a Visual Elements Plan that illustrates all above-grade elements of Project components within the coastal zone. The Plan shall include drawings and illustrations of those components with proposed surface colors and treatments that ensure the Project features are compatible with, and blend in to, the surrounding habitats and other nearby coastal resources. The Applicant shall construct these Project components as approved by the Executive Director.