Potential Acquisition of Monterey Water System and District Boundary Adjustment

Final Environmental Impact Report

prepared by

Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, California 93940
Contact: David Stoldt, General Manager

prepared with the assistance of

Rincon Consultants, Inc.
437 Figueroa Street, Suite 203
Monterey, California 93940

August 2020

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Environmental Scientists | Planners | Engineers
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Acronyms and Abbreviations

°C	degrees Celsius
2015 AQMP	2012-2015 Air Quality Management Plan
AADT	annual average daily traffic
AB	Assembly Bill
ADT	average daily traffic
AF	acre-feet
AFY	acre-feet per year
AMBAG	Association of Monterey Bay Area Governments
American Water	American Water Works Company, Inc.
AQMD	Air Quality Management District
ASR	Aquifer Storage and Recover
ATP	Active Transportation Plan
avg	average
CAA	Clean Air Act
CAAQS	California Ambient Air Quality Standard
CalAm	California American Water
Cal.App.	California Appellate Reports
CARB	California Air Resources Board
CEQA	California Environmental Quality Act
CDO	cease and desist order
CH_4	methane
CIFP	Capital Improvement and Financing Plans
CO	carbon monoxide
CO_2	carbon dioxide
CO_2e	carbon dioxide equivalent
COVID-19	Coronavirus 2019
CPUC	California Public Utilities Commission
District	Monterey Peninsula Water Management District
DMM	Demand Management Measures
DWR	California Department of Water Resources
EIR	Environmental Impact Report

EIS	Environmental Impact Statement
EF	emission factor
EO	Executive Order
FOB	Field Operations Branch
GHG	greenhouse gas
gpm	gallons per minute
GSA	Groundwater Sustainability Agency
GSP	Groundwater Sustainability Plan
GWP	global warming potential
HFC	hydrofluorocarbon
HA	Hydrologic Area
HR	Hydrologic Region
HU	Hydrologic Unit
hr	hour
IPCC	Intergovernmental Panel on Climate Change
LAFCO	Local Agency Formation Commission
LOS	Level of Service
$\mu g/m^3$	micrograms per cubic meter
MBARD	Monterey Bay Air Resources District
MBCP	Monterey Bay Community Power
MCHD	Monterey County Health Department
MCWRA	Monterey County Water Resources Agency
MGD	million gallons per day
MMT	million metric tons
MOU	memorandum of understanding
MPO	Metropolitan Planning Organization
MPWSP	Monterey Peninsula Water Supply Project
MST	Monterey Salinas Transit
MT	metric ton
MTP/SCS	Metropolitan Transportation Plan/Sustainable Communities Strategy
MWS	Monterey water system
M1W	Monterey One Water
N_2O	nitrous oxide

n/a	not applicable
NAAQS	National Ambient Air Quality Standard
NEPA	National Environmental Protection Act
NPDES	National Pollutant Discharge Elimination System
NCCAB	North Central Coast Air Basin
NO_2	nitrogen dioxide
NO_X	nitrogen oxide
NOP	Notice of Preparation
O_3	ozone
O&M	operation and maintenance
Pb	lead
PFC	perfluorocarbon
PG&E	Pacific Gas & Electric
PM_{10}	particulate matter measuring 10 microns or less in diameter
$PM_{2.5}$	particulate matter measuring 2.5 microns or less in diameter
ppm	parts per million
PSD	Prevention of Significant Deterioration
RTP	Regional Transportation Plan
RWQCB	Regional Water Quality Control Board
SAFE	Safer Affordable Fuel-Efficient
SB	Senate Bill
SBX7-7	Water Conservation Act of 2009
SCS	Sustainable Communities Strategy
SDWA	Safe Drinking Water Act
SF_6	sulfur hexafluoride
SWRCB	State Water Resources Control Board
SGMA	Sustainable Groundwater Management Act
SIP	State Implementation Plan
SO_2	sulfur dioxide
SO_X	sulfur oxide
SR	State Route
SWRCB	California State Water Resources Control Board
TAC	toxic air contaminant

TAMC	Transportation Agency for Monterey County
U.S.	United States
U.S. EPA	United States Environmental Protection Agency
USC	United States Code
UWMP	Urban Water Management Plan
VMT	vehicle miles traveled
VOC	volatile organic compound
WDR	Waste Discharge Requirements
WSA	Water Supply Assessment

Executive Summary

This document is an Environmental Impact Report (EIR) analyzing the environmental effects of the proposed Potential Acquisition of Monterey Water System and District Boundary Adjustment Project (proposed project or project). This section summarizes the characteristics of the proposed project, alternatives to the proposed project, and the environmental impacts and mitigation measures associated with the proposed project. The Monterey Peninsula Water Management District (District) is proposing to acquire from California American Water (CalAm) the Monterey Water System. The project involves acquisition and operation of the Monterey Water System (MWS) as well as an adjustment to the District's service boundaries.

Project Synopsis

Project Proponent/Lead Agency

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Project Description

This EIR has been prepared to examine the environmental effects of the Potential Acquisition of Monterey Water System and District Boundary Adjustment project. The following is a summary of the full project description, which can be found in Section 2, *Project Description*.

Project Location

The project area is within Monterey County and includes the MWS, currently served by CalAm. This area is approximately 55 square miles and includes approximately 40,000 customer connections. The project area is located within the Monterey Peninsula region and is bordered by California State University – Monterey Bay and the former Fort Ord to the north, unincorporated Monterey County to the east, the Big Sur coast and the Santa Lucia Mountains to the south, and the Pacific Ocean to the west. Customer connections in the project area are within the Cities of Carmel-by-the-Sea, Del Rey Oaks, Monterey, Pacific Grove, Sand City, and Seaside, and unincorporated areas of Monterey County.

Project Background

In November 2018, Monterey Peninsula voters passed Measure J, which added Rule 19.8 to the District's Rules and Regulations, instructing the District to undertake a feasibility study on the public

take-over of CalAm's MWS. In August 2019 the District released "A Plan to Adopt and Implement a Policy to Secure and Maintain Public Ownership of All Water Production, Storage and Delivery System Assets and Infrastructure Providing Services within the Monterey Peninsula Water Management District Territory."

Project Characteristics

The proposed project would involve the District acquiring the MWS that currently serves the District's service area as well as approximately 43 new residential connections currently served by CalAm that would be annexed into the District's service area. The project also includes the subsequent operation of the MWS by the District. The District would operate and maintain the system from CalAm's existing main office, operations center, and corporate yard as well as the existing District administrative building. No changes or expansion to the physical MWS or associated water rights are proposed.

Project Objectives

The underlying purpose of the proposed project is for the District to acquire, operate, and maintain the MWS. The objectives of the proposed project are to implement the Purpose approved by the electorate in Measure J:

> …to ensure the long-term sustainability, adequacy, reliability, cost-effectiveness and quality of water service within the Monterey Peninsula Water Management District area, to lower the cost of service to ratepayers, to promote and practice sustainable water management measures, and to establish public ownership of water system assets by establishing regulations requiring the District to take affirmative action, to the extent financially feasible, to acquire the water system assets owned and operated by the California American Water Company that currently provide water service to the District and its ratepayers.

The Purpose of Measure J furthered by this proposed project shall include the following aspects:

- Allow the citizens of the Monterey Peninsula to independently own and operate the water production and distribution system serving customers presently served by the CalAm's MWS;
- Provide greater transparency and accountability to residents and businesses on the Monterey Peninsula regarding potable water supplies, as well as increased customer service and reliability;
- Enhance customer service and responsiveness to affected CalAm customers;
- Provide greater local control over the rate setting process and rate increases;
- Provide direct access to locally elected policy makers for water operations;
- Allow the District to pursue funding and other financing alternatives available to public agencies for future infrastructure needs, including grants and financing options not available to a CPUC-regulated, privately-owned utility; and,
- Ensure better coordination amongst local governmental decisions involving land use, emergency services, policy, the location and need for capital improvements, and overall planning in the water context.

Alternatives

As required by the California Environmental Quality Act (CEQA), this EIR examines alternatives to the proposed project. Studied alternatives include the four alternatives described below. For full

descriptions and analysis of alternatives, refer to Section 6, *Alternatives*. Based on the alternatives analysis, none of the alternatives were determined to be environmentally superior to the proposed project. Environmental effects would be similar across all alternatives, including the proposed project, with some impacts greater and some less, depending on the resource topic. Of the alternatives considered, Alternative 3 is considered the environmentally superior alternative.

- Alternative 1: No Project Alternative
- Alternative 2: No Boundary Adjustment Alternative
- Alternative 3: Private Third-Party Operator Alternative
- Alternative 4: No Boundary Adjustment and Third-Party Operator Alternative

Alternative 1 (No Project Alternative) assumes that the proposed acquisition of the MWS by the District would not occur. Specifically, the District would not acquire CalAm's Main, Bishop, and Hidden Hills~~, and Toro~~ water systems and associated assets, including water systems and production wells; utility plants; vehicles and equipment; water rights; water supply contracts; records, books, and accounts; and, easements, and rental property. In addition, since the District would not acquire the MWS, a boundary adjustment to annex service areas into the District would not be necessary and, therefore, would not occur under Alternative 1. Under this alternative, CalAm would continue to operate and maintain the MWS from its existing facilities, including the construction and operation of the Monterey Peninsula Water Supply Project (MPWSP) Desalination Plant.[1] The No Project Alternative would not achieve any of the project objectives because it would not allow the District to implement the purpose approved by the electorate in Measure J.

Alternative 2 (No Boundary Adjustment Alternative) assumes that the proposed acquisition of the MWS by the District would proceed but that the application to annex areas outside of the District's boundaries would not be approved by the Local Agency Formation Commission of Monterey County (LAFCO). Instead, the District's boundaries would remain the same. Areas outside of the District's boundaries that would be annexed under the proposed project - including approximately 33 residential connections within the Main component of the MWS in the Yankee Point area and approximately 10 residential connections in the Hidden Hills component of the MWS - would still be acquired from CalAm by the District under this alternative. However, rather than through an annexation, service by the District would occur under a contract agreement. As a result, operation and maintenance of these areas outside the District would be the same as described under Section 2, *Project Description*; however, the governance structure would be different.

Under Alternative 2, project objectives would be met in areas that are currently within the District service area. However, areas outside of District boundaries would not be annexed, and therefore, customers in those areas would not be allowed to vote for District Board of Directors and would not have direct contract through their municipal elected officials as they would if those areas were annexed. As a result, Alternative 2 would not meet the following objectives for customers outside of District boundaries: provide direct access to locally elected policy makers for water operations; allow the District to pursue funding and other financing alternatives available to public agencies for future infrastructure needs, including grants and financing options not available to a CPUC-regulated, privately-owned utility; and, ensure better coordination amongst local governmental decisions involving land use, emergency services, policy, the location and need for capital improvements, and overall planning in the water context. . However, Alternative 2 would meet the

[1] If approved by the National Environmental Protection Agency lead agency, the Monterey Bay National Marine Sanctuary.

following objectives for citizens outside the District boundaries: provide greater transparency and accountability to residents and businesses on the Monterey Peninsula regarding potable water supplies, as well as increased customer service and reliability; enhance customer service and responsiveness to affected CalAm customers; and provide greater local control over the rate setting process and rate increases. For customers already in the District boundaries, all the objectives would be met, similar to the proposed project. For customers already in the District boundaries, all the objectives would be met, similar to the proposed project.

Alternative 3 (Private Third-Party Operator Alternative) assumes that the proposed acquisition of the MWS by the District would proceed but that CalAm would not make its existing employees available for integration into the District. Instead a private third-party operator would be contracted by the District to operate and maintain the system. The third-party operator would work out of the same operations and maintenance facilities and require the same number of employees to service the MWS (approximately 87 employees) as outlined in Section 2, *Project Description*. Further, employees hired by the third-party contractor would be domiciled locally (Stoldt 2020). The size of the system and the associated infrastructure would be the same for Alternative 3 as under the proposed project and no substantial construction would occur. Therefore, operation and maintenance of the system would remain the same as described in Section 2, *Project Description*, just performed by a third-party operator and not the District. This alternative still would achieve all of the stated project objectives, since the District would still acquire the system and operation and maintenance would remain the same. However, the water pricing reductions would not be as pronounced, due to the additional fees required to hire a third-party operator. Therefore, the purpose stated in Measure J to "to ensure the long-term sustainability, adequacy, reliability, cost-effectiveness and quality of water service within the Monterey Peninsula Water Management District area, to lower the cost of service to ratepayers…" would not be as fully realized as for the proposed project.

Alternative 4 (No Boundary Adjustment and Third-Party Operator Alternative) assumes that the proposed acquisition of the MWS by the District would proceed, but that the application to annex areas outside the District's boundaries would not be approved by LAFCO and the District would hire through a private third-party operator to operate and maintain the system. Instead, similar to Alternative 2, the District's boundaries would remain the same and areas outside the District would be served under contract agreement. In addition, similar to Alternative 3, a third-party operator would be contracted by the District to operate and maintain the system, including both areas within the District service area and areas outside the District's service area served under contract. Under this alternative, operation and maintenance of the system would remain the same. Therefore, the same number of employees would be retained by the third-party contractor as under the proposed project. Further, employees hired by the third-party contractor would be domiciled locally. Similar to Alternative 2, this alternative would not fully realize all of the project objectives because it would not allow the District to fully implement the purpose approved by the electorate in Measure J in these areas that are not annexed. Additionally, similar to Alternative 3, water pricing reductions would be less pronounced. Therefore, the purpose stated in Measure J to "to ensure the long-term sustainability, adequacy, reliability, cost-effectiveness and quality of water service within the Monterey Peninsula Water Management District area, to lower the cost of service to ratepayers…" would not be as fully realized as for the proposed project.

Areas of Known Controversy

The proposed project is the result of Monterey Peninsula voters passing Measure J, as described above and described in more detail in Section 2, *Project Description*. While 23,757 (55.81 percent) voters were in favor, 18,810 (44.19 percent) were opposed (Monterey County 2018). The project would require the purchase of the MWS, which CalAm has not offered for sale. Therefore, the project would potentially involve establishing a price and procedure for the proposed transfer of assets from CalAm to the District. Additionally, water supply and use in the Monterey Peninsula region has historically been the subject of heightened public interest and disagreement. There is known controversy regarding the assets and water rights that the District could obtain through the proposed project, including the proposed construction of the MPWSP Desalination Plant north of the City of Marina. However, that project has undergone a separate environmental review and the environmental effects of the MPWSP are not within the scope of this EIR. Refer to Section 2, *Project Description*, for a full description of MPWSP characteristics.

For a description of additional issues raised during the Notice of Preparation comment period, refer to Table 1-1 in Section 1, *Introduction*.

Issues to be Resolved

Responses to the Notice of Preparation of a Draft EIR and input received at the EIR scoping meeting are summarized in Table 1-1 found in Section 1, *Introduction*.

Issues Not Studied in Detail in the EIR

Section 1.4 lists the environmental topics evaluated in this EIR. Detailed evaluation in this EIR was not necessary for all environmental checklist items. Items that were determined not to be significant are discussed in Section 4.7, *Effects Found Less Than Significant*, and include aesthetics, agriculture and forestry resources, biological resources, cultural resources, energy, geology and soils, hazards and hazardous materials, land use and planning, mineral resources, population and housing, public services, recreation, tribal cultural resources, and wildfire, as well as three criteria for hydrology and water quality and three criteria for utilities and service systems.

Summary of Impacts and Mitigation Measures

Table ES-1 summarizes the environmental impacts of the proposed project, proposed mitigation measures, and residual impacts (the impact after application of mitigation, if required). Impacts are categorized as follows:

- **Significant and Unavoidable.** An impact that cannot be reduced to below the threshold level given reasonably available and feasible mitigation measures. Such an impact requires a Statement of Overriding Considerations to be issued if the project is approved per §15093 of the CEQA Guidelines.
- **Less than Significant with Mitigation Incorporated.** An impact that can be reduced to below the threshold level given reasonably available and feasible mitigation measures. Such an impact requires findings under §15091 of the CEQA Guidelines.
- **Less than Significant.** An impact that may be adverse, but does not exceed the threshold levels and does not require mitigation measures. However, mitigation measures that could further lessen the environmental effect may be suggested if readily available and easily achievable.

- **No Impact:** The proposed project would have no effect on environmental conditions or would reduce existing environmental problems or hazards.

Cumulative impacts are addressed at the end of each resource section, Sections 4.1 through 4.6.

Table ES-1 Summary of Environmental Impacts, Mitigation Measures, and Residual Impacts

Impact	Mitigation Measure(s)	Residual Impact
Air Quality		
Impact AQ-1. The proposed project would not conflict with or obstruct implementation of the Monterey Bay Air Resources District (MBARD) 2015 Air Quality Management Plan. No impact would occur.	None required	No Impact
Impact AQ-2. The proposed project would not result in a cumulatively considerable net increase of any criteria pollutant for which the MBARD region is in nonattainment under applicable federal or state ambient air quality standards. Therefore, impacts would be less than significant.	None required	Less than significant
Impact AQ-3. The proposed project would not expose sensitive receptors to substantial concentrations of carbon monoxide (CO) or toxic air contaminants (TACs). Therefore, impacts would be less than significant.	None required	Less than significant
Impact AQ-4. The proposed project would not create objectionable odors that would adversely affect a substantial number of people. No impact would occur.	None required	No Impact
Greenhouse Gas Emissions		
Impact GHG-1. The proposed project would generate greenhouse gas (GHG) emissions that may have a significant impact on the environment, and implementation of Mitigation Measure GHG-1 would be required. Impacts would be less than significant with mitigation incorporated.	**GHG-1 Greenhouse Gas Reduction Plan for Operational Emissions.** The District shall prepare and implement a Greenhouse Gas Reduction Program that reduces the net increase in GHG emissions of 62.7 metric tons of carbon dioxide equivalents to net zero (i.e., carbon neutral) over the operational life of the proposed project. To meet the net zero requirement, the District must reduce its operational GHG emissions by 62.7 metric tons of carbon dioxide equivalents per year. Potential options include, but would not be limited to, those listed in Table 4.2-2 in Section 4.2, *Greenhouse Gas Emissions*.	Less than significant with mitigation
Impact GHG-2. The proposed project would be consistent with plans, policies, or regulations adopted for the purpose of reducing GHG emissions, and implementation of mitigation measure GHG-1 would be required. Impacts would be less than significant with mitigation incorporated.	**GHG-1 Greenhouse Gas Reduction Plan for Operational Emissions.** *Mitigation Measure GHG-1* text is included above under Impact GHG-1.	Less than significant with mitigation

Impact	Mitigation Measure(s)	Residual Impact
Hydrology and Water Quality		
Impact HYD-1. The proposed project would not substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin. Therefore, potential impacts to groundwater supply would be less than significant. ~~The proposed project would alter the entity that operates the existing MWS, which could potentially alter the rate structure and fee charged for water service; if a reduction in pricing occurs, water use in the area could potentially increase because water use is linked to cost. However, the operator of the system would be required to comply with the Seaside Groundwater Basin Adjudication Decision, State Water Resources Control Board Order No. WR 2016-0016, and water use reduction strategies and goals contained within 2018 Water Conservation Legislation and the California Water Conservation Act of 2009. As a result, water use rates would continue to decline on a per capital basis regardless of potential changes in the system operator or water rate structures. Therefore, potential impacts to groundwater supply would be less than significant.~~	None required	Less than significant
Impact HYD-2. The project would not conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan. This impact would be less than significant.	None required	Less than significant
Noise		
Impact N-1. The proposed project would not generate a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project area in excess of local standards. Impacts would be less than significant.	None required	Less than significant
Impact N-2. The proposed project would not result in the generation of excessive groundborne vibration or groundborne noise levels. No impact would occur.	None required	No Impact
Impact N-3. The proposed project would not expose staff to excessive noise levels from the Monterey Regional Airport. Impacts would be less than significant.	None required	Less than significant

Impact	Mitigation Measure(s)	Residual Impact
Transportation		
Impact T-1. The proposed project would not conflict with a program, plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities. Impacts would be less than significant.	None required	Less than significant
Impact T-2. The project would not conflict or be inconsistent with CEQA Guidelines Section 15064.3, subdivision (b). Impacts would be less than significant.	None required	Less than significant
Impact T-3. The proposed project would not substantially increase hazards due to a design feature or incompatible uses. No impact would occur.	None required	No Impact
Impact T-4. The project would not result in inadequate emergency access. No impact would occur.	None required	No Impact
Utilities and Service Systems		
Impact UTIL-1. The project would not require or result in the relocation or reconstruction of new or expanded water, wastewater treatment, or stormwater drainage and would not generate wastewater treatment demand in excess of existing supplies. Impacts would be less than significant.	None required	Less than significant
Impact UTIL-2. The project would not result in substantial new or increased water demands in the project area. Impacts would be less than significant.	None required	Less than significant

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1 Introduction

This document is an environmental impact report (EIR) for the proposed Potential Acquisition of Monterey Water System and District Boundary Adjustment (proposed project). The project is proposed by the Monterey Peninsula Water Management District (District) as the Lead Agency and has been prepared in accordance with the provisions of the California Environmental Quality Act (CEQA) (Public Resources Code Section 21000 et seq.) and the *State CEQA Guidelines* (14 Cal. Code Regs. Section 15000 et seq.). As dictated by the electorate in November 2018 via approval of ballot Measure J, the District proposes to acquire California American Water Company's (CalAm) Monterey Water System (MWS) that currently serves the majority of the incorporated area of the District's service area, as well as some outlying areas located in a portion of unincorporated Monterey County. The project is described in detail in Section 2, *Project Description*.

This EIR was prepared by professional planning consultants in conjunction with District staff. This EIR contains information necessary to support the District's CEQA findings that will be made only after the District Board of Directors considers the proposed project and the administrative record. The District Board of Directors' findings will be incorporated in a stand-alone Resolution that will be presented as part of the agenda packet when this item moves forward for consideration.

This section discusses (1) the project and EIR background; (2) the legal basis for preparing an EIR; (3) the EIR public noticing and scoping process; (4) the scope and content of the EIR; (5) the type of EIR; (6) the lead, responsible, and trustee agencies; and (7) the environmental review process required under CEQA. The proposed project is described in detail in Section 2, *Project Description*.

1.1 Project Background

The District is proposing to acquire the CalAm MWS that currently serves a 55 square-mile area, a majority of which is located within the District's service area, as well as some outlying areas located outside the District's current service area in unincorporated Monterey County. Outlying areas specifically include approximately 33 connections located directly south of the District's boundary at Yankee Point and approximately 10 connections located immediately adjacent and to the east of the District boundary at Hidden Hills. The District service area and project boundaries are shown in Figure 2-2 in Section 2, *Project Description.* Because the project includes areas outside of the current service area, the proposed project would also include an annexation of these areas into the District's service area. Connections to the MWS located outside the District boundary would be served by the District and no change in service to those connections would occur as a result of the proposed project.

The acquisition of CalAm's MWS would include all associated assets, (i.e., real, intangible, and personal property), including, but not limited to:

- Water systems and production wells
- Utility plants
- Vehicles and equipment
- Water rights
- Water supply contracts

- Records, books, and accounts
- Land, easements, and rental property

In addition to the District's acquisition of the MWS, the proposed project includes the District's subsequent operation of the MWS. The District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the physical MWS or to the associated water rights, nor is the District proposing any changes to the manner of operation of the MWS or the exercise of the associated water rights. The District would operate and maintain the system from CalAm's existing main office, located at 511 Forest Lodge Road #100 in Pacific Grove, as well as some additional duties from the District's existing administrative building, which is located at 5 Harris Court, Building G in Monterey. Maintenance activities would occur at CalAm's existing operations center and corporate yard located adjacent to the David Avenue Reservoir in Pacific Grove, between Hillcrest Avenue and David Avenue on Carmel Avenue.

As previously stated, the MWS is currently owned and operated by CalAm, a wholly-owned subsidiary of American Water, a Class A investor-owned public utility regulated by the California Public Utilities Commission (CPUC). In 1965 CalAm purchased the Monterey Peninsula's water system and water rights from California Water and Telephone Company and has been operating throughout the Monterey Peninsula for 55 years (CalAm 2016). CalAm currently holds water rights to supply the system as well as infrastructure that allows for the production, distribution, and delivery of water supplies within its service area.[1] CalAm's water supply systems in Monterey County are comprised of the MWS and several other small stand-alone systems scattered throughout Monterey County—Ralph Lane, Ambler Park, Toro, Chualar, and Garrapata (collectively, the "Central Satellites" or "Satellite Systems"). CalAm also owns and operates several small scattered wastewater systems in various locations throughout the County.

The proposed project only includes the MWS, a majority of which is located within the District boundaries. Existing MWS facilities, infrastructure, and land include, but not limited to: lease of the Sand City Desalination Plant, 33 water wells, six water treatment facilities, 614 miles of pipeline, the Monterey Pipeline and Pump Station, 74 pump stations and one planned pump station (Carmel Valley Pump Station), 108 water storage facilities, 117 assessor parcels with a total area of approximately 4,753 acres that generally support system infrastructure (e.g., groundwater wells and water storage tanks), and associated fire hydrants and distribution valves (District 2019). In addition, the MWS includes planned facilities associated with the Monterey Peninsula Water Supply Project (MPWSP) including the 6.4 million gallons per day Desalination Plant with sub-surface intake wells and related infrastructure improvements to convey source water to the MPWSP Desalination Plant, deliver product water, and dispose of brine.

The underlying purpose of the proposed project is for the District to acquire, operate, and maintain the MWS. The objectives of the proposed project are to implement the purpose approved by the electorate in Measure J:

> …to ensure the long-term sustainability, adequacy, reliability, cost-effectiveness and quality of water service within the Monterey Peninsula Water Management District area, to lower the cost of service to ratepayers, to promote and practice sustainable water management measures, and to establish public ownership of water system assets by establishing regulations

[1] In light of the State Water Resources Control Board (SWRCB) mandated reductions to pumping from the Carmel River Basin, a number of water supply projects are proposed in order to provide sufficient supply to meet demand associated with the MWS. For more information pertaining to regional hydrologic setting and water services and supply, please see Section 4.3, *Hydrology and Water Quality,* and Section 4.6, *Utilities and Service Systems.*

requiring the District to take affirmative action, to the extent financially feasible, to acquire the water system assets owned and operated by the California American Water Company that currently provide water service to the District and its ratepayers.

The purpose of Measure J furthered by this proposed project shall include the following aspects:

- Allow the Monterey Peninsula to independently own and operate the water production and distribution system serving customers presently served by the CalAm MWS;
- Provide greater transparency and accountability to residents and businesses on the Monterey Peninsula regarding potable water supplies, as well as increased customer service and reliability;
- Enhance customer service and responsiveness to affected CalAm customers;
- Provide greater local control over the rate setting process and rate increases;
- Provide direct access to locally elected policy makers for water operations;
- Allow the District to pursue funding and other financing alternatives available to public agencies for future infrastructure needs, including grants and financing options not available to a CPUC-regulated, privately-owned utility; and,
- Ensure better coordination amongst local governmental decisions involving land use, emergency services, policy, the location and need for capital improvements, and overall planning in the water context.

1.2 Purpose and Legal Authority

In accordance with Section 15121 of the *State CEQA Guidelines* (California Code of Regulations, Title 14), the purpose of this EIR is to serve as an informational document that:

> "…will inform public agency decision makers and the public generally of the significant environmental effects of a project, identify possible ways to minimize the significant effects, and describe reasonable alternatives to the project."

Therefore, the EIR is an informational document for use by decision makers, public agencies, and the general public. It is not a policy document and does not set forth District policy about the desirability of the proposed project.

~~It is important to note the District does not acknowledge it is legally required to prepare this EIR. The District asserts its proposed actions do not meet the CEQA definition of a "project." Further, even if the District's actions were deemed to constitute a CEQA-defined "project," the District asserts that the activity would be exempt from CEQA review. The District also notes any physical changes in the environment attributable to differences in water rates are too speculative or unlikely to be considered reasonably foreseeable to require CEQA review. Nonetheless, the District has voluntarily caused this EIR to be prepared to inform public decision makers and the public generally regarding these proposed activities. No statement in this EIR is intended or should be construed to constitute an acknowledgment by the District the CEQA process is legally required.~~

1.3 Notice of Preparation and Scoping

The District implemented an extensive scoping process, which included noticing the public and holding a public scoping meeting. The scoping process for this EIR was formally initiated on April 6,

2020 with submittal of the Notice of Preparation (NOP) to the State Clearinghouse in compliance with CEQA (State Clearinghouse No. 2020040069) for distribution to State agencies. The NOP was distributed for agency and public review for the required 30-day review period from April 6, 2020 to May 6, 2020. The NOP was also posted on the District website (https://www.mpwmd.net) and published in the Monterey Herald April 6, 2020 edition.

Scoping refers to the process employed to assist the lead agency in determining the focus and content of the analysis included in the EIR. Scoping solicits input on the potential topics to be addressed in an EIR, the range of project alternatives, and possible mitigation measures. Scoping establishes methods of assessment and selection of the environmental effects to be considered in detail. Tools used in scoping of this EIR included distribution of the NOP and a public scoping meeting.

The District conducted an EIR scoping meeting on April 21, 2020. Due to the Coronavirus (COVID-19) shelter-in-place regulations required throughout all of Monterey County in March and April 2020, an in-person meeting was not feasible. Therefore, the public meeting was held virtually via the Zoom platform. The meeting aimed to provide information about the proposed project to members of public agencies, interested stakeholders, and residents/community members. In order to ensure members of the public knew how to use the Zoom platform and comment during the meeting, an instructional document was provided on the District website and via email to the NOP mailing list four days prior to the meeting. During the Zoom meeting, members of the public were able to provide verbal comments using the In-Meeting Chat tool which were then read aloud to the meeting attendees; these comments are summarized below in Table 1-1 below.

The District received a total of six written comments during the public review period, in addition to comments received during the scoping meeting. The NOP is provided in Appendix A of this EIR, along with the NOP responses received. Table 1-1 summarizes the comments received in the comment letters and at the public scoping session and identifies the EIR section where the issues raised are addressed.

Table 1-1 NOP Comments and EIR Response

Commenter	Comment/Request	How and Where It Was Addressed
Agency Comments		
Local Agency Formation Commission of Monterey County (LAFCO)	Provides language for the Draft EIR's project description and/or sections pertaining to agency approvals section	Addressed in Section 2, *Project Description*
Native American Heritage Commission	States that the project will require compliance with Assembly Bill 52 and provides detailed information on compliance	Addressed in Section 4.7, *Effects Found Less Than Significant*
California State Parks	Requests that the project EIR identify any/all CalAm related projects that seek to utilize State Parks lands.	Addressed in Section 4.7, *Effects Found Less Than Significant*
Monterey County Regional Fire	Raises questions pertaining to MWS hydrant maintenance and frequency, annual flow testing in accordance with National Fire Prevention Association and Insurance Service Office. Also asks for maps and information related to exemptions and process to utilize assets for fire department training.	Addressed in Section 2, *Project Description,* Section 4.5, *Transportation* and Section 4.7, *Effects Found Less Than Significant*

Commenter	Comment/Request	How and Where It Was Addressed
California Department of Fish and Wildlife	Raises concerns on impacts due to operation and maintenance of the MWS on biological resources, specifically: ▪ Impacts to species in the project areas: the commenter recommends surveys and mitigation measures to address each of the species found in the project area ▪ Requests descriptions of all anticipated and reasonably foreseeable ground disturbance activities related to the project ▪ Requests clarification if the satellite systems are included within the project ▪ Impacts of fluctuating water rates on demand and as biological resources ▪ Impacts of project activities on the bed, bank, and channel of lakes, streams and associated wetlands ▪ Address how the project would affect existing water rights ▪ Lists recommendations for evaluating project-related impacts on nesting birds ▪ Recommends consultation with U.S. Fish and Wildlife Service if there are potential impacts to federally listed species ▪ Requests the District report any special status species and natural communities detected during project survey to the California Natural Diversity Database ▪ Payment of filing fees	Addressed in Section 2, *Project Description,* Section 4.3, *Hydrology and Water Quality*, Section 4.6, *Utilities and Service Systems* and Section 4.7, *Effects Found Less Than Significant*
Monterey County Resources Management Agency	Requests that the EIR address how the project would impact County infrastructure and regulatory responsibilities. Specifically, that the project description clarify what County infrastructure serves the project area and County involvement to operate and maintain the satellite water systems that would not be part of the acquisition. Further, the County suggests that the EIR analyze the project's consistency with applicable General Plans, area plans, and Local Coastal Programs.	Addressed in Section 2, *Project Description,* Section 4.1, *Air Quality Analysis,* Section 4.2, *Greenhouse Gas Emissions,* Section 4.3, *Hydrology and Water Quality,* Section 4.4, *Noise,* Section 4.5, *Transportation,* and Section 4.6, *Utilities and Service Systems*
State Clearinghouse	Acknowledges that the NOP comment period has closed and provides a link to state agency comment letters (shown above)	Addressed in Section 1, *Introduction*
Public Comments		
Carmel River Steelhead Association (letter dated 4/12/2020)	Expresses concern and opposition with holding a virtual scoping meeting (due to COVID-19 shelter-in-place)	Addressed in Section 1, *Introduction*

Commenter	Comment/Request	How and Where It Was Addressed
Carmel River Steelhead Association (letter dated 5/6/2020)	Raises concerns related to the following: ▪ The District's protection of steelhead in the Carmel River if there is a drought in the future ▪ Amount of water in the Carmel River and impacts to steelhead ▪ How would the project impact water policies on the Carmel River ▪ Position of the District on steelhead in the Carmel River	Addressed in Section 4.3, *Hydrology and Water Quality*, Section 4.6, *Utilities and Service Systems* and Section 4.7, *Effects Found Less Than Significant*
Brian LeNeve (letter received on 4/17/2020)	Expresses concern and opposition with holding a virtual scoping meeting (due to COVID-19 shelter-in-place)	Addressed in Section 1, *Introduction*
Brian LeNeve (letter received on 5/6/2020)	Raises concerns related to the following: ▪ Impacts of the project on the 1990 Water Allocation Program EIR ▪ Impacts of the project on the 5-year Mitigation Program which has continued to date ▪ Impacts to SWRCB Water Order 95-10 and the Cease and Desist Order ▪ Impacts to mitigation for steelhead and potential conflicts of interest ▪ Impacts to ASR I, ASR II and any further ASR projects ▪ Impacts to the transfer of the San Clement Property to BLM	Addressed in Section 4.3, *Hydrology and Water Quality*, Section 4.6, *Utilities and Service Systems* and Section 4.7, *Effects Found Less Than Significant*
Monterey Peninsula Taxpayers Association	Raises concerns pertaining to increased water usage due to adjustments in water rates	Addressed in Section 4.3, *Hydrology and Water Quality* and Section 4.6, *Utilities and Service Systems*
Margaret Thum	Raises concerns related to the following: ▪ Timing of the EIR and alternatives related to the MPWSP Desalination Plant ▪ Changes to District boundaries and required approvals by the legislature and local citizens ▪ Clear project description defining the project(s) ▪ Consider not pursuing the project as an alternative ▪ Consider not adjusting the District boundaries as an alternative ▪ Consider zoning impacts of the project, specifically how the project will impact current zoning and general plans, water restrictions, District rules, and fees ▪ Consider impacts of the District's water allocation system, rules and regulations on the project ▪ Consider project and proposed alternatives impacts on the environment	Addressed in Section 1, *Introduction,* Section 2, *Project Description,* Section 4.1, *Air Quality Analysis,* Section 4.2, *Greenhouse Gas Emissions,* Section 4.3, *Hydrology and Water Quality,* Section 4.4, *Noise,* Section 4.5, *Transportation,* Section 4.6, *Utilities and Service Systems,* Section 4.7, *Effects Found Less Than Significant, Section 5, Other CEQA Required Discussion,* and Section 6, *Alternatives*

Commenter	Comment/Request	How and Where It Was Addressed
	▪ Consider if the project will be carbon neutral ▪ Consider impacts of the project and alternatives on groundwater basins within and without the District boundaries ▪ Consider impacts of the project and alternatives on Monterey Bay ▪ Consider project impacts and alternatives on the Seaside Aquifer ▪ Considers the necessary equipment and development needed for project operation and maintenance ▪ Consider impacts on the environment of increased water usage ▪ Consider proposed rate structure and the impacts on water usage and the resulting impacts on the environment ▪ Consider impacts of the project and alternatives on health due to harmful chemicals ▪ Consider impacts of employee and consultant resources on the environment ▪ Consider if the District has sufficient financial resources to undertake the project and alternatives as well as mitigations	
Luke Coletti	Raised concerns related to multiple EIR analysis	Addressed in Section 1, *Introduction*
Scoping Meeting Comments	Raises concerns related to the following: ▪ Type of EIR and multiple analysis ▪ District boundaries and location of project components including the MPWSP Desalination Plant and satellite systems ▪ Impacts due to operation of the system ▪ Climate change impacts ▪ Environmental impacts due to rate changes ▪ Operation of the Sand City Desalination Plant ▪ Impacts to the Seaside water system ▪ Impacts related to the proposed Monterey Peninsula Water Supply Project ▪ Impacts due to acquisition of office and maintenance offices ▪ Impacts to sewer system ▪ Applications to the Local Agency Formation Commission of Monterey County ▪ Impacts to land use and planning	Addressed in Section 1, *Introduction,* Section 2, *Project Description,* Section 4.1, *Air Quality Analysis,* Section 4.2, *Greenhouse Gas Emissions,* Section 4.3, *Hydrology and Water Quality,* Section 4.4, *Noise,* Section 4.5, *Transportation,* Section 4.6, *Utilities and Service Systems,* Section 4.7, *Effects Found Less Than Significant, Section 5, Other CEQA Required Discussion,* and Section 6, *Alternatives*

Commenter	Comment/Request	How and Where It Was Addressed
	▪ Authority and accessibility of information to prepare an EIR ▪ Impacts related to the SWRCB orders	
Requests to be added to the Project notification distribution list	▪ Kevin Kamnikar, Division Chief/Fire Marshall, Monterey County Regional Fire ▪ George Soneff and Lauren Fried, Manatt, Phelps & Phillips, LLP ▪ Don Wilcox, PE, Senior Engineer, Marina Coast Water District ▪ Colleen Courtney, Field Representative, Office of Senator William W. Monning ▪ Erika Marx, Environmental Protection Specialist/Water Program Manager Directorate of Public Works, Environmental Division U.S. Army Garrison, Presidio of Monterey ▪ Mike Weaver	Added to distribution list

1.4 Scope and Content

The scope and content of the EIR is guided by the requirements set forth in the *State CEQA Guidelines* and input gathered during the NOP and scoping process. Sections 4.1 through 4.7 address the resource areas outlined in the bullet points below. Section 5, *Other CEQA Required Discussions*, covers topics including growth-inducing effects, irreversible environmental effects, and significant and unavoidable impacts. Environmental topic areas that are addressed in this EIR include:

- Aesthetics
- Agriculture and Forestry Resources
- Air Quality
- Biological Resources
- Cultural Resources
- Energy
- Geology and Soils
- Greenhouse Gas Emissions
- Hazards and Hazardous Materials
- Hydrology and Water Quality
- Land Use and Planning
- Mineral Resources
- Noise
- Population and Housing
- Public Services
- Recreation
- Transportation
- Tribal Cultural Resources
- Utilities and Service Systems
- Wildfire

This EIR addresses the environmental topic areas referenced above and identifies potentially significant environmental impacts, including project-specific and cumulative effects, of the project in accordance with the provisions set forth in the *State CEQA Guidelines*. In addition, the EIR, where required, identifies existing environmental regulations that, when taken into consideration, ensure that the proposed project's environmental effects are less than significant.

Section 6, *Alternatives*, of this EIR was prepared in accordance with Section 15126.6 of the *State CEQA Guidelines* and focuses on a reasonable range of alternatives that are capable of eliminating or reducing significant adverse effects associated with the proposed project while feasibly attaining most of the basic project objectives. The alternatives discussion evaluates the CEQA required "no

project" alternative and three alternative scenarios for operation of the project. It also identifies the "environmentally superior" alternative among the alternatives assessed.

Section 7, *References*, of this EIR includes full citations for all in-text citations within this EIR. Subheadings within this section indicate which section of the EIR the references were cited within. In some cases, multiple references from the same source and same year are cited within a single section, and these citations are differentiated by adding letters to the year in the order of appearance within that section (e.g. District 2019a, District 2019b). Please note that some sources may be repeated within multiple sections of the EIR, but are cited with different lettering in these sections based on the order of appearance within each individual section.

The level of detail contained throughout this EIR is intended to be fully consistent with the requirements of CEQA and applicable court decisions. The *State CEQA Guidelines* provide the standard of adequacy on which this document is based. The *State CEQA Guidelines* Section 15151 states:

> An EIR should be prepared with a sufficient degree of analysis to provide decision makers with information which enables them to make a decision which intelligently takes account of environmental consequences. An evaluation of the environmental effects of the proposed project need not be exhaustive, but the sufficiency of an EIR is to be reviewed in light of what is reasonably feasible. Disagreement among experts does not make an EIR inadequate, but the EIR should summarize the main points of disagreement among the experts. The courts have looked not for perfection, but for adequacy, completeness, and a good faith effort at full disclosure.

1.5 Type of EIR

This EIR has been prepared as a Project EIR pursuant to Section 15161 of the *State CEQA Guidelines*. A Project EIR is appropriate for a specific development project. As stated in the *State CEQA Guidelines* Section 15161:

> "This type of EIR should focus primarily on the changes in the environment that would result from the development project. The EIR shall examine all phases of the project, including planning, construction, and operation."

While the proposed project is not what would normally be defined as a traditional "development" project, it is also not part of a larger plan or program where a programmatic EIR would be appropriate. Because the project would result in a specific action (i.e. acquisition of the MWS and approval to submit an application for annexation[2]) by the District Board of Directors, it has been determined that a project-level review is appropriate. The whole of the District action is being considered in this EIR. Refer also to Section 1.2, *Purpose and Legal Authority.* As noted therein, no statement in this EIR is intended or should be construed to constitute an acknowledgment by the District the CEQA process is legally required.

1.6 Lead, Responsible, and Trustee Agencies

The District is considered the Lead Agency in preparing this EIR because the District Board of Directors would need to make a discretionary approval in order to implement the proposed project.

[2] See Section 2.7.2, *Discretionary Approvals and Other Permits,* for more information pertaining to LAFCO approvals.

Section 15367 of the *State CEQA Guidelines* defines a "lead agency" as:

> "…the public agency which has the principal responsibility for carrying out or approving a project. The Lead Agency will decide whether an EIR or negative declaration will be required for the project and will cause the document to be prepared."

SWRCB, LAFCO of Monterey County, CPUC, Regional Water Quality Control Board (RWQCB), and Monterey County Department of Public Health may act as responsible agencies for the proposed project under CEQA. The change of ownership of the MWS would need to be approved by the SWRCB under California Health and Safety Code Section 116525, which requires a new purveyor to apply for and obtain a public water system permit prior to a change in ownership. The permit review process requires the applicant to demonstrate to the SWRCB that it possesses adequate technical, managerial, and financial capability to assure the delivery of pure, wholesome, and potable drinking water. Therefore, the District would need to apply for and obtain a public water system permit from the SWRCB, and the SWRCB would be considered a responsible agency for the proposed project.

LAFCO of Monterey County, acting as a CEQA responsible agency, is anticipated to use the EIR in considering annexation of lands into District's jurisdictional boundary pursuant to Government Code section 56000 et seq. Further, per Government Code Sections 56824.10-56824.14, the District also needs to obtain LAFCO approval to exercise its "latent power" to provide retail water service to customers in the entire MWS, which involves submitting and obtaining LAFCO approval for a plan of services, etc.[3] In addition, the Monterey County Department of Environmental Health may review and/or issue permits to the District for the District's operation of a drinking water system.

If the MWS is acquired through a negotiated purchase, the District would also need to obtain approval from the CPUC for transfer of ownership and operation, thereby making the CPUC a responsible agency. Additionally, the District may need approval from the Regional Water Quality Control Board as part of permit issuance in compliance with the Statewide General National Pollutant Discharge Elimination System Permit for Discharges from Drinking Water Systems, making this agency a responsible agency as well.

Section 15381 of the *State CEQA Guidelines* defines a "responsible agency" as:

> "…a public agency which proposed to carry out or approve a project, for which a Lead Agency is preparing or has prepared an EIR or Negative Declaration. For the purposes of CEQA, the term "Responsible Agency" includes all public agencies other than the Lead Agency which have discretionary approval power over the project."

Trustee agencies have jurisdiction over certain resources held in trust for the people of California but do not have a legal authority over approving or carrying out the project. Section 15386 of the *State CEQA Guidelines* designates four agencies as trustee agencies: the California Department of Fish and Wildlife with regards to fish and wildlife, native plants designated as rare or endangered, game refuges, and ecological reserves; the State Lands Commission, with regard to state-owned "sovereign" lands, such as the beds of navigable waters and state school lands; the California Department of Parks and Recreation, with regard to units of the state park system; and, the University of California, with regard to sites within the Natural Land and Water Reserves System. No trustee agencies have been identified for the proposed project.

[3] This assumes that the District's provision of retail water service to seven golf courses and a private high school, which has been occurring since 1994, is not sufficient to avoid the "latent power" provisions of the Knox-Cortese Act, which is a conservative, but likely, a correct assumption.

1.7 Environmental Review Process

The major steps in the environmental review process, as required under CEQA (assuming CEQA compliance is required at all; see Section 1.2 above), are outlined below. The steps are presented in sequential order. Figure 1-1 illustrates the review process.

1. **Notice of Preparation.** After deciding that an EIR is required, the lead agency must file a NOP soliciting input on the EIR scope from the State Clearinghouse, other concerned agencies, and parties previously requesting notice in writing *(State CEQA Guidelines* Section 15082; Public Resources Code [PRC] Section 21092). The NOP must be posted in the County Clerk's office for not less than 30 days.[4] The NOP may be accompanied by an Initial Study that identifies the issues for which the proposed project could create significant environmental impacts.
2. **Draft Environmental Impact Report (DEIR) Prepared.** The DEIR must contain: a) table of contents or index; b) summary; c) project description; d) environmental setting; e) discussion of significant impacts (direct, indirect, cumulative, growth-inducing and unavoidable impacts); f) a discussion of alternatives; g) mitigation measures; and, h) discussion of irreversible changes.
3. **Notice of Completion.** A lead agency must file a Notice of Completion with the State Clearinghouse when it completes a Draft EIR and prepares a Public Notice of Availability of a Draft EIR. The lead agency must place the Notice in the County Clerk's office for 30 days (PRC Section 21092) and send a copy of the Notice to anyone requesting it *(State CEQA Guidelines* Section 15087).[5] Additionally, public notice of DEIR availability must be given through at least one of the following procedures: a) publication in a newspaper of general circulation; b) posting on and off the project site; and c) direct mailing to owners and occupants of contiguous properties. The lead agency must solicit input from other agencies and the public and respond in writing to all comments received (PRC Section 21153). The minimum public review period for a DEIR is 30 days. When a Draft EIR is sent to the State Clearinghouse for review, the public review period must be at least 45 days (PRC Section 21091).
4. **Final EIR.** A Final EIR (FEIR) must include a) the Draft EIR; b) copies of comments received during public review; c) list of persons and entities commenting; and, d) responses to comments.
5. **Certification of FEIR.** Prior to making a decision on a proposed project, the lead agency must certify that: a) the FEIR has been completed in compliance with CEQA; b) the FEIR was presented to the decision-making body of the lead agency; and, c) the decision-making body reviewed and considered the information in the FEIR prior to approving a project (*State CEQA Guidelines* Section 15090).
6. **Lead Agency Project Decision.** A lead agency may: a) disapprove a project because of its significant environmental effects; b) require changes to a project to reduce or avoid significant environmental effects; or, c) approve a project despite its significant environmental effects, if

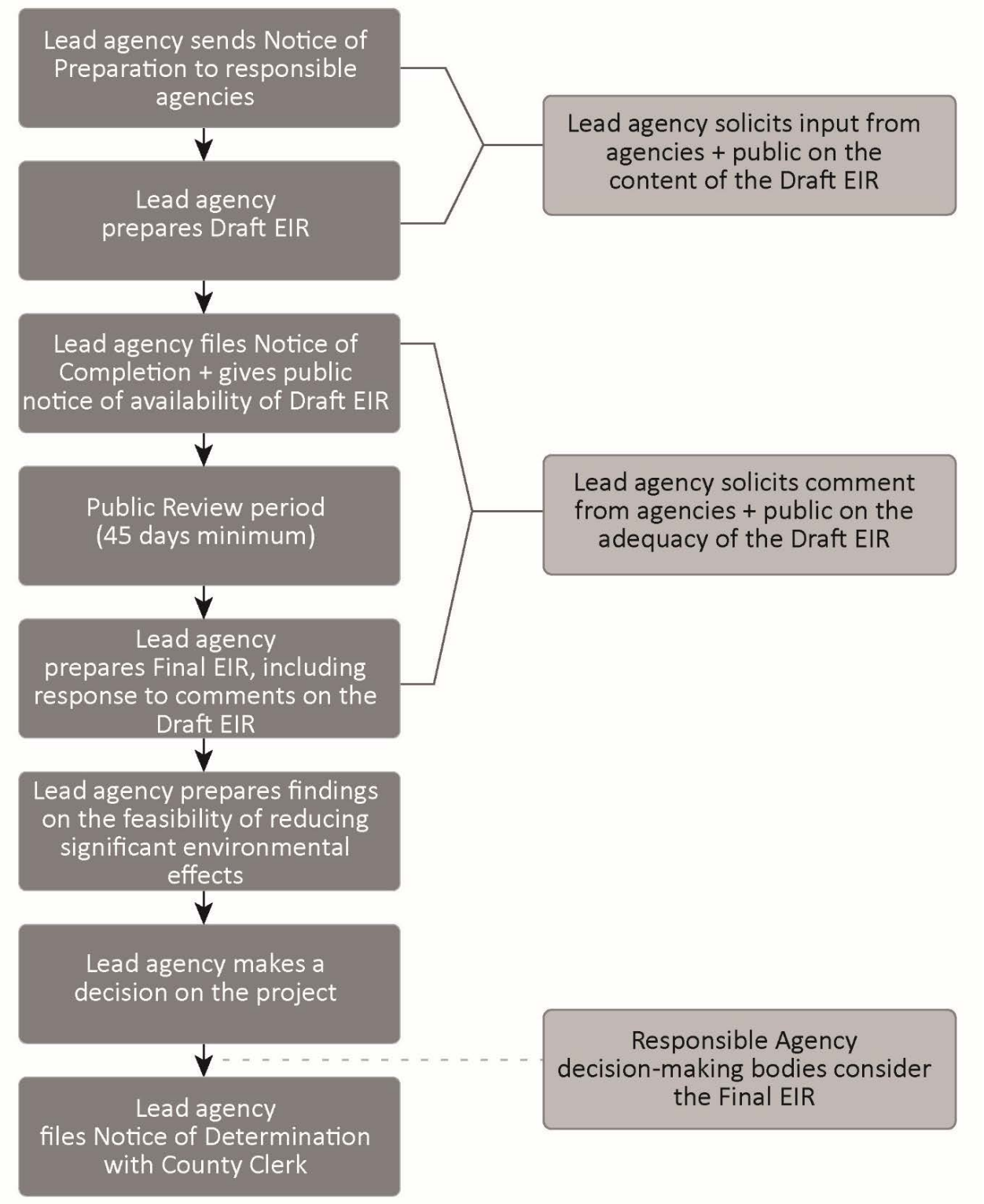
[4] The NOP for this EIR was posted at the Monterey County Clerk office on April 6, 2020, as well as posted to the District website and distributed to interested individuals. The NOP was posted to the Monterey County Clerk office before the Governor of California issued Executive Order N-54-20 on April 23, 2020, which suspends some CEQA noticing requirements for 60 days. Specifically, pursuant to Item 8 of the Executive Order during this period, Lead Agencies need not file CEQA notices with the County Clerk; rather, the Lead Agency must: (1) post the notice on the agency's public-facing website for the same period of time otherwise required; (2) submit all materials electronically to the State Clearinghouse via the CEQAnet Web Portal; and (3) engage in outreach to any individuals and entities known by the lead agency, responsible agency, or project applicant to be parties interested in the project.

[5] Pursuant Executive Order N-54-20, if the Draft EIR is released during the 60-day period outlined above, the Notice of Completion would not be required to be filed with the County Clerk rather the District must: (1) post the notice on the District's public-facing website for the same period of time otherwise required; (2) submit all materials electronically to the State Clearinghouse via the CEQAnet Web Portal; and (3) engage in outreach to any individuals and entities known by the lead agency, responsible agency, or project applicant to be parties interested in the project.

the proper findings and statement of overriding considerations are adopted (*State CEQA Guidelines* Sections 15042 and 15043).

7. **Findings/Statement of Overriding Considerations.** For each significant impact of the project identified in the EIR, the lead or responsible agency must find, based on substantial evidence, that either: a) the project has been changed to avoid or substantially reduce the magnitude of the impact; b) changes to the project are within another agency's jurisdiction and such changes have or should be adopted; or, c) specific economic, social, or other considerations make the mitigation measures or project alternatives infeasible (*State CEQA Guidelines* Section 15091). If an agency approves a project with unavoidable significant environmental effects, it must prepare a written Statement of Overriding Considerations that sets forth the specific social, economic, or other reasons supporting the agency's decision.
8. **Mitigation Monitoring Reporting Program.** When an agency makes findings on significant effects identified in the EIR, it must adopt a reporting or monitoring program for mitigation measures that were adopted or made conditions of project approval to mitigate significant effects (*State CEQA Guidelines* Section 15097).
9. **Notice of Determination (NOD).** The lead agency then files a Notice of Determination after deciding to approve a project for which an EIR is prepared *(State CEQA Guidelines* Section 15094). The NOD is filed with the County Clerk and must be posted for 30 days and sent to anyone previously requesting notice. Posting of the Notice starts a 30 day statute of limitations on CEQA legal challenges [PRC Section 21167(c)].

Figure 1-1 Environmental Review Process



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2 Project Description

2.1 Project Proponent/Lead Agency

Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, California 93940

2.2 Project Location

The project area is within Monterey County and includes the Monterey Water System (MWS)[1], currently served by the California American Water Company (CalAm) (Figure 2-1). This area is approximately 55 square-miles and includes approximately 40,000 customer connections. The project area is located within the Monterey Peninsula region and is bordered by California State University - Monterey Bay and the former Fort Ord to the north, unincorporated Monterey County to the east, the Big Sur coast and the Santa Lucia Mountains to the south, and the Pacific Ocean to the west.

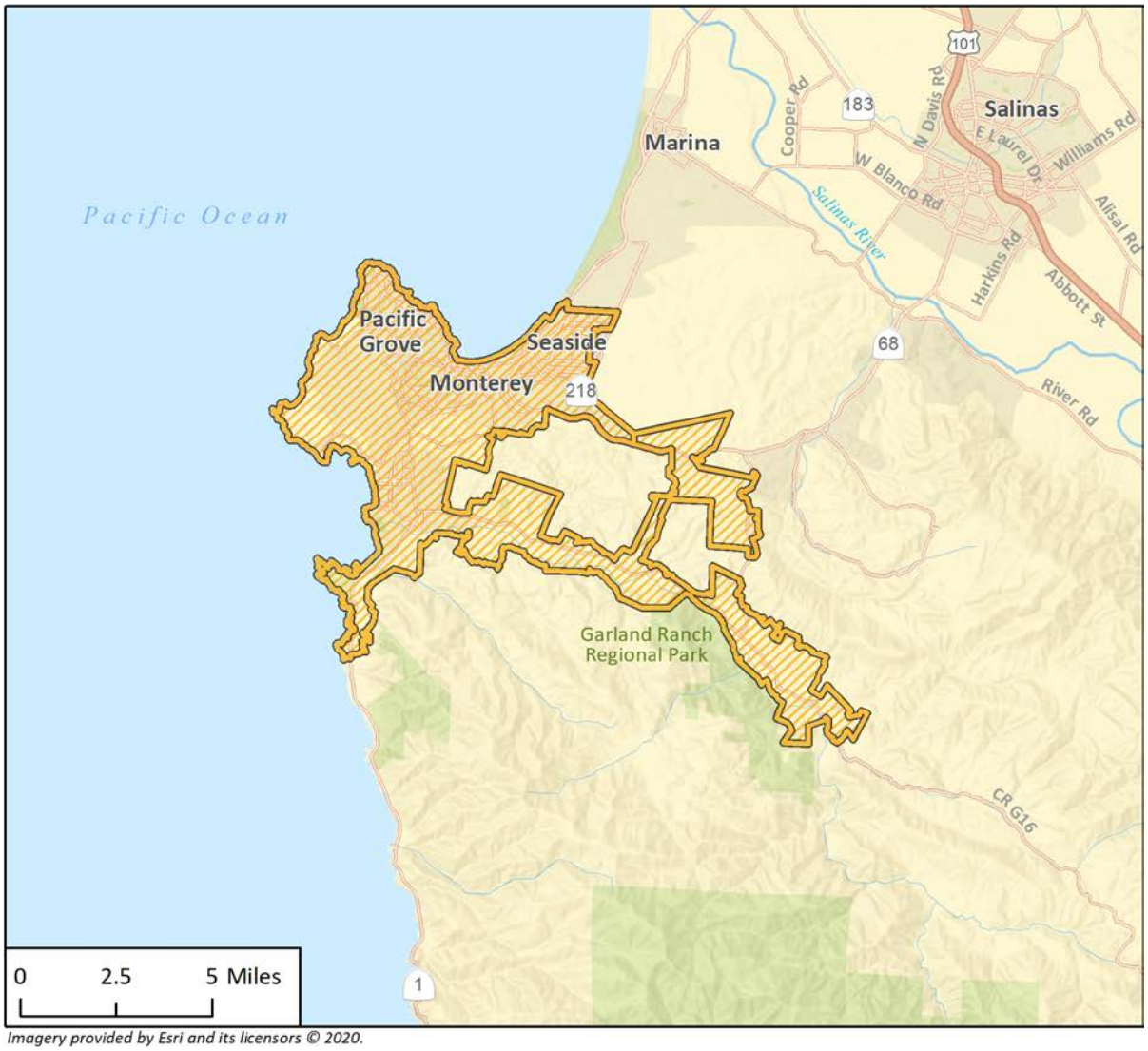
CalAm's water supply systems in Monterey County are comprised of the MWS and several other small stand-alone systems scattered throughout Monterey County—Ralph Lane, Ambler Park, Toro, Chualar, and Garrapata (collectively, the "Central Satellites" or "Satellite Systems"). CalAm also owns and operates several small scattered wastewater systems in various locations of the County. The proposed project only includes the MWS, a majority of which is located within the District boundaries. The MWS consists of four components serving the following locations (Figure 2-2):

- The "Monterey Main" (Main) component of the MWS serves approximately 38,325 customers within the incorporated cities of Carmel-by-the-Sea, Del Rey Oaks, Monterey, Pacific Grove, Sand City, and Seaside, and the unincorporated areas of Carmel Highlands, Carmel Valley and Pebble Beach; and
- Three satellite components of the MWS including Bishop, serving approximately 385 customers; Hidden Hills, serving approximately 454 customers; and Ryan Ranch, serving approximately 212 customers (District 2019).

Although most of the project area is within the District boundaries, the project would also include connections outside of the District's current service area. Approximately 33 residential connections within Monterey Main are currently located just outside the District's boundaries in the Yankee Point area, which is located south of Carmel-by-the-Sea and north of Big Sur in the Carmel Highlands area. In addition, there are approximately 10 residential connections at Hidden Hills, which is located directly east of the District's boundary along Laureles Grade, between Highway 68 and Carmel Valley (Figure 2-3).[2]

[1] The MWS was previously referred to as the Monterey County District water system or the MCD water system in the NOP.
[2] The proposed project also includes acquisition of planned facilities associated with the Monterey Peninsula Water Supply Project, including the 6.4 MGD Desalination Plant. The location of the MPWSP Desalination Plant is further described in Section 2.4.2, *Water Supply Facilities and Infrastructure, Planned Facilities*.

Figure 2-1 Project Location



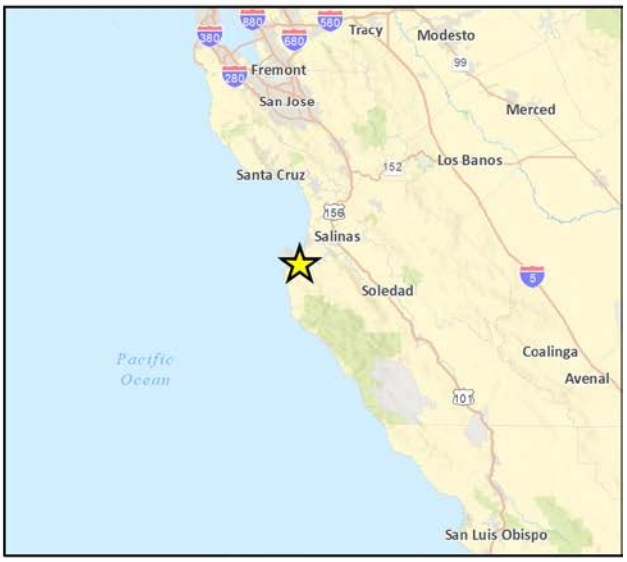


Figure 2-2 District and Project Boundaries

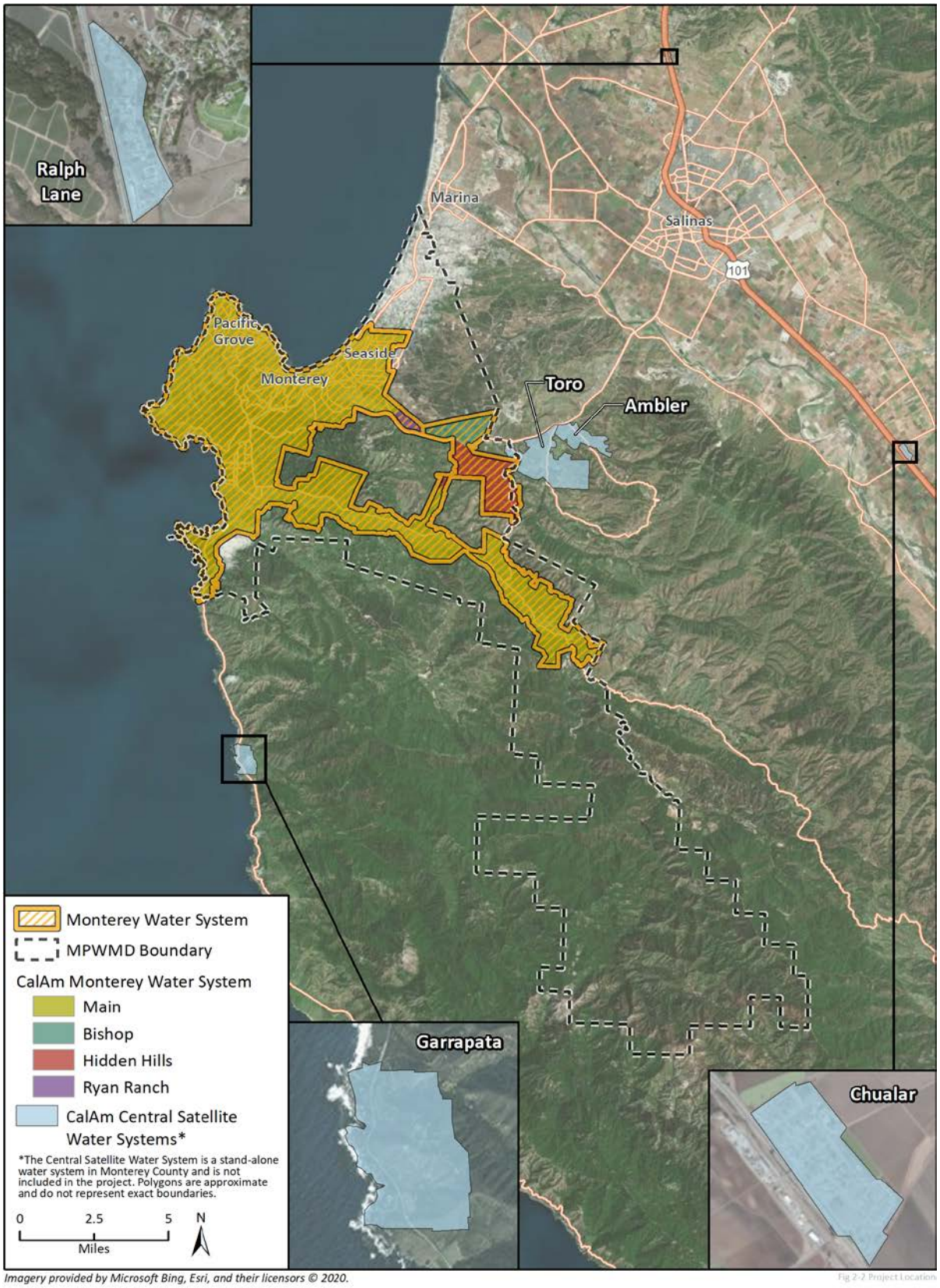


Figure 2-3 Areas Proposed to be Annexed into the District Service Area

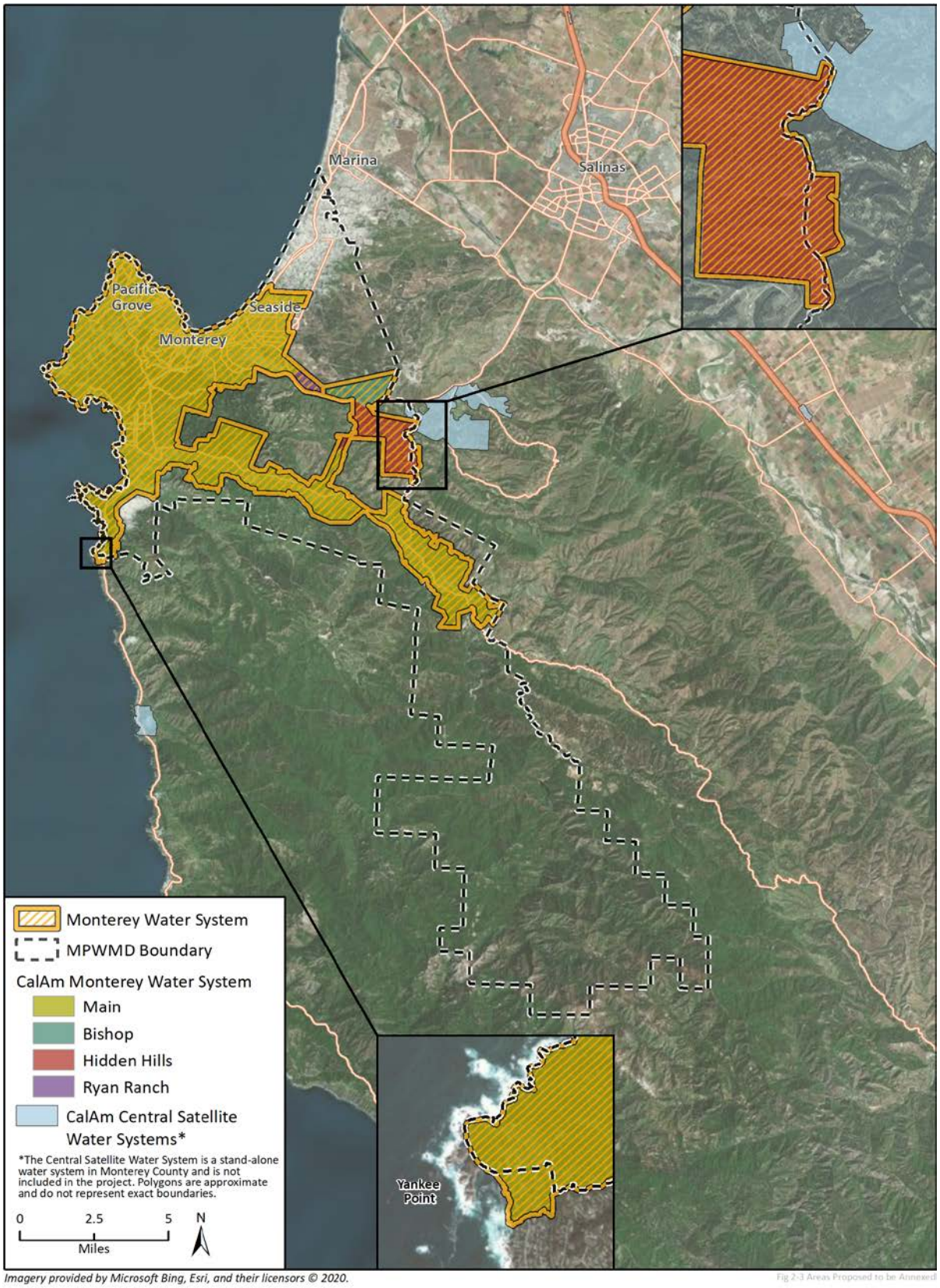


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Fig 2-3 Areas Proposed to be Annexed

2.3 Regulatory Setting

2.3.1 Safe Drinking Water Act

The Safe Drinking Water Act (SDWA) is the main federal law that ensures the quality of Americans' drinking water. Under SDWA, the United States Environmental Protection Agency (U.S. EPA) sets standards for drinking water quality and oversees the states, localities, and water suppliers who implement those standards.

SDWA was originally passed by Congress in 1974 to protect public health by regulating the nation's public drinking water supply. The law was amended in 1986 and 1996 and requires many actions to protect drinking water and its sources: rivers, lakes, reservoirs, springs, and groundwater wells. SDWA does not regulate private wells that serve fewer than 25 individuals.

SDWA authorizes the U.S. EPA to set national health-based standards for drinking water to protect against both naturally-occurring and man-made contaminants that may be found in drinking water. These National Primary Drinking Water Regulations set enforceable maximum contaminant levels for particular contaminants in drinking water or require ways to treat water to remove contaminants. Each standard also includes requirements for water systems to test for contaminants in the water to make sure standards are achieved. In addition to setting these standards, the U.S. EPA provides guidance, assistance, and public information about drinking water, collects drinking water data, and oversees state drinking water programs. The MWS is subject to the National Primary Drinking Water Regulations as they relate to the MWS's provision of potable water to its customers.

2.3.2 Urban Water Management Planning Act

Pursuant to the Urban Water Management Planning Act (California Water Code §§ 10610 - 10656) urban water suppliers having more than 3,000 service connections or water use of more than 3,000 acre-feet per year (AFY) for retail or wholesale uses are required to submit an Urban Water Management Plan (UWMP) every five years to the California Department of Water Resources (DWR). The Water Conservation Act of 2009 (often referred to as SBX7-7) requires increased emphasis on water demand management and requires the state to achieve a 20 percent reduction in urban per capita water use by December 31, 2020. Retail urban water suppliers are required to report baseline and compliance data in their UWMPs in accordance with the requirements of SBX7-7. In addition, in 2018 AB 1668 and SB 606, new water conservation legislation, was passed that laid out a new long-term water conservation framework for California. Primarily through amending the Urban Water Management Planning Act this legislation applies to action of the DWR, State Water Resources Control Board (SWRCB), and water suppliers (such as the District). It provides a road map to meet water conservation goals and new and expanded authorities and requirements to strengthen local drought resilience for water suppliers. UWMPs are prepared by California's urban water suppliers to support their long-term resource planning and to ensure that reliable and adequate water supplies are available to meet existing and future water demands over a 20-year planning horizon during normal, single-dry, and multiple-dry year periods.

UWMPs typically must be submitted to DWR by December 31 of years ending in 0 and 5. CalAm's most recent UWMP was completed June 30, 2016 (CalAm 2016).

2.3.3 State Water Resources Control Board

The SWRCB Division of Drinking Water regulates public drinking water systems in the project area through its Northern California Field Operations Branch (FOB), which is responsible for enforcement of the federal and California SDWAs and the regulatory oversight of public water systems to assure the delivery of safe drinking water in this area. FOB staff perform field inspections, issue operating permits, review plans and specifications for new facilities, take enforcement actions for non-compliance with laws and regulations, review water quality monitoring results, and support and promote water system security. In addition, FOB staff are involved in conducting source water assessments, evaluating projects utilizing recycled treated wastewater, and promoting and assisting public water systems in drought preparation and water conservation. SWRCB is also responsible for reviewing and approving applications for changes in ownership of public water systems, as documented in California Health and Safety Code Section 116525. Applicants are required to demonstrate that they possess adequate technical, managerial, and financial capability to assure the delivery of pure, wholesome, and potable drinking water as part of the application process.

2.3.4 California Public Utilities Commission

The California Public Utilities Commission (CPUC) is the agency that regulates privately owned utilities in California, including electricity, telecommunications, natural gas, and water companies. The CPUC sets standards for water service to protect the public health and safety of customers. Investment by the utilities must be preapproved by the CPUC to assure that facilities are necessary and "used and useful" in terms of meeting CPUC standards of water service. Water rates are set by the CPUC to reflect the "cost-of-service." In determining the cost-of-service, the CPUC looks at actual water costs, operations and maintenance costs, depreciation, taxes and fees, and a regulated return on capital based on the net value of assets employed, or rate base (original cost less cumulative depreciation of capital investments).

In December of 2005, the CPUC adopted a Water Action Plan setting forth its policy objectives for the regulation of investor-owned water utilities and highlighting the actions that the CPUC anticipated or would consider taking in order to implement these objectives. The CPUC subsequently adopted a 2010 Water Action Plan to continue on the path set in 2005 to apply regulatory best practices to the water utility industry and to establish water conservation as a top priority.

The 2010 Water Action Plan outlines the CPUC's goals in water regulation:

- Safe, high quality water
- Highly reliable water supplies
- Efficient use of water
- Reasonable rates and viable utilities

Based on those objectives, the 2010 Water Action Plan discusses a roadmap of approximately 30 action items for the CPUC, including strengthening the CPUC's relationship with the California Department of Public Health and SWRCB; and developing leak-detection programs.

The CPUC's regulatory oversight will no longer apply to the MWS if it is acquired by the District.

2.3.5 Measure J

In November 2018, Monterey Peninsula voters within the District passed Measure J which added Rule 19.8 to the District's Rules and Regulations instructing the District to undertake a feasibility study on the public take-over of CalAm's MWS. Specifically, Rule 19.8, added to the District's Rules and Regulations, Regulation I, General Provisions, which states:

A. It shall be the policy of the District, if and when feasible, to secure and maintain public ownership of all water production, storage and delivery system assets and infrastructure providing services within its territory.
B. The District shall acquire through negotiation, or through eminent domain if necessary, all assets of California American Water, or any successor in interest to California American Water, for the benefit of the District as a whole.
C. The General Manager shall, within nine (9) months of the effective date of this Rule 19.8, complete and submit to the Board of Directors a written plan as to the means to adopt and implement the policy set forth in paragraph A, above. The plan shall address acquisition, ownership, and management of all water facilities and services within and outside the District, including water purchase agreements as appropriate. The plan may differentiate treatment of non-potable water services.

In January 2019 the District held a series of listening sessions to receive input on the enactment of District Rule 19.8 and in August 2019 the District General Manager released "A Plan to Adopt and Implement a Policy to Secure and Maintain Public Ownership of All Water Production, Storage and Delivery System Assets and Infrastructure Providing Services Within the Monterey Peninsula Water Management District Territory." "A Preliminary Valuation and Cost of Service Analysis Report," (Feasibility Study) was completed by the District on behalf of Raftelis in October 2019, and on November 12, 2019 the Board of Directors held a workshop on the Feasibility Study for the public to provide input.

2.4 California American Water Supply System

CalAm is a wholly-owned subsidiary of the publicly traded company, American Water Works Company, Inc. (American Water). American Water is a privately-owned national public utility founded in 1886 and is headquartered in Camden, New Jersey. American Water, through its subsidiaries, provides water and wastewater services in the United States and Canada. It serves approximately 14 million people with drinking water, wastewater, and other water-related services in 46 states in the United States and Ontario, Canada. It operates approximately 81 surface water treatment plants; 530 groundwater treatment plants; 10 combined treatment plants; 130 wastewater treatment plants; 51,000 miles of transmission, distribution, and collection mains and pipes; 1,000 groundwater wells; 1,400 water and wastewater pumping stations; 1,300 treated water storage facilities; and 80 dams (District 2019).

CalAm provides water and wastewater service to five regions of California including the Central Division, which includes the MWS. The Central Division, which is comprised of the Main, Ryan Ranch, Bishop, and Hidden Hills components and the Central Satellites, serves approximately 41,000 customer connections and a population of approximately 99,794. CalAm is regulated by the CPUC, U.S. EPA and SWRCB. In 1965 CalAm purchased the Monterey Peninsula's water system and water

rights from California Water and Telephone Company and has been operating throughout the Monterey Peninsula for 55 years (CalAm 2016).

2.4.1 Water Supply Sources

Currently, the primary sources of water for the MWS are supplied to customers from wells located along the Carmel River, including pumping of the Carmel Valley Alluvial Aquifer and groundwater from the Seaside Groundwater Basin. Since 2003, CalAm has not pumped any of its supply directly from the Carmel River. Beginning in 2020, approximately one-third of all supplies will be received from the Pure Water Monterey Advanced Water Purification Facility. These supplies are supplemented by Aquifer Storage and Recovery (ASR) and the Sand City Desalination Plant.

Carmel River

The Carmel River is a 38-mile river that flows northwest through the Carmel Valley and drains into the Pacific Ocean at Carmel Bay near the northern end of the Big Sur Coast. The Carmel River drains a watershed of about 255-square-miles that is bounded by the Santa Lucia Mountains to the south and the Sierra del Salinas to the north.

CalAm receives a supply of water from one reservoir on the Carmel River – the Los Padres Reservoir – which was built in 1949 approximately 25 miles upstream of the Pacific Ocean. Prior to the Los Padres Dam and Reservoir construction, in 1921 the San Clemente Dam and Reservoir was built approximately 18 miles upstream from the Pacific Ocean. Historically, these two reservoirs were the main source of water for the Monterey Peninsula. However, in 2015 the San Clemente Dam was removed because of seismic concerns and a determination by the National Marine Fisheries Service and others that removal of dams on the Carmel River would aid in the recovery of the threatened steelhead trout listed under the federal Endangered Species Act.

CalAm is the current owner of the remaining Los Padres Dam and Reservoir, which had an estimated storage capacity of 1,679 acre-feet (AF) in 2017. This is a reduction from the reservoir's original storage capacity of 2,709 AF. This reduction is contributed to by sediment accumulation behind the dam over its lifespan of almost 70 years (District 2019).

In addition, CalAm receives a supply of water from pumping of subsurface flow from the Carmel Valley Alluvial Aquifer. The Carmel Valley Alluvial Aquifer lies along the Carmel River and is overlaid by the Main component of the MWS. The Carmel Valley Alluvial Aquifer historically was, and still is, the main source of supply of water for CalAm's MWS. However, in 1995 SWRCB issued Order No. WR-95-10 finding that CalAm was diverting 10,730 AFY of water without a valid basis of right from the Carmel River and ordered CalAm to reduce its diversions. WR-95-10 entitled CalAm to 3,376 AFY for the MWS from all Carmel River diversions, including diversions from Los Padres Dam and Reservoir as well as subsurface flow pumped from the Carmel Valley Alluvial Aquifer (CalAm 2016). In October 2009, the SWRCB issued a cease and desist order (CDO) for all unauthorized diversions of water from the Carmel River. Finally, in July 2016 the SWRCB adopted Order WR 2016-0016, amending Order WR-2009-0060, and extending the date by which CalAm must terminate all unlawful diversions from the Carmel River from December 31, 2016 to December 31, 2021. The revised CDO set milestones for CalAm to meet in order to reach the 2021 reduced diversion targets.

Seaside Groundwater Basin

In addition to Carmel River supplies, CalAm's other primary source of supply for the MWS is the Seaside Groundwater Basin. This supply is particularly important during the summer months, when flows from the Carmel River are low. The Seaside Groundwater Basin encompasses 24 square miles and is generally bounded by the Pacific Ocean to the west, the Salinas Valley to the north, the Toro Park area to the east, and State Routes 68 and 218 to the south. The Seaside Groundwater Basin also includes several subareas including the Coastal subarea and the Laguna Seca subarea.

Adjudication of the Seaside Groundwater Basin was initiated in 2003, and in 2006, a court order led to the establishment of the Seaside Groundwater Basin Watermaster. The adjudication evaluated water levels in the basin and determined that the basin was in overdraft. As a result, the adjudication established a "Natural Safe Yield" for the Seaside Groundwater Basin of 3,000 AFY and required pumpers of the basin, including CalAm, to reduce pumping every three years until 2021. By 2021, CalAm will be restricted to no more 1,474 AFY of production from the basin.

Pure Water Monterey

Beginning in 2020, Pure Water Monterey will begin delivery of 3,500 AFY to the Main component of the MWS. Pure Water Monterey is an advanced water purification facility in North Marina which recycles water from four sources: wastewater, agricultural irrigation return flows, stormwater, and agricultural produce processing and wash water. The water is then conveyed to the Seaside Groundwater Basin where it is injected into two subsurface aquifers, the Santa Margarita and the Paso Robles. After a 6-month or longer residency or environmental buffer, the water is extracted for delivery to customer service by CalAm.

Aquifer Storage and Recovery (ASR)

In addition, CalAm and the District operate the Seaside Groundwater Basin ASR system. The ASR system uses available storage in the Seaside Groundwater Basin to store excess Carmel River supplies during the wet season and recovers this water during the dry season for use. Phase 1 of the ASR project was completed in 2008 and Phase 2 was completed in 2013. The ASR is estimated to produce an average of 1,300 AFY (CalAm 2016).

Sand City Desalination

CalAm completed construction of the Sand City Water Supply Project in 2009 and started operating and distributing water from the Sand City Desalination Plant in April 2010. The plant is owned by the City of Sand City but operated by CalAm under a lease agreement with the city. The plant pulls brackish water from the Aromas Sand Formation aquifer near Monterey Bay and treats the water via reverse osmosis. The desalination facility was designed to produce 300 AFY, of which CalAm's allocation according to the CDO is 94 AFY to offset unlawful diversions from the river (CalAm 2016). However, due to source water quality issues and discharge permit requirements the plant has averaged 199 AFY in Water Years 2016-2018 and was estimated to produce 140 AFY in Water Year 2019 (District 2020).

2.4.2 Water Supply Facilities and Infrastructure

The MWS includes facilities and infrastructure that allow for the production, distribution, and delivery of potable water supplies within its service area. CalAm also owns property that generally

supports MWS infrastructure (e.g., wells and water storage tanks) and public utility rights-of-way. Existing MWS facilities, infrastructure, and land include, but is not limited to (District 2019):

- Lease of the Sand City Desalination Plant
- Wells for extraction of water from the Carmel River system and Seaside Groundwater Basin with a total pumping capacity of 29.18 million gallons per day (summarized in Table 2-1)[3]
- Six water treatment facilities of various types and sizes (summarized in Table 2-2)
- Water distribution system consisting of approximately 614 miles of pipe, primarily cast iron, steel, cement asbestos, Polyvinyl chloride (commonly referred to as PVC), and ductile iron pipe with diameters of 1-inch to 36-inches in diameter
- Monterey Pipeline and Pump Station, completed in 2018, comprising approximately 6.5 miles of 36-inch pipe that conveys water from an existing pipeline in Seaside (eastern terminus), through Seaside and Monterey to the Eardley pump station in the city of Pacific Grove (western terminus)
- 59 booster pump stations (excluding production wells) in the Main component of the MWS, 15 pump stations in the satellite component of the MWS, and one pump station in Carmel Valley, which is planned for construction in early 2020
- 108 finished water storage facilities within the MWS with a total combined capacity of 613.9 million gallons, which includes an earthen collecting surface water reservoir on the Carmel River
- 3,496 fire hydrants and an estimated 12,000 distribution valves
- 117 assessor parcels with a total area of approximately 4,753 acres[4]

[3] On September 16, 2019 CalAm filed an application with the Monterey County health department to abandon and destroy the Manor No. 2, Scarlett No. 8, Begonia, and Russell No. 2 and No. 4 wells shown in Table 2-1.
[4] Much of the land outlined above was slated to transfer to the federal Bureau of Land Management, but the transfer has stalled. If the transfer occurs before District acquisition, that land would not be acquired.

Table 2-1 CalAm Monterey Water System Well Summaries

Region	Well Name/Number	Well Capacity (gpm)	Well Capacity (MGD)
Upper Carmel Valley	Los Laureles No. 5	250	0.36
	Los Laureles No. 6	450	0.65
	Garzas No. 3	220	0.32
	Garzas No. 4	220	0.32
	Panetta No. 1	250	0.36
	Panetta No. 2	300	0.43
	Robles Del Rio No. 3	580[1]	0.84
	Russell Well No. 2	Inactive	–
	Russell Well No. 4	Inactive	–
Subtotal		2,270	3.27
Lower Carmel Valley	Rancho Canada No. 1	1,150	1.66
	Cypress No. 1	1,500	2.16
	Pearce No. 1	1,500	2.16
	Schulte No. 2	1,250	1.80
	Manor No. 2	125	0.18
	Begonia	1,600	2.30
	Berwick No. 8	985	1.42
	Scarlett No. 8	Inactive	–
Subtotal		8,110	11.68
Seaside	Plumas No. 4	192	0.28
	LaSalle No. 2	Monitoring	–
	Darwin No. 1	Monitoring	–
	Luzern No. 2	640	0.92
	Ord Grove No. 2	1,000	1.44
	Paralta No. 1	1,350	1.94
	Military No. 1	Inactive	–
	Playa No. 3	350	0.50
	Santa Margarita No. 1	1,700	2.45
	Santa Margarita No. 2[2]	1,700	2.45
	Seaside Middle School No. 3	1,250	1.80
	Seaside Middle School No. 4	1,700	2.45
Subtotal		9,882	14.23
Ryan Ranch	Ryan Ranch No. 7	70[3]	0.10
Bishop	Bishop Well No. 1	410	0.59
Hidden Hills	Bay Ridge Well	361	0.52
	Standex Well	Inactive	–

1Was inactive in 2018

2 ASR well couplets; only one well operated in production at a time; Santa Margarita site owned by the District

3 For single well satellite systems, redundancy is achieved through emergency interties

gpm = gallons per minute; MGD = million gallons per day

Source: District 2019

Table 2-2 Summary of Water Treatment Facilities

Facility Name	Type	Age	Capacity (MGD)
Begonia Iron Removal Plant	Iron and manganese filtration	Originally built in 1975, upgraded in 2001	16.9
Ord Grove Treatment Plant	Chemical disinfection	N/A	N/A
Luzern GAC Filtration System	Granular activated carbon filtration, hydrogen sulfide removal	N/A	
Ryan Ranch Water Treatment Plant	Greensand pressure filtration plant for iron, manganese and arsenic removal	Originally built in 1981 with upgrades made in 2007	0.22
Bishop Water Treatment Plant	Chemical disinfection	N/A	N/A
Hidden Hills Water Treatment Plant	Chemical disinfection	Built in 2001	N/A

MGD = million gallons per day; N/A = not applicable

Source: District 2019

Planned Facilities

CalAm has proposed the Monterey Peninsula Water Supply Project (MPWSP), which includes construction and operation of a 6.4 million gallons per day (MGD) Desalination Plant with sub-surface intake wells and related infrastructure improvements to convey source water to the Desalination Plant, deliver product water, and dispose of brine. The MPWSP is proposed to augment pumping from the Carmel River and Seaside Groundwater Basin and provide a replacement water supply. The proposed Desalination Plant would provide a replacement supply of 6.4 MGD or 6,252 AFY. The MPWSP Desalination Plant is proposed to be located on a CalAm-owned parcel off Charles Benson Road in unincorporated Monterey County, north of the city of Marina and adjacent to the Monterey Peninsula Landfill and Materials Recovery Facility. The MPWSP Desalination Plant was originally anticipated to be commissioned in 2021, in order to meet the SWRCB order to reduce pumping of the Carmel River (refer to Section 2.4.1, *Water Supply Sources, Carmel River*). [5] However, due to delays in obtaining permits, it is unlikely to be online until 2022 or later. Other portions such as pipelines and pump stations have already been built or are under construction (CPUC & Monterey Bay National Marine Sanctuary 2018).

2.4.3 Water Supply Quality

The drinking water quality of the MWS must comply with the SDWA and its primary and secondary drinking water standards. A source water assessment for the MWS was completed in February 2003 and found that possible contaminating activities to which the MWS is most vulnerable include the following sources: airport maintenance and fueling areas, automobile gas stations, dry cleaners, high-density housing, military installations, National Pollutant Discharge Elimination System/Waste

[5] Environmental impacts from construction of the MPWSP Desalination Plant were analyzed under a separate environmental review process, the MWSP Environmental Impact Report/Environmental Impact Statement (EIR/EIS). It is important to note that this EIR does not analyze impacts associated with construction or operation of the 6.4 MGD Desalination Plant, which was already reviewed and approved by the CPUC as part of the MWPSP EIR/EIS. On September 13, 2018, the CPUC certified the combined MWSP EIR/EIS, approved a modified (6.4 MGD Desalination Plant) project, adopted settlement agreements, and issued a Certificate of Public Convenience and Necessity. Although the MWSP EIR is certified, CalAm is still in the process of acquiring all necessary permits. If all the required permits are received and the MWSP is proceeding at the time the potential acquisition is performed, the District intends to acquire the 6.4 MGD Desalination Plant and all pertinent contracts, lands, and easements.

Discharge Requirements (WDR) permitted discharges, parks, storm drain discharge permits, low- and high-density septic systems, and water supply wells (CalAm 2018).

Water quality sampling is performed at various sampling points within the MWS to ensure compliance with regulatory standards. Based on 652 tests on 25,239 water samples for 2,994 constituents, there have been no contaminants detected that exceed any federal or State drinking water standards (CalAm 2018).

2.5 Project Characteristics

The District is proposing to acquire the MWS that currently serves the majority of the incorporated area of the District's service area, as well as two small outlying areas located in a portion of unincorporated Monterey County. Connections outside the District boundaries include approximately 33 residential connections within the Main component of the MWS located at Yankee Point and approximately 10 residential connections in the Hidden Hills component of the MWS. These portions of the Main and Hidden Hills MWS components are physically and functionally connected to the much larger portion of the MWS located within the District's boundary. As a result, if the MWS is acquired by the District it would be less practical to have CalAm continue to be the retail service provider to these connections as it is not practical for these components to operate independently. As a result, the proposed project would also include an annexation of these areas into the District service area. Connections to the MWS located outside the District boundary in Monterey County would be served by the District and no change in service to those connections would occur as a result of the proposed project.[6] However, once annexed, these areas would be subject to District rules and regulations, including those for water use and conservation.

As noted in Section 2.4, the MWS is currently owned and operated by CalAm. As part of the proposed project, the District would purchase all rights and interests in the MWS from CalAm, including planned facilities such as the MPWSP Desalination Plant. As such, the District's proposed acquisition of the MWS would include all associated assets, (i.e., real, intangible, and personal property), including, but not limited to the following:

- Water systems and production wells
- Utility plants
- Vehicles and equipment
- Water rights
- Water supply contracts
- Records, books, and accounts
- Land, easements, and rental property

In addition to the District's acquisition of the MWS, the proposed project includes the District's subsequent operation of the MWS. The District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the physical MWS or to the associated water rights, nor is the District proposing any changes to the manner of operation of the MWS or the exercise of the associated water rights. The District would operate and maintain the system from CalAm's existing main office, located at 511 Forest Lodge Road #100 in Pacific Grove, as well as some additional duties from the District's existing administrative building, which is located at 5

[6] No Monterey County infrastructure is included in the proposed project nor would the County be involved in operation and maintenance of the MWS under the proposed project.

Harris Court, Building G in Monterey. Maintenance activities would occur at CalAm's existing operations center and corporate yard located adjacent to the David Avenue Reservoir in Pacific Grove, between Hillcrest Avenue and David Avenue on Carmel Avenue.

MWS Proposed to be Acquired

As described in Section 2.4.2, the MWS is reported to be comprised of the lease of one desalination plant, 33 water wells, six water treatment facilities, 614 miles of pipe, the Monterey Pipeline and Pump Station, 74 pump stations, 108 water storage facilities, and associated fire hydrants and distribution valves, among other assets. In addition, the MWS includes planned facilities associated with the MPWSP including the Carmel Pump Station, the 6.4 MGD Desalination Plant, and associated infrastructure improvements. In addition, there is property that generally supports MWS infrastructure and public utility rights-of-way, including 117 assessor parcels with a total area of approximately 4,753 acres; currently this land is owned by CalAm and is assumed to also be part of the project.

The MWS supplies approximately 9,800 AFY of water to customers within the MWS service area, which includes some customers outside of the District's boundary (Figure 2-2). Connections to the MWS located outside the District boundaries would continue to be served.

The District's acquisition of CalAm's interest in the MWS would include its water rights associated with the MWS, including the currently adjudicated water rights associated with the Seaside Groundwater Basin assigned to CalAm. The proposed acquisition of CalAm's water rights would require the District to meet the same standards in terms of replenishment of water supplies if it were to exceed established limits on withdrawals.

Operation and Maintenance

For the purpose of the technical analyses in this EIR, it is proposed that operation and maintenance activities would be managed from the same locations which they are currently performed, specifically from CalAm's main office at 511 Forest Lodge Road #100 in Pacific Grove, and CalAm's operation center and corporate yard in Pacific Grove at the David Avenue Reservoir, with some additional administrative duties performed at the District's administrative building located at 5 Harris Court, Building G in Monterey, CA. Additionally, it is assumed that the District would offer employment to approximately 77 of the 81 existing staff CalAm staff associated with the MWS and would add approximately 10 additional positions in District administration related to billing, finance, and customer service.[7] In total, there would be approximately 87 employees hired by the District associated with the MWS, which would be a net increase of approximately six employees as compared to existing conditions (87 District employees – 81 existing CalAm employees). In addition, it is assumed that CalAm would hire approximately six additional employees to operate and maintain the Central Satellites (e.g., one meter reader/utility worker, two operators, and three field crew).[8] As a result, is it assumed the project would result in a net increase of approximately 12 employees (approximately 6 District employees + approximately 6 CalAm employees).

[7] It is possible that some of the 77 existing CalAm employees who are offered employment by the District would instead pursue employment opportunities at CalAm or another employer or retire. In these events, the District would hire other employees to fill the open positions. Given the nature of these employment opportunities, it is likely that non-CalAm employees that would be hired by the District currently live in the Monterey Peninsula area.

[8] Although this scenario is possible, it is also possible that CalAm would utilize existing employees to operate and maintain the Central Satellites rather than hiring additional employees.

Fleet maintenance functions, including service and repair of primary system equipment, would be performed out of the existing CalAm operation center and corporate yard located at the David Avenue Reservoir in Pacific Grove, as well as other operations including minor equipment/tool repair and storage of the truck fleet, building materials, traffic control materials, plumbing equipment and tools, and other supplies. Customer service, billing, engineering and human resources functions would be performed from both the existing CalAm main office and the District's administrative office. The existing parking lots at all these facilities are sufficient to continue providing parking to all employee, guests, vendors, and consultants that may have business at the location. Given that these facilities have sufficient existing space and facilities to support operation and maintenance staff and activities, the proposed project would not involve construction of new facilities. In addition, regular business hours for operation and maintenance would continue as under existing operations.

It is assumed that CalAm would utilize a new corporate yard that would be located at a similar distance from the Central Satellites as the existing CalAm corporate yard in Pacific Grove. Although this scenario is possible, it is likely that CalAm would acquire a new corporate yard for its reduced fleet at a location that is closer to the Central Satellites, such as Ryan Ranch or Salinas. However, the assumption that the corporate yard would be located at a similar distance from the Central Satellites as existing conditions provides a more conservative analysis and is therefore used herein. It is anticipated that any office space and parking areas would be existing facilities leased by CalAm, rather than constructed as new facilities. The construction of new facilities is not anticipated and addressing specific physical impacts of such a facility would be speculative and is therefore not discussed further in this EIR.

Further, it is proposed that MWS infrastructure, including supply pipelines and storage tanks, would remain at existing locations within the existing MWS service area. Also, the District would operate the MWS and exercise the associated water rights in the same manner as CalAm has done. Other potential operational scenarios for the system are considered in Section 6, *Alternatives*, of this document as required under CEQA.

2.6 Project Objectives

The underlying purpose of the proposed project is for the District to acquire, operate, and maintain the MWS. The objectives of the proposed project are to implement the Purpose approved by the electorate in Measure J:

> To ensure the long-term sustainability, adequacy, reliability, cost-effectiveness and quality of water service within the Monterey Peninsula Water Management District area, to lower the cost of service to ratepayers, to promote and practice sustainable water management measures, and to establish public ownership of water system assets by establishing regulations requiring the District to take affirmative action, to the extent financially feasible, to acquire the water system assets owned and operated by the California American Water Company that currently provide water service to the District and its ratepayers.

The Purpose of Measure J furthered by this proposed project shall include the following aspects:

- Allow the citizens of the Monterey Peninsula to independently own and operate the water production and distribution system serving customers presently served by the CalAm's MWS
- Provide greater transparency and accountability to residents and businesses on the Monterey Peninsula regarding potable water supplies, as well as increased customer service and reliability

- Enhance customer service and responsiveness to affected CalAm customers
- Provide greater local control over the rate setting process and rate increases
- Provide direct access to locally elected policy makers for water operations
- Allow the District to pursue funding and other financing alternatives available to public agencies for future infrastructure needs, including grants and financing options not available to a CPUC-regulated, privately-owned utility
- Ensure better coordination amongst local governmental decisions involving land use, emergency services, policy, the location and need for capital improvements, and overall planning in the water context

2.7 Intended Uses of this EIR

2.7.1 Agencies Expected to Use this EIR

The following agencies are expected to use this EIR in their review or permitting of the project:

- The District in its capacity as the Lead Agency for the project
- SWRCB
- CPUC, as appropriate
- Local Agency Formation Commission (LAFCO) of Monterey County
- Regional Water Quality Control Board
- Monterey County Department of Public Health

2.7.2 Discretionary Approvals and Other Permits

Discretionary actions required by the District include the following approval:

- Approval by the District Board of Directors for acquisition of the MWS from CalAm

In addition, if the MWS is acquired through a negotiated purchase, the District will need to obtain approval from the CPUC for transfer of ownership and operation of the MWS from CalAm to the District. LAFCO of Monterey County, acting as a CEQA responsible agency, is anticipated to use the EIR in considering any proposed sphere of influence amendments, annexations of lands into District's jurisdictional boundary, activations of latent services or powers pursuant to Government Code section 56000 et seq., or other similar requested LAFCO approvals that effectuation of the project may entail.[9] Further, per Government Code Sections 56824.10-56824.14, the District also needs to obtain LAFCO approval to exercise its "latent power" to provide retail water service to customers in the entire MWS, which involves submitting and obtaining LAFCO approval for a plan of services, etc.[10] In addition, the Monterey County Department of Environmental Health may review and/or issue permits to the District for the District's operation of a drinking water system. Finally, the Regional Water Quality Control Board and/or SWRCB would review the District's operation of the drinking water system as part of permit issuance in compliance with the Statewide General

[9] Section 851 of the District's enabling law states that any changes to the District boundaries shall be approved through LAFCO in compliance with Government Code section 56000 et seq. as stated above.
[10] This assumes that the District's provision of retail water service to seven golf courses and a private high school, which has been occurring since 1994, is not sufficient to avoid the "latent power" provisions of the Knox-Cortese Act, which is a conservative, but likely, a correct assumption.

National Pollutant Discharge Elimination System Permit for Discharges from Drinking Water Systems.

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3 Environmental Setting

This section provides a general overview of the environmental setting for the proposed project. More detailed descriptions of the environmental setting for each environmental issue area can be found in Section 4, *Environmental Impact Analysis*.

3.1 Regional & Project Area Setting

The project area is located in Monterey County and is comprised of the Monterey Water System (MWS), an approximately 55 square-mile area currently served by California American Water (CalAm). The majority of the project area is within the Monterey Peninsula Water Management District (District) service area, with the remainder 2.2 square miles of the project area located outside the District's current service area. Specifically, approximately 33 connections are located directly south of the District's boundary at Yankee Point and approximately 10 connections are located immediately adjacent and to the east of the District boundary at Hidden Hills. The District and project boundaries are shown in Figure 2-3 in Section 2, *Project Description*. The project area is bordered by California State University, Monterey Bay (CSUMB) and the former Fort Ord to the north, unincorporated Monterey County to the east, the Big Sur coast and the Santa Lucia Mountains to the south, and the Pacific Ocean to the west.

The project area includes the cities of Carmel-by-the-Sea, Pacific Grove, Monterey, Del Rey Oaks, Sand City, and Seaside and extends into portions of unincorporated Monterey County, including the Carmel Highlands, as well as the inland areas of Carmel Valley and the Highway 68 corridor including Ryan Ranch and Toro. Along the coast, the landscape is somewhat varied; however, generally topography slopes west toward the Pacific Ocean at the Monterey Bay. Within the inland areas in the northern portion of the project area, including stretches along the Highway 68 corridor and within the Ryan Ranch, Hidden Hills and Bishop areas, the landscape is generally characterized by the rolling hills of the Sierra de Salinas Range. Inland areas in the southern portion of the project area include the Carmel Valley which consists of a relatively flat valley floor drained by the Carmel River. Finally, to the south is the Carmel Highlands, the entry to Big Sur, which consists of rugged coastal cliffs.

The Mediterranean climate of the region and coastal influence produce moderate temperatures year-round. Marine breezes cause winds from the northwest and west, which are strongest and most persistent in the spring and summer months. Further inland, temperatures are more extreme and rainfall is considerably less.

The territory currently served by the MWS is primarily residential in nature but also includes other land uses such as parks and open space as well as commercial, institutional, and industrial facilities. In general, the project area has developed most densely within the coastal cities and along major roadways, including State Route (SR) 1, SR 68, and Carmel Valley Road. SR 1 is a major north-south highway that runs along most of the Pacific coastline, SR 68 runs east-west and connects and serves as a major route between the Monterey Peninsula and Salinas and lastly, Carmel Valley Road runs through the mouth of the valley, generally following the Carmel River. Lands along the coast are the most developed with residential densities in these areas ranging from very low to high densities (1 dwelling unit per 5 acres or more, to 25 dwelling units per acre). Further inland the landscape is

more rural with rural and low density residential mixed within larger swaths of land preserved for agricultural and open space uses.

Additional resource area environmental setting is provided in Sections 4.1 through 4.7 of this Environmental Impact Report (EIR).

3.2 Baseline and Cumulative Development

3.2.1 EIR Baseline

Section 15125 of the *State California Environmental Quality Act (CEQA) Guidelines* states that an EIR "must include a description of the physical environmental conditions in the vicinity of the project, as they exist at the time the notice of preparation [NOP] is published." Section 15125 states that this approach "normally constitute[s] the baseline physical conditions by which a lead agency determines whether an impact is significant."

This EIR evaluates impacts against existing conditions, which are generally conditions existing at the time of the release of the NOP (April 2020). It was determined that a comparison to current, existing baseline conditions would provide the most relevant information for the public, responsible agencies and decision-makers. However, it is important to note, on March 4, 2020 the Governor proclaimed a State of Emergency in California as a result of the threat of Coronavirus 2019 (COVID-19). On March 17, 2020 the Health Officer of the County of Monterey issued a Shelter In Place Order for the County of Monterey. The threat of COVID-19, as well as the subsequent State and County proclamations and orders, have resulted in temporary changes to the existing economic and physical conditions in California and Monterey County regionally and the Monterey Peninsula locally. Temporary changes to existing environmental conditions have included reduced vehicle traffic and associated noise and pollutant emissions, reduced electricity consumption. In addition, the timing and likelihood of cumulative development and regional buildout assumptions may be affected during or after the threat of COVID-19. The magnitude and duration of the State of Emergency and associated State and County orders, or future orders related to the threat of COVID-19 cannot be ascertained. Accordingly, the effect of COVID-19 on baseline and future environmental conditions effects of COVID-19 is currently speculative. CEQA Guidelines §15064(d)(3) states that:

> "An indirect physical change is to be considered only if that change is a reasonably foreseeable impact which may be caused by the project. A change which is speculative or unlikely to occur is not reasonably foreseeable."

Furthermore, CEQA Guidelines §15154 states that:

> "If, after thorough investigation, a Lead Agency finds that a particular impact is too speculative for evaluation, the agency should note its conclusion and terminate discussion of the impact."

It would be speculative for the EIR to assume what changes to baseline or cumulative baseline conditions might occur as a result of COVID-19 or the subsequent State and County proclamations and orders. Therefore, this topic is not discussed further in the EIR.

3.2.2 Cumulative Project Setting

In addition to the specific impacts of individual projects, CEQA requires EIRs to consider potential cumulative impacts of the proposed project. CEQA defines "cumulative impacts" as two or more individual impacts that, when considered together, are substantial or will compound other environmental impacts. Cumulative impacts are the combined changes in the environment that result from the incremental impact of development of the proposed project and other nearby projects. For example, transportation impacts of two nearby projects may be less than significant when analyzed separately but could have a significant impact when analyzed together. Cumulative impact analysis allows the EIR to provide a reasonable forecast of future environmental conditions and can more accurately gauge the effects of a series of projects.

CEQA requires cumulative impact analysis in EIRs to consider either a list of planned and pending projects that may contribute to cumulative effects or a forecast of future development potential. This EIR utilizes the list approach. Planned and pending projects in and near the project area are listed in Table 3-1. These projects are considered in the cumulative analyses in Section 4, *Environmental Impact Analysis*.

Table 3-1 Cumulative Projects List

Cumulative Project	Description	Project Status
Monterey County		
Monterey Peninsula Water Supply Project	The project includes construction and operation of a 6.4 million gallons per day (MGD) Desalination Plant with sub-surface intake wells and related infrastructure improvements to convey source water to the Desalination Plant, deliver product water, and dispose of brine. The MPWSP is proposed to augment pumping from the Carmel River and Seaside Groundwater Basin and provide a replacement water supply. The proposed Desalination Plant would provide a replacement supply of 6.4 MGD or 6,252 acre-feet per year (AFY).	Approved, permits pending
Expanded Pure Water Monterey	The project would include an expansion of capacity of the Pure Water Monterey Project,[1] the Advanced Water Purification Facility would be expanded from the current 5 MGD plant to up to 7.6 MGD maximum capacity plant to enable an increase in groundwater replenishment from 4 MGD to 7.6 MGD. The proposed improvements would provide a new supply of 2,250 acre-feet per year (AFY).	EIR not certified, project not approved
Salinas Valley Water Project Phase II	The project would capture and divert surface water from the Salinas River in order to further offset groundwater pumping in the Salinas River Groundwater Basin. The objectives of the project are to: halt the advancement of seawater intrusion, enhance the value of Phase 1 of the project, and effectively utilize the water allocated to Monterey County Water Resources Agency. The project would divert up to 135,000 AFY of water from the Salinas River for municipal, industrial, and/or agricultural uses in the Pressure and East Side subareas. The project includes two capture and diversion facilities located near the city of Soledad and city of Salinas, and associated conveyance and delivery facilities.	Project operation anticipated 2026

[1] See description in Section 2.4.1, *Water Supply Sources*, for a description of the Pure Water Monterey project.

Cumulative Project	Description	Project Status
Corral De Tierra Neighborhood Retail Village	Located at the intersection of Highway 68 and Corral de Tierra Road, approximately seven miles southwest of the city of Salinas, in the Toro area of Monterey County. The project includes approximately 100,000 square feet of commercial and office space.	Approved
Carmel Lagoon Ecosystem Protective Barrier and Scenic Road Protective Barrier Systems	The project involves implementing three project components: 1) ecosystem protective barrier; 2) scenic road protection structure; and 3) interim sandbar management plan. The project is a multi-objective, multi-year, multi-organizational effort to improve habitat for threatened and endangered species in the lower Carmel River and Lagoon, improve natural floodplain function, and protect public infrastructure, while maintaining existing level of flood protection to existing developed areas.	Approved
Carmel River Floodplain Restoration and Environmental Enhancement (CR FREE)	The project consists of two interdependent components: floodplain restoration and levee removal as well as construction of a causeway bridge on SR 1.	Approved
River View at Las Palmas Assisted Living Senior Facility	The project involves construction and operation of a senior assisted living facility on a 15.74-acre site.	Pending approval
Harper Canyon (Encina Hills) Subdivision EIR	The project includes subdivision of 344 acres into 17 residential lots ranging in size from 5.13 acres to 23.42 acres on 164 acres with a single 180-acre remainder parcel.	Approved
~~Ferrini Ranch Subdivision~~	~~The project includes subdivision of an approximately 866-acre property into 212 residential lots including 146 market-rate lots, 23 clustered lots for workforce housing units and 43 lots for Inclusionary housing units; one commercial parcel fronting on River Road; and 600 acres of open space.~~	~~Approved~~
East Garrison Specific Plan	The project includes a Specific Plan and mixed-use development of a 244-acre property located in the East Garrison area on the eastern edge of the former Fort Ord. The development would include single- and multi-family residential, commercial, office/professional, institutional, and recreational uses. The East Garrison Specific Plan proposes the construction of up to 1,470 residences, 75,000 square feet (sq ft) of commercial uses, 11,000 sq ft of public and institutional uses, 100,000 sq ft of artist/cultural/educational uses, approximately 50 acres of open space (including 12 acres of improved parks and trails), and associated roadways, landscaping, and utility infrastructure.	Construction began in 2014 with anticipated completion in 2020
Rio Ranch Marketplace	The project consists of commercial development of a 3.8-acre undeveloped infill site. The project would consist of a retail marketplace development and project plans are currently under development. Potential uses may include specialty grocer, retail shops, restaurants, cafes, and other consumer-oriented professional services. The project would require an Administrative Permit and design Approval for development in the “S” (Site Control) and “D” (Design Control) zoning districts.	Environmental review in progress

Cumulative Project	Description	Project Status
Fort Ord Dunes State Park Campground	The project involves construction and operation of a campground facility and associated infrastructure within Fort Ord Dunes State Park, including 45 RV sites and two host sites with electrical and water hookups, 10 hike/bike sites, and 43 tent sites; parking for 40 vehicles; restrooms with showers; a multi-purpose building; an outdoor campfire center; interpretation/viewing areas; renovated bunkers; an entrance station near the 1st Street underpass; modular structures; storage yard and maintenance shop; improved beach access/trails; one plumbed restroom with outdoor shower for beach use; a 200-foot wildlife/habitat corridor; internal campground trail network, trail improvements, and roadway improvements; and off-site utilities.	Approved, not built
Fort Ord Regional Trail and Greenway (FORTAG)	The FORTAG trail alignment includes approximately 27 miles of new paved trail, primarily on the inland side of SR 1 and connects with the existing Monterey Bay Coastal Recreation Trail at several locations on the coastal side of SR 1. The project primarily consists of three loops – a northern, central, and southern loop – that roughly encircle the city of Marina, the CSUMB campus, and the city of Seaside, respectively. On the north side of South Boundary Road, the trail would extend east to Rancho Saucito in Monterey and link to bike facilities in the Ryan Ranch Business Park. The proposed trail alignment also includes several spurs (included in the 27-mile length) that extend from the three loops to connect with existing bicycle/pedestrian infrastructure.	Approved
DeepWater Desal	The project involves construction of a 23 MGD desalination facility in Moss Landing estimated to produce 25,000 AFY of water to serve the Monterey Peninsula, Castroville, Salinas and parts of Santa Cruz County.	Approved, the project still requires many permits and remains speculative; however, project proponents continue to develop agreements and advance towards project approvals.
Interlake Tunnel	The project includes construction of a tunnel to divert water from Nacimiento Reservoir to San Antonio Reservoir that would have otherwise been spilt at Nacimiento Dam.	Approved, awaiting funds for ~~pending~~ construction
City of Marina		
The Dunes on Monterey Bay	The project consists of a mixed-use development with 1,237 dwelling units and 7,600 square feet of office space.	Approved, under construction
Marina Station	The project includes a mixed-use development with 1,360 residential dwelling units to include approximately 887 single family lots and 473 multi-family units. Development will include approximately 60,000 square feet of retail space, 144,000 square feet of office space, and 652,000 square feet of business park/industrial uses.	Approved, pending construction
Sea Haven (formerly Marina Heights)	The project consists of development of a community with residences, parks, and trails. Community would consist of three neighborhoods for a total of 1,050 residential units.	Approved, under construction

Cumulative Project	Description	Project Status
Cypress Knolls Senior Residential	The project includes a senior residential community with active-adult housing, care services, senior community center, and supportive amenities and services on 188 acres.	Approved, pending construction
Marina Downtown Vitalization Specific Plan	The project involves a redevelopment plan for Marina's 225-acre downtown area comprising mixed-use commercial, residential, educational, and civic uses. At full buildout, the plan would result in a net increase of 2,440 residential dwelling units, 718,000 square feet of multiple use, 70,000 square feet of office space, and 50,000 square feet of civic facilities, and a net decrease of 161,000 square feet of retail/service uses, 27,000 square feet of visitor-serving uses, and 270,000 square feet of industrial uses.	Undergoing environmental review
Mosaic Student Housing	The project includes demolition of two existing dwellings and construction of multi-family apartment (12 units).	Approved
Filighera Apartment Complex	The project consists of demolition of an existing single-family dwelling and construction of multi-family apartment (10 units).	Approved, pending permits
Veterans Transition Center Housing	The project includes attached multi-family transitional housing (71 units).	Approved
Shores at Marina	The project includes multi-family apartment (58 units).	Approved
Seacrest Apartments	The project consists of multi-family apartment (10 units).	Approved
Joby Aviation Manufacturing Facility Project	The project consists of the construction of a new 580,000 square foot single story steel manufacturing building which would be used for the production of light-weight, all-electric, vertical take-off and landing aircrafts. The building would be located at the Marina Municipal Airport.	Construction initiated, anticipated to be completed mid-2021
City of Del Rey Oaks		
Del Rey Oaks RV Resort	On a 53.6-acre site located north of Ryan Ranch Business Park, this project would develop 71 RV sites and a 7,670 square foot "great lodge" and a 2,025 square foot "operations building" on 17 acres in the first development phase. Total build out is 210 RV sites and 13,595 square feet of structures.	Approved, pending construction
Del Rey Oaks/Former Fort Ord Parcels	The project includes an approximately 340-acre mixed-use development east of General Jim Moore Boulevard along South Boundary Road.	Planning process
South Boundary Road Realignment and Roundabout	The project consists of a proposed realignment of South Boundary Road and installation of a new roundabout at the intersection with General Jim Moore Boulevard. Project would also include installation of a pedestrian and bicycle path on the south side of the realigned South Boundary Road toward Ryan Ranch Business Park.	Planning process

Cumulative Project	Description	Project Status
City of Seaside		
Campus Town Specific Plan	The project includes an approximately 122-acre community with 1,485 housing units, 250 hotel rooms, 75 youth hostel beds, 150,000 square feet of retail, dining, and entertainment, and 50,000 square feet of office, marketspace, and light industrial uses.	Approved
The Projects at Main Gate	The project is a mixed-use development including retail and entertainment. The development site is approximately 60 acres of vacant coastal land at the Main Gate of the former Fort Ord Army Base, adjacent to the CSUMB campus. The mixed-use project will include retail, entertainment, residential and hotel.	Approved, not built
Nurses Barracks	The project includes redevelopment of a site located on the former Fort Ord on Parker Flats Cutoff Road, on a 70.4-acre site, where former Nurses Barracks buildings were previously located, to create 40 apartments.	Application pending
Central Coast Veterans Cemetery	The project includes development of a cemetery to provide 106,476 gravesites with 81,040 columbaria and 25,436 casket burial sites to meet the needs of veterans for the following 100 years.	Phase 1 development complete; Phase 2 approved, pending construction
Seaside East	The project consists of approximately 580 acres of land east of General Jim Moore Boulevard zoned for residential, commercial, and recreational uses.	In the planning process
Gigling Road Widening	Widening Gigling Road to a four-lane arterial between General Jim Moore Boulevard and Eastside Road.	Approved, pending construction
Terrace and Broadway	The project includes development 105 units of mixed use multi family, townhomes and retail on 2.5 acres.	Approved, construction initiated
The Seaside Resort	The hotel project consists of 275 rooms, 175 timeshare units, and 125 custom residential fronting the Bayonet and Black Horse golf courses.	Approved, first stage complete, second stage under construction
Sand City		
The Collection at Monterey Bay	The project includes a 342-room coastal resort on the 26.46-acre site that may be constructed in two phases. Phase I is a 139-room hotel on a 7.9-acre site. Phase II is a coastal resort on a 16.25-acre site consisting of a 203 visitor rooms, a restaurant with banquet facilities, a health/wellness spa, parking, and other ancillary and related improvements, and public parking improvements on a 2.31-acre site.	Approved, pending construction
Catalina Lofts	The project consists of a 18,636 square foot mixed-use project on a 15,000 square foot vacant property with 8 residential units and 7 commercial units.	Approved land entitlement, awaiting issuance of building permit
South of Tioga	The project is a mixed-use development on 10.64-acre site replacing industrial uses with 356 residential units and a 216-room hotel, and a restaurant.	Demolition approved, planning process
Stepanek Mixed-Use Project	The project is an 8,000 square foot, 2-story mixed-use development on a 5,625 square foot parcel replacing existing commercial building with 1 residential unit and 1 commercial unit.	Approved land entitlement, awaiting plan check review

Cumulative Project	Description	Project Status
Dayton Residential Project	The project includes two new single-family homes (one with an accessory unit) on a property previously used as a fenced commercial yard.	Approved, under construction
San Juan Pool's Commercial Project	The project is a 7,000 square foot, 1-story, 2-unit metal frame commercial warehouse on an approximately 10,000 square foot parcel previously used as a commercial storage yard.	Approved, under construction
City of Monterey		
Monterey Motorsports Vehicle Storage	The project consists of an 88-unit commercial condominium vehicle storage facility.	Approved, under construction
FORA Business Park	The project includes a 100-acre business park north and south of South Boundary Road.	Planning process
Middlebury Institute of International Studies Master Plan	The project consists of a 20-year master plan including two five-year phases plus a third long-range phase, include moving most parking areas from the center to the edges of campus and concentrating faculty offices and classrooms around the new, green campus core.	Approved
City of Pacific Grove		
Monterey-Pacific Grove Area of Special Biological Significance (ASBS) Stormwater Management Project	The project includes diverting stormwater from the Greenwood Park and Congress Storm Drain Watersheds to the David Avenue Reservoir site, provide treatment, and deliver recycled water to irrigation sites throughout the city. Facilities include a 15-million-gallon storage reservoir and 8,800 lineal feet of recycled water distribution pipeline. The primary purpose of the project is to improve stormwater quality prior to being discharged into the ASBS, in accordance with State Water Resources Control Board standards. A secondary project purpose is to provide stormwater as a source of non-potable recycled water supply for local irrigation.	Construction ongoing

4 Environmental Impact Analysis

This section discusses the potential environmental effects for the specific issue areas that were identified through the Notice of Preparation and scoping process as having the potential to experience significant effects. A "significant effect" as defined by the *State CEQA Guidelines* Section 15382:

> a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project including land, air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance. An economic or social change by itself shall not be considered a significant effect on the environment but may be considered in determining whether the physical change is significant.

The assessment of each issue area begins with a discussion of the environmental setting related to the issue, which is followed by the impact analysis. In the impact analysis, the first subsection identifies the methodologies used and the "significance thresholds," which are those criteria adopted by the District and other agencies, universally recognized, or developed specifically for this analysis to determine whether potential effects are significant. The next subsection describes each impact of the proposed project, mitigation measures for significant impacts, and the level of significance after mitigation. Each effect under consideration for an issue area is separately listed in bold text with the discussion of the effect and its significance. Each bolded impact statement also contains a statement of the significance determination for the environmental impact as follows:

- **Significant and Unavoidable**. An impact that cannot be reduced to below the threshold level given reasonably available and feasible mitigation measures. Such an impact requires a Statement of Overriding Considerations to be issued if the project is approved per Section 15093 of the *State CEQA Guidelines*.
- **Less than Significant with Mitigation Incorporated**. An impact that can be reduced to below the threshold level given reasonably available and feasible mitigation measures. Such an impact requires findings under Section 15091 of the *State CEQA Guidelines*.
- **Less than Significant**. An impact that may be adverse but does not exceed the threshold levels and does not require mitigation measures. However, mitigation measures that could further lessen the environmental effect may be suggested if readily available and easily achievable.
- **No Impact.** The proposed project would have no effect on environmental conditions or would reduce existing environmental problems or hazards.

Following each environmental impact discussion is a list of mitigation measures (if required) and the residual effects or level of significance remaining after implementation of the measure(s). In cases where the mitigation measure for an impact could have a significant environmental impact in another issue area, this impact is discussed and evaluated as a secondary impact. The impact analysis concludes with a discussion of cumulative effects, which evaluates the impacts associated with the proposed project in conjunction with other planned and pending developments in the area listed in Section 3, *Environmental Setting*.

Section 15065 of the *State CEQA Guidelines* also requires the following specific issues be addressed as part of the environmental review for the project:

- The potential for the project to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory;
- Project impacts that are individually limited, but cumulatively considerable. ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects); and
- Environmental effects of the project which will cause substantial adverse effects on human beings, either directly or indirectly.

Section 4.7, *Effects Found Less Than Significant*, describes the potential effects of the project on plant and animal species populations, habitats, communities, and migratory patterns; describes the project's potential effects on important historical and prehistorical cultural resources; and describes the project's potential effects on tribal cultural resources on the project area. As discussed in this section, the project would not result in significant and unavoidable impacts to biological, cultural, or tribal cultural resources. Potential adverse environmental effects to human beings are discussed in Section 4.2, *Air Quality*, Section 4.3, *Greenhouse Gas Emissions,* Section 4.4, *Noise*, Section 4.7, *Transportation,* and Section 4.7, *Effects Found Less Than Significant*. As discussed above, each environmental analysis section of the EIR concludes with a discussion of the project's contribution to cumulative effects.

Also refer to the Executive Summary of this EIR, which summarizes all impacts and mitigation measures that apply to the project.

4.1 Air Quality

This section evaluates the potential impacts related to regional and local air quality associated with implementation of the proposed project.

4.1.1 Setting

a. Climate and Meteorology

Air quality is affected by the rate and location of pollutant emissions and by climatic conditions that influence the movement and dispersion of pollutants. Atmospheric conditions, such as wind speed, wind direction, and air temperature gradients, along with local and regional topography, influence the relationship between air pollutant emissions and air quality.

The California Air Resources Board (CARB) has established 15 air basins statewide. The project area is located in the North Central Coast Air Basin (NCCAB), which is the geographic scope for this analysis. The NCCAB is comprised of Monterey, Santa Cruz, and San Benito Counties and covers an area of 5,159 square miles. The Diablo Range marks the northeastern boundary and, together with the southern extent of the Santa Cruz Mountains, forms the Santa Clara Valley, which extends into the northeastern tip of the NCCAB. Further south, the Santa Clara Valley transitions into the San Benito Valley, which runs northwest to southeast with the Gabilan Range as its western boundary. To the west of the Gabilan Range is the Salinas Valley, which extends from Salinas at its northwestern end to King City at its southeastern end. The western side of the Salinas Valley is formed by the Sierra de Salinas, which also forms the eastern side of the smaller Carmel Valley. The coastal Santa Lucia Range defines the western side of the Carmel Valley (Monterey Bay Air Resources District [MBARD] 2008).

The semi-permanent high-pressure cell in the eastern Pacific (known as the Pacific High) is the basic controlling factor in the climate of the NCCAB. In the summer, the Pacific High pressure cell is dominant and causes persistent west and northwest winds over the entire California coast. Air descends in the Pacific High pressure cell, forming a stable temperature inversion of hot air over a layer of cool coastal air. The onshore air currents pass over cool ocean waters to bring fog and relatively cool air into the coastal valleys. The warmer air loft acts as a lid to inhibit vertical air movements (MBARD 2008).

The generally northwest to southeast orientation of mountainous ridges tends to restrict and channel the summer onshore air currents. Surface heating in the interior portion of the Salinas and San Benito Valleys creates a weak low pressure system which intensifies the onshore air flow during the afternoon and evening. In the fall, the surface winds become weak, and the marine layer grows shallow, dissipating altogether on some days. The air flow is occasionally reversed in a weak offshore movement, and the relatively stationary air mass is held in place by the Pacific High pressure cell, which allows pollutants to build up over a period of a few days. It is most often during this season that north or east winds develop to transport pollutants from either the San Francisco Bay Area or the Central Valley into the NCCAB (MBARD 2008).

During the winter, the Pacific High pressure cell migrates southward and has less influence on the NCCAB. Air frequently flows in a southeasterly direction out of the Salinas and San Benito Valleys, especially during night and morning hours. Northwest winds are nevertheless still dominant in winter, but easterly flow is more frequent. The general absence of deep, persistent inversions along with occasional storm systems usually results in good air quality for the NCCAB in winter and early

spring (MBARD 2008). The project area is located to the east and south of Monterey Bay, a 25-mile wide inlet that allows marine air at low levels to penetrate the interior.

b. Air Pollutants of Primary Concern

Primary criteria pollutants are emitted directly from a source (e.g., vehicle tailpipe, an exhaust stack of a factory, etc.) into the atmosphere. Primary criteria pollutants include carbon monoxide (CO), nitrogen dioxide (NO_2), fine particulate matter (PM_{10} and $PM_{2.5}$), sulfur dioxide (SO_2), and lead (Pb). Ozone (O_3) is considered a secondary criteria pollutant because it is created by atmospheric chemical and photochemical reactions between volatile organic compounds (VOC)[1] and nitrogen oxides (NO_X). The characteristics, sources, and health and atmospheric effects of criteria air pollutants and toxic air contaminants (TACs) are described below.

Ozone

Ozone is a colorless gas with a pungent odor. Most O_3 in the atmosphere is formed as a result of the interaction of ultraviolet light, VOCs, and NO_X. NO_X is formed during the combustion of fuels, while VOCs are formed during combustion and evaporation of organic solvents. Because O_3 requires sunlight to form, it mostly occurs in substantial concentrations between the months of April and October. Ozone has direct human health effects. Short-term effects include eye irritation, shortness of breath, asthma attacks, and respiratory irritation that can increase risk of respiratory infection and susceptibility to pulmonary inflammation. Long-term exposure can increase the risk of mortality and increase the incidence of asthma and cardiovascular harm (e.g., heart attacks, heart disease, strokes) among populations (United States Environmental Protection Agency [USEPA] 2020a). Groups most sensitive to O_3 include children, the elderly, people with respiratory disorders, and people who exercise strenuously outdoors. Specifically, children and people who exercise strenuously outdoors are more sensitive to O_3 because they spend more time outdoors and inhale at a more rapid rate than the average adult (California Air Resources Board [CARB] 2020a).

Carbon Monoxide

Carbon monoxide is an odorless, colorless gas that causes a number of health problems including fatigue, headache, confusion, and dizziness. The incomplete combustion of petroleum fuels in on-road vehicles and at power plants is a major source of CO. Therefore, elevated concentrations are usually only found near areas of high traffic volumes. The use of wood stoves and fireplaces can also be a substantial local source of CO emissions. Carbon monoxide tends to dissipate rapidly into the atmosphere; consequently, elevated CO concentrations are generally associated with major roadway intersections during peak-hour traffic conditions. Specifically, localized CO "hotspots" can be created at intersections where traffic levels are sufficiently high such that the local CO concentration exceeds the National Ambient Air Quality Standards (NAAQS) of 35.0 parts per million (ppm) or the California Ambient Air Quality Standards (CAAQS) of 20.0 ppm. The health effects of CO are related to its affinity for hemoglobin in the blood. At high concentrations, CO reduces the

[1] Organic compound precursors of ozone are routinely described by a number of variations of three terms: hydrocarbons (HC), organic gases (OG), and organic compounds (OC). These terms are often modified by adjectives such as total, reactive, or volatile and result in a rather confusing array of acronyms: HC, THC (total hydrocarbons), RHC (reactive hydrocarbons), TOG (total organic gases), ROG (reactive organic gases), TOC (total organic compounds), ROC (reactive organic compounds), and VOC (volatile organic compounds). While most of these differ in some significant way from a chemical perspective, two groups are important from an air quality perspective: non-photochemically reactive in the lower atmosphere and photochemically reactive in the lower atmosphere (HC, RHC, ROG, ROC, and VOC). MBARD uses the term VOC to denote organic precursors.

amount of oxygen in the blood, causing dizziness, confusion, heart difficulties in people with chronic diseases, reduced lung capacity, and unconsciousness (USEPA 2016a).

Nitrogen Dioxide

Nitrogen dioxide is a by-product of fuel combustion, with the primary source being motor vehicles and industrial boilers and furnaces. The principal form of NO_2 is produced by combustion of nitric oxide (NO), but NO reacts rapidly to form NO_2, creating the mixture of NO and NO_2 commonly referred to as NO_X. NO_2 is an acute respiratory irritant and can increase the risk of acute and chronic respiratory diseases, particularly asthma. Long-term exposures to NO_2 can increase the incidence of asthma and susceptibility to respiratory infections. Nitrogen dioxide absorbs blue light and causes a reddish-brown cast to the atmosphere and reduced visibility. It can also contribute to the formation of particulate matter no more than 10 microns in diameter (PM_{10}) and acid rain (USEPA 2016b).

Sulfur Dioxide

SO_2 is a colorless, pungent, irritating gas formed primarily by the combustion of sulfur-containing fossil fuels. When SO_2 oxidizes in the atmosphere, it forms sulfur trioxide. Collectively, these pollutants are referred to as sulfur oxides (SO_X). In humid atmospheres, SO_2 can also form sulfuric acid mist, which can eventually react to produce sulfate particulates that can inhibit visibility. Fuel combustion is the major source of SO_2, while chemical plants, sulfur recovery plants, and metal processing are minor contributors. At sufficiently high concentrations, SO_2 irritates the upper respiratory tract. At lower concentrations, when in conjunction with particulates, SO_2 appears to do greater harm by injuring lung tissues. This compound also constricts the breathing passages, especially in people with asthma and people involved in moderate to heavy exercise. Sulfur dioxide causes respiratory irritation, including wheezing, shortness of breath, and coughing. Long-term SO_2 exposure has been associated with increased risk of mortality from respiratory or cardiovascular disease. Sulfur oxides, in combination with moisture and oxygen, can yellow leaves on plants, dissolve marble, and eat away iron and steel (USEPA 2019a).

Suspended Particulates

Suspended particulates are mostly dust particles, nitrates, and sulfates. They are a by-product of fuel combustion and wind erosion of soil and unpaved roads and are directly emitted into the atmosphere through these processes. Suspended particulates are also created in the atmosphere through chemical reactions. PM_{10} is small particulate matter measuring no more than 10 microns in diameter, while $PM_{2.5}$ is fine particulate matter measuring no more than 2.5 microns in diameter.

PM_{10} consists of particulate matter emitted directly into the air (e.g., fugitive dust, soot, and smoke from mobile and stationary sources, construction operations, fires, and natural windblown dust) as well as particulate matter formed in the atmosphere by condensation and/or transformation of SO_2 and VOCs. $PM_{2.5}$ can also be formed through secondary processes such as airborne reactions with certain pollutant precursors, including VOCs, ammonia, NO_X, and SO_X. Emissions of $PM_{2.5}$ are generally associated with combustion processes as well as formation in the atmosphere as a secondary pollutant through chemical reactions. Traffic generates particulate matter emissions through entrainment of dust and dirt particles that settle onto roadways and parking lots. PM_{10} and $PM_{2.5}$ are also emitted by burning wood in residential wood stoves and fireplaces and open agricultural burning.

Fine particulate matter is more likely to penetrate deep into the lungs and poses a serious health threat to all groups, but particularly to the elderly, children, and those with respiratory problems.

More than half of the small and fine particulate matter that is inhaled into the lungs remains there, which can cause permanent lung damage. These materials can damage health by interfering with the body's mechanisms for clearing the respiratory tract or by acting as carriers of an absorbed toxic substance. Acute and chronic health effects associated with high particulate levels include the aggravation of chronic respiratory diseases, heart and lung disease, and coughing, bronchitis and respiratory illnesses in children (USEPA 2018a).

Lead

Lead is a metal found naturally in the environment as well as in manufacturing products. The major sources of airborne Pb emissions historically have been mobile and industrial sources. However, as a result of phasing out leaded gasoline between 1975 and 1995, metal processing currently is the primary source of Pb emissions (USEPA 2013b). The highest level of Pb in the air is generally found near lead smelters. Other stationary sources include waste incinerators, utilities, and lead-acid battery manufacturers. Lead may cause a range of health effects, including anemia, kidney disease, and neuromuscular and neurological dysfunction (in severe cases) (USEPA 2017a). Ambient lead concentrations have been well below federal and state standards for decades and, as discussed in Section 4.1.1(c), *Current Air Quality*, are still below ambient air standards in the project area. Lead air emissions are not discussed in the analysis below due to low ambient levels, low levels from mobile source fuel emissions, and a lack of project-related stationary sources of lead emissions.

Toxic Air Contaminants

Public exposure to TACs is a significant environmental health issue in California. The California Health and Safety Code defines a TAC as "an air pollutant which may cause or contribute to an increase in mortality or in serious illness, or which may pose a present or potential hazard to human health." The majority of the estimated health risks from TACs can be attributed to relatively few compounds, the primary being particulate matter from diesel-fueled engines. According to CARB, diesel particulate matter emissions are believed to be responsible for about 70 percent of California's estimated known cancer risk attributable to toxic air contaminants and comprise about eight percent of outdoor $PM_{2.5}$ (CARB 2020b).

c. Current Air Quality

As the local air quality management agency, MBARD is required to monitor air pollutant levels to ensure that state and federal air quality standards are met and, if they are not met, to develop strategies to meet the standards. Table 4.1-1 summarizes the representative annual air quality data from the nearest CARB and USEPA monitoring stations between 2017 and 2019 for all criteria pollutants. As shown in Table 4.1-1, no state or federal standards were exceeded at these monitoring stations in the past three years except for the federal $PM_{2.5}$ standard, which was exceeded one day in 2017 and four days in 2018. Three of the four exceedances in 2018 that occurred on November 10, 11, and 17 are likely the result of wildfire smoke from the Camp Fire, which burned over 153,000 acres in Butte County between November 8 and November 25, 2018.

Table 4.1-1 Ambient Air Quality Data (2017 – 2019)

Pollutant	Standard	2017	2018	2019
Ozone (ppm), Worst 1-Hour[1]		0.073	0.062	0.071
Number of days above state standard	0.09 ppm	0	0	0
Ozone (ppm), 8-Hour Average[1]		0.066	0.054	0.064
Number of days above state or federal standard	0.070 ppm	0	0	0
Carbon Monoxide (ppm), Highest 8-Hour Average[2]		0.9	1.2	5.3
Number of days of above state or federal standard	9.0 ppm	0	0	0
Nitrogen Dioxide (ppm), Worst Hour[2]		0.034	0.047	0.030
Number of days above state standard	0.18 ppm	0	0	0
Number of days above federal standard	0.10 ppm	0	0	0
Sulfur Dioxide (ppm), Worst Hour[3]		0.0036	0.0069	0.00145
Number of days above state standard	0.25 ppm	0	0	0
Number of days above federal standard	0.075 ppm	0	0	0
Particulate Matter <10 microns (μg/m^3), Worst 24 Hours[4]		95.3	78.9	89.0
Number of days above state standard	50 μg/m^3	*	*	*
Number of days above federal standard	150 μg/m^3	0	0	0
Particulate Matter <2.5 microns (μg/m^3), Worst 24 Hours[1]		43.6	50.7	11.1
Number of days above federal standard	35 μg/m^3	1	4	0
Lead (μg/m^3), 3-Month Average[5]		0.07	0.08	0.07
Number of days above federal standard	0.15 μg/m^3	0	0	0

[1] Data sourced from CARB and USEPA at the nearest monitoring station located at 35 Ford Road (Tularcitos Elementary School) in Carmel Valley.

[2] Data sourced from USEPA at the nearest monitoring station located at 867 East Laurel Drive in Salinas.

[3] Data sourced from USEPA at the nearest monitoring station located at 158b Jackson Street in San Jose. No monitoring stations within the NCCAB report ambient SO2 concentrations.

[4] Data sourced from CARB and USEPA at the nearest monitoring station located at 415 Pearl Street in King City.

[5] Data sourced from USEPA at the nearest monitoring station located at 2500 Cunningham Avenue in San Jose. No monitoring stations within the NCCAB report ambient lead concentrations.

ppm = parts per million; μg/m3 = micrograms per cubic meter; CARB = California Air Resources Board; USEPA = United States Environmental Protection Agency; NCCAB = North Central Coast Air Basin; SO2 = sulfur dioxide

* Insufficient data was available to determine the value.

Sources: CARB 2020c; USEPA 2020b

Ambient air monitoring for CO has not occurred in the NCCAB since 2012 due to low background concentrations. The most recently reported maximum eight-hour average CO concentration, reported at the Salinas #3 monitoring station, was 1.39 ppm in 2012, which is well below the state standard of 9.0 ppm. Similarly, ambient air monitoring for SO_2 has not occurred in the NCCAB since 2009 due to low background concentrations. The most recently reported maximum 24-hour average SO_2 concentration, reported at the former Davenport monitoring station (located approximately 30 miles northwest of the project area in Santa Cruz County) was 0.004 ppm in 2009, which is well below the state 24-hour average SO_2 standard of 0.04 ppm (CARB 2020c).

d. Sensitive Receptors in the Project Area

Certain population groups are considered more sensitive to air pollution than others, particularly children, the elderly, and acutely ill and chronically ill persons, especially those with cardio-respiratory diseases. According to the MBARD *CEQA Air Quality Guidelines* (2008), sensitive receptors typically include residences, schools, healthcare facilities, and other live-in housing facilities such as prisons or dormitories. The project area is approximately 55 square miles with sensitive receptors throughout, including single- and multi-family residences, schools, and the Community Hospital of the Monterey Peninsula. Schools in the project area include:

- Carmel River Elementary School
- Robert Down Elementary School
- Monte Vista Elementary School
- Carmel River Elementary School
- Del Rey Woods Elementary School
- Ord Terrace Elementary School
- Pacific Grove Middle School
- Seaside Middle School
- Walter Colton Middle School
- Monterey High School
- Monterey Bay Charter School
- Pacific Grover High School
- All Saints Day School
- York School
- Santa Catalina School,
- International School of Monterey
- The Stevenson Schools
- Chartwell School
- San Carlos School
- Carmelo School
- Bay View Academy (Lower Campus and Upper Campus)
- Martin Luther King Jr. School of the Arts
- Monterey Bay Christian School
- Big Sur Charter School
- Forest Hill School
- Carmel High School
- Betty Balling School
- St. Dunstan's Montessori School
- Carmel Valley High School
- Cypress Continuation High School
- Seaside High School

- Monterey Peninsula College
- A number of preschools

4.1.2 Regulatory Setting

The federal Clean Air Act (CAA) governs air quality in the United States and is administered by the USEPA. In addition to being subject to federal requirements, air quality in California is also governed by more stringent regulations under the California CAA, which is administered by CARB at the state level and by the Air Quality Management Districts (AQMDs) at the regional and local levels. MBARD regulates air quality at the regional and local levels in Monterey County.

The federal and state governments have authority under the federal and state CAAs to regulate emissions of airborne pollutants and have established the NAAQS and the CAAQS for the protection of public health. An air quality standard is defined as "the maximum amount of a pollutant averaged over a specified period of time that can be present in outdoor air without harming public health" (CARB 2020d). The NAAQS have been established for six criteria pollutants: O_3, CO, NO_2, SO_2, $PM_{10,}$ $PM_{2.5}$, and Pb. The CAAQS have been established for these and other pollutants, and some of the CAAQS are more stringent than the federal standards (CARB 2020e and 2020f). The NAAQS and CAAQS are designed to protect those segments of the public most susceptible to respiratory distress, such as children under the age of 14, the elderly (over the age of 65), persons engaged in strenuous work or exercise, and people with cardiovascular and chronic respiratory diseases (USEPA 2016c). The federal and state CAAs are described in more detail below.

a. Federal Regulations

Clean Air Act

The federal CAA was enacted in 1970 and amended in 1977 and 1990 (42 United States Code [USC] 7401) for the purposes of protecting and enhancing the quality of the nation's air resources to benefit public health, welfare, and productivity. In 1971, to achieve the purposes of Section 109 of the CAA [42 USC 7409], the USEPA developed primary and secondary NAAQS for O_3, CO, NO_2, SO_2, $PM_{10,}$ $PM_{2.5}$, and Pb. The USEPA classifies specific geographic areas as either "attainment" or "nonattainment" areas for each pollutant based on the comparison of measured data with the NAAQS. States are required to adopt enforceable plans, known as a State Implementation Plans (SIPs), to achieve and maintain air quality meeting the NAAQS. State plans also must control emissions that drift across state lines and degrade air quality in downwind states. Table 4.1-2 lists the current federal standards for regulated pollutants. The NCCAB is currently designated attainment for all NAAQS (MBARD 2017).

Table 4.1-2 Federal and State Ambient Air Quality Standards

Pollutant	Federal Standard	California Standard
Ozone	0.070 ppm (8-hr avg)	0.09 ppm (1-hr avg) 0.070 ppm (8-hr avg)
Carbon Monoxide	35.0 ppm (1-hr avg) 9.0 ppm (8-hr avg)	20.0 ppm (1-hr avg) 9.0 ppm (8-hr avg)
Nitrogen Dioxide	0.100 ppm (1-hr avg) 0.053 ppm (annual avg)	0.18 ppm (1-hr avg) 0.030 ppm (annual avg)
Sulfur Dioxide	0.075 ppm (1-hr avg) 0.5 ppm (3-hr avg) 0.14 ppm (24-hr avg) 0.030 ppm (annual avg)	0.25 ppm (1-hr avg) 0.04 ppm (24-hr avg)
Lead	0.15 μg/m^3 (rolling 3-month avg) 1.5 μg/m^3 (calendar quarter)	1.5 μg/m^3 (30-day avg)
Particulate Matter (PM_{10})	150 μg/m^3 (24-hr avg)	50 μg/m^3 (24-hr avg) 20 μg/m^3 (annual avg)
Particulate Matter ($PM_{2.5}$)	35 μg/m^3 (24-hr avg) 12 μg/m^3 (annual avg)	12 μg/m^3 (annual avg)
Visibility-Reducing Particles	No Federal Standards	Extinction coefficient of 0.23 per kilometer – visibility of 10 miles or more (0.07 per kilometer – visibility of 30 miles or more for Lake Tahoe) due to particles when relative humidity is less than 70 percent (8-hr avg)
Sulfates	No Federal Standards	25 μg/m^3 (24-hr avg)
Hydrogen Sulfide	No Federal Standards	0.03 ppm (1-hr avg)
Vinyl Chloride	No Federal Standards	0.01 ppm (24-hr avg)

ppm= parts per million; avg = average; μg/m^3 = micrograms per cubic meter

Source: CARB 2016

To derive the NAAQS, the USEPA reviews data from integrated science assessments and risk/exposure assessments to determine the ambient pollutant concentrations at which human health impacts occur, then reduces these concentrations to establish a margin of safety (USEPA 2018b). As a result, human health impacts caused by the air pollutants discussed in Section 4.1.1(b), *Air Pollutants of Primary Concern*, may affect people when ambient air pollutant concentrations are at or above the concentrations established by the NAAQS. The closer a region is to attainting a particular NAAQS, the lower the human health impact is from that pollutant (Brief for San Joaquin Valley Unified Air Pollution Control District 2018). Accordingly, ambient air pollutant concentrations below the NAAQS are considered to be protective of human health (CARB 2020d and 2020e). The NAAQS and the underlying science that forms the basis of the NAAQS are reviewed every five years to determine whether updates are necessary to continue protecting public health with an adequate margin of safety (USEPA 2015).

Safer Affordable Fuel-Efficient Vehicles Rule

On September 27, 2019, the USEPA and the National Highway Safety Administration published the Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule Part One: One National Program. The Part One Rule revokes California's authority to set its own GHG emissions standards and zero-emission vehicle mandates in California. To account for the effects of the Part One Rule, CARB released off-model adjustment factors on November 20, 2019 to adjust criteria air pollutant emissions outputs from the EMFAC model.

b. State Regulations

California Clean Air Act

The California CAA was enacted in 1988 (California Health & Safety Code Section 39000 et seq.). Under the California CAA, the State has developed the CAAQS, which are generally more stringent than the NAAQS. Table 4.1-2 lists the current State standards for regulated pollutants. In addition to the federal criteria pollutants, the CAAQS also specify standards for visibility-reducing particles, sulfates, hydrogen sulfide, and vinyl chloride. Similar to the federal CAA, the California CAA classifies specific geographic areas as either "attainment" or "nonattainment" areas for each pollutant, based on the comparison of measured data within the CAAQS. The NCCAB is currently designated nonattainment-transitional[2] for the State ozone standards and nonattainment for the State PM_{10} standard, but is in attainment for all other State standards (MBARD 2017).

Toxic Air Contaminants

In 1983, the California Legislature enacted a program to identify the health effects of TACs and to reduce exposure to these contaminants to protect the public health (Assembly Bill 1807: California Health & Safety Code Sections 39650 to 39674). The Legislature established a two-step process to address the potential health effects from TACs: 1) risk assessment (or identification) and 2) risk management (or control).

The California Air Toxics Program establishes the process for the identification and control of TACs and includes provisions to make the public aware of significant toxic exposures and to reduce risk. Additionally, the Air Toxics "Hot Spots" Information and Assessment Act (Assembly Bill 2588) was enacted in 1987 and requires stationary sources to report the types and quantities of certain substances routinely released into the air. The goals of the Air Toxics "Hot Spots" Act are to collect emission data, identify facilities having localized impacts, ascertain health risks, notify nearby residents of significant risks, and reduce those significant risks to acceptable levels. The Children's Environmental Health Protection Act (Senate Bill 25 [Chapter 731, Escutia, Statutes of 1999]) focuses on children's exposure to air pollutants. The act requires CARB to review its air quality standards from a children's health perspective, evaluate the statewide air quality monitoring network, and develop any additional air toxic control measures needed to protect children's health.

State Implementation Plan

The SIP is a collection of documents that set forth the State's strategies for achieving the NAAQS. In California, the SIP is a compilation of new and previously submitted plans, programs (such as monitoring, modeling, and permitting), district rules, State regulations, and federal controls. CARB is

[2] Areas are designated as nonattainment-transitional for ozone if no monitoring location in the nonattainment area has recorded more than three exceedance days during the previous calendar year (California Code of Regulations Section 70303.5).

the lead agency for the SIP under state law. Local air districts and other agencies, such as the Department of Pesticide Regulation and the Bureau of Automotive Repair, prepare SIP elements and submit them to CARB for review and approval. CARB then forwards SIP revisions to the USEPA for approval and publication in the Federal Register. All of the items included in the California SIP are listed in 40 Code of Federal Regulations 52.220. The air pollution control district for each county adopts rules, regulations, and programs to attain federal and state air quality standards and appropriates money (including permit fees) to achieve these objectives. As the regional air quality management district, MBARD is responsible for preparing and implementing the portion of the SIP applicable to the NCCAB.

c. Regional Regulations

Monterey Bay Air Resources District

Local control in air quality management is provided by CARB through county-level or regional (multi-county) AQMDs. CARB establishes statewide air quality standards and is responsible for control of mobile emission sources, while the local APCDs are responsible for enforcing standards and regulating stationary sources. The project area is located in Monterey County, which is under the jurisdiction of MBARD.[3]

MBARD is responsible for assuring that the federal and State ambient air quality standards are attained and maintained in the NCCAB. The agency is also responsible for adopting and enforcing rules and regulations concerning air pollutant sources, issuing permits for stationary sources of air pollutants, inspecting stationary sources of air pollutants, responding to citizen complaints, monitoring ambient air quality and meteorological conditions, awarding grants to reduce motor vehicle emissions, conducting public education campaigns, and other activities.

In March 2017, MBARD adopted the *2012-2015 Air Quality Management Plan* (2015 AQMP) as an update to the 2012 AQMP. The 2015 AQMP assesses and updates elements of the 2012 AQMP, including ambient air quality data, emission inventory trends, information on ozone transport, control measures, mobile source programs, emission reduction strategies, and growth forecasts (MBARD 2017). The 2015 AQMP only addresses attainment of the State eight-hour ozone standard because in 2012, the USEPA designated the NCCAB as in attainment for the current national eight-hour ozone standard of 0.075 ppm. In October 2015, the federal eight-hour ozone standard was reduced to 0.070 ppm; however, the NCCAB continues to be in attainment with the federal eight-hour ozone standard (MBARD 2017).

MBARD also promulgates a number of rules and regulations, some of which would be applicable to existing and proposed operations and maintenance activities associated with the project. Relevant rules include, but are not limited to:

- **Rule 402 (Nuisances).** No person shall discharge from any source whatsoever such quantities of air contaminants or other materials which cause injury, detriment, nuisance, or annoyance to any considerable number of persons or to the public; or which endanger the comfort, repose, health, or safety of any such persons or the public; or which cause, or have a natural tendency to cause, injury or damage to business or property.
- **Rule 426 (Architectural Coatings).** This rule limits emissions of VOCs from the use of architectural coatings and sets VOC content limits for a variety of coating categories, including

[3] MBARD was formerly called the Monterey Bay Unified Air Pollution District; accordingly, documents authored by the Monterey Bay Unified Air Pollution District are cited as authored by MBARD in this document.

flat, nonflat, nonflat-high gloss, and specialty coatings. Specifically, Rule 426 limits the VOC content of flat coatings to 50 grams per liter and nonflat coatings to 100 grams per liter. Persons are prohibited from manufacturing, blending, repackaging for use, supplying, selling, soliciting, or applying architectural coatings that exceed these limits.

- **Rule 434 (Coating of Metal Parts and Products).** This rule limits emissions of VOCs from application of coatings to metal parts and products and sets VOC content limits for a variety of coating categories, including general and specialty, and for different application methods, such as baked and air-dried.

d. Local Regulations

The following sections detail air quality goals and policies from local general plans that would be applicable to the proposed project.

County of Monterey

The County of Monterey General Plan Conservation and Open Space Element (2010) contains the following goal and policies that would be applicable to the proposed project. The goal is supported by 15 policies that promote conservation of natural resources, encourage alternatives to vehicle transportation, and require compliance with MBARD regulations and pollution control measures.

Goal OS-10 Provide for the protection and enhancement of Monterey County's air quality without constraining routine and ongoing agricultural activities.

Policy OS-10.1 Land use policy and development decisions shall be consistent with the natural limitations of the County's air basins.

Policy OS-10.6 The MBARD's air pollution control strategies, air quality monitoring, and enforcement activities shall be supported.

City of Seaside

The City of Seaside General Plan Conservation/Open Space Element (2003) contains the following goal and policy that would be applicable to the proposed project. The goal and policy are supported by several implementation plans, which include coordination with MBARD, support of alternative transportation development, use of the California Environmental Quality Act to mitigate potential air quality impacts, and expansion of local retail and employment opportunities.

Goal COS-6 Protect and improve local and regional air quality.

Policy COS-6.1 Integrate air quality planning with land use, economic development, and transportation planning.

The City of Seaside is currently preparing *Draft Seaside 2040*, a comprehensive General Plan update, which includes updated goals and policies. The following policy under Goal HSC-1 in *Draft Seaside 2040* would be applicable to the proposed project (City of Seaside 2019):

Policy **Regional presence as sustainability partner.** Play an active role in the Association of Monterey Bay Area Governments and the development and implementation of the Sustainable Communities Strategy. Encourage land use patterns that encourage walking, conserve land, energy, and water resources, support active transportation, reduce vehicle trips, and improve air quality.

City of Monterey

The City of Monterey General Plan Conservation Element (2016) contains the following goal and policies that would be applicable to the proposed project:

Goal c Reduce fixed source and transportation-based air pollution.

Policy c.1 Reduce air pollution generated by motor vehicles by encouraging the use of public transit, carpooling, bicycles, and walking as alternatives. Policies to achieve these goals are found in the Circulation Element. Promote cooperation with local and state agencies to develop programs to reduce sources of air pollution.

Policy c.3 Promote cooperation with local and state agencies to develop programs to reduce sources of air pollution.

City of Del Rey Oaks

The City of Del Rey Oaks General Plan Natural Resources Element (1997) contains the following goal that would be applicable to the proposed project:

Goal C/OS-13 The City will encourage the improvement of air quality in Del Rey Oaks and in the region by implementing the measures described in the Monterey Bay Air Quality Management Plan. Such measures include, but are not limited to, measures to reduce dependence on the automobile and encourage the use of alternate modes of transportation such as buses, bicycling, and walking.

City of Sand City

The Sand City General Plan Conservation and Open Space Element (2002) includes the following goal and policies that would be applicable to the proposed project:

Goal 5.8 Minimize public health hazards due to air pollution and reduce the generation of air pollutants.

Policy 5.8.2 The City shall continue to work with MBARD and CARB in incorporating local and regional clean air plans into City planning activities.

Policy 5.8.6 The City shall encourage the use of alternative forms of transportation by incorporating public transit, bicycle, and pedestrian modes in County planning processes and by requiring new development to provide adequate pedestrian and bicycle facilities.

City of Pacific Grove

The Pacific Grove General Plan Health and Safety Element (1994) contains the following goal and policy that would be applicable to the proposed project:

Goal 3 Promote attainment, and insofar as possible, improve air quality in Pacific Grove and the Monterey Bay area.

Policy 12 Continue to support the efforts of the Transportation Agency for Monterey County to implement the Monterey County Congestion Management Plan.

City of Carmel-by-the-Sea

The Carmel-by-the-Sea General Plan/Local Coastal Plan Open Space and Conservation Element (2009) contains the following goals, objectives, and policy that would be applicable to the proposed project:

G7-3 To reduce release of airborne pollutants and contribution to greenhouse gases.

O7-3 Promote planning and programs that result in the reduction of airborne pollutants.

P7-9 Coordinate air quality planning efforts with local, regional, and state agencies, and evaluate the air quality impacts of proposed plans and development projects.

O7-4 Reduce vehicle trips and emissions, and improve vehicle efficiency, as a means of limiting the volume of pollutants generated by traffic.

4.1.3 Impact Analysis

a. Methodology and Significance Thresholds

Methodology

The analysis of air quality impacts conforms to the methodologies recommended in MBARD's *CEQA Air Quality Guidelines* (2008). This analysis considers air emissions associated with existing and future operation and maintenance activities of the proposed project, including emissions associated with vehicle trips along area roadways. Given that the proposed project does not include any new construction, no construction emissions would be generated, and this activity is not discussed further. This analysis focuses on emissions from operations and maintenance activities and the potential for the proposed project to produce air pollutant emissions beyond existing baseline conditions. Air emissions are analyzed based on the significance thresholds contained in Appendix G of the State CEQA Guidelines as well as the significance thresholds provided by MBARD.

Emissions Quantification

This analysis considers air emissions associated with operation and maintenance of the proposed project, including emissions from vehicles used to operate and maintain the water supply system. The proposed project would include the District's acquisition and subsequent operation of the Monterey Water System (MWS). The MWS would maintain its existing size and capacity, including, but not limited to, the lease of one desalination plant, 33 water wells, six water treatment facilities, 614 miles of pipe, the Monterey Pipeline and Pump Station, 74 pump stations, 108 finished water storage facilities, 3,496 fire hydrants, an estimated 12,000 distribution valves, and 117 assessor parcels with a total area of approximately 4,753 acres along with planned facilities associated with the Monterey Peninsula Water Supply Project, including the Carmel Pump Station, the 6.4 million gallon per day Desalination Plant, and associated infrastructure improvements. No new facilities are proposed under the project; however, operation and maintenance events may occur as part of the ongoing operation and maintenance of the system, similar to baseline conditions. As discussed in Section 2, *Project Description*, the District would operate the system out of the existing California American Water Company (CalAm) main office at 511 Forest Lodge Road, #100 in Pacific Grove, and therefore there would be little to no change in the length, distribution, or number of vehicle trips required to operate and maintain the MWS.

The District would offer employment to approximately 77 of the 81 existing staff CalAm staff associated with the MWS and would add approximately 10 additional positions in District administration related to billing, finance, and customer service.[4] In total, there would be approximately 87 employees hired by the District associated with the MWS, which would be a net increase of approximately six employees as compared to existing conditions (87 District employees – 81 existing CalAm employees). In addition, this analysis conservatively assumes that CalAm would hire approximately six additional employees to operate and maintain the Central Satellites (e.g., one meter reader/utility worker, two operators, and three field crew).[5] As a result, this analysis assumes the project would result in a net increase of approximately 12 employees (approximately 6 District employees + approximately 6 CalAm employees). As discussed in Section 4.5, Transportation, the net increase of approximately 12 employees would result in net increases of approximately 24 daily trips and approximately 600 daily VMT. The proposed project does not include acquisition of the Central Satellites, which are small stand-alone water systems throughout Monterey County that consist of the Ambler Park, Chualar, Garrapata, Ralph Lane, and Toro systems. CalAm would retain ownership of these facilities and would continue to perform operations and maintenance activities related to these facilities. Vehicle trips associated with the Central Satellites would be required for water quality sampling, inspections, repairs of leaks and breaks, backflow testing, dead-end flushing, meeting vendors for valve exercising or tank inspections, and meter reading, among other activities. As discussed in Section 4.5, Transportation, the project would result in net increases of approximately 38 maximum daily trips and approximately 414 maximum daily VMT associated with the Central Satellites.[6] In total, the project would result in net increases of approximately 62 daily trips (approximately 24 trips for employee commutes + 38 trips for Central Satellites) and approximately 1,014 daily VMT (600 VMT for employee commutes and 414 VMT for Central Satellites). These vehicle trips would emit criteria air pollutants during start-up and while in motion.

Criteria air pollutant emissions associated with the net change in vehicle trips and VMT under the proposed project were estimated using vehicle emissions factors (EFs) for the Monterey County region for year 2020 as reported by CARB's EMFAC2017 Web Database v1.0.2 tool for EMFAC2011 vehicle categories (CARB 2020g). It was assumed that all net new vehicle trips would be gasoline-fueled light-duty trucks (gross vehicle weight rating of less than 6,000 pounds and equivalent test weight less than or equal to 3,750 pounds; LDT1).[7] Additional model inputs include aggregated model years and aggregated speeds. This analysis uses EFs for year 2020, which is a conservative assumption given that the proposed acquisition would occur in a later year at which time vehicle fuel efficiency will have improved in accordance with federal and state regulatory standards, which will correspondingly decrease criteria air pollutant emissions. No adjustments to the EFs are needed to account for the SAFE Rule Part One because this rule only impacts fuel economy and emissions standards for years 2021 to 2050, not those for year 2020 (CARB 2019). The full output from the EMFAC2017 Web Database can be found in Appendix B.

[4] It is possible that some of the 77 existing CalAm employees who are offered employment by the District would instead pursue employment opportunities at CalAm or another employer or retire. In these events, the District would hire other employees to fill the open positions. Given the nature of these employment opportunities, it is likely that non-CalAm employees that would be hired by the District currently live in the Monterey Peninsula area. Regardless, the key metric for this analysis is the number of net new employees hired by the District after acquisition of the MWS, which would be six.

[5] Although this scenario is possible, it is also possible that CalAm would utilize existing employees to operate and maintain the Central Satellites rather than hiring additional employees. As such, this is a conservative assumption for the purposes of analysis.

[6] As further detailed in Section 4.5, *Transportation*, maximum daily trip estimates conservatively assume that all daily trips for each operations and maintenance activity would occur on the same day. In reality, it is likely that daily trips for different activities would occur on different days in any given month.

[7] Although this scenario is possible, it is likely that some vehicle trips would be made using light-duty automobiles (LDA), which emit fewer criteria air pollutants than light-duty trucks. However, the assumption that all vehicle trips would be made using LDT1 vehicles provides a more conservative estimate of mobile source emissions and is therefore used herein.

Human Health Impacts

The methodology in this report makes a reasonable effort to substantively connect any significant and unavoidable air quality impacts to the likely human health consequences, consistent with the California Supreme Court's decision regarding *Sierra Club v. County of Fresno* (Friant Ranch, L.P.) (2018). Project emissions that do not cause an exceedance of or contribute to a violation of the NAAQS or CAAQS would not have significant health impacts because the NAAQS and CAAQS are set to be protective of human health. MBARD bases its significance thresholds on the federal and California CAAs. MBARD's thresholds for evaluating VOC, NO_X, and CO emissions are consistent with the federal CAA de minimis thresholds.[8] The de minimis thresholds are used in the USEPA's general conformity process and are the emission levels at which an activity would not cause or contribute to a violation of the NAAQS, worsen an existing violation of the NAAQS, or delay attainment of the NAAQS (USEPA 2017b). Therefore, these thresholds are designed to be protective of public health because they are consistent with the NAAQS.

MBARD's thresholds for evaluating PM_{10} and SO_2 emissions are consistent with the emission thresholds established by MBARD Rule 207 (New Source Review) for requiring use of best available control technology (MBARD 2011).[9] The purpose of Rule 207 is to implement the requirements of the federal and California CAAs. Under the Prevention of Significant Deterioration program, the federal CAA requires emissions from new or modified stationary sources to be restricted in places where air quality currently exceeds one or more NAAQS. One of the purposes of the Prevention of Significant Deterioration program is to protect public health and welfare (USEPA 2019b). The California CAA requires each air district to implement a stationary source control program that achieves no net increase in emissions of criteria pollutants (or their precursors) for which the region is nonattainment (CARB 2020h). Therefore, these thresholds are designed to be protective of public health because they are consistent with the NAAQS and CAAQS.

Because project-level significance thresholds established by MBARD are set at the level at which a project would cause or have a cumulatively considerable contribution to an exceedance of a federal or state ambient air quality standard, these thresholds are protective of public health. Therefore, if a project's air pollutant emissions would not exceed the significance thresholds, the project would not cause or contribute to the human health impacts described under Section 4.1.1(b), *Air Pollutants of Primary Concern*.

Significance Thresholds

In accordance with Appendix G of the CEQA Guidelines, the proposed project would result in a significant impact to air quality if it would:

1. Conflict with or obstruct implementation of the applicable air quality plan
2. Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is in non-attainment under an applicable federal or state ambient air quality standard
3. Expose sensitive receptors to substantial pollutant concentrations

[8] The de minimis threshold for VOC and NO_X emissions in severe non-attainment areas is 25 tons per year, which equates to approximately 137 pounds per day (i.e., the MBARD significance threshold for operational VOC and NO_X emissions under CEQA). The de minimis threshold for CO emissions in maintenance areas is 100 tons per year, which equates to approximately 550 pounds per day (i.e., the MBARD significance threshold for operational CO emissions under CEQA).

[9] Per Table 4.1.1 in Rule 207, the emission thresholds for best available control technology are 82 pounds per day for PM_{10} and 150 pounds per day for SO_2 (i.e., the MBARD significance thresholds for operational PM_{10} and SO_2 emissions under CEQA).

4. Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people

To determine whether a significant air quality impact would occur, emissions generated by the proposed project were compared to MBARD's thresholds for operational emissions. Based on criteria set forth in MBARD's *CEQA Air Quality Guidelines* (2008), the proposed project's impacts on criteria air pollution would be significant if the proposed project would result in air pollutant emissions during construction or operation that exceed the thresholds in Table 4.1-3.

Table 4.1-3 Operational Air Quality Thresholds of Significance

Pollutant	Source	Threshold of Significance
VOC	Direct and Indirect	137 lbs/day
NO_X	Direct and Indirect	137 lbs/day
PM_{10}	On-site	82 lbs/day[2]
CO	Mobile	LOS at intersection/road segment degrades from D or better to E or F or V/C ratio at intersection/road segment at LOS E or F increases by 0.05 or more or delay at intersection at LOS E or F increases by 10 seconds or more or reserve capacity at unsignalized intersection at LOS E or F decreases by 50 or more
CO	Direct	550 lbs/day
SO_X, as SO_2	Direct	150 lbs/day

[1] This threshold only applies if construction is located nearby or upwind of sensitive receptors. In addition, a significant air quality impact related to PM_{10} emissions may occur if a project uses equipment that is not "typical construction equipment" as specified in Section 5.3 of the MBARD CEQA Guidelines.

[2] The District's operational PM_{10} threshold of significance applies only to on-site emissions, such as project-related exceedances along unpaved roads. These impacts are generally less than significant. For large development projects, almost all travel is on paved roads, and entrained road dust from vehicular travel can exceed the significance threshold.

Notes: lbs/day = pounds per day; PM_{10} = particulate matter with a diameter of 10 micrometers or less; VOC = volatile organic compounds; NO_X = oxides of nitrogen; CO = carbon monoxide; SO_X = oxides of sulfur; SO_2 = sulfur dioxide

Source: MBARD 2008

The CO thresholds provided by MBARD are designed to screen out from further analysis projects that would have a less than significant impact to CO; however, projects that exceed these thresholds would not necessarily result in a hotspot. Localized CO concentrations are primarily the result of the volume of cars along a road and the level of emissions generated by vehicles; restricted vehicular traffic flows can contribute to higher volumes of vehicles on a given roadway in a period of time, but are not the cause of high CO concentrations. Stringent vehicle emission standards in California have reduced the level of CO emissions generated by vehicles over time such that CO hotspots are rarely a concern, except for roadways with very high traffic volumes. The Bay Area Air Quality Management District (BAAQMD) has established a volume of 44,000 vehicles per hour as the level above which traffic volumes may contribute to a violation of CO standards (BAAQMD 2017). The NCCAB and the San Francisco Bay Area Air Basin (the jurisdiction of the BAAQMD, which is the air district immediately adjacent to MBARD to the north) are both in attainment for the CAAQS and NAAQS for carbon dioxide and have not reported exceedances of the CO standard at local monitoring stations for the last two decades (CARB 2020c; USEPA 2020b; BAAQMD 2017). Therefore, given the similar ambient air quality conditions for CO in both air basins, it is appropriate to use the BAAQMD threshold in this analysis. The BAAQMD threshold is applied in the following impact analysis if the proposed project exceeds the MBARD screening thresholds presented above to determine whether the proposed project would result in an exceedance of CO standards.

The MBARD provides several criteria for determining AQMP consistency based on the type of project. Criteria are provided for population-related projects (i.e., projects related directly to population growth such as residential projects and commercial/industrial/institutional projects intended to meet the needs of the population), non-residential population related commercial/industrial/institutional projects (e.g., hotels and motels); stationary and area source emissions projects subject to MBARD permit authority; wastewater treatment projects; and transportation projects. The proposed project does not precisely fall within any of these project types; however, because it is a water system that serves the needs of the population of the project area and includes equipment similar in nature to industrial land uses, it is best characterized as an industrial project intended to the meet the needs of the current and forecast population. According to MBARD (2008), an industrial project intended to meet the needs of the population would be inconsistent with the 2015 AQMP if the estimated current population of the county in which the project is to be located exceeds the population forecast for the appropriate five-year increment utilized in the AQMP. The project would also be inconsistent with the 2015 AQMP if operational emissions of ozone precursors would exceed the significance thresholds established by MBARD, which are intended to set the allowable limit that a project can emit without impeding or conflicting with the AQMP's goal of attaining ambient air quality standards (Duymich 2018). In either case, if the project would be inconsistent with the 2015 AQMP, it would also have a cumulatively considerable contribution to significant cumulative air quality impacts.

b. Project Impacts and Mitigation Measures

Threshold 1:	Would the project conflict with or obstruct implementation of the applicable air quality plan?

Impact AQ-1 THE PROPOSED PROJECT WOULD NOT CONFLICT WITH OR OBSTRUCT IMPLEMENTATION OF THE 2015 AQMP. NO IMPACT WOULD OCCUR.

The most recent air quality plan adopted by MBARD is the 2015 AQMP. The 2015 AQMP only addresses attainment of the State eight-hour ozone standard because in 2012, the USEPA designated the NCCAB as attainment for the then-current federal eight-hour ozone standard of 0.075 ppm. In October 2015, the federal eight-hour ozone standard was reduced to 0.070 ppm; however, the NCCAB continues to be in attainment with the federal eight-hour ozone standard (MBARD 2017).

A significant impact to air quality would occur if buildout of the proposed project would conflict with or obstruct implementation of the 2015 AQMP. MBARD uses growth forecasts provided by the Association of Monterey Bay Area Governments to project population-related emissions, which are used in developing the AQMP for the NCCAB. Because the proposed project is best characterized as an industrial project intended to the meet the needs of the current and forecast population, MBARD states that consistency with the AQMP should be determined by comparing the estimated current population of the county in which the project is to be located (i.e., Monterey County) with the applicable population forecast for the appropriate five-year increment utilized in the AQMP (MBARD 2008). If the estimated current population does not exceed the forecasts, emissions are deemed to be consistent with the AQMP.

The current population of Monterey County is estimated at 445,414 (California Department of Finance 2019). The proposed project would not directly induce additional population growth because it does not include construction of residential units. The project would require

approximately 12 net new District and CalAm employees. Given the nature of these employment opportunities, it is likely that these employees would be drawn from the existing workforce in Monterey County. However, for the purpose of this analysis, it is conservatively assumed that these approximately 12 net new employees would relocate from outside the area for the positions, and thus would be new residents of Monterey County.

The population growth projections used in the 2015 AQMP forecast that the population of Monterey County will reach approximately 447,516 residents by 2020 (MBARD 2017). The addition of two new residents would result in a total population of approximately 445,426 (445,414 + 12). Therefore, the current population of Monterey County plus the project's indirect population growth does not exceed the population forecast utilized in the 2015 AQMP for year 2020 and is therefore within the applicable assumptions of the air pollutant emissions forecast contained in the AQMP. Furthermore, as discussed under Impact AQ-2 below, operational emissions generated by the proposed project would not exceed MBARD thresholds for ozone precursor emissions. Therefore, the proposed project would not conflict with or obstruct the implementation of the 2015 AQMP. No impact would occur.

Mitigation Measures

No mitigation measures are required.

Threshold 2:	Would the project result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?

Impact AQ-2 THE PROPOSED PROJECT WOULD NOT RESULT IN A CUMULATIVELY CONSIDERABLE NET INCREASE OF ANY CRITERIA POLLUTANT FOR WHICH THE MBARD REGION IS IN NONATTAINMENT UNDER APPLICABLE FEDERAL OR STATE AMBIENT AIR QUALITY STANDARDS. THEREFORE, IMPACTS WOULD BE LESS THAN SIGNIFICANT.

As discussed in Section 4.1.2, *Regulatory Setting*, the NCCAB is currently designated nonattainment-transitional for the State ozone standards and nonattainment for the State PM_{10} standard, but is in attainment for all other federal and state standards.[10] Therefore, this analysis focuses on air quality impacts related to those criteria pollutants for which the NCCAB is nonattainment, which are ozone and PM_{10}.

As discussed under Section 4.5.3(a), *Methodology and Significance Thresholds*, this analysis assumes there would be little to no change in the length, distribution, or number of vehicle trips required to operate and maintain the MWS after its acquisition. Therefore, this analysis focuses on emissions generated by the net change in vehicle trips and VMT due to the net increase of approximately 12 employees hired by the District and CalAm as well as CalAm's operation and maintenance of the Central Satellites separately from the MWS following the District's acquisition. Vehicle trips associated with the net increase in employees would be required for home to work commute trips, and vehicle trips associated with the Central Satellites would be required for water quality sampling, inspections, repairs of leaks and breaks, backflow testing, dead-end flushing, meeting vendors for valve exercising or tank inspections, and meter reading, among other activities.

[10] Areas are designated as nonattainment-transitional for ozone if no monitoring location in the nonattainment area has recorded more than three exceedance days during the previous calendar year (California Code Section 70303.5).

Table 4.1-4 summarizes criteria air pollutant emissions generated by the potential net increases in daily vehicle trips and VMT under the proposed project. As shown therein, emissions of VOC, NO_X, CO, SO_2, PM_{10}, and $PM_{2.5}$ would not exceed MBARD thresholds. Therefore, impacts would be less than significant.

Table 4.1-4 Estimated Operational Emissions

Source	VOC	NO_X	CO	SO_X	PM_{10}	$PM_{2.5}$
Project Emissions (lbs/day)	**0.4**	**0.4**	**4.0**	**<0.1**	**0.1**	**<0.1**
MBARD Threshold	137	137	550	150	82	N/A
Threshold Exceeded?	No	No	No	No	No	N/A

VOC = volatile organic compounds; NO_X = oxides of nitrogen; CO = carbon monoxide; SO_X = oxides of sulfur; PM_{10} = particulate matter with a diameter of 10 micrometers or less; $PM_{2.5}$ = particulate matter with a diameter of 2.5 micrometers or less; lbs/day = pounds per day; N/A = not applicable (MBARD has not adopted a threshold for evaluating operational $PM_{2.5}$ emissions)

Notes: All numbers have been rounded to the nearest tenth.

Source: See Appendix B for emission calculations.

Following the District's acquisition of the MWS under the proposed project, it likely that the CalAm executive team and staff based out of San Diego and New Jersey would need to travel less often to the project area, Sacramento, and San Francisco for conferences, hearings, settlement meetings, and rate cases.[11] In addition, it is likely that some travel by various stakeholders (e.g., California Public Utilities Commission, other public agencies) and members of the public between San Francisco/Sacramento and the project area for hearings and other meetings would also be reduced. The potential reduction in travel associated with the MWS would result in reduced air pollutant emissions in the MBARD jurisdictional area, which would offset some or all of the emissions associated with the proposed project. However, specific information on the change in travel by the CalAm executive team and staff, various stakeholders, and members of the public is not available at this time, and there are multiple variables (e.g., shifting patterns of teleworking and regional and airline travel due to COVID-19) that may also affect future travel patterns. Therefore, this analysis conservatively does not quantify or take credit for this emission reduction. Nevertheless, the potential reduction in travel and associated air pollutant emissions would further reduce project impacts that are already less than significant.

As discussed in Section 4.1.2, *Regulatory Setting*, because the NCCAB is currently designated nonattainment-transitional for the State ozone standards and nonattainment for the State PM_{10} standard, significant adverse health impacts related to these pollutants are already occurring in the region. As discussed under Section 4.1.1(b), *Air Pollutants of Primary Concern*, the health impacts of ozone include respiratory and eye irritation and possible changes in lung functions, and the health impacts of PM_{10} include respiratory irritation, reduced lung function, aggravation of cardiovascular disease, and cancer. However, the disconnect between the tonnage of pollutants emitted and the localized concentrations of ozone and PM_{10} is important because it is not necessarily the tonnage of pollutants emitted that causes human health effects; rather, it is the concentrations of ozone and PM that cause these effects. As discussed in Section 4.1.3(a), *Methodology and Significance Thresholds*, because emissions of ozone precursors and PM_{10} would not exceed MBARD thresholds,

[11] It is possible that CalAm will re-locate its main California office to Sacramento in 2024; however, this EIR analyzes project impacts as compared to existing baseline conditions at the time of publication of the NOP (April 2020). As of April 2020, the CalAm headquarters remains in San Diego. Regardless, this analysis does not quantify or take credit for these potential trip reductions; as such, the location of the CalAm headquarters does not influence the analysis presented herein.

which are set at the levels at which a project would cause or have a cumulatively considerable contribution to an exceedance of a federal or state ambient air quality standard, the project's incremental contribution to these cumulative adverse health impacts would not be cumulatively considerable.

Mitigation Measures

No mitigation measures are required.

Threshold 3:	Would the project expose sensitive receptors to substantial pollutant concentrations?

Impact AQ-3 THE PROPOSED PROJECT WOULD NOT EXPOSE SENSITIVE RECEPTORS TO SUBSTANTIAL CONCENTRATIONS OF CO OR TACS. THEREFORE, IMPACTS WOULD BE LESS THAN SIGNIFICANT.

As discussed in Section 4.1.1(d), *Sensitive Receptors in the Project Area*, the project area is approximately 55 square miles with sensitive receptors throughout, including single- and multi-family residences, schools, and the Community Hospital of the Monterey Peninsula.

Carbon Monoxide Hotspots

As discussed in Section 4.5, *Transportation*, the proposed project would result in approximately 62 net new ADT on roadways in the project area. Areas with high vehicle density, such as congested intersections, have the potential to create localized CO hotspots and could potentially expose sensitive receptors to harmful levels of pollution. Localized CO "hotspots" can be created at intersections where traffic levels are sufficiently high such that the local CO concentration exceeds the NAAQS of 35.0 ppm or the CAAQS of 20.0 ppm.

Net new project-related trips would primarily utilize regional roadways (i.e., SR 1, SR 68 West, SR 68 East) to travel through the project area and surrounding region, and project-related ADT would increase traffic volumes on these roadways by between approximately 0.08 and 1.9 percent.[12] As discussed in Section 4.1.3(a), *Methodology*, the BAAQMD, which is the air district immediately adjacent to MBARD to the north, has determined that a volume of 44,000 vehicles per hour is the level above which traffic volumes may contribute to a violation of CO standards (BAAQMD 2017).[13] Average peak hour traffic on regional roadways in the project area ranges from 550 to 7,900 vehicles per hour; therefore, the addition of 62 project-related trips would not have the potential to increase existing traffic volumes to more than 44,000 vehicles per hour (California Department of Transportation 2020). As a result, the project would not expose sensitive receptors to substantial CO concentrations, and impacts would be less than significant.

[12] Only the vehicle trips associated with the Central Satellites that are within the project area would be attributable to the proposed project because the project would potentially result in duplication of vehicle trips in the project area due to operation and maintenance of the Central Satellites separately from the MWS. The number of vehicle trips outside the project area would remain the same as existing conditions because these trips would not be duplicated by separate operations for the Central Satellites and the MWS given that District employees would only travel as far as the project area boundary to service the MWS. Refer to Section 4.5, *Transportation,* for additional detail.

[13] The NCCAB and the San Francisco Bay Area Air Basin (the jurisdiction of the BAAQMD) are both in attainment for the CAAQS and NAAQS for carbon dioxide and have not reported exceedances of the CO standard at local monitoring stations for the last two decades (CARB 2020c; USEPA 2020b; BAAQMD 2017). Therefore, given the similar ambient air quality conditions for CO in both air basins, it is appropriate to use the BAAQMD threshold in this analysis.

Toxic Air Contaminants

Typical sources of acutely and chronically hazardous TACs identified by CARB include distribution centers, rail yards, ports, refineries, chrome plating facilities, dry cleaners, and gasoline dispensing facilities (CARB 2005). MBARD also identifies additional common sources of TACs including diesel-fueled internal combustion engines and parking areas for diesel-fueled heavy-duty trucks and buses (MBARD 2008). The proposed project would not include TAC sources; therefore, the proposed project would not result in the exposure of sensitive receptors to significant amounts of carcinogenic or toxic air contaminants. No impact would occur.

Mitigation Measures

No mitigation measures are required.

Threshold 4:	Would the project result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?

Impact AQ-4 **THE PROPOSED PROJECT WOULD NOT CREATE OBJECTIONABLE ODORS THAT WOULD ADVERSELY AFFECT A SUBSTANTIAL NUMBER OF PEOPLE. NO IMPACT WOULD OCCUR.**

Land uses typically producing objectionable odors include landfills, rendering plants, chemical plants, agricultural uses, wastewater treatment plants, and refineries (MBARD 2008). The existing MWS does not include these uses and therefore does not generate odors under baseline conditions. The proposed project would not change the nature or operations of the existing MWS infrastructure; therefore, the proposed project would not result in other emissions, such as those leading to odors, that would adversely affect a substantial number of people. No impact would occur.

Mitigation Measures

No mitigation measures are required.

c. Cumulative Impacts

The proposed project would result in no impact related to AQMP consistency, TACs, and odors; therefore, no cumulative impact would occur with respect to these issues.

Criteria Air Pollutant Emissions

According to MBARD, a project's cumulative air quality impacts should be evaluated for ozone, CO, and PM_{10} (MBARD 2008). The geographic scope for cumulative criteria air pollutant emission impacts is the NCCAB, which is comprised of Monterey, Santa Cruz, and San Benito counties. This geographic scope is appropriate for criteria air pollutants because air quality is affected by the climatic conditions, regional topography, and atmospheric conditions of a region. Development that is considered part of the cumulative analysis includes buildout of local city General Plans; county General Plans for the counties of Monterey, Santa Cruz, and San Benito; and other development projects proposed within the jurisdiction of MBARD.

Ozone

Because the area under the jurisdiction of MBARD is designated a nonattainment-transitional area for the State ozone standards, there is an existing significant cumulative air quality impact related to

ozone. According to MBARD, if the proposed project would be inconsistent with the AQMP, the proposed project would have a cumulatively considerable contribution to this significant cumulative air quality impact related to ozone (MBARD 2008). As discussed under Impact AQ-1, the proposed project would be consistent with MBARD's AQMP. Therefore, the proposed project would not have a cumulatively considerable contribution to the significant cumulative air quality impact related to ozone.

PM_{10}

Because the area under the jurisdiction of MBARD is designated a nonattainment area for the State PM_{10} standard, there is an existing significant cumulative air quality impact related to PM_{10}. According to MBARD, if the ambient PM_{10} levels exceed the CAAQS in the project area and the proposed project would emit more than 82 pounds of PM_{10} per day, the proposed project would have a cumulatively considerable contribution to this significant cumulative PM_{10} impact (MBARD 2008). As shown in Table 4.1-1, ambient air quality in the project area exceeded the CAAQS for PM_{10} in 2017, 2018, and 2019. However, as shown in Table 4.1-4 under Impact AQ-2, operation of the proposed project would not generate more than 82 pounds of PM_{10} emissions per day. Therefore, the proposed project would not have a cumulatively considerable contribution to the significant cumulative air quality impact related to PM_{10}.

Carbon Monoxide

According to MBARD, the proposed project would have a cumulatively considerable contribution to a significant cumulative CO impact if traffic under cumulative plus project conditions caused CO concentrations to exceed the NAAQS for CO of 35.0 ppm or the CAAQS for CO of 20.0 ppm (MBARD 2008). As discussed under *Methodology*, localized CO concentrations are the result of the volume of cars along a road and the level of emissions generated by vehicles, rather than the flow of traffic, and vehicle CO emissions have declined over time due to stringent state standards for vehicle emissions. In addition, vehicle CO emissions will continue to decline as more stringent standards are put in place. As discussed under Impact AQ-3, MBARD provides screening thresholds for CO hotspot impacts but does not have a standard for assessing whether a project's CO hotspot impacts would be significant. Therefore, the CO threshold from BAAQMD, which is the air district immediately adjacent to MBARD to the north, is utilized in this analysis. The NCCAB and the San Francisco Bay Area Air Basin (the jurisdiction of the BAAQMD) are both in attainment for the CAAQS and NAAQS for carbon dioxide and have not reported exceedances of the CO standard at local monitoring stations for the last two decades (CARB 2020c; USEPA 2020b; BAAQMD 2017). Therefore, given the similar ambient air quality conditions for CO in both air basins, it is appropriate to use the BAAQMD threshold in this analysis. BAAQMD has determined that a volume of 44,000 vehicles per hour is the level above which traffic volumes may contribute to a violation of CO standards (BAAQMD 2017). As discussed under Impact AQ-3, average peak hour traffic on regional roadways in the project area ranges from 550 to 7,900 vehicles per hour; therefore, it is unlikely that cumulative and cumulative plus project traffic volumes would have the potential to exceed 44,000 vehicles per hour (California Department of Transportation 2020). Therefore, there would be no significant cumulative impact related to CO hotspots at congested intersections, and the proposed project would not have a cumulatively considerable contribution to a significant cumulative impact associated with CO.

4.2 Greenhouse Gas Emissions

The following discussion focuses on the greenhouse gas (GHG) emissions associated with the proposed project as well as the project's consistency with applicable plans, policies, and regulations adopted for the purposes of reducing GHG emissions.

4.2.1 Setting

a. Climate Change and Greenhouse Gases

Climate change is the observed increase in the average temperature of the Earth's atmosphere and oceans along with other substantial changes in climate (such as wind patterns, precipitation, and storms) over an extended period. The term "climate change" is often used interchangeably with the term "global warming," but climate change is preferred because it conveys that other changes are happening in addition to rising temperatures. The baseline against which these changes are measured originates in historical records that identify temperature changes that occurred in the past, such as during previous ice ages. The global climate is changing continuously, as evidenced in the geologic record which indicates repeated episodes of substantial warming and cooling. The rate of change has typically been incremental, with warming or cooling trends occurring over the course of thousands of years. The past 10,000 years have been marked by a period of incremental warming, as glaciers have steadily retreated across the globe. However, scientists have observed acceleration in the rate of warming over the past 150 years. The United Nations Intergovernmental Panel on Climate Change (IPCC) expressed a high degree of confidence (95 percent or greater chance) that the global average net effect of human activities has been the dominant cause of warming since the mid-twentieth century (IPCC 2014).

Gases that absorb and re-emit infrared radiation in the atmosphere are called GHGs. The gases widely seen as the principal contributors to human-induced climate change include carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), fluorinated gases such as hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs), and sulfur hexafluoride (SF_6). Water vapor is excluded from the list of GHGs because it is short-lived in the atmosphere and natural processes, such as oceanic evaporation, largely determine its atmospheric concentrations.

GHGs are emitted by natural processes and human activities. Of these gases, CO_2 and CH_4 are emitted in the greatest quantities from human activities. Emissions of CO_2 are usually by-products of fossil fuel combustion, and CH_4 results from off-gassing associated with agricultural practices and landfills. Human-made GHGs, many of which have greater heat-absorption potential than CO_2, include fluorinated gases and SF_6 (United States Environmental Protection Agency [U.S. EPA] 2020). Different types of GHGs have varying global warming potentials (GWP). The GWP of a GHG is the potential of a gas or aerosol to trap heat in the atmosphere over a specified timescale (generally, 100 years). Because GHGs absorb different amounts of heat, a common reference gas (CO_2) is used to relate the amount of heat absorbed to the amount of the gas emitted, referred to as "carbon dioxide equivalent" (CO_2e), and is the amount of GHG emitted multiplied by its GWP. Carbon dioxide has a 100-year GWP of one. By contrast, methane has a GWP of 28, meaning its global warming effect is 28 times greater than carbon dioxide on a molecule per molecule basis (IPCC 2015).

The accumulation of GHGs in the atmosphere regulates the earth's temperature. Without the natural heat-trapping effect of GHGs, the earth's surface would be about 34 degrees Celsius (°C) cooler (California Environmental Protection Agency 2006). However, emissions from human

activities, particularly the consumption of fossil fuels for electricity production and transportation, are believed to have elevated the concentration of these gases in the atmosphere beyond the level of concentrations that occur naturally.

b. Greenhouse Gas Emissions Inventory

Global Emissions Inventory

Worldwide anthropogenic emissions of GHGs were approximately 46,000 million metric tons (MMT or gigatonne) of CO_2e in 2010 (IPCC 2014). Carbon dioxide emissions from fossil fuel combustion and industrial processes contributed about 65 percent of total emissions in 2010. Of anthropogenic GHGs, carbon dioxide was the most abundant, accounting for 76 percent of total 2010 emissions. Methane emissions accounted for 16 percent of the 2010 total, while nitrous oxide and fluorinated gases accounted for 6 percent and 2 percent respectively (IPCC 2014).

Federal Emissions Inventory

Total United States (U.S.) GHG emissions were 6,676.6 MMT of CO_2e in 2018. Since 1990, total U.S. emissions have increased by an average annual rate of 0.13 percent for a total increase of 3.7 percent since 1990. Emissions increased by 2.9 percent from 2017 to 2018. The increase from 2017 to 2018 was primarily the result of increased fossil fuel combustion due to several factors, including increased energy use from greater heating and cooling needs due to a colder winter and hotter summer in 2018 as compared to 2017. In 2018, the industrial and transportation end-use sectors accounted for 29 percent and 28 percent, respectively, of GHG emissions while the residential and commercial end-use sectors each accounted for 16 percent of GHG emissions with electricity emissions distributed among the various sectors (U.S. EPA 2020).

California Emissions Inventory

Based on the California Air Resource Board's (CARB) California Greenhouse Gas Inventory for 2000-2017, California produced 424.1 MMT of CO_2e in 2017. The major source of GHG emissions in California is transportation, contributing 41 percent of the state's total GHG emissions. The industrial sector is the second largest source, contributing 24 percent of the state's GHG emissions, while electric power accounts for approximately 15 percent (CARB 2019). California emissions are due in part to its large size and large population compared to other states. However, a factor that reduces California's per capita fuel use and GHG emissions, as compared to other states, is its relatively mild climate. In 2016, the State of California achieved its 2020 GHG emission reduction target as emissions fell below 431 MMT of CO_2e (CARB 2019). The annual 2030 statewide target emissions level is 260 MMT of CO_2e (CARB 2017).

c. Potential Effects of Climate Change

Globally, climate change has the potential to affect numerous environmental resources though potential impacts related to future air temperatures and precipitation patterns. Scientific modeling predicts that continued GHG emissions at or above current rates would induce more extreme climate changes during the 21st century than were observed during the 20th century. Each of the past three decades has been warmer than all the previous decades in the instrumental record, and the five warmest years in the 1880-2019 record have all occurred since 2015 with nine of the 10 warmest years occurring since 2005. The observed global mean surface temperature in 2019 was approximately 0.95°C (1.71 degrees Fahrenheit) higher than the average global mean surface

temperature over the period from 1880 to 2019 (National Oceanic and Atmospheric Administration 2019). Furthermore, several independently analyzed data records of global and regional Land-Surface Air Temperature obtained from station observations jointly indicate that Land-Surface Air Temperature and sea surface temperatures have increased. Due to past and current activities, anthropogenic GHG emissions are increasing global mean surface temperature at a rate of 0.2°C per decade. In addition to these findings, there are identifiable signs that global warming is currently taking place, including substantial ice loss in the Arctic over the past two decades (IPCC 2014 and 2018).

According to *California's Fourth Climate Change Assessment*, statewide temperatures from 1986 to 2016 were approximately 0.6 to 1.1°C higher than those recorded from 1901 to 1960. Potential impacts of climate change in California may include reduced water supply from snowpack, sea level rise, more extreme heat days per year, more large forest fires, and more drought years (State of California 2018). While there is growing scientific consensus about the possible effects of climate change at a global and statewide level, current scientific modeling tools are unable to predict what local impacts may occur with a similar degree of accuracy. In addition to statewide projections, *California's Fourth Climate Change Assessment* includes regional reports that summarize climate impacts and adaptation solutions for nine regions of the state and regionally-specific climate change case studies (State of California 2018). A summary follows of some of the potential effects that could be experienced in California as a result of climate change.

Air Quality

In Monterey County, annual average maximum temperatures are predicted to rise from a historical average of 70°F to 72°F by 2040 and 78°F by 2100 (State of California 2018). Higher temperatures are conducive to air pollution formation and could worsen air quality in California as they rise. Climate change may increase the concentration of ground-level ozone, but the magnitude of the effect, and therefore its indirect effects, are uncertain. As temperatures have increased in recent years, the area burned by wildfires throughout the state has increased, and wildfires have occurred at higher elevations in the Sierra Nevada Mountains (State of California 2018). If higher temperatures continue to be accompanied by an increase in the incidence and extent of large wildfires, air quality would worsen, but if higher temperatures are accompanied by wetter, rather than drier conditions, the rains would tend to temporarily clear the air of particulate pollution. This would effectively reduce the number of large wildfires, thereby ameliorating the pollution associated with them. In past years, fire sizes along the Central Coast have increased in conjunction with higher air temperatures in the month of ignition and low annual precipitation levels (State of California 2018). Increased wildfire incidence and severity would pose a substantial threat to the population of Monterey county, 14 percent of which lives in areas designated as high or very high risk in the California Department of Forestry and Fire Protection's Fire Hazard Severity Zone maps (State of California 2018). Severe heat accompanied by drier conditions and poor air quality could increase the number of heat-related deaths, illnesses, and asthma attacks throughout the state (California Natural Resources Agency 2009). Vulnerable populations in Monterey county, such as agricultural field workers, are especially at risk of experiencing adverse health impacts from severe heat conditions due to prolonged outdoor exposure (State of California 2018).

Water Supply

Analysis of paleoclimatic data (such as tree-ring reconstructions of stream flow and precipitation) indicates a history of naturally and widely varying hydrologic conditions in California and the west,

including a pattern of recurring and extended droughts. Uncertainty remains with respect to the overall impact of climate change on future precipitation trends and water supplies in California. Year-to-year variability in statewide precipitation levels has increased since 1980, meaning that wet and dry precipitation extremes have become more common (California Department of Water Resources 2018). This uncertainty regarding future precipitation trends complicates the analysis of future water demand, especially where the relationship between climate change and its potential effect on water demand is not well understood. The average early spring snowpack in the western U.S., including the Sierra Nevada Mountains, decreased by about 10 percent during the last century. During the same period, the sea level rose over 0.15 meter along the central and southern California coasts (State of California 2018). The Sierra snowpack provides the majority of California's water supply as snow that accumulates during wet winters is released slowly during the dry months of spring and summer. A warmer climate is predicted to reduce the fraction of precipitation that falls as snow and result in less snowfall at lower elevations, thereby reducing the total snowpack. Projections indicate that average spring snowpack in the Sierra Nevada and other mountain catchments in central and northern California will decline by approximately 66 percent from its historical average by 2050 (State of California 2018). Although the total number of days of precipitation is expected to decrease, Monterey county is forecast to experience an increase in annual precipitation levels of approximately two inches by 2040 and five inches by 2100, which means that future storms are likely to increase in intensity and/or precipitation levels in wet and dry years may become more extreme (State of California 2018).

Hydrology and Sea Level Rise

Climate change could affect the intensity and frequency of storms and flooding (State of California 2018). Furthermore, climate change could induce substantial sea level rise in the coming century. Rising sea level increases the likelihood of and risk from flooding. The rate of increase of global mean sea levels over the 2001-2010 decade, observed by satellites, ocean buoys, and land gauges, was approximately 3.2 millimeters per year, double the twentieth century trend of 1.6 millimeters per year. Global mean sea levels averaged over the last decade were about 0.20 meter higher than those of 1880 (World Meteorological Organization 2013). Sea levels along the Monterey coast have risen by approximately 1.39 millimeters per year from 1973 to 2016 (State of California 2018). Sea levels are rising faster now than in the previous two millennia, and the rise will probably accelerate, even with robust GHG emission control measures. The most recent IPCC report predicts a mean sea level rise of 0.25 to 0.94 meter by 2100 (IPCC 2018). A rise in sea levels could erode 31 to 67 percent of southern California beaches and cause flooding of approximately 370 miles of coastal highways during 100-year storm events. The city of Monterey and other low-lying coastal communities in the project area are particularly susceptible to risk of future coastal flooding due to low base elevations. Rising sea levels would also jeopardize California’s water supply due to seawater intrusion and induce groundwater flooding and/or exposure of buried infrastructure (State of California 2018). Cliffs have retreated across the Central Coast an average of 0.3 meter per year between the 1920s/1930 and 1988/2002 with the greatest retreat experienced south of the project area at Pfeiffer Beach in Big Sur (State of California 2018). In addition, the potential for climate change to exacerbate seawater intrusion is of particular concern in the project area given that it is an ongoing problem in the Salinas Valley Groundwater Basin, which underlies a portion of the project area (California Department of Water Resources 2004; State of California 2018). The upper aquifers in the Salinas Valley Groundwater Basin (180-foot aquifer and 400-foot aquifer which is north of the

Monterey Subbasin) along the coast are experiencing high salinity due to seawater intrusion.[1] Increased storm intensity and frequency could affect the ability of flood control facilities, including levees, to handle storm events.

Agriculture

California has a $50 billion annual agricultural industry that produces over a third of the country's vegetables and two-thirds of the country's fruits and nuts. Monterey County is the leading county in agricultural production in the Central Coast region with an approximately $4.4 billion agricultural industry (California Department of Food and Agriculture 2019; State of California 2018). Higher CO_2 levels can stimulate plant production and increase plant water-use efficiency, but if temperatures rise and drier conditions prevail, certain regions of agricultural production could experience water shortages of up to 16 percent. Rising temperatures would also increase water demand as hotter conditions lead to the loss of soil moisture; crop yield could be threatened by water-induced stress and extreme heat waves; and plants may be susceptible to new and changing pest and disease outbreaks (State of California 2018). Temperature increases could change the time of year certain crops, such as wine grapes, bloom or ripen and thereby affect their quality (California Climate Change Center 2006).

Ecosystems and Wildlife

Climate change and the potential resulting changes in weather patterns could have ecological effects on the global and local scales. Increasing concentrations of GHGs are likely to accelerate the rate of climate change. Scientists project that the annual average maximum daily temperatures in California could rise by 2.4 to 3.2°C in the next 50 years and by 3.1 to 4.9°C in the next century (State of California 2018). Soil moisture is likely to decline in many regions, and intense rainstorms are likely to become more frequent. Rising temperatures could have four major impacts on plants and animals: timing of ecological events; geographic distribution and range of species; species composition and the incidence of nonnative species within communities; and ecosystem processes, such as carbon cycling and storage (Parmesan 2006; State of California 2018).

4.2.2 Regulatory Setting

a. Federal Regulations

Federal Clean Air Act

The U.S. Supreme Court determined in *Massachusetts et al. v. Environmental Protection Agency et al.* ([2007] 549 U.S. 05-1120) that the U.S. EPA has the authority to regulate motor vehicle GHG emissions under the federal Clean Air Act. The U.S. EPA issued a Final Rule for mandatory reporting of GHG emissions in October 2009. This Final Rule applies to fossil fuel suppliers, industrial gas suppliers, direct GHG emitters, and manufacturers of heavy-duty and off-road vehicles and vehicle engines and requires annual reporting of emissions. In 2012, the U.S. EPA issued a Final Rule that established the GHG permitting thresholds that determine when Clean Air Act permits under the New Source Review Prevention of Significant Deterioration (PSD) and Title V Operating Permit programs are required for new and existing industrial facilities.

[1] According to the 2019 Salinas River Long-Term Management Plan, "seawater intrusion extends approximately 7 miles inland within the 180-foot aquifer and 4 miles inland in the 400-foot Aquifer." (Monterey County Water Resources Agency and State Coastal Conservancy 2019)

In *Utility Air Regulatory Group v. Environmental Protection Agency* (134 Supreme Court 2427 [2014]), the U.S. Supreme Court held the U.S. EPA may not treat GHGs as an air pollutant for purposes of determining whether a source can be considered a major source required to obtain a PSD or Title V permit. The Court also held that PSD permits otherwise required based on emissions of other pollutants may continue to require limitations on GHG emissions based on the application of Best Available Control Technology.

Safer Affordable Fuel-Efficient Vehicles Rule

On September 27, 2019, the U.S. E.PA and the National Highway Safety Administration published the Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule Part One: One National Program. The Part One Rule revokes California's authority to set its own GHG emissions standards and zero-emission vehicle mandates in California. To account for the effects of the Part One Rule, CARB released off-model adjustment factors on November 20, 2019 to adjust criteria air pollutant emissions outputs from the EMFAC model.

The U.S. EPA and the National Highway Traffic Safety Administration have finalized rulemaking for Part Two of the SAFE Vehicles Rule, which would revise corporate average fuel economy and CO_2 emissions standards for model years 2021-2026 passenger cars and trucks such that the standards increase by approximately 1.5 percent each year through model year 2026 as compared to the 2012 standards which required an approximately five percent annual increase (National Highway Traffic Safety Administration 2020). On April 30, 2020, Part Two of the SAFE Vehicles Rule was published in the Federal Register (85 Federal Register 24174) and will therefore be effective on June 29, 2020. CARB had not released off-model adjustment factors for GHG emissions.

b. State Regulations

CARB is responsible for the coordination and oversight of State and local air pollution control programs in California. There are numerous regulations aimed at reducing the state's GHG emissions. These initiatives are summarized below.

California Global Warming Solutions Act of 2006 (Assembly Bill 32 and Senate Bill 32)

The "California Global Warming Solutions Act of 2006," Assembly Bill (AB) 32, outlines California's major legislative initiative for reducing GHG emissions. AB 32 codifies the statewide goal of reducing GHG emissions to 1990 levels by 2020 and requires CARB to prepare a Scoping Plan that outlines the main State strategies for reducing GHG emissions to meet the 2020 target. In addition, AB 32 requires CARB to adopt regulations to require reporting and verification of statewide GHG emissions. Based on this guidance, CARB approved a 1990 statewide GHG level and 2020 target of 431 MMT of CO_2e. On December 11, 2008, CARB approved the Climate Change Scoping Plan, which included measures to address GHG emission reduction strategies related to energy efficiency, water use, and recycling and solid waste, among other sectors (CARB 2008). Many of the GHG emission reduction measures included in the Scoping Plan (e.g., Low Carbon Fuel Standard, Advanced Clean Car standards, and Cap-and-Trade) have been adopted since the plan's approval.

CARB approved the 2013 Scoping Plan Update in May 2014. The update defined CARB's climate change priorities for the next five years and set the groundwork to reach post-2020 statewide goals. The update highlighted California's progress toward meeting the "near-term" 2020 GHG emission reduction goals defined in the original Scoping Plan. It also evaluated how to align the State's longer

term GHG reduction strategies with other State policy priorities, including those for water, waste, natural resources, clean energy, transportation, and land use (CARB 2014).

On September 8, 2016, the governor signed Senate Bill (SB) 32 into law, extending the California Global Warming Solutions Act of 2006 by requiring the State to further reduce GHG emissions to 40 percent below 1990 levels by 2030 (the other provisions of AB 32 remain unchanged). On December 14, 2017, CARB adopted the 2017 Scoping Plan, which provides a framework for achieving the 2030 target. The 2017 Scoping Plan relies on the continuation and expansion of existing policies and regulations, such as the Cap-and-Trade Program, and implementation of recently adopted policies and legislation, such as SB 1383 (detailed below). The 2017 Scoping Plan also puts an increased emphasis on innovation, adoption of existing technology, and strategic investment to support its strategies. As with the 2013 Scoping Plan Update, the 2017 Scoping Plan does not provide project-level thresholds for land use development. Instead, it recommends that local governments adopt policies and locally appropriate quantitative thresholds consistent with statewide per capita goals of six metric tons (MT) of CO_2e by 2030 and two MT of CO_2e by 2050 (CARB 2017). As stated in the 2017 Scoping Plan, these goals may be appropriate for plan-level analyses (city, county, sub-regional, or regional level), but not for specific individual projects because they include all emissions sectors in the state (CARB 2017).

Senate Bill 375

SB 375, signed in August 2008, enhances the State's ability to reach AB 32 goals by directing the CARB to develop regional GHG emission reduction targets to be achieved from passenger vehicles by 2020 and 2035. SB 375 aligns regional transportation planning efforts, regional GHG reduction targets, and affordable housing allocations. Metropolitan Planning Organizations (MPOs) are required to adopt a Sustainable Communities Strategy (SCS), which allocates land uses in the MPO's Regional Transportation Plan. Qualified projects consistent with an approved SCS or Alternative Planning Strategy (categorized as "transit priority projects") would receive incentives to streamline CEQA processing.

On March 22, 2018, CARB adopted updated regional targets for reducing GHG emissions from 2005 levels by 2020 and 2035. The Association of Monterey Bay Area Governments' (AMBAG) reduction target for per capita GHG emissions is a three percent per capita reduction by 2020 and a six percent per capita reduction by 2040 (AMBAG 2018b). In June 2018, AMBAG adopted the 2040 Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS). The primary goal of the 2040 MTP/SCS is to reduce GHG emissions from transportation sources to comply with SB 375, improve public health, and meet the National Ambient Air Quality Standards as set forth by the federal Clean Air Act. The key goal of the MTP/SCS is to achieve GHG emission reduction targets through integrated land use and transportation strategies. The focus of achieving these reductions is on implementing transportation and land use strategies that influence vehicle travel (AMBAG 2018).

Senate Bill 1383

Adopted in September 2016, SB 1383 requires CARB to approve and begin implementing a comprehensive strategy to reduce emissions of short-lived climate pollutants. SB 1383 requires the strategy to achieve the following reduction targets by 2030:

- Methane – 40 percent below 2013 levels
- Hydrofluorocarbons – 40 percent below 2013 levels
- Anthropogenic black carbon – 50 percent below 2013 levels

SB 1383 also requires the California Department of Resources Recycling and Recovery in consultation with the CARB, to adopt regulations that achieve specified targets for reducing organic waste in landfills.

Senate Bill 100

Adopted on September 10, 2018, SB 100 supports the reduction of GHG emissions from the electricity sector by accelerating the State's Renewables Portfolio Standard Program, which was last updated by SB 350 in 2015. SB 100 requires electricity providers to increase procurement from eligible renewable energy resources to 33 percent of total retail sales by 2020, 60 percent by 2030, and 100 percent by 2045.

Executive Order B-55-18

On September 10, 2018, the Governor issued Executive Order (EO) B-55-18, which established a new statewide goal of achieving carbon neutrality by 2045 and maintaining net negative emissions thereafter. This goal is in addition to the existing statewide GHG reduction targets established by AB 32, SB 375, SB 32, SB 1383, and SB 100.

For more information on the Senate and Assembly bills, executive orders, and reports discussed above, and to view reports and research referenced above, please refer to the following websites: www.climatechange.ca.gov and www.arb.ca.gov/cc/cc.htm.

California Environmental Quality Act

Pursuant to the requirements of SB 97, the California Natural Resources Agency has adopted amendments to the CEQA Guidelines for determining the effects and feasible mitigation of GHG emissions. The adopted CEQA Guidelines provide general regulatory guidance on the analysis and mitigation of GHG emissions in CEQA documents while giving lead agencies the discretion to set quantitative or qualitative thresholds for the assessment and mitigation of GHGs and climate change impacts. To date, a variety of air districts, have adopted quantitative significance thresholds for GHGs; however, the Monterey Bay Air Resources District has not yet adopted thresholds.

Relevant Case Law

CENTER FOR BIOLOGICAL DIVERSITY V. CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE (CASE NO. 217763)

The California Supreme Court's decision in the *Center for Biological Diversity v. California Department of Fish and Wildlife* was published on November 30, 2015. This decision evaluated the methodology used to analyze GHG emissions in an Environmental Impact Report prepared for the Newhall Ranch development project that included approximately 20,885 dwelling units with 58,000 residents on 12,000 acres of undeveloped land in Los Angeles County. The Environmental Impact Report used a business-as-usual approach to evaluate whether the project would be consistent with the AB 32 Scoping Plan. The Court found there was insufficient evidence in the record of that project to explain how a project that reduces its GHG emissions by the same percentage as the business-as-usual reduction identified for the State to meet its statewide targets supported a conclusion that the project impacts were below a level of significance.

The California Supreme Court suggested regulatory consistency as a pathway to compliance by stating that a lead agency might assess consistency with the State's GHG reduction goals by

evaluating a proposed project for compliance with regulations designed to reduce GHG emissions. This approach is consistent with CEQA Guidelines Section 15064.4(b), which provides that a significance of an impact is not cumulatively considerable to the extent to which the project complies with regulations or requirements implementing a statewide, regional, or local plan to reduce or mitigate GHG emissions. The Court also found that a lead agency may rely on numerical and efficiency-based thresholds of significance for GHG emissions, if supported by substantial evidence.

GOLDEN DOOR PROPERTIES, LLC V. COUNTY OF SAN DIEGO/SIERRA CLUB, LLC V. COUNTY OF SAN DIEGO (CASE NO. 072406)

The Fourth District Court of Appeal decision in the *Golden Door Properties, LLC v. County of San Diego* case (published on September 28, 2018) evaluated the County of San Diego's 2016 Guidance Document's GHG efficiency metric, which establishes a generally applicable threshold of significance for proposed projects. The Court held that the County of San Diego is barred from using its 2016 Guidance Document's threshold of significance for GHG analysis of 4.9 MT of CO_2e per service person per year. The Court stated that the document violated CEQA because it was not adopted formally by ordinance, rule, resolution, or regulation through a public review process per CEQA Guidelines Section 15064.4(b)(3). The Court also found that the threshold was not supported by substantial evidence that adequately explained how a service population threshold derived from statewide data could constitute an appropriate GHG metric to be used for all projects in unincorporated San Diego County. Nevertheless, lead agencies may make project-specific GHG threshold determinations.

c. Local Regulations

The District has not adopted a GHG reduction plan. Of the seven local jurisdictions in the project area, only the County of Monterey and the City of Monterey have adopted GHG reduction plans. The County of Monterey has adopted the Monterey County Municipal Climate Action Plan (2013), which applies only to municipal County emissions, and the City of Monterey has adopted a Climate Action Plan (2016), which only applies to communitywide and municipal emissions generated by development within the city. Although the City of Monterey's Climate Action Plan addresses emissions associated with water usage from communitywide development, it focuses on end-user emission reduction measures (e.g., water-efficient fixtures and irrigation systems). These plans do not apply to emissions generated by District operations.

4.2.3 Impact Analysis

a. Methodology and Significance Thresholds

Methodology

This analysis considers GHG emissions associated with existing and future operation and maintenance activities of the proposed project, including emissions associated with vehicle trips along area roadways. Given that the proposed project does not include any new construction, no construction emissions would be generated, and this activity is not discussed further. This analysis focuses on emissions from operations and maintenance activities and the potential for the proposed project to produce GHG emissions beyond existing baseline conditions. GHG emissions are analyzed based on the significance thresholds contained in Appendix G of the CEQA Guidelines.

This analysis considers GHG emissions associated with operation and maintenance of the proposed project, including emissions from vehicles used to operate and maintain the water supply system. The proposed project would include the District's acquisition and subsequent operation of the Monterey Water System (MWS). The MWS would maintain its existing size and capacity, including, but not limited to, the lease of one desalination plant, 33 water wells, six water treatment facilities, 614 miles of pipe, the Monterey Pipeline and Pump Station, 74 pump stations, 108 finished water storage facilities, 3,496 fire hydrants, an estimated 12,000 distribution valves, and 117 assessor parcels with a total area of approximately 4,753 acres along with planned facilities associated with the Monterey Peninsula Water Supply Project, including the Carmel Pump Station, the 6.4 million gallon per day Desalination Plant, and associated infrastructure improvements. No new facilities are proposed under the project; however, operation and maintenance events may occur as part of the ongoing operation and maintenance of the system, similar to baseline conditions. As discussed in Section 2, *Project Description*, the District would operate the system out of the existing CalAm main office at 511 Forest Lodge Road, #100 in Pacific Grove, and therefore there would be little to no change in the length, distribution, or number of vehicle trips required to operate and maintain the MWS.

The District would offer employment to approximately 77 of the 81 existing staff CalAm staff associated with the MWS and would add approximately 10 additional positions in District administration related to billing, finance, and customer service.[2] In total, there would be approximately 87 employees hired by the District associated with the MWS, which would be a net increase of approximately six employees as compared to existing conditions (87 District employees – 81 existing CalAm employees). In addition, this analysis conservatively assumes that CalAm would hire approximately six additional employees to operate and maintain the Central Satellites (e.g., one meter reader/utility worker, two operators, and three field crew).[3] As a result, this analysis assumes the project would result in a net increase of approximately 12 employees (approximately 6 District employees + approximately 6 CalAm employees). As discussed in Section 4.5, *Transportation*, the net increase of approximately 12 employees would result in net increases of approximately 6,240 annual trips and approximately 156,000 annual VMT. The proposed project does not include acquisition of the Central Satellites, which are small stand-alone water systems throughout Monterey County that consist of the Ambler Park, Chualar, Garrapata, Ralph Lane, and Toro systems. CalAm would retain ownership of these facilities and would continue to perform operations and maintenance activities related to these facilities. Vehicle trips associated with the Central Satellites would be required for water quality sampling, inspections, repairs of leaks and breaks, backflow testing, dead-end flushing, meeting vendors for valve exercising or tank inspections, and meter reading, among other activities. As discussed in Section 4.5, *Transportation*, the project would result in net increases of approximately 1,800 maximum annual trips (772 trips for Ambler Park + 92 trips for Chualar + 84 trips for Garrapata + 84 trips for Ralph Lane + 768 trips for Toro) and approximately 21,180 maximum annual vehicle miles traveled (VMT).[4] In total, the

[2] It is possible that some of the 77 existing CalAm employees who are offered employment by the District would instead pursue employment opportunities at CalAm or another employer or retire. In these events, the District would hire other employees to fill the open positions. Given the nature of these employment opportunities, it is likely that non-CalAm employees that would be hired by the District currently live in the Monterey Peninsula area. Regardless, the key metric for this analysis is the number of net new employees hired by the District after acquisition of the MWS, which would be six.

[3] Although this scenario is possible, it is also possible that CalAm would utilize existing employees to operate and maintain the Central Satellites rather than hiring additional employees. As such, this is a conservative assumption for the purposes of analysis.

[4] As further detailed in Section 4.5, *Transportation*, maximum annual trip estimates conservatively assume that all trips for each operations and maintenance activity would occur in the same year. In reality, some activities would not occur during the same year. For example, Toro system tank inspections that occur every five years may occur during a different year than Ambler Park tank inspections that occur every five years.

project would result in net increases of approximately 7,008 annual trips (6,240 trips for employee commutes + 768 trips for Central Satellites) and 177,180 annual VMT (156,000 VMT for employee commutes and 21,180 VMT for Central Satellites). These vehicle trips would emit GHGs during start-up and while in motion.

GHG emissions associated with the net change in vehicle trips and VMT under the proposed project were estimated using vehicle emissions factors (EFs) for the Monterey County region for year 2020 as reported by CARB's EMFAC2017 Web Database v1.0.2 tool for EMFAC2011 vehicle categories (CARB 2020). It was assumed that all net new vehicle trips would be gasoline-fueled light-duty trucks (gross vehicle weight rating of less than 6,000 pounds and equivalent test weight less than or equal to 3,750 pounds; LDT1).[5] Additional model inputs include aggregated model years and aggregated speeds. This analysis uses EFs for year 2020, which is a conservative assumption given that the proposed acquisition would occur in a later year at which time vehicle fuel efficiency will have improved in accordance with federal and state regulatory standards, which will correspondingly decrease GHG emissions. No adjustments to the EFs are needed to account for the SAFE Rule Part Two because this rule only impacts fuel economy and emissions standards for year 2021 and later, not those for year 2020 (National Highway Traffic Safety Administration 2020). The full output from the EMFAC2017 Web Database can be found in Appendix B.

Significance Thresholds

Based on Appendix G of the CEQA Guidelines, impacts related to GHG emissions from the project would be significant if the project would:

1. Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment
2. Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases

The vast majority of individual projects do not generate sufficient GHG emissions to directly influence climate change. However, physical changes caused by a project can contribute incrementally to cumulative effects that are significant, even if individual changes resulting from a project are limited. The issue of climate change typically involves an analysis of whether a project's contribution towards an impact would be cumulatively considerable. "Cumulatively considerable" means that the incremental effects of an individual project are significant when viewed in connection with the effects of past projects, other current projects, and probable future projects (CEQA Guidelines, Section 15064[h][1]).

The analysis for Threshold 1 is consistent with CEQA Guidelines Section 15064.4(b)(1) and compares GHG emissions from the proposed project to baseline GHG emissions. According to CARB's 2017 Scoping Plan, "absent conformity with an adequate geographically-specific GHG reduction plan…achieving no net additional increase in GHG emissions, resulting in no contribution to GHG impacts, is an appropriate overall objective for new development" (CARB 2017).[6] Therefore, the

[5] Although this scenario is possible, it is likely that some vehicle trips would be made using light-duty automobiles (LDA), which emit fewer GHGs than light-duty trucks. However, the assumption that all vehicle trips would be made using LDT1 vehicles provides a more conservative estimate of mobile source emissions and is therefore used herein.

[6] It should be noted that the 2017 Scoping Plan also states, "Achieving net zero increases in GHG emissions, resulting in no contribution to GHG impacts, may not be feasible or appropriate for every project, however, and the inability of a project to mitigate its GHG emissions to net zero does not imply the project results in a substantial contribution to the cumulatively significant environmental impact of climate change under CEQA" (CARB 2017).

District has determined that, for this proposed project, any increase in GHG emissions above baseline conditions would be significant.

The analysis for Threshold 2 qualitatively analyzes the proposed project's consistency with applicable goals, plans, policies, and regulations adopted for the purpose of reducing GHG emissions. A project is considered consistent with the provisions of these documents if it meets the general intent in reducing emissions to facilitate the achievement of local, regional, and State goals and does not impede attainment of those goals. A given project need not be in perfect conformity with each and every planning policy or goals to be consistent. A project would be consistent with applicable plans, policies, and regulations if it would further their objectives and not obstruct their attainment.

b. Project Impacts and Mitigation Measures

Threshold 1:	Would the project generate GHG emissions, either directly or indirectly, that may have a significant impact on the environment?

Impact GHG-1 THE PROPOSED PROJECT WOULD GENERATE GHG EMISSIONS THAT MAY HAVE A SIGNIFICANT IMPACT ON THE ENVIRONMENT, AND IMPLEMENTATION OF MITIGATION MEASURE GHG-1 WOULD BE REQUIRED. IMPACTS WOULD BE LESS THAN SIGNIFICANT WITH MITIGATION INCORPORATED.

As discussed under Section 4.2.3(a), *Methodology and Significance Thresholds*, this analysis assumes there would be little to no change in the length, distribution, or number of vehicle trips required to operate and maintain the MWS after its acquisition. Therefore, this analysis focuses on emissions generated by the net change in vehicle trips and VMT due to the net increase of approximately 12 employees hired by the District and CalAm as well as CalAm's operation and maintenance of the Central Satellites separately from the MWS following the District's acquisition. Vehicle trips associated with the net increase in employees would be required for home-work commute trips, and vehicle trips associated with the Central Satellites would be required for water quality sampling, inspections, repairs of leaks and breaks, backflow testing, dead-end flushing, meeting vendors for valve exercising or tank inspections, and meter reading, among other activities.

Table 4.2-1 summarizes GHG emissions generated by the potential net increases in annual vehicle trips and VMT under the proposed project. As shown therein, the proposed project would potentially result in a net increase of approximately 62.7 MT of CO_2e per year. As discussed in Section 4.2.3(a), *Methodology and Significance Thresholds*, this analysis considers any increase in GHG emissions above baseline conditions to be cumulatively considerable. Therefore, because the proposed project would potentially result in an increase in GHG emissions of approximately 62.7 MT of CO_2e per year, impacts would be significant and cumulatively considerable.

Table 4.2-1 Combined Annual GHG Emissions

Source	Project Emissions (MT of CO_2e per year)
Project Emissions	62.7

MT = metric tons; CO2e = carbon dioxide equivalents

See Appendix B for emission calculations.

Following the District's acquisition of the MWS under the proposed project, it is likely that the CalAm executive team and staff based out of San Diego and New Jersey would need to travel less often to the project area, Sacramento, and San Francisco for conferences, hearings, settlement meetings, and rate cases.[7] In addition, it is likely that some travel by various stakeholders (e.g., California Public Utilities Commission, other public agencies) and members of the public between San Francisco/Sacramento and the project area for hearings and other meetings would also be reduced. The potential reduction in travel associated with the MWS would result in reduced GHG emissions, which would offset some of the GHG emissions associated with the proposed project. However, specific information on the change in travel by the CalAm executive team and staff, various stakeholders, and members of the public is not available at this time, and there are multiple variables (e.g., shifting patterns of teleworking and regional and airline travel due to COVID-19) that may also affect future travel patterns. Therefore, this analysis conservatively does not quantify or take credit for this emission reduction.

Mitigation Measure

GHG-1 Greenhouse Gas Reduction Plan for Operational Emissions

The District shall prepare and implement a Greenhouse Gas Reduction Program (GGRP) that reduces the net increase in GHG emissions of 62.7 MT of CO_2e to net zero (i.e., carbon neutral) over the operational life of the proposed project. To meet the net zero requirement, the District must reduce its operational GHG emissions by ~~16.8~~ 62.7 MT of CO_2e per year. Potential options include, but would not be limited to, those listed in Table 4.2-2.

Table 4.2-2 Summary of GHG Mitigation Options

Source Category	Mitigation Measure
Mobile Sources	
	Convert some or all the District's existing and/or proposed vehicle fleet to be powered by alternative low-carbon fuels, electricity, fuel cells, and/or other technologies.
	Install electric vehicle chargers and/or other alternative fueling stations at existing and/or proposed District facilities.
	Require all employees with driving duties to participate in a mandatory training program that provides information on ways to improve fuel economy, such as slow acceleration, removing unnecessary loads from vehicles, limiting idling, reducing air conditioning use, using cruise control, and carpooling with colleagues. Implement a transportation demand management program for employees, which may include the following measures: ▪ Priority parking for carpools, vanpools, and alternatively fueled vehicles ▪ Subsidized transit passes for employees ▪ Retention of a transportation demand management coordinator or creation of a website to provide transit information and/or coordinate ridesharing ▪ Additional bicycle parking and/or shower and changing facilities ▪ Bicycle sharing ▪ Emergency ride home program ▪ Telecommuting or flexible schedule options to reduce transit time, vehicle miles traveled, and GHG emissions

[7] It is possible that CalAm will re-locate its main California office to Sacramento in 2024; however, this EIR analyzes project impacts as compared to existing baseline conditions at the time of publication of the NOP (April 2020). As of April 2020, the CalAm headquarters remains in San Diego. Regardless, this analysis does not quantify or take credit for these potential trip reductions; as such, the location of the CalAm headquarters does not influence the analysis presented herein.

Source Category	Mitigation Measure
Energy	
	Replace existing and/or proposed District facilities with more energy-efficient equipment.
	Replace diesel-, natural gas- and propane-fueled equipment with electric equivalents at existing and/or proposed District facilities
	Convert interior and exterior lighting at existing and/or proposed District facilities to high-efficacy luminaires, including light emitting diodes (LED)
	Utilize automated lighting controls for indoor/outdoor lighting at existing and/or proposed District facilities
	Switch to renewable gas (biogas) for facilities and equipment that cannot be replaced by electric equipment
	Schedule times of high pumping to coincide with times of high renewable energy availability and low demand
Waste[1]	
	Implement a program to separate organic waste from other materials and contract with local waste disposal companies to route organic waste to food recovery centers, anaerobic digestion, or composting facilities
	Develop and implement net zero waste programs at District facilities
Water[1]	
	Expand targeted outreach programs to install water efficient landscapes, irrigation systems, appliances, and fixtures through the use of a rebate program
Vegetation Change	
	Plant trees in the District's service area
Carbon Offsets	
	Directly undertake or fund activities that reduce or sequester GHG emissions ("Direct Reduction Activities") and retire the associated "GHG Mitigation Reduction Credits." A "GHG Mitigation Reduction Credit" shall mean an instrument issued by an Approved Registry and shall represent the estimated reduction or sequestration of 1 MT of CO_2e that shall be achieved by a Direct Reduction Activity that is not otherwise required (CEQA Guidelines Section 15126.4[c][3]). A "GHG Mitigation Reduction Credit" must achieve GHG emission reductions that are real, permanent, quantifiable, verifiable, enforceable, and in addition to any GHG emission reduction required by law or regulation or any other GHG emission reduction that otherwise would occur in accordance with the criteria set forth in the California Air Resources Board's most recent *Process for the Review and Approval of Compliance Offset Protocols in Support of the Cap-and-Trade Regulation* (2013). An "Approved Registry" is an accredited carbon registry that follows approved California Air Resources Board Compliance Offset Protocols. At this time, Approved Registries include American Carbon Registry, Climate Action Reserve, and Verra (California Air Resources Board 2018). Credits from other sources will not be allowed unless they are shown to be validated by protocols and methods equivalent to or more stringent than the California Air Resources Board standards. In the event that a project or program providing GHG Mitigation Reduction Credits to the District loses its accreditation, the District shall comply with the rules and procedures of retiring GHG Mitigation Reduction Credits specific to the registry involved and shall undertake additional direct investments to recoup the loss.

Source Category	Mitigation Measure
	Obtain and retire "Carbon Offsets." "Carbon Offset" shall mean an instrument issued by an Approved Registry and shall represent the past reduction or sequestration of 1 MT of CO_2e achieved by a Direct Reduction Activity or any other GHG emission reduction project or activity that is not otherwise required (CEQA Guidelines Section 15126.4[c][3]). A "Carbon Offset" must achieve GHG emission reductions that are real, permanent, quantifiable, verifiable, enforceable, and in addition to any GHG emission reduction required by law or regulation or any other GHG emission reduction that otherwise would occur in accordance with the criteria set forth in the California Air Resources Board's most recent *Process for the Review and Approval of Compliance Offset Protocols in Support of the Cap-and-Trade Regulation* (2013). If the District chooses to meet some of the GHG reduction requirements by purchasing offsets on an annual and permanent basis, the offsets shall be purchased according to the District's preference, which is, in order of District preference: (1) within the project area; (2) within the MBARD jurisdictional area; (3) within the State of California; then (4) elsewhere in the United States. In the event that a project or program providing offsets to the District loses its accreditation, the District shall comply with the rules and procedures of retiring offsets specific to the registry involved and shall purchase an equivalent number of credits to recoup the loss.

[1] Although the proposed project would not result in net increases in GHG emissions related to energy use, waste generation, or water use as compared to the existing baseline, GHG emission reduction measures can be implemented in these areas to effectively offset the project's mobile source emissions.

Significance After Mitigation

To implement Mitigation Measure GHG-1, the District may choose to apply a wide variety of GHG emission reduction measures to reduce net new project-related emissions to 0 MT of CO_2e per year. For example, the following combination of measures would reduce GHG emissions by approximately 62.7 MT of CO_2e per year, which would be sufficient to achieve the requisite reduction specified by Mitigation Measure GHG-1 (see Appendix B for supporting calculations):

- Allowing 15 District employees to telework two days per week would achieve a reduction of approximately 10.2 MT of CO_2e per year (approximately 0.3 MT of CO_2e per year per employee per telework day per week)
- Converting three District fleet vehicles to electric vehicles would achieve a reduction of approximately 35.8 MT of CO_2e per year (approximately 11.9 MT of CO_2e per year per vehicle)
- Subsidizing transit passes for six employees who then commute to work via transit three days per week would achieve a reduction of approximately 6.1 MT of CO_2e per year (approximately 0.7 MT of CO_2e per year per employee per transit use day per week)
- Planting 32 boxelder trees (*Acer negundo*) sized at 1.0 inch diameter at breast height at the time of planting in an area with partial sunlight would sequester approximately 2.6 MT of CO_2e per year (0.08 MT of CO_2e per year per tree)
- Obtaining and retiring 8 Carbon Offsets would achieve a reduction of 8.0 MT of CO_2e per year (1.0 MT of CO_2e per year per offset)

The above combination of measures is just one example of the combination of measures the District could implement to achieve a reduction of 62.7 MT of CO_2e per year. In this example, only approximately 13 percent would be associated with Carbon Offsets. In practice, the District may elect to implement other measures or the above measures in different quantities (e.g., allow more telework days per week or convert more fleet vehicles); Carbon Offsets may be reduced or even eliminated, depending on the final combination of measures selected. The intent of the above list is

to demonstrate that implementation of Mitigation Measure GHG-1 is technically feasible, and as such, a reduction of project-related GHG emissions to 0 MT of CO_2e per year is achievable.

Therefore, implementation of Mitigation Measure GHG-1 would reduce net new project-related emissions to 0 MT of CO_2e per year, which would result in no net increase in GHG emissions as compared to baseline conditions. Impacts would be less than significant with mitigation incorporated.

Threshold 2:	Would the project conflict with an applicable plan, policy, or regulation adopted for the purpose of reducing the emissions of greenhouse gases?

Impact GHG-2 THE PROPOSED PROJECT WOULD BE CONSISTENT WITH PLANS, POLICIES, OR REGULATIONS ADOPTED FOR THE PURPOSE OF REDUCING GHG EMISSIONS, AND IMPLEMENTATION OF MITIGATION MEASURE GHG-1 WOULD BE REQUIRED. IMPACTS WOULD BE LESS THAN SIGNIFICANT WITH MITIGATION INCORPORATED.

As discussed in Section 4.2.2(c), *Local Regulations*, the District has not adopted a GHG reduction plan, and the climate action plans adopted by the County of Monterey and the City of Monterey do not apply to the District. Therefore, there is no local GHG reduction plan that would apply to the proposed project.

The goals and policies of the AMBAG 2040 MTP/SCS focus on accommodating new households and jobs, investing in the existing and planned regional transportation network, providing new facilities for alternative transportation use, and implementing Complete Streets policies. The project would not be inconsistent with the goals of the AMBAG 2040 MTP/SCS, which is aimed at reducing vehicle trips, VMT, and associated GHG emissions from typical land use development projects such as residential and commercial development rather than from water infrastructure projects such as the proposed project.

The 2017 Scoping Plan outlines a pathway to achieving the reduction targets set under SB 32, which is considered an interim target toward meeting the State's long-term 2045 goal established by EO B-55-18. Based on existing emissions trends, proposed project emissions are expected to decline from 2020 through at least 2045 due to continued regulatory and technological advancements. The extent to which future GHG emissions from mobile sources attributed to the proposed project would change depends primarily on the fuel type and carbon content of fuel that will be available and required to meet both regulatory standards and employees' needs. In addition, vehicle emissions standards will decrease GHG emissions per unit of energy delivered or per VMT.

Statewide efforts are underway to facilitate the State's achievement of the 2017 Scoping Plan and EO B-55-18 targets, and it is reasonable to expect project emissions to decline as the regulatory initiatives identified by CARB in the 2017 Scoping Plan are implemented and other technological innovations occur. Given the reasonably anticipated decline in project emissions through 2045, the proposed project would not conflict with the 2017 Scoping Plan's 2030 goal and EO B-55-18's 2045 goal. Therefore, impacts would be significant.

Mitigation Measure

See Mitigation Measure GHG-1 under Impact GHG-1.

Significance After Mitigation

Implementation of Mitigation Measure GHG-1 would reduce net new project-related emissions to 0 MT of CO_2e per year, which would result in no net increase in GHG emissions as compared to baseline conditions. Therefore, with mitigation incorporated, the project would be consistent with the 2017 Scoping Plan, and impacts would be less than significant.

c. Cumulative Impacts

The geographic scope for related projects considered in the cumulative impact analysis for GHG emissions is global because impacts of climate change are experienced on a global scale regardless of the location of GHG emission sources. Therefore, GHG emissions and climate change are, by definition, cumulative impacts. As discussed under Section 4.2.1(c), *Potential Effects of Climate Change*, the adverse environmental impacts of cumulative GHG emissions, including sea level rise, increased average temperatures, more drought years, and more large forest fires, are already occurring. As a result, cumulative impacts related to GHG emissions are significant. Thus, the issue of climate change involves an analysis of whether a project's contribution towards an impact is cumulatively considerable. Refer to Impacts GHG-1 and GHG-2 for detailed discussions of the impacts of the proposed project related to climate change and GHG emissions. As discussed therein, with implementation of Mitigation Measure GHG-1, project impacts would be less than significant and would therefore not be cumulatively considerable.

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4.3 Hydrology and Water Quality

This section analyzes the proposed project's potential to substantially deplete groundwater supplies or interfere substantially with groundwater recharge. As discussed below in Section 4.3.3, *Impact Analysis*, the Appendix G Initial Study checklist also includes questions that are not applicable to the proposed project; therefore, checklist items 1, 3, 4 and 5 are analyzed in Section 4.7, *Effects Found to be Less than Significant.*

4.3.1 Setting

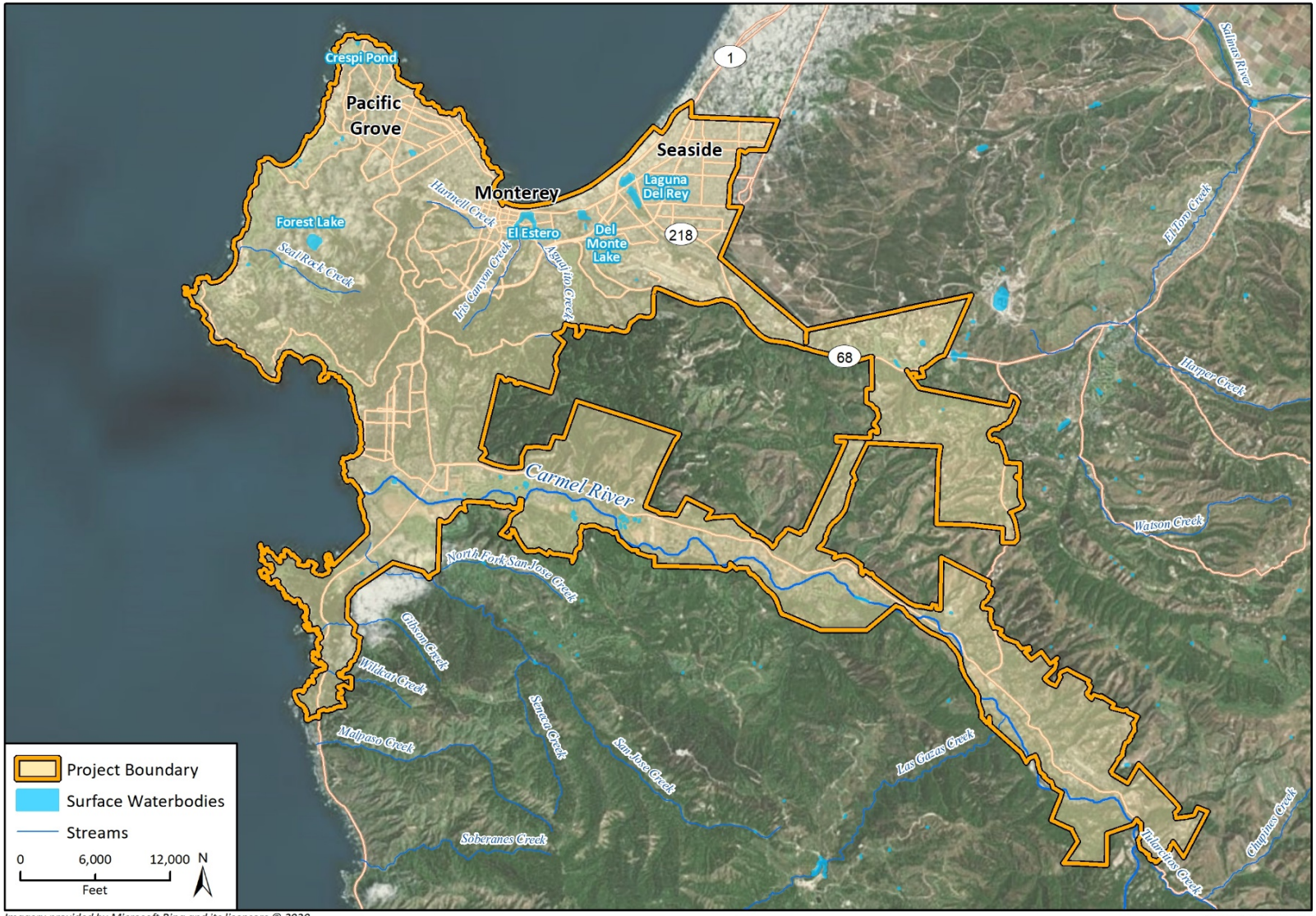
a. Regional Hydrologic Setting

The project area lies within the Coast Range Geomorphic Province. This province is characterized by parallel northwest trending mountain ranges formed over the past 10 million years or less by active uplift related to complex tectonics of the San Andreas fault/plate boundary system (California Geological Survey 2002).

The Department of Water Resources (DWR) divides surface watersheds in California into ten Hydrologic Regions (HR). The project area is located in the Central Coast HR. This region covers approximately 7.22 million acres and includes all of Santa Cruz, Monterey, San Luis Obispo, and Santa Barbara counties, and parts of San Benito, San Mateo, Santa Clara, and Ventura counties. Major geographic features that define the region include the Pajaro, Salinas, Carmel, Santa Maria, Santa Ynez, and Cuyama valleys; the coastal plain of Santa Barbara; and the Coast Range. The region is largely defined by the northwest-trending southern Coast Range, with a climate generally classified as Mediterranean. Major drainages in the Central Coast HR include the Salinas, Cuyama, Santa Ynez, Santa Maria, San Antonio, San Lorenzo, San Benito, Pajaro, Nacimiento, Carmel, and Big Sur rivers (DWR 2004). The region depends heavily on groundwater, which makes up the vast majority of available water supply, but recycled water is becoming a more plentiful, supplemental source for agricultural and other non-potable uses (DWR 2009). The Central Coast Regional Water Quality Control Board (RWQCB) governs basin planning and water quality in the Central Coast HR (Central Coast RWQCB 2016).

DWR subdivides HRs into Hydrologic Units (HU) that are commonly known as watersheds. In the Central Coast HR, the project area is located in several HUs, including: the Salinas HU, specifically the Monterey Bay Hydrologic Area (HA) and Arroyo Seco HA, the Carmel River HU and the Santa Lucia HU (Central Coast RWQCB 2016). The project area includes both undeveloped open space with natural drainage features and urban development with altered drainage systems, such as underground storm water systems and drainage ditches. As shown in Figure 4.3-1, according to the U.S. Geological Survey National Hydrography Dataset, blue line streams that flow within the project area include Aguajito Creek, Carmel River, Gibson Creek, Hartnell Creek, Iris Canyon Creek, Las Gazas Creek, North Fork San Jose Creek, San Jose Creek, Seal Rock Creek, Wildcat Creek. The surface water bodies in the project area include Laguna Del Rey, Del Monte Lake, Lake El Estero, Crespi Pond, and Forest Lake (U.S. Geological Survey 2018).

Figure 4.3-1 Surface Water in the Project Area



Carmel River

The largest watershed in the project area is the 255-square mile Carmel River Basin watershed. Its headwaters originate in the Santa Lucia Mountains to the south and is bounded by the Sierra del Salinas to the north. The river flows 36-miles northwest through the Carmel Valley, along which it combines with seven major stream tributaries and eventually discharges into Carmel Bay about five miles south of the City of Monterey (Monterey Peninsula Water Management District [District] 2014). The Carmel Valley Alluvial Aquifer lies along the downstream portion of the Carmel River and is further described below.

There is one reservoir on the Carmel River, the Los Padres Dam and Reservoir, which is located approximately 25 miles upstream of the Pacific Ocean. Constructed in 1948, the Los Padres Dam has been owned and operated by California American Water Company (CalAm) since 1965. The Los Padres Dam and Reservoir were constructed with an original storage capacity of 3,030 acre feet (AF), however due to sedimentation and siltation accumulation behind the dam the storage capacity has been reduced by 2,709 AF, in 2017 the Los Padres Dam and Reservoir had an estimated capacity of 1,679 AF (District 2019a). The historic San Clemente Dam and Reservoir, which was located 18 miles from the Pacific Ocean near the confluence of Clemente Creek, was built in 1921 and removed in 2015 because of seismic concerns and a determination by the National Marine Fisheries Service and others that removal of dams on the Carmel River would aid in the recovery of the threatened steelhead trout listed under the federal Endangered Species Act.

In 1995, the State Water Resources Control Board (SWRCB) issued Order WR 95-10, which found that CalAm was diverting more water from the Carmel River Basin than it was legally entitled to divert and stated that CalAm was legally entitled to divert 3,376 acre-feet per year (AFY) (about 3 million gallons per day [MGD]) from the Carmel River system, including both surface water diversions and subsurface flow pumped from the Carmel Valley Alluvial Aquifer. Prior to Order WR 95-10, CalAm's average annual use during non-drought years was approximately 14,106 AFY (12.6 MGD).The SWRCB ordered CalAm to implement actions to terminate its unlawful diversions from the Carmel River and to maximize use of the Seaside Groundwater Basin in order to continue serving existing connections and to reduce diversions of Carmel River water by 20 percent. In addition, a subsequent cease and desist order (CDO) (SWRCB Order Number WR 2009-0060) issued in 2009 required CalAm to cease and desist from diverting surface water beyond its legal right from the Carmel River and groundwater from the underlying Carmel Valley Alluvial Aquifer, secure a replacement water supply for service in the Monterey Peninsula by January 2017 and reduce its Carmel River diversions to 3,376 AFY no later than December 31, 2016. However, in July 2016 the SWRCB adopted Order WR 2016-0016, amending Order WR-2009-0060, and extending the date by which CalAm must terminate all unlawful diversions from the Carmel River from December 31, 2016 to December 31, 2021. This Revised CDO set an initial diversion limit of 8,310 AFY for Water Year 2015-2016 and establishes milestones for CalAm to meet in order to reach the 2021 reduced diversion targets. If CalAm fails to meet a milestone, the Revised CDO specifies that the annual diversion limit may be reduced by 1,000 AFY.

b. Groundwater Setting

The California DWR's Bulletin 118 is the State's official compendium on groundwater, and it defines the boundaries and describes the hydrologic characteristics of California's groundwater basins. The California DWR periodically updates Bulletin 118, which includes revising the basin boundaries as applicable. An interim update of Bulletin 118 occurred in 2003 and again in 2016 (DWR 2004, 2016).

As shown in Figure 4.3-2, the groundwater resources within the project area include Seaside Groundwater Basin, which is a subbasin of the Salinas Valley Groundwater Basin, and the Carmel Valley Alluvial Aquifer.

Salinas Valley Groundwater Basin

The Salinas Valley Groundwater Basin (Basin Identification #3-4), which spans an area of over 800 square miles, provides a vital source of water for municipal and agricultural users within Monterey County (Salinas Valley Basin Groundwater Sustainability Agency 2017). Situated in the middle of the San Joaquin Valley and the Pacific Ocean, the Basin is the largest coastal groundwater basin in Central California and has a storage capacity of 19,750,000 AF (Monterey County Water Resources Agency 2014). The Salinas Valley Groundwater Basin is divisible into eight area subbasins: 180/400-Foot Aquifer; Eastside Aquifer; Forebay Aquifer; Upper Valley Aquifer; Paso Robles; Seaside; Langley; and Monterey (DWR 2004).

Seaside Groundwater Basin

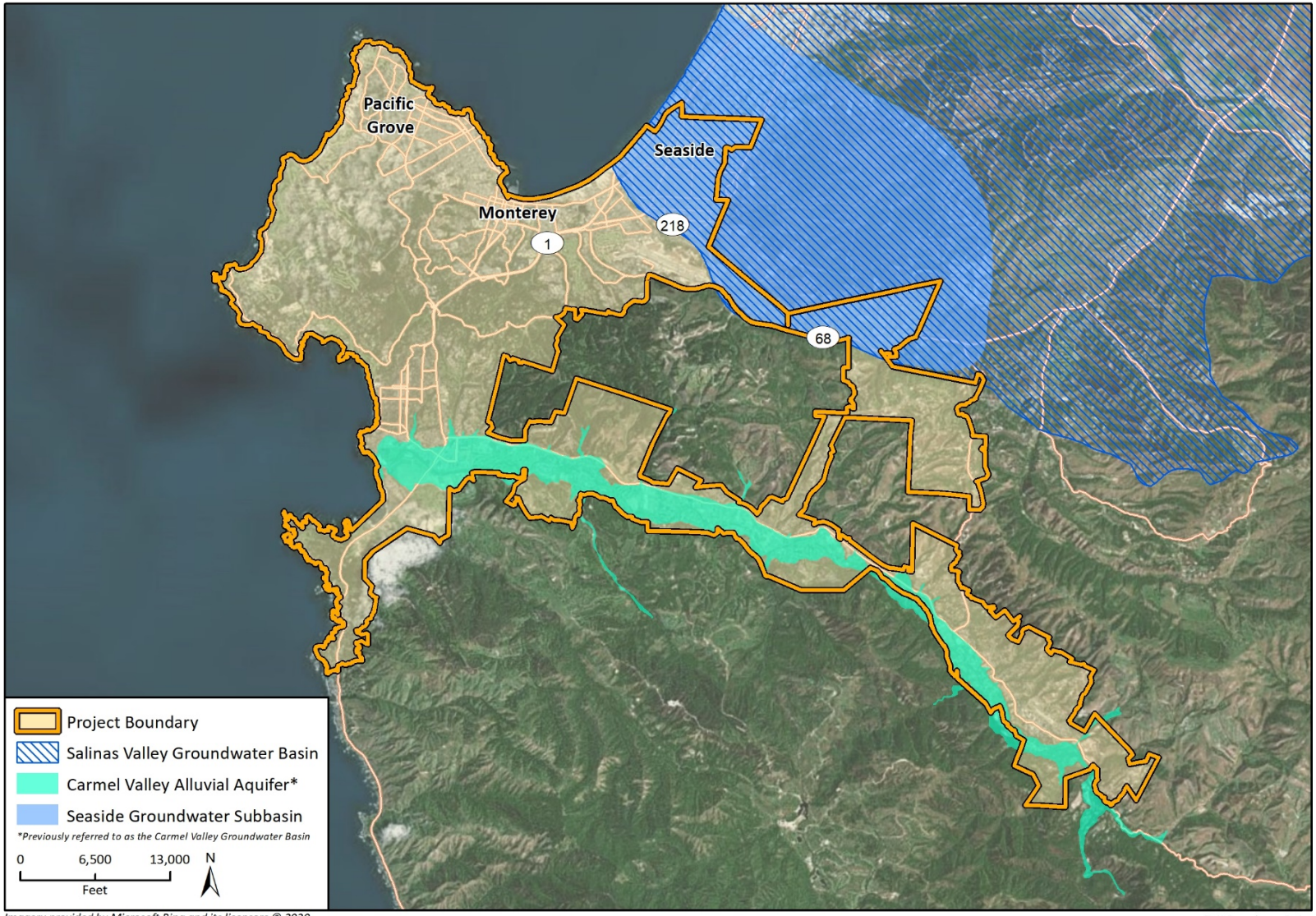
The Seaside Groundwater Basin is a subbasin of the Salinas Valley Groundwater Basin that underlies the project area and the only subbasin of the Salinas Valley Groundwater Basin that underlies the project area. The Seaside Groundwater Basin has a surface area of 40 square miles and is located underneath the cities of Sand City, Seaside and Marina, the western portion of the former Fort Ord (land formerly occupied by the Fort Ord military base), and unincorporated parts of Monterey County (DWR 2004). The Seaside Groundwater Basin is bounded on the west by the Monterey Bay, to the north and east by the Monterey Subbasin, and to the south there are no groundwater basins bordering the Basin. The Seaside Groundwater Basin consists of a sequence of three aquifers that overlie the relatively impermeable Monterey Formation. The lowermost or deepest aquifer is the Santa Margarita aquifer, the middle aquifer is the Paso Robles aquifer, and the uppermost or shallowest aquifer is the Dune Sands aquifer. The Paso Robles and Santa Margarita aquifer are the principal water-producing aquifers in the basin (District 2019b). Storage capacity has been estimated at 1,000,000 AF. The Seaside Groundwater Basin is marked as a “medium-priority” basin by DWR (DWR 2004).

In the 1970s, improved monitoring and data collection in the Seaside Groundwater Basin showed declines in the water table and overdrafting in many areas across the basin. As outlined above, in 1995, SWRCB issued Order No. WR 95-10, which found that CalAm was diverting more water from the Carmel River than it was allowed. CalAm was ordered to reduce surface water intake from the Carmel River. As a result, the utility increased coastal groundwater extraction from the Seaside Groundwater Basin to supplement its water supplies (District 2014).

CalAm filed the action which initiated adjudication of the Seaside Basin on August 14, 2003 in *California American Water v. City of Seaside et al.*, Monterey Superior Court, Case No. M66343. The utility sought a declaration of rights among parties interested in groundwater production and storage in the basin, and named a number of defendants, including local cities, developers, and landowners that historically extracted groundwater from the basin.

In 2006, the Monterey County Superior Court determined that the Seaside Groundwater Basin was in overdraft and established a physical solution to basin management by setting a "Natural Safe Yield" for the Seaside Basin of 3,000 AFY. The court found that total groundwater production in each of the preceding five years was between 5,100 and 6,100 AFY. In addition, the adjudication created a Watermaster, a court-created body with representation of the parties to the adjudication that is tasked with managing the physical solution of the basin. The Seaside Basin Watermaster consists of

Figure 4.3-2 Groundwater Resources in the Project Area



a nine-member board, representing municipal water suppliers, cities, individual pumpers, and water management agencies.

To achieve the Natural Safe Yield, pumpers were ordered to reduce pumping in steps every three years through 2021. These gradual steps were defined by the court as the operation safe yield (OSY), which is the maximum amount of groundwater that should be allowed to be produced from the basin in a given year. An initial OSY was set at 5,600 AFY; with overdraft conditions in the basin it was mandated that groundwater pumping from the basin be reduced by 2,600 AFY by 2021. The court determined each party's water right based on their historical production from the basin. Cutbacks to the OSY are to be implemented every three years until gradually the basin is brought into balance and the risk of seawater intrusion is reduced.

In general, groundwater quality in the Seaside Groundwater Basin is characterized as a sodium-chloride type in the southern end of the subbasin to a sodium-bicarbonate type in the northern portion. Water from the Santa Margarita Formation is high in hydrogen sulfide gas, however groundwater testing as part of the ASR project show that levels of hydrogen sulfide in extracted groundwater were much lower than the concentrations in natural groundwater prior to injection, indicating that ASR may reduce hydrogen sulfide in the recovered water (California Public Utilities Commission [CPUC] and Monterey Bay National Marine Sanctuary 2018). In addition, the basin could be vulnerable to seawater intrusion (DWR 2004). Seawater intrusion occurs when ocean water enters fresh groundwater aquifers at the coast and migrates inland. The salty seawater combines with the fresh groundwater to create a mixture referred to as brackish water. Seawater intrusion has occurred north of the Seaside Groundwater Basin in the 180/400 Foot Aquifer Subbasin. In addition, wells along the coast have shown elevated concentrations of chloride, although these concentrations have not exceeded drinking standards. Although seawater intrusion has not been documented in the Seaside Groundwater Basin, both of these indicators, seawater intrusion already documented in adjacent subbasins and the presence of increased chloride concentrations, indicate that seawater intrusion could be a potential issue in the Seaside Groundwater Basin moving forward (DWR 2004).

Carmel Valley Alluvial Aquifer

Although the Carmel Valley Groundwater Basin is ranked it a "high-priority" basin (Basin 3-7) by DWR (DWR 2004), it is now generally accepted that the Carmel Valley Groundwater Basin is not in fact groundwater but rather, as defined by the SWRCB and the District, surface water flowing in a known and definite channel underground (District 2016). The Carmel Valley Alluvial Aquifer underlies the alluvial portion of the Carmel River and is about six-square miles, 16 miles long, ranges in width from 300 to 4,500 feet and thickness from about 50 feet near Carmel Valley Village to 150 feet near Highway 1.

Historically, pumping of the alluvial aquifer in the spring and summer months lead to dewatering of the lower six miles of the river for several months in most years and up to nine miles in dry to extremely dry years. The aquifer is recharged relatively quickly, primarily by river infiltration, during normal rainfall years (District 2014). However as outlined above, the SWRCB issued a series of orders which limits diversions from the Carmel River Basin.

In February 2016, the District, who has already become the Groundwater Sustainability Agency (GSA) for the Carmel Valley Groundwater Basin, sent an inquiry to both DWR and the SWRCB, describing the inherent conflict in how these two agencies view and manage the Carmel Valley Alluvial Aquifer under the Sustainable Groundwater Management Act (SGMA). Specifically, the inquiry explained the Carmel River Groundwater Basin, as identified in Bulletin 118, is not

groundwater at all and should therefore be removed from the Bulletin and the requirements of SGMA. The District reasoned that the Carmel River Groundwater Basin is not subject to SGMA because the aquifer has been subject to surface water rights and is thus in the jurisdiction of the SWRCB; therefore, it does not meet SGMA's definition of "groundwater," which excludes water that flows in known and definite channels (District 2016). In response to the District, SWRCB issued a letter acknowledging both the Carmel Valley Groundwater Basin, as defined under Bulletin 118, and the Carmel River Alluvial Aquifer, and stated that due to the lack of groundwater in the Basin, the reporting requirements under SGMA do not apply to the Carmel Valley Groundwater Basin (SWRCB 2019).

4.3.2 Regulatory Setting

a. Federal and State

Section 2.3, *Regulatory Setting*, of this EIR discusses regulatory requirements and agencies relevant to the regulatory setting for the issue area of hydrology and water quality, including the following: the federal Safe Drinking Water Act, the California Urban Water Management Planning Act (which includes 2018 Water Conservation Legislation and the California Water Conservation Act of 2009), the CPUC (regulates privately operated public utilities), and the SWRCB (regulates public drinking water systems). Additional State regulations are described below.

Senate Bill 610

Statewide legislation relevant to groundwater supply management includes Senate Bill 610, which requires the preparation of a Water Supply Assessment (WSA) for certain types of projects that are subject to CEQA. However, projects that are located in basins that are already adjudicated, such as the Seaside Groundwater Basin, are exempt from requiring a WSA because implementation of an adjudication order would achieve the same goals towards water supply reliability planning as would a WSA.

Sustainable Groundwater Management Act

In 2014 a package of bills referred to as SGMA was passed to require that certain priority groundwater basins throughout the state are managed under a Groundwater Sustainability Plan (GSP) per the direction of a GSA, although adjudicated basins may comply through implementation of the applicable adjudication judgment. As a result, a GSP is not being prepared for the Seaside Groundwater Basin because it is adjudicated. Further, and as explained above in Section 4.3.1, *Existing Setting, Carmel Valley Alluvial Aquifer*, the District has been named the GSA for the Carmel Valley Groundwater Basin, however, per direction by SWRCB a GSP is not required as there is little to no groundwater in the Basin.

b. Regional

Methods available for managing groundwater resources in California include: (1) management by local agencies under authority granted in the California Water Code or other applicable State statutes, (2) local government groundwater ordinances or joint powers agreements, and (3) court

adjudications (DWR 2004). The level of groundwater management in any basin or subbasin is often dependent on water availability and demand (DWR 2004).

Seaside Groundwater Basin Adjudication

As noted previously, the Seaside Groundwater Basin was adjudicated in 2006. As part of the adjudication judgment, the Seaside Groundwater Basin Watermaster was created with the responsibility to assist the Court in enforcing the provisions of the adjudication judgment. The Seaside Groundwater Basin Watermaster is required to file an annual Watermaster Report with the Court that addresses specific Watermaster functions set forth in the adjudication decision including (Seaside Basin Watermaster 2019):

- Groundwater extraction and storage
- Amount of artificial replenishment, if any, performed by Watermaster
- Leases or sales of production allocation and administrative actions
- Use of imported, reclaimed, or desalinated water as a source of water for storage or as a water supply for lands overlying the seaside basin
- Violations of the decision and any corrective actions taken
- Watermaster administrative costs
- Replenishment assessments
- All components of the Watermaster budget
- Water quality monitoring and basin management
- A summary of basin conditions and important developments concerning the management of the Basin
- Planned near- and long-term actions of the Watermaster
- Information concerning the status of regional water supply issues
- Management activities that may bear on the Basin's wellbeing

Information provided in the annual Watermaster Report is used to ensure compliance with the adjudication, thereby ensuring that management efforts conducted in the basin are making effective progress towards achieving sustainability and water supply reliability.

Local

County of Monterey

The County of Monterey General Plan Public Services Element (2010) contains the following goal and policies that would be applicable to the proposed project:

Goal OS-3 Prevent soil erosion to conserve soils and enhance water quality

Policy OS-3.8 The County shall cooperate with appropriate regional, state and federal agencies to provide public education/outreach and technical assistance programs on erosion and sediment control, efficient water use, water conservation and re-use, and groundwater management. This cooperative effort shall be centered through the Monterey County Water Resources Agency

Policy PS-3.2 Specific criteria for proof of a Long Term Sustainable Water Supply and an Adequate Water Supply System for new development requiring a discretionary permit, including but not limited to residential or commercial subdivisions, shall be developed by ordinance with the advice of the General Manager of the Water Resources Agency and the Director of the Environmental Health Bureau. A determination of a Long Term Sustainable Water Supply shall be made upon the advice of the General Manager of the Water Resources Agency. The following factors shall be used in developing the criteria for proof of a long term sustainable water supply and an adequate water supply system:

a. Water quality;

b. Authorized production capacity of a facility operating pursuant to a permit from a regulatory agency, production capability, and any adverse effect on the economic extraction of water or other effect on wells in the immediate vicinity, including recovery rates;

c. Technical, managerial, and financial capability of the water purveyor or water system operator;

d. The source of the water supply and the nature of the right(s) to water from the source;

e. Cumulative impacts of existing and projected future demand for water from the source, and the ability to reverse trends contributing to an overdraft condition or otherwise affecting supply; and

f. Effects of additional extraction or diversion of water on the environment including on in-stream flows necessary to support riparian vegetation, wetlands, fish or other aquatic life, and the migration potential for steelhead, for the purpose of minimizing impacts on the environment and to those resources and species.

g. Completion and operation of new projects, or implementation of best practices, to renew or sustain aquifer or basin functions.

The hauling of water shall not be a factor nor a criterion for the proof of a long term sustainable water supply.

City of Seaside

The City of Seaside General Plan Conservation/Open Space Element (2003) contains the following goals and policies that would be applicable to the proposed project:

Goal COS-3 Protect and enhance local and regional ground and surface water resources

- **Policy COS-3.1** Eliminate long-term groundwater overdrafting as soon as feasible
- **Policy COS-3.2** Work with all local, regional, State, and federal agencies to implement mandated water quality programs and regulations to improve surface water quality

The City of Seaside is currently preparing *Draft Seaside 2040*, a comprehensive General Plan update, which includes updated goals and policies. The *Draft Seaside 2040* Community Facilities and Infrastructure Element (2019) contains the following goals and policies aimed at improving access to utility infrastructure:

Goal CFI-3 Clean and sustainable groundwater through policies that aim to optimize groundwater recharge from new and redevelopment projects

Goal POC-11 Pollutant discharge managed to minimize adverse impacts on water quality in the Monterey Bay, Robert's Lake, Laguna Grande and other bodies of water

City of Monterey

The City of Monterey General Plan Conservation Element (2016) contains the following goal and policies that would be applicable to the proposed project:

Goal b.1 Protect creeks, lakes, wetlands, beaches and Monterey Bay from pollutants discharged to the storm drain system

- **Policy b.2** Minimize particulate matter pollution with erosion and sediment control in waterways and on construction sites and with regular street sweeping on City streets
- **Policy b.3** Retain and restore wetlands, riparian areas, and other habitats, which provide remediation for degraded water quality

City of Del Rey Oaks

The City Del Rey Oaks General Plan Public Services and Open Space/Conservation Elements (1997) contains the following goals that would be applicable to the proposed project:

Goal 1 Provide water and maintain a water management policy that will provide a sufficient quantity of appropriate quality water to meet the needs of the existing and planned community

Goal 2 Preserve and protect the water quality, runoff, flow, and other resources of the Canyon Del Rey Drainageway

City of Sand City

The Sand City General Plan Conservation and Open Space Element (2002) includes the following goal and policy that would be applicable to the proposed project:

Goal 5.1 Maintain the quality of water resources in Sand City and prevent their contamination

- **Policy 5.1.1** The City supports efforts of the various public agencies responsible for maintaining and improving water quality in Sand City

City of Pacific Grove

The Pacific Grove General Plan Public Facilities Element (1997) contains the following goal and policy that would be applicable to the proposed project:

Goal 4 Protect Pacific Grove's water and marine resources

- **Policy 8** When reimbursement is available, cooperate with State and federal agencies in reducing impacts from urban runoff

City of Carmel-by-the-Sea

The Carmel-by-the-Sea General Plan/Local Coastal Plan Open Space and Conservation Element (2009) contains the following goal and policy that would be applicable to the proposed project:

Goal O7-6 Improve water conservation and promote water management techniques

Policy 7-21 Manage water resources to ensure equitable amounts of clean water for all users, to support wildlife habitat, and to preserve natural resources within the sustainable limits of water supplies

In addition, the various jurisdictions which encompass the project area, including the cities of Carmel-by-the-Sea, Pacific Grove, Del Rey Oaks, Monterey, Sand City, and Seaside as well as the County of Monterey, includes Ordinances that apply to water conservation towards the goals of minimizing per capita water demands and maintaining sustainable water supply to the area. These include:

- Chapters 15.12 – Water Conservation, 18.44 - Residential and Commercial Water Conservation Measures and 18.50 – Residential, Commercial and Industrial Water Conservation Measures of the Monterey County Code
- Chapters 15.28 – Water Conservation and 17.50 – Water Management Program of the Carmel-by-the-Sea Municipal Code
- Chapter 15.12 – Water Conservation of the Sand City Municipal Code
- Chapter 13.11 – Municipal Water System Water Conservation Program and 13.18 Residential and Commercial Water Conservation Measures of the City of Seaside Municipal Code

Further, a majority of the project area is within the District boundaries or is proposed for annexation into the District boundaries. The District has adopted a number of rules and regulations for water use and conservation, such as Rule 23 which requires a water permit, issued through the District, for new water use (i.e., a new connection) or an intensification of use (i.e., new fixtures or an additional bathroom). In addition, Regulation XIV – Water Conservation that sets a number of rules for water conservation rebates, water efficiency standards, and retrofits. Hence, the District's rules and regulations would be applicable to the proposed project.

4.3.3 Impact Analysis

a. Methodology and Significance Thresholds

Based on Appendix G of the *State CEQA Guidelines*, impacts to hydrology and water quality would be considered potentially significant if the proposed project would meet one of the following significance thresholds:

1. Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or groundwater quality
2. Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin
3. Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or through the addition of impervious surfaces, in a manner which would:
    a. result in substantial erosion or siltation on- or off-site
    b. substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or offsite

c. create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or

d. impede or redirect flood flows

4. In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation
5. Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan

As described in Section 2.5, *Project Characteristics*, the proposed project entails acquisition of CalAm's system facilities and related water rights, but would not change or expand the physical Monterey Water System (MWS) or the associated water rights, and the proposed project also would not change the manner of operation of the MWS or exercise of the associated water rights. As a result, the proposed project would result in no impact related to water quality standards or waste discharge requirements, drainage, or flooding. Therefore, checklist item 1, 3, and 4 are analyzed in Section 4.7, *Effects Found to be Less than Significant*. Checklist items 2 and 5 are discussed below.

b. Project Impacts and Mitigation Measures

Threshold 2:	Would the project substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?

Impact HYD-1 THE PROPOSED PROJECT WOULD NOT SUBSTANTIALLY DECREASE GROUNDWATER SUPPLIES OR INTERFERE SUBSTANTIALLY WITH GROUNDWATER RECHARGE SUCH THAT THE PROJECT MAY IMPEDE SUSTAINABLE GROUNDWATER MANAGEMENT OF THE BASIN. THEREFORE, POTENTIAL IMPACTS TO GROUNDWATER SUPPLY WOULD BE LESS THAN SIGNIFICANT.

The proposed project would not result in the construction of new infrastructure or facilities and therefore, would not introduce new impermeable areas that would have potential to affect groundwater recharge. Similarly, operation and maintenance activities that would occur under the proposed project would utilize the same access roads as current operation and maintenance activities, and road improvements that could have potential to affect groundwater recharge would not be necessary under the proposed project. Therefore, the project would not impact groundwater recharge, and the potential for the proposed project to adversely affect groundwater supplies would be limited to the potential for increased groundwater use.

The District anticipates that under its ownership water rates for customers of the MWS would be reduced in the future as compared to the rates customers would otherwise pay to CalAm. Understanding the underlying drivers between water demand and water use has been extensively studied in order to inform decision makers when planning for a sustainable water supply. Several studies have shown that water pricing can be an effective tool to incentivize water conservation (Barrett 2004; Whitcomb 2005; Ashoori et al. 2016). Ashoori et al. (2016), found in the service area of Los Angeles Department of Water and Power that price and population had the most significant impact on water demand. Barrett (2004) found higher pricing can play an important role in reductions in water consumption, especially when paired with regulation. Whitcomb's (2005) research supports the conclusion that water use decreases as price increases. Reduced water pricing could potentially result in increased water usage, as it is generally accepted that water use can fluctuate with cost. The amount of change in water use responding to changes in water cost can be

a function of several factors including but not limited to: the availability of alternate water sources, price range and elasticity, income, population, climatic data, and customer knowledge and understanding of bill information (Whitcomb 2005; Ashoori et al. 2016). Accordingly, it would be speculative to numerically predict changes in water usage based on potential future changes in water rates.

Further, the total cost of water under District ownership would include the amounts used to finance the acquisition of the MWS from CalAm, and that amount would not be known until the final purchase price for the MWS assets is determined. Regardless of the price of the MWS, while it is possible to conclude that the overall cost of water under District ownership and operation of the MWS would be less in the future, and in all likelihood substantially less, it is speculative to quantify the change in rates over time. Quantifying future rates would be speculative for the District to estimate because, as noted above, there are several variables that affect water usage in addition to price, and isolating those variables to predict how changing one variable (price) for the MWS would affect customer demand would be conjectural.

Since the analysis of water pricing is speculative, it is not required under CEQA pursuant *State CEQA Guidelines*, Section 15145 which states that, if, after thorough investigation, a lead agency finds that a particular impact is too speculative for evaluation, the agency should note its conclusion and terminate discussion of the impact. As a result, an analysis of water demand based on water price is not required under CEQA since it is speculative. Nonetheless, out of abundance of caution and to fully address the issue consistent with *State CEQA Guidelines* Section 15145 and provide for a high degree of transparency for the decision-makers and the public, the following discussion is provided.

If water customers in the MWS area respond to changes in ownership of the system and potential rate decreases by increasing their rates of water use, the District, as the new water provider, could respond by increasing supply to accommodate increased demand, potentially increasing its use of groundwater. However, this may in turn result in increased water rates associated with the need to procure replacement water to maintain compliance with the Seaside Groundwater Basin Adjudication Decision and SWRCB Order No. WR 95-10, which could subsequently result in water uses decreasing. Alternatively, transfers of water for unused water rights from another party within the Carmel Valley Alluvial Aquifer or Seaside Groundwater Basin could be implemented to account for any excess water use.

In addition to potential changes in water demands that could occur in response to potential changes in water pricing, compliance with the Seaside Groundwater Basin Adjudication Decision and SWRCB Order WR 2016-001 and existing laws and regulations relevant to water conservation practices and goals would continue to be required. Ultimately, compliance with the SWRCB CDO that sets restrictions on pumping water from the Carmel River as well as the Seaside Groundwater Basin Adjudication Decision, which established a "Natural Safe Yield" for the Seaside Groundwater Basin of 3,000 AFY, would restrict the amount of water that may be pumped and would require the provision of replacement water to offset any water supply required in excess of what is allowed. In addition, the 2018 Water Conservation Legislation (AB 1668 and SB 606) requires urban water suppliers to stay within annual water budgets, based on set standards, for their service areas. The California Water Conservation Act of 2009 (SBX7-7) also mandates conservation goals for urban retail water suppliers, including a goal of 20 percent reduction in per capita urban consumption by 2020. Both pieces of legislation are mentioned in the Section 4.3.2, *Regulatory Setting,* above and described in Section 2.3, *Regulatory Setting*. The MWS is currently subject to the provisions of both these Acts, and the 2015 UWMP will be updated in 2020 to report the progress toward integrating management measures to reduce demand and in meeting the 20 percent reduction target outlined

in these Acts. Section 4.1, *Baseline and Targets*, of the 2015 UWMP identifies a per capita water use goal of 118 gallons per capita day (gpcd) by the year 2020, which will be achieved through using existing methods of conservation as well as additional methods identified in the 2015 UWMP (CalAm 2016). However, by 2015, the fourth year of extreme drought, average customer use was at 94 gpcd. In 2016, after the UWMP was published, the average customer use fell to 82 gpcd. Per capita use remains at such reduced levels (Crooks 2017).

The 2015 UWMP outlines seven Demand Management Measures (DMM) that CalAm implements in order to meet the 2020 urban water reduction targets. These include (CalAm 2016):

- Water waste prevention ordinances
- Metering
- Conservation pricing
- Public education and outreach
- Programs to assess and manage distribution system real loss
- Water conservation program coordination and staffing
- Other demand management measures

Regularly updated UWMPs will be required into the future, under different operational responsibility structures, and it is reasonably anticipated that future UWMPs will include comparable data and requirements as are included in the 2015 UWMP. Further, the 2015 UWMP includes detailed discussion of water storage contingency planning, including stages of action, mandatory prohibitions and restrictions, consumption reduction methods, penalties for excessive use, a three-year minimum water supply estimate, and a catastrophic supply interruption plan. For instance, as described in the 2015 UWMP, Section 6.2.2, *Stages of Action, Mandatory Prohibitions and Restrictions, Consumption Reduction Methods, Penalties for Excessive Use,* the water purveyor may impose water rationing stages and reduction measures to users within the MWS if compliance with the CDO and production limits imposed by the Seaside Watermaster are not met. Similarly, conservation measures would also be available for implementation by the District to achieve the required water use reductions, should the proposed project be approved.

Further, the District maintains its own set of rules and regulations for use and conservation, as outlined above in Section 4.3.2, *Regulatory Setting,* under District Rule 23 a water permit is required for any new connections or intensification of use. If areas outside the District are annexed as a result of the proposed project, these rules and regulations would apply to these areas, which would further regulate the use of water in these areas. In addition, annexation of areas into the District would not automatically allow vacant lots to be developed, as the District does not have land use authority. Any future development of lots in these areas, including water usage, would require CEQA clearance, permitting, and any other required approvals with the local jurisdiction, which in the case of the proposed annexation areas would be County of Monterey.

Therefore, although the District anticipates that the overall cost of water to customers of the MWS would be reduced in the future after it acquires the MWS and that the overall cost of water would continue to be less than under Cal Am's ownership,, compliance with the existing Seaside Groundwater Basin Adjudication Decision and SWRCB Order WR 2016-001and other laws and regulations would avoid significant adverse impacts to groundwater supply reliability. Impacts of the proposed project on groundwater supplies and recharge would be less than significant.

Mitigation Measures

Mitigation measures are not required.

Threshold 5:	Would the project conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?

Impact HYD-2 THE PROJECT WOULD NOT CONFLICT WITH OR OBSTRUCT IMPLEMENTATION OF A WATER QUALITY CONTROL PLAN OR SUSTAINABLE GROUNDWATER MANAGEMENT PLAN. THIS IMPACT WOULD BE LESS THAN SIGNIFICANT WITH MITIGATION.

As outlined above in Section 4.3.2, *Regulatory Setting,* a GSP is not required for the Seaside Groundwater Basin as adjudicated basins may comply through implementation of the applicable adjudication judgment. In addition, although the District has been named the GSA for the Carmel Valley Groundwater Basin, per direction by DWR the Carmel Valley Groundwater Basin boundaries are expected to be modified and a GSP will not be required since it is now highly accepted that the Carmel Valley Groundwater Basin is in fact not a basin but an alluvial aquifer. Further, the Carmel Valley Alluvial Aquifer is actively monitored and managed by the SWRCB under Order WR 2016-001. The Seaside Groundwater Basin adjudication judgment and SWRCB Order WR 2016-001have been developed to ensure the long-term sustainability of these water supply sources.

The proposed project would not involve physical construction of new facilities or infrastructure and would not involve any substantial change in physical operational or maintenance activities. Further, as discussed above under Impact HYD-1, the proposed project would not result in an increased water demand as the adjudication and SWRCB Order WR 2016-001 would restrict the amount of groundwater that may be pumped, and would require the provision of replacement water to offset any water supply required in excess of what is allowed per the Adjudication Judgement. Accordingly, the proposed project would not interfere with sustainable groundwater management planning or control and the impact would be less than significant.

Mitigation Measures

Mitigation measures are not required.

c. Cumulative Impacts

The geographic scope for cumulative impacts is the MWS service area. As shown in Table 3-1, *Cumulative Projects List*, in Section 3, *Environmental Setting*, numerous development projects are anticipated within this area. Cumulative development in the MWS service include both residential and non-residential development. Cumulative development would generally increase impermeable surface in the area. These projects could affect hydrology through their construction or operation in areas such as erosion, surface water pollution, impacts to groundwater, increases in runoff, or flooding. However, continued implementation of the Seaside Groundwater Basin Adjudication Decision, SWRCB Order WR 2016-001, as well as State and local policies and regulations would ensure that future connections to the water system are appropriately planned, designed, and implemented to maintain the long-term sustainability of groundwater supplies. Further, implementation of planned projects, such as the MPWSP and/or the proposed modifications to the Pure Water Monterey Project outlined in Section 4.6, *Utilities and Service Systems,* would also ensure water supply for cumulative buildout on the Monterey Peninsula. Therefore, cumulative development would not result in a significant cumulative impact. The proposed project would not

result in the development of new facilities and as result a change in the hydrology of the project area. In addition, as discussed under Impact HWQ-1, the proposed project could theoretically increase the demand for water due to price fluctuations, most of which would be derived from groundwater sources. However, the operator of the system would be required to comply with the above cited local regulations limiting pumping of the Seaside Groundwater Basin and the Carmel River Alluvial Aquifer. As a result, water use rates would continue to decline on a per capita basis regardless of potential changes in the system operator or water rate structures. Therefore, the project itself would not contribute to future increases in water supply demand, and its contribution to cumulative impacts in relation to groundwater supplies would not be considerable.

4.4 Noise

This section evaluates the potential environmental impacts related to noise generated by implementation of the proposed project on nearby noise-sensitive land uses.

4.4.1 Setting

a. Environmental Noise

Sound is a vibratory disturbance created by a moving or vibrating source, which is capable of being detected by the hearing organs (e.g., the human ear). Noise is defined as sound that is loud, unpleasant, unexpected, or undesired and may therefore be classified as a more specific group of sounds. The effects of noise on people can include general annoyance, interference with speech communication, sleep disturbance, and, in the extreme, hearing impairment (California Department of Transportation [Caltrans] 2013).

Noise levels are commonly measured in decibels (dB) using the A-weighted sound pressure level (dBA). The A-weighting scale is an adjustment to the actual sound pressure levels so that they are consistent with the human hearing response, which is most sensitive to frequencies around 4,000 Hertz (Hz) and less sensitive to frequencies around and below 100 Hz (Kinsler et. al. 2000). Decibels are measured on a logarithmic scale that quantifies sound intensity in a manner similar to the Richter scale used to measure earthquake magnitudes. A doubling of the energy of a noise source, such as a doubling of traffic volume, would increase the noise level by 3 dB; similarly, dividing the energy in half would result in a decrease of 3 dB (Crocker 2007).

Human perception of noise has no simple correlation with sound energy: the perception of sound is not linear in terms of dBA or in terms of sound energy. Two sources do not "sound twice as loud" as one source. It is widely accepted that the average healthy ear can barely perceive an increase (or decrease) of up to 3 dBA in noise levels (i.e., twice [or half] the sound energy); that a change of 5 dBA is readily perceptible (8 times the sound energy); and that an increase (or decrease) of 10 dBA sounds twice (or half) as loud (10.5 times the sound energy) (Crocker 2007).

Sound changes in both level and frequency spectrum as it travels from the source to the receiver. The most obvious change is the decrease in sound level as the distance from the source increases. The manner by which noise reduces with distance depends on factors such as the type of sources (e.g., point or line), the path the sound will travel, site conditions, and obstructions. Noise levels from a point source (e.g., construction, industrial machinery, ventilation units) typically attenuate, or drop off, at a rate of 6 dBA per doubling of distance. Noise levels from a line source (e.g., roadway, pipeline, railroad) typically attenuate at a rate of 3 dBA per doubling of distance (Caltrans 2013). The propagation of noise is also affected by the intervening ground, known as ground absorption. A hard site, such as a parking lot or smooth body of water, receives no additional ground attenuation, and the attenuation rate results simply from the geometric spreading of the source. An additional ground attenuation value of 1.5 dBA per doubling of distance applies to a soft site (e.g., soft dirt, grass, or scattered bushes and trees) (Caltrans 2013). Noise levels may also be reduced by intervening structures; the amount of attenuation provided by this "shielding" depends on the size of the object and the frequencies of the noise levels. Natural terrain features, such as hills and dense woods, and man-made features, such as buildings and walls, can significantly alter noise levels. Generally, any large structure blocking the line of sight will provide at least a 5-dBA reduction in source noise levels at the receiver (Federal Highway Administration [FHWA] 2011).

Structures can substantially reduce occupants' exposure to noise as well. The FHWA's guidelines indicate that modern building construction generally provides an exterior-to-interior noise level reduction of 20 to 35 dBA with closed windows.

The impact of noise is not a function of sound level alone. The time of day when noise occurs and the duration of the noise are also important. Most noise that lasts for more than a few seconds is variable in its intensity. Consequently, a variety of noise descriptors have been developed. One of the most frequently-used noise metrics is the equivalent noise level (L_{eq}); it considers both duration and sound power level. L_{eq} is defined as the single steady A-weighted level equivalent to the same amount of energy as that contained in the actual fluctuating levels over a period of time (essentially, the average noise level). Typically, L_{eq} is summed over a one-hour period. L_{max} is the highest root mean squared (RMS) sound pressure level within the sampling period, and L_{min} is the lowest RMS sound pressure level within the measuring period (Crocker 2007). Normal conversational levels are in the 60 to 65 dBA L_{eq} range; ambient noise levels greater than 65 dBA L_{eq} can interrupt conversations (Federal Transit Administration [FTA] 2018).

Noise that occurs at night tends to be more disturbing than that occurring during the day. Community noise is usually measured using Day-Night Average Level (L_{dn}), which is the 24-hour average noise level with a +10 dBA penalty for noise occurring during nighttime hours (10:00 p.m. to 7:00 a.m.). Community noise can also be measured using Community Noise Equivalent Level (CNEL), which is the 24-hour average noise level with a +5 dBA penalty for noise occurring from 7:00 p.m. to 10:00 p.m. and a +10 dBA penalty for noise occurring from 10:00 p.m. to 7:00 a.m. (Caltrans 2013). Noise levels described by L_{dn} and CNEL usually differ by about 1 dBA.

b. Groundborne Vibration

Groundborne vibration of concern in environmental analysis consists of the oscillatory waves that move from a source through the ground to adjacent structures. The number of cycles per second of oscillation makes up the vibration frequency, described in terms of Hz. The frequency of a vibrating object describes how rapidly it oscillates. The normal frequency range of most groundborne vibration that can be felt by the human body is from a low of less than 1 Hz up to a high of about 200 Hz (Crocker 2007). Typically, groundborne vibration generated by human activities attenuates rapidly with distance from the source of the vibration.

While people have varying sensitivities to vibrations at different frequencies, in general they are most sensitive to low-frequency vibration. Vibration in buildings, such as from nearby construction activities, may cause windows, items on shelves, and pictures on walls to rattle. Vibration of building components can also take the form of an audible low-frequency rumbling noise, referred to as groundborne noise. Groundborne noise is usually only a problem when the originating vibration spectrum is dominated by frequencies in the upper end of the range (60 to 200 Hz), or when foundations or utilities, such as sewer and water pipes, physically connect the structure and the vibration source (FTA 2018). Although groundborne vibration is sometimes noticeable in outdoor environments, it is almost never annoying to people who are outdoors. The primary concern from vibration is that it can be intrusive and annoying to building occupants and vibration-sensitive land uses.

Vibration energy spreads out as it travels through the ground, causing the vibration level to diminish with distance away from the source. High-frequency vibrations diminish much more rapidly than low frequencies, so low frequencies tend to dominate the spectrum at large distances from the source. Discontinuities in the soil strata can also cause diffractions or channeling effects that affect the propagation of vibration over long distances (Caltrans 2020). When a building is impacted by

vibration, a ground-to-foundation coupling loss will usually reduce the overall vibration level. However, under rare circumstances, the ground-to-foundation coupling may actually amplify the vibration level due to structural resonances of the floors and walls.

Vibration amplitudes are usually expressed in peak particle velocity (PPV) or RMS vibration velocity. The PPV and RMS velocity are normally described in inches per second (in/sec). PPV is defined as the maximum instantaneous positive or negative peak of a vibration signal. PPV is often used in monitoring of blasting vibration because it is related to the stresses that are experienced by buildings (Caltrans 2020).

Although PPV is appropriate for evaluating the potential for building damage, it is not always suitable for evaluating human response. It takes some time for the human body to respond to vibration signals. In a sense, the human body responds to average vibration amplitude. The RMS of a signal is the average of the squared amplitude of the signal, typically calculated over a one-second period. As with airborne sound, the RMS velocity is often expressed in decibel notation as vibration decibels (VdB), which serves to compress the range of numbers required to describe vibration (FTA 2018).

Vibration significance ranges from approximately 50 VdB, which is the typical background vibration-velocity level, to 100 VdB, the general threshold where minor damage can occur in fragile buildings (FTA 2018). The general human response to different levels of groundborne vibration velocity levels is described in Table 4.4-1.

Table 4.4-1 Human Response to Different Levels of Groundborne Vibration

Vibration Velocity Level	Human Reaction
65 VdB	Approximate threshold of perception for many people
75 VdB	Approximate dividing line between barely perceptible and distinctly perceptible – many people find that transportation-related vibration at this level is unacceptable
85 VdB	Vibration acceptable only if there are an infrequent number of events per day

VdB = vibration decibels

Source: FTA 2018

c. Sensitive Receivers

Noise-sensitive land uses are generally considered to be residential uses, transient lodging, hotels, motels, hospitals, nursing homes, public assembly and entertainment venues (e.g., auditoriums, theaters, music halls, meeting halls), places of worship, schools, daycare centers, libraries, museums, parks, playgrounds, recreation and open space areas, and cemeteries. Vibration-sensitive receivers, which are similar to noise-sensitive receivers, include residences and institutional uses, such as schools, places of worship, and hospitals. However, vibration-sensitive receivers also include fragile/historic-era buildings and buildings where vibrations may interfere with vibration-sensitive equipment that is affected by vibration levels that may be well below those associated with human annoyance (e.g., recording studios or laboratory facilities with sensitive equipment).

d. Existing Noise Environment

Existing noise levels vary widely throughout the project area depending on the nature, type, and intensity of existing development. Rural and suburban residential areas generally experience lower ambient noise levels while areas in highly urbanized regions, along high-volume roadways, and near industrial development generally experience higher ambient noise levels. Quiet suburban areas

typically have noise levels in the range of 40 to 50 dBA, while those along arterial streets are in the 50 to 60+ dBA range. Noise levels along freeways are typically in the range of 65 to 80+ dBA.

The project area contains existing major noise sources, including State Route (SR) 1, SR 68 West, SR 68 East, SR 218, Carmel Valley Road, the Monterey Regional Airport, the Carmel Wastewater Treatment Plant, and the Laguna Seca Raceway (County of Monterey 2010). Additional minor noise sources throughout the project area include noise generated by traffic on other regional and local roadways; heating, ventilation, and air conditioning equipment; industrial processes; commercial activities (e.g., loading and unloading delivery trucks); construction activities; sporting events; landscaping activities; and use of sound-amplifying devices (e.g., speakers, megaphones, radios).

The project area is approximately 55 square miles with noise- and vibration-sensitive receivers located throughout and adjacent to it. Noise-sensitive receivers include residential neighborhoods, transient lodging, hotels, motels, hospitals, nursing homes, public assembly and entertainment venues, places of worship, schools (see Section 4.1, *Air Quality*, for a list of schools in the project area), daycare centers, libraries, museums, parks, playgrounds, recreation and open space areas, and cemeteries. Vibration-sensitive receivers include residential neighborhoods, schools, places of worship, historic-era buildings, recording studios, and laboratory facilities.

4.4.2 Regulatory Setting

a. State Regulations

California Government Code Section 65302 encourages each local government entity to implement a Noise Element as part of its general plan. In addition, the Office of Planning and Research has developed guidelines for preparing Noise Elements, which include recommendations for evaluating the compatibility of various land uses as a function of community noise exposure.

b. Local Regulations

Each city and county in California is required to include a Noise Element in its General Plan. Most jurisdictions have also adopted Noise Ordinances, and several have adopted noise guidelines for CEQA analysis as well. It should be noted that California Government Code Section 53091 exempts the District, as a regional public water purveyor and utility, from local zoning and building ordinances but not from codified stand-alone noise ordinances. Therefore, the following sections detail noise standards and policies from local general plans and municipal codes, excluding zoning and building ordinances, that would be applicable to the proposed project.

County of Monterey

The County of Monterey General Plan Noise Element (2010) contains the following goal that would be applicable to the proposed project:

Goal S-7 Maintain a healthy and quiet environment free from annoying and harmful sounds.

Section 10.60.030 of the Monterey County Code prohibits the operation of any noise source that produces a noise level that exceeds 85 dBA at 50 feet except for aircraft and noise sources operated at least 2,500 feet away from an occupied dwelling unit. Section 10.60.040 of the Monterey County Code establishes nighttime noise level standards, shown in Table 4.4-2, that are not to be exceeded between 9:00 p.m. and 7:00 a.m.

Table 4.4-2 County of Monterey Exterior Noise Level Standards (Nighttime Only)

	Standard
Nighttime Hourly Equivalent Sound Level (dBA L_{eq})	45
Maximum Level (dBA)	65

Source: Monterey County Code Section 10.60.040 Table 1

City of Seaside

The City of Seaside General Plan Noise Element (2003) contains the following goal and policy that would be applicable to the proposed project.

Goal N-2 Minimize transportation-related noise impacts.

Policy N-2.1 Reduce noise impacts associated with motorized vehicles, aircraft, and trains.

The City of Seaside is currently preparing *Draft Seaside 2040*, a comprehensive General Plan update, which includes updated goals, policies, and noise standards. The following goal in *Draft Seaside 2040* would be applicable to the proposed project (City of Seaside 2019):

Goal N-2 Minimal transportation-related noise impacts.

Section 9.12.040(D) of the Seaside Municipal Code exempts activities on or in publicly owned property and facilities, or by public employees or their franchisees, while in the authorized discharge of their responsibilities, from the compliance with the Noise Ordinance provided that such activities have been authorized by the owner of such property or facilities or its agent or by the employing authority.[1]

City of Monterey

The City of Monterey General Plan Noise Element (2016) contains the following goals that would be applicable to the proposed project:

Goal a Minimize traffic noise in predominantly residential areas and ensure noise in commercial areas is at an acceptable level.

Goal c Encourage quiet neighborhoods.

Section 22-18 of the Monterey City Code prohibits the creation of any noise which by reason of its raucous nature habitually disturbs the peace and quiet of any person.[2]

City of Del Rey Oaks

The City of Del Rey Oaks General Plan Noise Element (1997) contains the following goals that would be applicable to the proposed project:

Goal 1 Protect citizens from exposure to excessive levels of noise.

[1] The exterior and interior noise standards outlined in Chapter 17.30 of the Seaside Municipal Code are part of the City's zoning ordinance; therefore, the District is exempt from compliance with these noise standards per California Government Code Section 53091.
[2] The maximum noise standards outlined in Section 38-111 of the Monterey City Code are part of the City's zoning ordinance; therefore, the District is exempt from compliance with these noise standards per California Government Code Section 53091.

Goal 3 Minimize the impact of street, road and highway generated noise upon land uses in the City of Del Rey Oaks.

Section 8.20.010(C)(4) of the Del Rey Oaks City Code exempts activities on or in publicly owned property and facilities, or by public employees or their franchisees, while in the authorized discharge of their responsibilities, from compliance with the Noise Ordinance provided that such activities have been authorized by the owner of such property or facilities or its agent or by the employing authority.

City of Sand City

The Sand City General Plan (2002) includes the following goal and policy that would be applicable to the proposed project:

Goal 6.10 Minimize the exposure of Sand City residents to the harmful and undesirable effects of excessive noise.

Policy 6.10.5 Minimize motor vehicle noise impacts from streets and highways through proper route location and roadway design by employing the following strategies:

- Consider the impact of truck routes, the effects of a variety of truck traffic, and future motor vehicle volumes on noise levels adjacent to master planned roadways when improvements to the circulation system are planned.
- Mitigate traffic volumes and vehicle speed through residential neighborhoods.
- Work closely with Caltrans in the early stages of highway improvements and design modification to ensure that proper consideration is given to potential noise impacts on the city.

Section 8.040.020 of the Sand City Municipal Code prohibits the creation of unnecessary noises or sounds which are physically annoying to persons of ordinary sensitiveness or which are so harsh or prolonged or unnatural or unusual in their use, time or place as to occasion physical discomfort.

City of Pacific Grove

The Pacific Grove General Plan (1994) contains the following goal that would be applicable to the proposed project:

Goal 7 Protect Pacific Grove residents from the harmful effects of excessive noise.

Section 11.96.010 of the Pacific Grove Municipal Code prohibits the creation of any loud, unnecessary, or unusual noise which disturbs the peace or quiet of any neighborhood or which causes discomfort or annoyance to any reasonable person of normal sensitiveness residing in the area.

City of Carmel-by-the-Sea

The Carmel-by-the-Sea General Plan/Local Coastal Plan Noise Element (2009) contains the following goal, objective, and policy that would be applicable to the proposed project:

G9-1 Preserve Carmel's overall quiet environment; reduce noise in Carmel to levels compatible with the existing and future land uses and prevent the increase of noise levels in areas where noise sensitive uses are located.

O9-3 Control unnecessary, excessive and annoying noises within the City where not preempted by federal or state control.

P9-12 Protect residential areas from excessive noise from traffic, especially trucks and buses.

Section 8.56.030 of the Carmel-by-the-Sea Municipal Code exempts "Class A" noise, which includes noise created by and emanating from equipment operated in the public interest, such as public utility equipment, from compliance with the Noise Ordinance.

4.4.3 Impact Analysis

a. Methodology and Significance Thresholds

Methodology

This analysis estimates noise and vibration associated with existing and future operation of the proposed project, including potential noise and vibration associated with traffic along area roadways. The existing Monterey Water System (MWS) is fully functional and would not require any additional new infrastructure to facilitate the proposed change in ownership. Therefore, the proposed project does not include any new construction and associated noise and vibration, and thus construction activity is not discussed further.

This analysis considers noise associated with the proposed project, including noise generated by operations and maintenance activities associated with the water supply system and by vehicles used by operations and maintenance staff. The proposed project would include the District's acquisition and subsequent operation of the MWS. The MWS would maintain its existing size and capacity, including, but not limited to, the lease of one desalination plant, 33 water wells, six water treatment facilities, 614 miles of pipe, the Monterey Pipeline and Pump Station, 74 pump stations, 108 finished water storage facilities, 3,496 fire hydrants, an estimated 12,000 distribution valves, and 117 assessor parcels with a total area of approximately 4,753 acres along with planned facilities associated with the Monterey Peninsula Water Supply Project, including the Carmel Pump Station, the 6.4 million gallon per day Desalination Plant, and associated infrastructure improvements. No new facilities are proposed under the project; however, operation and maintenance events would occur as part of the ongoing operation and maintenance of the system, similar to baseline conditions. As discussed in Section 2, *Project Description*, the District would operate the system out of the existing California American Water Company (CalAm) main office at 511 Forest Lodge Road, #100 in Pacific Grove, and therefore there would be little to no change in the length, distribution, or number of vehicle trips required to operate and maintain the MWS.

The District would offer employment to approximately 77 of the 81 existing staff CalAm staff associated with the MWS and would add approximately 10 additional positions in District

administration related to billing, finance, and customer service.[3] In total, there would be approximately 87 employees hired by the District associated with the MWS, which would be a net increase of approximately six employees as compared to existing conditions (87 District employees – 81 existing CalAm employees). In addition, this analysis conservatively assumes that CalAm would hire approximately six additional employees to operate and maintain the Central Satellites (e.g., one meter reader/utility worker, two operators, and three field crew).[4] As a result, this analysis assumes the project would result in a net increase of approximately 12 employees (approximately 6 District employees + approximately 6 CalAm employees). As discussed in Section 4.5, *Transportation*, the net increase of approximately 12 employees would result in net increases of approximately 24 net new daily trips. The proposed project does not include acquisition of the Central Satellites, which are small stand-alone water systems throughout Monterey County that consist of the Ambler Park, Chualar, Garrapata, Ralph Lane, and Toro systems. CalAm would retain ownership of these facilities and would continue to perform operations and maintenance activities related to these facilities. Vehicle trips associated with the Central Satellites would be required for water quality sampling, inspections, repairs of leaks and breaks, backflow testing, dead-end flushing, meeting vendors for valve exercising or tank inspections, and meter reading, among other activities. These vehicle trips would increase noise levels along roadways in the project area. [5] As discussed in Section 4.5, *Transportation*, the project would result in a net increase of approximately 38 maximum daily trips associated with operations and maintenance of the Central Satellites.[6] In total, the project would result in a net increase of approximately 62 daily trips (approximately 24 trips for employee commutes + 38 trips for Central Satellites). The project's potential to result in a substantial permanent increase in ambient roadway noise levels is evaluated based on a comparison of project-related trips to existing and cumulative traffic conditions.

Significance Thresholds

According to Appendix G of the CEQA Guidelines, a noise impact from the project would be significant if the project would result in:

1. A substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies
2. The generation of excessive groundborne vibration or groundborne noise levels
3. For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, the exposure of people residing or working in the project area to excessive noise levels

[3] It is possible that some of the 77 existing CalAm employees who are offered employment by the District would instead pursue employment opportunities at CalAm or another employer or retire. In these events, the District would hire other employees to fill the open positions. Given the nature of these employment opportunities, it is likely that non-CalAm employees that would be hired by the District currently live in the Monterey Peninsula area. Regardless, the key metric for this analysis is the number of net new employees hired by the District after acquisition of the MWS, which would be six.

[4] Although this scenario is possible, it is also possible that CalAm would utilize existing employees to operate and maintain the Central Satellites rather than hiring additional employees. As such, this is a conservative assumption for the purposes of analysis.

[5] Only the vehicle trips associated with the Central Satellites that are within the project area would be attributable to the proposed project because the project would potentially result in duplication of vehicle trips in the project area due to operation and maintenance of the Central Satellites separately from the MWS. The number of vehicle trips outside the project area would remain the same as existing conditions because these trips would not be duplicated by separate operations for the Central Satellites and the MWS given that District employees would only travel as far as the project area boundary to service the MWS. Refer to Section 4.5, *Transportation,* for additional detail.

[6] As further detailed in Section 4.5, *Transportation*, maximum daily trip estimates conservatively assume that all daily trips for each operations and maintenance activity would occur on the same day. In reality, it is likely that daily trips for different activities would occur on different days in any given month.

b. Project Impacts and Mitigation Measures

Threshold 1:	Would the project result in generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?

Impact N-1 **THE PROPOSED PROJECT WOULD NOT GENERATE A SUBSTANTIAL TEMPORARY OR PERMANENT INCREASE IN AMBIENT NOISE LEVELS IN THE VICINITY OF THE PROJECT AREA IN EXCESS OF LOCAL STANDARDS. IMPACTS WOULD BE LESS THAN SIGNIFICANT.**

On-Site Operations and Maintenance Noise

On-site operations and maintenance activities at MWS facilities such as inspections, cleaning, repairs, instrumentation, installations, replacements, and other routine tasks would be required for the water supply system; however, these activities would be similar to existing on-site operations and maintenance activities and would not result in new noise sources. In addition, the proposed project, which entails the transfer of ownership, would not result in the addition of new stationary sources of noise, such as other heavy equipment. Therefore, on-site operations and maintenance activities would not result in generation of a substantial temporary or permanent increase in ambient noise levels, and no impact would occur.

Roadway Noise

As discussed under Section 4.5.3(a), *Methodology and Significance Thresholds*, this analysis assumes there would be little to no change in the length, distribution, or number of vehicle trips required to operate and maintain the MWS after its acquisition. Therefore, this analysis focuses on roadway noise generated by the net change in vehicle trips in the project area due to the net increase of approximately 12 employees hired by the District and CalAm as well as CalAm's operation and maintenance of the Central Satellites separately from the MWS following the District's acquisition. Vehicle trips associated with the net increase in employees would be required for home-work commute trips, and vehicle trips associated with the Central Satellites would be required for water quality sampling, inspections, repairs of leaks and breaks, backflow testing, dead-end flushing, meeting vendors for valve exercising or tank inspections, and meter reading, among other activities.

Neither the District nor the seven local jurisdictions in the project area have adopted a threshold for evaluating the significance of roadway noise impacts. Therefore, for the purposes of this analysis, the District has determined that traffic noise impacts would be significant if project-related trips would result in a 3-dBA increase in traffic noise, which would be a barely perceptible increase for the average healthy ear (Caltrans 2013). A doubling of traffic volumes would be necessary to cause a 3-dBA increase (Crocker 2007). As discussed in Section 4.5, *Transportation*, the project would potentially result in a net increase of approximately 62 daily trips. These net new trips would primarily utilize regional roadways, including SR 1, SR 68 West, and SR 68 East to travel through the project area and surrounding region. The potential addition of approximately 62 daily project-related trips to existing traffic volumes would be incremental (between approximately 0.08 and 1.9 percent of average daily traffic volumes on regional roadways, as discussed in Section 4.5, *Transportation,* and would not have the potential to double existing traffic volumes. Therefore, the project would not result in a 3-dBA increase in existing roadway noise. Impacts would be less than significant.

Mitigation Measure

No mitigation is required.

Threshold 2:	Would the project result in generation of excessive groundborne vibration or groundborne noise levels?

Impact N-2 THE PROPOSED PROJECT WOULD NOT RESULT IN THE GENERATION OF EXCESSIVE GROUNDBORNE VIBRATION OR GROUNDBORNE NOISE LEVELS. NO IMPACT WOULD OCCUR.

On-Site Operations and Maintenance Vibration

On-site operations and maintenance activities at MWS facilities such as inspections, cleaning, repairs, instrumentation, installations, replacements, and other routine tasks would be required for the water supply system; however, these activities would be similar to existing on-site operations and maintenance activities and would not result in new vibration sources. Therefore, on-site operations and maintenance activities would not result in generation of excessive groundborne vibration or groundborne noise levels, and no impact would occur.

Roadway Vibration

According to the FTA (2018) *Transit Noise and Vibration Impact Assessment Manual*, vibration generated by rubber-tired traffic on smooth roadways is rarely perceptible. As discussed in Section 4.5, *Transportation*, the potential 62 net new daily project-related trips would be made in rubber-tired vehicles that would primarily utilize regional roadways, including SR 1, SR 68 West, and SR 68 East to travel through the project area and surrounding region. These roadways are well-developed (i.e., smooth); therefore, existing vehicle traffic on these roadways does not generally result in groundborne vibration or associated groundborne noise. Furthermore, the potential addition of 62 daily project-related trips to existing traffic volumes would be incremental (between approximately 0.08 and 1.9 percent of average daily traffic volumes on regional roadways) and would not have the potential to increase traffic volumes such that excessive groundborne vibration or groundborne nose is generated. Therefore, no roadway vibration impacts would occur.

Mitigation Measure

No mitigation is required.

Threshold 3:	For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?

Impact N-3 THE PROPOSED PROJECT WOULD NOT EXPOSE STAFF TO EXCESSIVE NOISE LEVELS FROM THE MONTEREY REGIONAL AIRPORT. IMPACTS WOULD BE LESS THAN SIGNIFICANT.

The Monterey Regional Airport is located within the project area at 200 Fred Kane Drive in Monterey. This airport is a commercial service aviation facility with two runways and currently serves approximately 53,827 flights annually with a forecast air traffic volume of 80,900 flights for year 2033. Portions of the project area are located within the Airport Influence Area. Although the majority of the airport's existing and forecast (year 2033) 65, 70, and 75 CNEL noise level contours

do not extend past the airport property boundary, the portion of the project area within 700 feet of the airport falls within the existing and forecast (year 2033) 65 and 70 CNEL noise level contours (Monterey County Airport Land Use Commission 2019).

The project would not impact existing aircraft operations such that noise from aircraft flights would increase as compared to existing conditions. Staff conducting operations and maintenance activities on properties within approximately 700 feet of the Monterey Regional Airport (i.e., within the 65 and 70 CNEL noise level contours) may be exposed to elevated noise levels during aircraft take-off and landing events. However, operations and maintenance activities would be similar to existing operations and maintenance activities and would not expose additional staff to elevated aircraft noise levels because no additional staff is anticipated to be needed for the proposed project. Furthermore, the District would be required to comply with California Occupational Safety and Health Administration regulations related to worker exposure to noise. Section 5096 of these regulations sets duration-based noise exposure limits for employees that require provision of personal protective equipment should exposure exceed the specified limits. These regulations would reduce employee exposure to high noise levels such that operational activities would not expose employees to excessive noise levels. Therefore, project operations would not expose people working in the project area to excessive noise levels, and impacts would be less than significant.

Mitigation Measure

No mitigation is required.

c. Cumulative Impacts

The geographic scope for cumulative noise impacts is generally limited to areas within 0.5 mile of the project area. This geographic scope is appropriate for noise because the proposed project's noise impacts would be localized and site-specific. The proposed project would result in no impacts related to noise generated by on-site operations and maintenance activities and vibration; therefore, regardless of whether cumulative impacts would occur, the project would not have a cumulatively considerable contribution with respect to these issues.

Buildout of cumulative development within and near the project area, including the projects listed in Table 3-1 in Section 3, *Environmental Setting*, would increase traffic volumes on local roadways. The Final Environmental Impact Report for the 2040 Association of Monterey Bay Area Governments (AMBAG) 2040 Metropolitan Transportation Plan/Sustainable Communities Strategy determined that cumulative growth of approximately 3,851,598 annual vehicle miles traveled (VMT) by 2040 would result in significant roadway noise impacts in the AMBAG region (i.e., Monterey, Santa Cruz, and San Benito counties), which includes the project area (AMBAG 2018). Therefore, cumulative roadway noise impacts would be significant. However, as discussed in Section 4.5, *Transportation*, the project would only contribute approximately 0.4 percent to the annual VMT increase in Monterey County. Furthermore, project-related traffic of approximately 62 daily trips and approximately 1,014 daily VMT would be negligible in comparison to the high volumes of traffic and VMT generated by the types of large residential, commercial, hotel, industrial, and institutional projects listed in Table 3-1. Therefore, the project's contribution to the cumulative roadway noise impact would not be cumulatively considerable.

None of the cumulative projects listed in Table 3-1 in Section 3, *Environmental Setting*, are proposed to be located within the existing and forecast (year 2033) 65, 70, and 75 CNEL noise level contours of the Monterey Regional Airport (Monterey County Airport Land Use Commission 2019). Therefore, no cumulative impact related to noise from airport operations would occur.

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4.5 Transportation

This section of the EIR identifies and evaluates issues related to transportation in the project area and the potential impacts of the proposed project related to transportation.

4.5.1 Setting

a. Roadway Network

The roadway network in the project area traverses seven jurisdictions – unincorporated Monterey County and the cities of Carmel-by-the-Sea, Del Rey Oaks, Monterey, Pacific Grove, Sand City, and Seaside. The regional roadway network includes State Route (SR) 1, which is a two- to four-lane highway that runs north-south through the entire project area; SR 68 West, which is a two- to four-lane highway that runs northwest-southeast from SR 1 to the Pacific Ocean; SR 68 East, which is a two- to four-lane highway that runs east-west through the project area; and SR 218, which is a two- to four-lane highway that runs northwest-southeast between SR 1 to SR 68 East. The seven jurisdictions in the project area also contain a variety of major arterial, minor arterial, collector, and local streets:

- Carmel-by-the-Sea has approximately 30 miles of paved roadways with two major north-south streets (Junipero Street/Rio Road and San Carlos Street) and one major east-west street (Ocean Avenue) (City of Carmel-by-the-Sea 2010).
- Del Rey Oaks is served primarily by SR 218 and local residential streets.
- The circulation network in the city of Monterey includes a segment of SR 1, the entirety of SR 68 East, six major arterial streets, 18 minor arterial streets, and 50 collector roads (City of Monterey 2016).
- The portion of unincorporated Monterey County in the project area is served by SR 1, SR 68 East, Carmel Valley Road (County Road G16), Laureles Grade, local residential streets, and rural roads.
- Pacific Grove is served by four main roadways – SR 68 West, Central Avenue, High Street, and Taylor Street – as well as five other arterial streets and 19 collector streets (City of Pacific Grove 1994).
- Sand City is bisected by SR 1 and contains a variety of collector and local streets with no arterial streets (City of Sand City 2002).
- The circulation network of Seaside includes SR 1, SR 218, ten major arterial streets, four minor arterial streets, and 21 collector streets (City of Seaside 2003).

Existing daily traffic volumes for SR 1, SR 68 West, SR 68 East, and SR 218 are summarized in Table 4.5-1, and existing daily traffic volumes for major arterial, minor arterial, and collector streets in and adjacent to the project area are summarized in Table 4.5-1. Current traffic counts for roadways in Carmel-by-the-Sea are not available; however, the most recent comprehensive traffic counts taken in 2009 estimate daily traffic volumes on local roadways to be between approximately 1,400 to 11,400 vehicles (City of Carmel-by-the-Sea 2009).

Table 4.5-1 Existing (2018) Traffic Volumes on Regional Roadways in Project Area

Roadway	Post Mile	Description	Back AADT[1]	Ahead AADT[2]
SR 1	68.335	Yankee Point Drive North (unincorporated Monterey County)	6,350	6,850
	71.179	San Jose Creek Bridge (unincorporated Monterey County)	10,700	10,700
	72.614	Rio Road (Carmel-by-the-Sea)	10,100	15,300
	72.921	Carmel Valley Road (Carmel-by-the-Sea)	15,300	34,500
	73.800	Ocean Avenue (Carmel-by-the-Sea)	37,900	37,000
	75.135	Junction with SR 68 West (Pacific Grove)	43,200	52,100
	75.733	South City Limit of Monterey (Monterey)	52,100	52,100
	75.754	Munras Avenue (Monterey)	52,100	48,700
	77.379	Aguajito Road (Monterey)	57,000	91,200
	78.119	Junction with SR 68 East (Monterey)	84,600	61,500
	78.883	Del Monte Avenue (Monterey)	64,700	79,100
	79.357	Junction with SR 218 (Seaside)	72,000	77,200
	80.679	Ord Village (Seaside)	83,500	81,100
SR 68 West	0	Asilomar Beach State Park (Pacific Grove)	n/a	3,200
	0.224	Sunset Drive east of Asilomar (Pacific Grove)	3,700	4,200
	1.120	Forest Avenue (Pacific Grove)	10,700	18,600
	1.500	Prescott Lane (Pacific Grove)	16,000	17,300
	1.990	Presidio Boulevard (Pacific Grove)	23,100	23,100
	3.948	Junction with SR 1 (unincorporated Monterey County)	30,400	26,500
SR 68 East	6.812	Northwest Junction with SR 218 (Monterey)	27,000	23,300
	11.221	Laureles Grade Road (unincorporated Monterey County)	32,100	25,500
SR 218	0	Junction with SR 1 (Seaside)	n/a	29,700
	0.220	East of Del Monte Boulevard Eastbound (Seaside)	29,700	16,100
	0.920	Fremont Boulevard (Seaside)	16,300	25,500
	0.100	Del Rey Oaks	25,500	19,500
	1.956	Junction with SR 68 (Del Rey Oaks)	17,500	n/a

AADT = average annual daily traffic; SR = State Route; n/a = not applicable (traffic counts are not available because these points represent the start points or endpoints of highways)

1 Back AADT usually represents traffic volumes south or west of the count location.

2 Ahead AADT usually represents traffic volumes north or east of the count location.

Source: California Department of Transportation 2020

Table 4.5-2 Existing (2018) Traffic on Local Roadways in Project Area

Jurisdiction	Roadway	Segment	ADT
Del Rey Oaks	General Jim Moore Boulevard	Between SR 218/Canyon Del Rey Boulevard and South Boundary Road	4,797
Monterey (City)	Abrego Street	Between El Dorado Street and Fremont Street	13,874
	Camino Aguajito	Between 10th Street and Fremont Street	14,007
	Camino Aguajito	Between Glenwood Circle and SR 1 Southbound On-ramp	10,182
	Camino El Estero	Between Fremont Street and Webster Street	12,238
	David Avenue	Between SR 68 and Ransford Avenue	9,061
	David Avenue	Between Lighthouse Avenue and Foam Street	6,312
	Del Monte Avenue	Between Camino EI Estero and Camino Aguajito	34,715
	Foam Street	Between Lighthouse Avenue and Reeside Avenue	12,957
	Franklin Street	Between Tyler Street and Washington Street	10,729
	Franklin Street	Between Pierce Street and Pacific Street	6,519
	Fremont Boulevard	Between SR 1 Northbound On-ramp and Del Monte Avenue	27,501
	Fremont Street	Between Camino El Estero and Camino Aguajito	32,030
	Fremont Street	Between Abrego Street and Munras Avenue	17,642
	Glenwood Circle	Between Iris Canyon Road and Aguajito Road	2,490
	Hawthorne Street	Between David Avenue and Eardley Avenue	9,098
	Lighthouse Avenue	Between Pacific Avenue and Foam Street	52,388
	Lighthouse Avenue	Between Private Bolio Road and Reeside Avenue	44,065
	Lighthouse Avenue	Between Del Monte Avenue and Tunnel	43,978
	Munras Avenue	Between Soledad Drive and Via Buena Vista	26,112
	North Fremont Street	Between Palo Verde Avenue and Dela Rosa Avenue	18,429
	Pacific Street	Between Sloat Avenue and Lighthouse Curve	13,474
	Pearl Street	Between Camino El Estero and Camino Aguajito	5,818
	Private Bolio Road	Between Hawthorne Street and Lighthouse Avenue	2,733
	Soledad Drive	Between Pacific Street and Munras Avenue	15,131
	Via Lavendera	Between Fishnet Road and Glenwood Circle	5,840
Monterey County	Aguajito Road	Between Loma Alta Road and Monhollan Road	772
	Carmel Valley Road	Between Pacific Meadows Lane and Del Mesa Drive	21,039
	Carmel Valley Road	Between Valley Greens Drive and Williams Ranch Road	15,793
	Carmel Valley Road	Between Scarlett Road and Rancho Fiesta Road	19,961
	Carmel Valley Road	Between Rio Vista Drive and Via Mallorca	22,638
	Laureles Grade	Between Southview Lane and Camino Escondido Road	5,252
	Ocean Avenue	Between SR 1 and Hatton Road	11,774
Pacific Grove	David Avenue	Between SR 68 and Seaview Avenue	9,389
	Forest Avenue	Between SR 68 and Beaumont Avenue	9,126
	Lighthouse Avenue	Between 17th and 18th Streets	8,028
	Lighthouse Avenue	Between Fountain Avenue and Grand Avenue	9,490

Jurisdiction	Roadway	Segment	ADT
	Lighthouse Avenue	Between Alder Street and Bentley Street	5,420
	Presidio Boulevard	Between SR 68 and Austin Avenue	7,287
Sand City	La Playa Avenue	Between Del Monte Avenue and California Avenue	13,822
Seaside	Broadway Avenue	Between Fremont Boulevard and Terrace Avenue	11,115
	Del Monte Avenue	Between Roberts Avenue and Canyon Del Rey Boulevard	25,500
	Del Monte Boulevard	Between Tioga Avenue and Afton Avenue	11,183
	Del Monte Boulevard	Between SR 218/Canyon Del Rey Blvd Boulevard and Palm Avenue	24,994
	Fremont Boulevard	Between SR 218/Canyon Del Rey Boulevard and Portola Drive	23,227
	Fremont Street	Between Cassanova Avenue and Canyon Del Rey Boulevard	28,115
	General Jim Moore Boulevard	Between Coe Avenue and Broadway Ave	7,418
	General Jim Moore Boulevard	Between Coe Avenue and McClure Way	6,636
	General Jim Moore Boulevard	Between South Boundary Road and Broadway Avenue	6,170

ADT = average daily traffic; SR = State Route

Note: Traffic counts were not available for any segments in Carmel-by-the-Sea.

Source: Transportation Agency for Monterey County 2020a

b. Public Transit Services

Public transit facilities are located throughout the project area. Monterey-Salinas Transit (MST) provides public transportation services to the Monterey Peninsula, Carmel Valley, and other regions of Monterey County. The project area and immediate vicinity are serviced by the following bus routes (MST 2020):

- Carmel-by-the-Sea: Routes 2, 4, 11, 22, 24, 91, 92, and 94
- Del Rey Oaks: Routes 7 and 8; DRO Shuttle
- Monterey: Routes 1, 2, 3, 7, 12, 14, 18, 19, 20, 21, 22, 24, 55, 56, 70, 72, 74, 75, 76, 78, 91, 93, 94, A and B; DRO Shuttle; MST Trolley
- Unincorporated Monterey County: Routes 4, 22, 24, 91, and 92
- Pacific Grove: Routes 1 and 2
- Sand City: Routes 8, 11, 18, 19, 20, 55, 75, 78, 91, 94, A, and B; DRO Shuttle
- Seaside: Routes 8, 11, 12, 18, 20, 55, 75, 76, 78, 94, A, and B; DRO Shuttle

Passenger rail/light rail service is not currently available in the project area. The Transportation Agency of Monterey (TAMC) is currently considering the feasibility of providing rapid bus service along an eight-mile segment of the Monterey Branch Line alignment from Monterey to Marina (TAMC 2020b).

c. Bicycle and Pedestrian Facilities

Bicycle facilities in the project area consist of Class I, II, and III bikeways. Class I bike paths are facilities with a separate right-of-way with crossflows by vehicles minimized. Class II bike lanes provide a striped lane for one-way bicycle travel on the side of the street adjacent to vehicle traffic.

Class III bike routes consist of a roadway that is shared between bicycle and vehicle traffic with supplemental bike signage. As shown in Figure 4.5-1, Class I, II, and III bikeways are found throughout the project area.

Monterey County possesses 887 miles of bikeways (Association of Monterey Bay Area Governments [AMBAG] 2014). One of the major continuous bikeways in the project area is the Monterey Bay Coastal Recreation Trail (Coastal Rec Trail), which measures approximately 29 miles in length and stretches from Castroville in the north to the Monterey Peninsula and parts of Pebble Beach to the south. Most of the Coastal Rec Trail consists of Class I bikeways, but short sections are Class II and Class III (TAMC 2008). Another notable bike lane in the project area is the recently-constructed North Fremont Bike and Pedestrian Access and Safety Improvements Project in Monterey, which added protected bike lanes adjacent to the medians of North Fremont Street. In addition, the planned Fort Ord Regional Trail and Greenway project includes construction of a 28-mile multi-use trail generally encircling the cities of Seaside and Marina and the California State University, Monterey Bay campus, which run through a portion of the project area and would accommodate pedestrians and bicyclists as well as equestrians on some segments.

Pedestrian facilities are located throughout the project area along many arterial, collector, and local streets. Pedestrian crosswalks are provided at major intersections in the project area, many of which include pedestrian-activated signal devices.

4.5.2 Regulatory Setting

a. State Regulations

Senate Bill 743

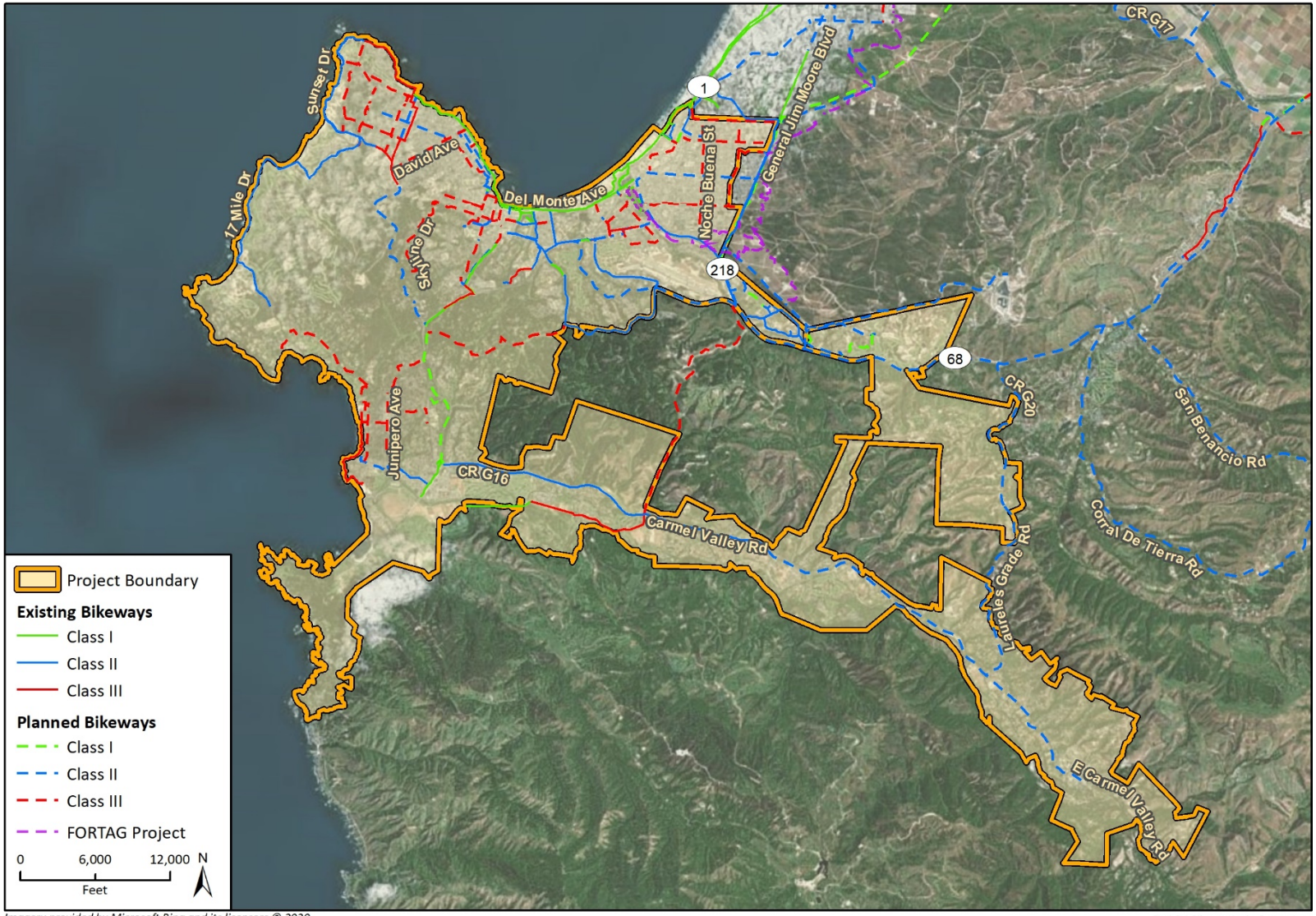
To further the State's commitment to the goals of Senate Bill (SB) 375, Assembly Bill (AB) 32, and AB 1358, SB 743 adds Chapter 2.7, *Modernization of Transportation Analysis for Transit-Oriented Infill Projects*, to Division 13 (Section 21099) of the Public Resources Code. Key provisions of SB 743 include reforming California Environmental Quality Act (CEQA) analyses for aesthetics and parking for urban infill projects and replacing the metric for transportation impacts of automobile delay with vehicle miles traveled (VMT) for all projects evaluated under CEQA. Under SB 743, the focus of the environmental impacts of transportation shift from driver delay to reduction of greenhouse gas (GHG) emissions, creation of multimodal networks, and promotion of a mix of land uses. As a result, level of service (LOS) standards become local policy thresholds as adopted among individual agencies rather than CEQA thresholds. Currently, official measures and significance thresholds related to VMT are still being developed and have not yet been adopted by the District or any of the seven jurisdictions in the project area.

b. Local Regulations

Association of Monterey Bay Area Governments 2040 Metropolitan Transportation Plan/Sustainable Communities Strategy

The 2040 Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS), approved by the AMBAG Board of Directors on June 13, 2018, is a comprehensive planning effort that coordinates land use patterns and transportation investments with the objective of developing an integrated, multimodal transportation system. The MTP/SCS is built on a set of integrated policies,

Figure 4.5-1 Bikeways in the Project Area



Imagery provided by Microsoft Bing and its licensors © 2020.
Additional data provided by the Transportation Agency for Monterey County, 2016.

Fig 4.5-1 Bikeways in the Project Area

strategies, and investments to maintain and improve the transportation system to meet the diverse needs of the region through 2040. The MTP/SCS describes where and how the region can accommodate the projected 42,000 additional households and 57,400 new jobs between 2018 and 2040 and details the regional transportation investment strategy over the next 20 years.

The MTP/SCS goals and policies emphasize the provision of bicycle, pedestrian, and transit facilities to accommodate alternative transportation use. The MTP/SCS recommends the provision of Complete Streets improvements, including pedestrian-oriented programs that are primarily implemented by local jurisdictions (AMBAG 2018a).

TAMC Regional Transportation Plan

The Regional Transportation Plan (RTP) prepared by the TAMC was most recently updated in 2018 and includes the following goals, which are tied to sets of objectives and performance measures (TAMC 2018a):

- **Access & Mobility:** Improve ability of Monterey County residents to meet most daily needs without having to drive. Improve the convenience and quality of trips, especially for walk, bike, transit, car/vanpool and freight trips.
- **Safety & Health:** Design, operate, and manage the transportation system to reduce serious injuries and fatalities, promote active living, and lessen exposure to pollution.
- **Environmental Stewardship:** Protect and enhance the County's built and natural environment. Act to reduce the transportation system's emission of GHGs.
- **Social Equity:** Reduce disparities in healthy, safe access to key destinations for transportation-disadvantaged populations. Demonstrate that planned investments do not adversely impact transportation-disadvantaged populations.
- **Economic Benefit:** Invest in transportation improvements – including operational improvements – that re-invest in the Monterey County economy, improve economic access and improve travel time reliability and speed consistency for high-value trips. Optimize cost-effectiveness of transportation investments.

TAMC Active Transportation Plan for Monterey County

The 2018 TAMC Active Transportation Plan (ATP) is an update of the 2011 Bicycle and Pedestrian Master Plan, which identifies all existing and proposed bicycle and pedestrian facilities in Monterey County. The ATP identifies remaining gaps in the bicycle and pedestrian network and opportunity areas for innovative bicycle facility design. Its vision is: "Active transportation will be an integral, convenient and safe part of daily life in Monterey County for residents and visitors of all ages and abilities." The goals of the ATP are as follows (TAMC 2018b):

- **Active Transportation Trips:** Increase the proportion of trips accomplished by biking and walking throughout Monterey County.
- **Safety:** Improve bicycle and pedestrian safety.
- **Connectivity:** Remove gaps and enhance bicycle and pedestrian network connectivity.
- **Equity:** Provide improved bicycle and pedestrian access to diverse areas and populations in Monterey County via public engagement, program delivery and capital investment.
- **Education:** Increase awareness of the environmental and public health benefits of bicycling and walking for transportation and recreation.

- **Quality Facilities:** Improve the quality of the bike and pedestrian network through innovative design and maintenance of existing facilities.

Carmel-by-the-Sea General Plan

The Carmel-by-the-Sea General Plan Circulation Element (2010) establishes the following goal for the city's circulation network that would be applicable to the proposed project:

- **Goal 1.** Provide and maintain a transportation system and facilities that promotes the orderly and safe transportation of people and goods while preserving the residential character and village atmosphere of Carmel.

The Carmel-by-the-Sea General Plan Circulation Element (2010) does not include an LOS standard.

Del Rey Oaks General Plan

The Del Rey Oaks General Plan Circulation Element (1997) includes the following goals for the city's circulation network that would be applicable to the proposed project:

- **Goal 1.** Provide for safe, convenient, energy-conserving, comfortable and healthful transportation for all people and goods by the most efficient and appropriate transportation modes that meet present and future travel needs of the City's residents.
- **Goal 2.** Provide or promote travel by means other than the single-occupant automobile.
- **Goal 3.** Prevent the significant adverse impact of through traffic on Highway 218 as well as on roads and streets.

Per the Del Rey Oaks General Plan, the City's LOS standard for City transportation facilities is LOS C or the 1995 LOS, whichever is lower (City of Del Rey Oaks 1997).

City of Monterey General Plan

The City of Monterey General Plan Circulation Element (2016) establishes automobile LOS standards of LOS D for roadway segments that are not within a multi-modal corridor and LOS E and F for roadway segments within completed multi-modal corridors.[1]

City of Monterey Multi-Modal Mobility Plan

The City of Monterey Multi-Modal Mobility Plan (2013) is focused on improving bicycle, pedestrian, and transit access within the city and establishes Multi-Modal Level of Service thresholds to measures impacts to the City's circulation system. The primary objectives of the plan are as follows:

- Reduce the number of collisions involving pedestrians and bicyclists each year.
- Create safe environments for youth walking and bicycling to school.
- Ensure that all pedestrian and bicycle infrastructure and crossings are safe and well lit.
- Reduce obesity rates and increase overall health in the city of Monterey.
- Educate the community how to safely and legally operate a bicycle and practice safe pedestrian behavior.

[1] The City's Multi-Modal Mobility Plan (2013) identifies completed multi-modal corridors as those within the Lighthouse/Foam, Downtown, or North Fremont Specific Plan areas (City of Monterey 2013).

- Enhance connections between modes of transportation to reduce congestion and provide flexibility within the transportation network.
- Improve ADA access and accommodations throughout the city.
- Promote active transportation and increase mode share by improving user convenience and through encouragement activities and programs.
- Encourage tourists to walk, bicycle and ride transit to explore Monterey.
- Create engaging and pleasurable pedestrian environments that enhance the visitor experience.
- Apply design standards and maintenance programs for bicycle and pedestrian facilities to ensure safety and longevity of facilities.
- Secure funding to implement bicycle, pedestrian and safe routes to school projects.

County of Monterey General Plan

The County of Monterey General Plan Circulation Element (2010) establishes the following goals and policies for the city's circulation network that would be applicable to the proposed project:

Goal C-1. Achieve an acceptable LOS by 2030.

Policy C-1.1. The acceptable LOS for County roads and intersections shall be LOS D, except as follows:

a. Acceptable LOS for County roads in Community Areas may be reduced below LOS D through the Community Plan process.

b. County roads operating at LOS D or below at the time of adopting this General Plan shall not be allowed to be degraded further except in Community Areas where a lower LOS may be approved through the Community Plan process.

c. Area Plans prepared for County Planning Areas may establish an acceptable LOS for County roads other than LOS D. The benefits which justify less than LOS D shall be identified in the Area Plan. Where an Area Plan does not establish a separate LOS, the standard LOS D shall apply.

Policy C-1.4. Notwithstanding Policy C-1.3, projects that are found to result in reducing a County road below the acceptable LOS standard shall not be allowed to proceed unless the construction of the development and its associated improvements are phased in a manner that will maintain the acceptable LOS for all affected County roads. Where the LOS of a County road impacted by a specific project currently operates below LOS D and is listed on the Capital Improvement and Financing Plans (CIFP) as a high priority, Policy C-1.3 shall apply. Where the LOS of a County road impacted by a specific project currently operates below LOS D and is not listed on the CIFP as a high priority, development shall mitigate project impacts concurrently. The following are exempt from this Policy except that they shall be required to pay any applicable fair share fee pursuant to Policies C-1.8, C-1.11, and /or other applicable traffic fee programs:

d. First single family dwelling on a lot of record;

e. Allowable non-habitable accessory structures on an existing lot of record;

f. Accessory units consistent with other policies and State Second Unit Housing law;

g. Any use in a non-residential designation for which a discretionary permit is not required or for which the traffic generated is equivalent to no more than that generated by a single family residence (10 average daily traffic); and

h. Minimal use on a vacant lot in a non-residential designation sufficient to enable the owner to derive some economically viable use of the parcel.

Goal C-2. Optimize the use of the County's transportation facilities.

Policy C-2.4. A reduction of the number of VMT per person shall be encouraged.

Pacific Grove General Plan

The Pacific Grove General Plan (1997) contains the following goals, policy, and program for the city's circulation network that would be applicable to the proposed project:

Goal 1. Create and maintain a road network that will provide for the safe and efficient movement of people and goods throughout the city consistent with the goals of the City and the protection of the environment.

Goal 2. Protect residential areas from high-volume, high-speed traffic and its impacts.

Goal 4. Limit the increase in auto use through Transportation System Management. Increase transit ridership, carpool, vanpooling, walking, and bicycling.

Policy 7. Limit the increase in VMT in accordance with Air Quality Management Plan goals.

a. **Program O.** Limit growth in VMT to about 4.5 percent between 1994 and 2005, primarily by discouraging employees and residents from driving alone.

Per the General Plan, the City's LOS standards are LOS C for arterial and collector streets during peak periods and LOS D for intersections that in 1994 were close to or at the limits of LOS D on arterial routes outside the downtown area (City of Pacific Grove 1997).

Sand City General Plan

The Sand City General Plan (2002) establishes the following goal and policy for the city's circulation network that would be applicable to the proposed project:

Goal 3.1. Enhance and maintain the Sand City street and highway system to promote the safe and efficient movement of vehicles throughout the city.

Policy 3.1.1. Maintain a minimum LOS of LOS D for all non-freeway streets within the city during peak hours, or as indicated within the Congestion Management Plan of the TAMC.

Seaside General Plan

The Seaside General Plan (2003) contains the following goal and policy for transportation in the city that would be applicable to the proposed project:

Goal C-1. Provide and maintain a city circulation system that promotes safety and satisfies the demand created by new development and redevelopment in Seaside.

Policy C-1.2. Improve the Seaside circulation system in concert with public and private land development and redevelopment projects to maintain the City standard of LOS C.

The City of Seaside is currently preparing *Draft Seaside 2040*, a comprehensive General Plan update, which presents different modal priorities than the currently-adopted 2003 General Plan and describes a vision for a multimodal network of complete streets (City of Seaside 2019). None of the goals and policies of *Draft Seaside 2040* would be applicable to the proposed project.

4.5.3 Impact Analysis

a. Methodology and Significance Thresholds

Methodology

This analysis estimates vehicle trips associated with existing and future operation of the proposed project, including potential impacts associated with traffic along area roadways. The existing Monterey Water System (MWS) is fully functional and would not require any additional new infrastructure to facilitate the proposed change in ownership. Therefore, the proposed project does not include any new construction activities; therefore, construction-related traffic impacts are not discussed further.

This analysis considers traffic associated with the proposed project, including trips generated by operations and maintenance activities associated with the water supply system. The proposed project would include the District's acquisition and subsequent operation of the MWS. The MWS would maintain its existing size and capacity, including, but not limited to, the lease of one desalination plant, 33 water wells, six water treatment facilities, 614 miles of pipe, the Monterey Pipeline and Pump Station, 74 pump stations, 108 finished water storage facilities, 3,496 fire hydrants, an estimated 12,000 distribution valves, and 117 assessor parcels with a total area of approximately 4,753 acres along with planned facilities associated with the Monterey Peninsula Water Supply Project, including the Carmel Pump Station, the 6.4 million gallon per day Desalination Plant, and associated infrastructure improvements. No new facilities are proposed under the project; however, operation and maintenance events would occur as part of the ongoing operation and maintenance of the MWS, similar to baseline conditions. As discussed in Section 2, *Project Description*, the District would operate the system out of the existing California American Water Company (CalAm) main office at 511 Forest Lodge Road, #100 in Pacific Grove. Therefore, there would be little to no change in the length, distribution, or number of vehicle trips required to operate and maintain the MWS.

The proposed project does not include acquisition of the Central Satellites, which are small stand-alone water systems throughout Monterey County that consist of the Ambler Park, Chualar, Garrapata, Ralph Lane, and Toro systems. CalAm would retain ownership of these facilities and would continue to perform operations and maintenance activities related to these facilities. Vehicle

trips associated with the Central Satellites would be required for water quality sampling, inspections, repairs of leaks and breaks, backflow testing, dead-end flushing, meeting vendors for valve exercising or tank inspections, and meter reading, among other activities. Because actual field operations are not known, this analysis relies on the following conservative, reasonable, worst-case assumptions:

- Operations and maintenance trips would originate at a new CalAm corporate yard that would be located at a similar distance from the Central Satellites as the existing CalAm corporate yard in Pacific Grove.[2]
- Operations and maintenance trips for the Central Satellites under existing conditions are conducted in conjunction with operations and maintenance trips for the MWS. For example, under existing conditions, CalAm staff conduct operations and maintenance activities in the same vehicle trip for some locations in the MWS and some of the Central Satellite system locations. Under the proposed project, the portion of VMT within the project area related to trips to the Central Satellites would be net new VMT because the VMT efficiency of conducting operations and maintenance activities for the MWS and the Central Satellites in the same vehicle trip would be lost. As a result, this analysis assumes that a duplication of VMT would occur within the project area as District employees service the MWS and CalAm employees service the Central Satellites. Table 4.5-3 summarizes the trip distances from the corporate yard to the Central Satellites and to the edge of the project area.[3]

Table 4.5-3 Distance to Central Satellite Systems and Project Area Boundaries

Destination	One-Way Distance from Corporate Yard to Destination[1]
Ambler Park	16
Chualar	31
Garrapata	15
Ralph Lane	28
Toro	17
Edge of MWS via SR 1 North	9
Edge of MWS via SR 1 South	10
Edge of MWS via SR 68	12

[1] Assumes that operations and maintenance trips would originate at a new CalAm corporate yard that would be located at a similar distance from the Central Satellites as the existing CalAm corporate yard in Pacific Grove

MWS = Monterey Water System; SR = State Route

- Vehicle trips for leaks or breaks in the Central Satellites are currently made separately from other service activities under existing conditions; therefore, there would be no change in VMT from these activities under the proposed project.

[2] Although this scenario is possible, it is likely that CalAm would acquire a new corporate yard for its reduced fleet at a location that is closer to the Central Satellites, such as Ryan Ranch or Salinas. However, the assumption that the corporate yard would be located at a similar distance from the Central Satellites as existing conditions provides a more conservative analysis and is therefore used herein.

[3] It is possible that under existing conditions, CalAm services its Central Satellites separately from the MWS such that existing CalAm staff trips do not service both the Central Satellites and the MWS at the same time. In this scenario, there would be no change to VMT under the proposed project as compared to existing conditions because no VMT would be duplicated. However, the assumption that existing conditions result in VMT efficiency as compared to the proposed project provides a more conservative analysis and is therefore used herein.

- CalAm's wastewater operations would require the same VMT under the proposed project as under existing conditions.
- The VMT-reducing effect of advanced metering infrastructure is not included in this analysis.[4]

Data from the California State Water Resources Control Board (SWRCB) Division of Drinking Water and the Monterey County Health Department (MCHD) Environmental Health Bureau as well as expert knowledge from District staff were used to estimate the number of vehicle trips required to operate and maintain the Central Satellites. Trip estimate assumptions for activities related to each of the Central Satellites are summarized in Table 4.5-4 and described below:

- **Ambler Park.** Water quality is manually tested daily in conjunction with daily tests at the Toro system (SWRCB 2016a). Less frequent water quality tests (e.g., monthly post-treatment tests, quarterly coliform tests and analyzer calibration tests, triennial lead/copper tests, etc.) are performed in conjunction with daily water quality sampling. Security of the water tanks is inspected every six months, and an overall tank inspection occurs once every five years. The Ambler Park system has 403 connections; therefore, it is assumed all meters are read on one day per month.[5]
- **Chualar.** The distribution system is sampled semimonthly, source water is tested monthly, and other tests occur annually and triennially (SWRCB 2015). The two contact tanks are inspected once every five years. The system is flushed semiannually, and backflow testing occurs annually. The Chualar system has 196 connections; therefore, it is assumed all meters are read in one day per month.
- **Garrapata.** The Garrapata system is primarily operated remotely via online analyzers and a supervisory control and data acquisition (SCADA) system (MCHD 2018). One monthly visit is required to test source water on site. Water quality analyzers are calibrated quarterly; however, it is assumed that this is accomplished in conjunction with the monthly source water testing. One additional monthly visit is required for system inspection. The Garrapata system has 38 connections; therefore, it is assumed all meters are read in one day per month.
- **Ralph Lane.** The Ralph Lane system is primarily operated remotely via online analyzers and SCADA (MCHD 2017). One monthly visit is required to test source water on site. Water quality analyzers are calibrated quarterly; however, it is assumed that this is accomplished in conjunction with monthly source water testing. One additional monthly visit is required for system inspection. The Ralph Lane system has 30 connections; therefore, it is assumed all meters are read in one day per month.
- **Toro.** Water quality and treatment plant inflow and outflow are manually tested daily in conjunction with daily tests at the Ambler Park system (SWRCB 2016b). The intertie to Hidden Hills is manually inspected daily, and this inspection is performed by a different person than the one performing daily water quality testing. The five tanks are inspected at the same time once every five years. The Toro system has 417 connections; therefore, it is assumed all meters are read in one day per month.
- Six annual trips for miscellaneous needs are made to each system annually.

[4] Future implementation of advanced metering infrastructure would reduce VMT required to service the Central Satellites because meter readings could be conducted remotely. Although this scenario is possible, the assumption that advanced metering infrastructure is not implemented provides a more conservative analysis and is therefore used herein.
[5] Approximately 500 meters can be read on a typical day (Stoldt 2020).

Table 4.5-4 Trip Estimates for Central Satellites

Activity	Maximum Number of Daily One-Way Trips[1]	Maximum Number of Annual One-Way Trips[2]
Ambler Park		
Water Quality	2[3]	730[3]
Inspections	2	6
Meter Reading	2	24
Other/Miscellaneous	2	12
Total	**8**	**772**
Chualar		
Water Quality	2	48
Flushing/Backflow	2	6
Meter Reading	2	24
Other/Miscellaneous	2	14
Total	**8**	**92**
Garrapata		
Water Quality	2	24
Inspections	2	24
Meter Reading	2	24
Other/Miscellaneous	2	12
Total	**8**	**84**
Ralph Lane		
Water Quality	2	24
Inspections	2	24
Meter Reading	2	24
Other/Miscellaneous	2	12
Total	**8**	**84**
Toro		
Water Quality	0[3]	0[3]
Inspections	2	732
Meter Reading	2	24
Other/Miscellaneous	2	12
Total	**6**	**768**

[1] Maximum daily trip estimates conservatively assume that all daily trips for each activity would occur on the same day. In reality, it is likely that daily trips for different activities would occur on different days in any given month.

[2] Maximum annual trip estimates conservatively assume that all trips for each activity would occur in the same year. In reality, some activities would not occur during the same year. For example, Toro system tank inspections that occur every five years may occur during a different year than Ambler Park tank inspections that occur every five years.

[3] Trip estimates for water quality tests at the Ambler Park system include trips for water quality tests at the Toro system.

The District would offer employment to approximately 77 of the 81 existing staff CalAm staff associated with the MWS and would add approximately 10 additional positions in District administration related to billing, finance, and customer service.[6] In total, there would be approximately 87 employees hired by the District associated with the MWS, which would be a net increase of approximately six employees as compared to existing conditions (87 District employees – 81 existing CalAm employees). In addition, this analysis conservatively assumes that CalAm would hire approximately six additional employees to operate and maintain the Central Satellites (e.g., one meter reader/utility worker, two operators, and three field crew).[7] As a result, this analysis assumes the project would result in a net increase of approximately 12 employees (approximately 6 District employees + approximately 6 CalAm employees). The net increase of approximately 12 employees would generate approximately 24 net new daily one-way vehicle trips (approximately 12 employees x two one-way home-work commute trips), or approximately 6,240 annual one-way vehicle trips (conservatively assuming 260 work days per year). To provide a conservative estimate of VMT impacts, it is assumed that these net new employees would commute approximately 25 miles one-way, which is the distance between Pacific Grove and Salinas.[8, 9] Therefore, the net increase of approximately 12 employees would generate approximately 600 net new daily VMT.

Significance Thresholds

In accordance with Appendix G of the CEQA Guidelines, impacts related to transportation would be significant if the proposed project would:

1. Conflict with an applicable plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle, and pedestrian facilities
2. Conflict with or be inconsistent with CEQA Guidelines Section 15064.3, subdivision (b)
3. Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible use (e.g., farm equipment)
4. Result in inadequate emergency access

CEQA Guidelines Section 15064.3(b) identifies criteria for evaluating transportation impacts. Specifically, the guidelines state VMT exceeding an applicable threshold of significance may indicate a significant impact. According to CEQA Guidelines Section 15064.3(b)(3), a lead agency may include a qualitative analysis of operational and construction traffic. Pursuant to CEQA Guidelines Section 15064.3(c), the provisions of this section do not apply statewide until July 1, 2020, although a lead agency may elect to immediately apply the provisions of the updated guidelines. The District has

[6] It is possible that some of the 77 existing CalAm employees who are offered employment by the District would instead pursue employment opportunities at CalAm or another employer or retire. In these events, the District would hire other employees to fill the open positions. Given the nature of these employment opportunities, it is likely that non-CalAm employees that would be hired by the District currently live in the Monterey Peninsula area. Regardless, the key metric for this analysis is the number of net new employees hired by the District after acquisition of the MWS, which would be six.

[7] Although this scenario is possible, it is also possible that CalAm would utilize existing employees to operate and maintain the Central Satellites rather than hiring additional employees. As such, this is a conservative assumption for the purposes of analysis.

[8] Although this scenario is possible, it is likely that the new District employees would live closer to Pacific Grove office in locations such as Marina, Seaside, Del Rey Oaks, Monterey, Pacific Grove, Carmel-by-the-Sea, or the unincorporated communities and neighborhoods in the project area. For context, the standard home-work trip distance assumption used in CalEEMod is 10.8 miles for Monterey County (California Air Pollution Control Officers Association 2017). The assumptions made herein are therefore considered conservative.

[9] It is assumed that the new CalAm corporate yard would be located at a similar distance from the Central Satellites as the existing CalAm corporate yard in Pacific Grove. Although this scenario is possible, it is likely that CalAm would acquire a new corporate yard for its reduced fleet at a more centralized location that is closer to the Central Satellites, such as Ryan Ranch or Salinas, which could result in reduced employee commute distances. However, the assumption that the corporate yard would be located at a similar distance from the Central Satellites as existing conditions provides a more conservative analysis and is therefore used herein.

elected to immediately apply the provisions of the updated guidelines in advance of July 1, 2020; therefore, this analysis evaluates transportation impacts in terms of VMT rather than LOS.

b. Project Impacts and Mitigation Measures

Threshold 1:	Would the project conflict with a program, plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?

Impact T-1 THE PROPOSED PROJECT WOULD NOT CONFLICT WITH A PROGRAM, PLAN, ORDINANCE OR POLICY ADDRESSING THE CIRCULATION SYSTEM, INCLUDING TRANSIT, ROADWAY, BICYCLE AND PEDESTRIAN FACILITIES. IMPACTS WOULD BE LESS THAN SIGNIFICANT.

The primary plans that address the circulation system in the project area are the AMBAG 2040 MTP/SCS, the TAMC RTP, the TAMC ATP, the City of Monterey Multi-Modal Mobility Plan, and the seven local jurisdictions' general plans. Each of these plans addresses various modes of transportation, including vehicles, bicycles, pedestrian, and transit and include objectives and policies related to these modes of transportation. These plans are detailed in Section 4.5.2, *Regulatory Setting*.

The project does not include temporary or permanent modifications, additions, removals, or closures of transportation network infrastructure, such as roads, transit stops, bicycle lanes, bicycle parking stalls, or sidewalks. The project would result in a net increase of approximately 12 District and CalAm employees, who may utilize transit or alternative transportation infrastructure during their commutes. However, this would represent an incremental increase in the usage of transit and alternative transportation infrastructure in the project area and surrounding region.

As discussed under Section 4.5.3(a), *Methodology and Significance Thresholds*, this analysis assumes there would be little to no change in the length, distribution, or number of vehicle trips required to operate and maintain the MWS after its acquisition. Therefore, this analysis focuses on the change in use of the circulation system related to the net increase of approximately 12 employees hired by the District and CalAm as well as CalAm's retention of the Central Satellites after the District's acquisition of the MWS. As discussed in Section 4.5.3(a), *Methodology and Significance Thresholds*, the net increase of approximately 12 District and CalAm employees would generate approximately 24 net new daily commute trips. Vehicle trips associated with the Central Satellites would be required for water quality sampling, inspections, repairs of leaks and breaks, backflow testing, dead-end flushing, meeting vendors for valve exercising or tank inspections, and meter reading, among other activities. As shown in Table 4.5-4 in Section 4.5.3(a), *Methodology and Significance Thresholds*, approximately 38 daily trips would be required for CalAm to operate and maintain the Central Satellites (8 trips for Ambler Park + 8 trips for Chualar + 8 trips for Garrapata + 8 trips for Ralph Lane + 6 trips for Toro). This analysis conservatively assumes all 38 daily trips would be net new trips.

Only the vehicle trips that are within the project area would be attributable to the proposed project because the project would potentially result in duplication of vehicle trips in the project area due to operation and maintenance of the Central Satellites separately from the MWS. The number of vehicle trips outside the project area would remain the same as existing conditions because these trips would not be duplicated by separate operations for the Central Satellites and the MWS given that District employees would only travel as far as the project area boundary to service the MWS.

The approximately 62 total net new trips associated with the project (approximately 24 trips for employee commutes + 38 trips for Central Satellites) would primarily utilize regional roadways,

including SR 1, SR 68 West, and SR 68 East, to travel through the project area and surrounding region. As shown in Table 4.5-1 in Section 4.5.1(a), *Roadway Network*, existing traffic volumes on regional roadways in the project area range from 3,200 average daily traffic (ADT) on SR 68 West in Pacific Grove to 91,200 ADT on SR 1 at its junction with Aguajito Road near the city of Monterey. The potential addition of approximately 62 project-related ADT to existing traffic volumes would be incremental (between approximately 0.08 percent of ADT on SR 1 and approximately 1.9 percent of ADT on SR 68 West) and would not conflict with regional and local plans and policies to provide for safe, efficient, and orderly transportation networks and to protect residential areas from high-volume through traffic. Therefore, project operation would not conflict with adopted policies, plans, or programs regarding roadways, public transit, bicycle, or pedestrian facilities because the proposed project would not significantly impact the circulation system, increase traffic congestion, substantially contribute additional ADT, or result in other long-term impacts.[10] As a result, transportation impacts would be less than significant.

Following the District's acquisition of the MWS under the proposed project, it likely that the CalAm executive team and staff based out of San Diego and New Jersey would need to travel less often to the project area, Sacramento, and San Francisco for conferences, hearings, settlement meetings, and rate cases.[11] In addition, it is likely that some travel by various stakeholders (e.g., California Public Utilities Commission, other public agencies) and members of the public between San Francisco/Sacramento and the project area for hearings and other meetings would also be reduced. The potential reduction in travel associated with the MWS would result in reduced vehicle trips in the project area, which would offset some of the vehicle trips associated with the proposed project. However, specific information on the change in travel by the CalAm executive team and staff, various stakeholders, and members of the public is not available at this time, and there are multiple variables (e.g., shifting patterns of teleworking and regional and airline travel due to COVID-19) that may also affect future travel patterns. Therefore, this analysis conservatively does not quantify or take credit for this trip reduction. Nevertheless, the potential reduction in travel and associated vehicle trips in the project area would further reduce project impacts that are already less than significant.

Mitigation Measure

No mitigation is required.

Threshold 2:	Would the project conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b)?

Impact T-2 THE PROJECT WOULD NOT CONFLICT OR BE INCONSISTENT WITH CEQA GUIDELINES SECTION 15064.3, SUBDIVISION (B). IMPACTS WOULD BE LESS THAN SIGNIFICANT.

CEQA Guidelines Section 15064.3(b) identifies criteria for evaluating transportation impacts. Specifically, the guidelines state VMT exceeding an applicable threshold of significance may indicate a significant impact. According to CEQA Guidelines Section 15064.3(b)(3), a lead agency may include

[10] As stated in Section 4.5.3(a), *Methodology and Significance Thresholds*, the District has elected to immediately apply the provisions of CEQA Guidelines Section 15064.3(b) in advance of July 1, 2020. Therefore, in accordance with CEQA Guidelines Section 15064.3(a), this analysis does not consider project impacts on automobile delay as a significant environmental impact.

[11] It is possible that CalAm will re-locate its main California office to Sacramento in 2024; however, this EIR analyzes project impacts as compared to existing baseline conditions at the time of publication of the NOP (April 2020). As of April 2020, the CalAm headquarters remains in San Diego. Regardless, this analysis does not quantify or take credit for these potential trip reductions; as such, the location of the CalAm headquarters does not influence the analysis presented herein.

a qualitative analysis of VMT. Pursuant to CEQA Guidelines Section 15064.3(c), the provisions of this section do not apply statewide until July 1, 2020, although a lead agency may elect to immediately apply the provisions of the updated guidelines. Currently, official measures and significance thresholds related to VMT are still being developed and have not yet been adopted by the District or any of the seven jurisdictions in the project area. However, the District has elected to apply the provisions of CEQA Guidelines Section 15064.3(b) and utilize guidance provided by the Governor's Office of Planning and Research *Technical Advisory on Evaluating Transportation Impacts in CEQA* (2018) to evaluate the significance of project impacts related to VMT.

A VMT calculation is typically conducted on a daily or annual basis, for long-range planning purposes. As discussed under Section 4.5.3(a), *Methodology and Significance Thresholds*, this analysis assumes there would be little to no change in the length, distribution, or number of vehicle trips required to operate and maintain the MWS after its acquisition. Therefore, this analysis focuses on the change in VMT related to the net increase in 12 employees hired by the District and CalAm as well as CalAm's retention of the Central Satellites after the District's acquisition of the MWS.

As discussed in Section 4.5.3(a), *Methodology and Significance Thresholds*, the net increase of 12 District and CalAm employees would generate approximately 600 net new daily VMT, which would equate to approximately 156,000 annual VMT (conservatively assuming 260 work days per year). VMT associated with the Central Satellites would be generated by vehicle trips for water quality sampling, operations and maintenance, inspections, repair of leaks and breaks, backflow testing, dead-end flushing, meeting vendors for valve exercising or tank inspections, and meter reading, among other activities. Table 4.5-5 summarizes total annual VMT associated with operations and maintenance of the Central Satellite systems, which is approximately 31,872 VMT.

Table 4.5-5 Total VMT for Central Satellites Operation and Maintenance

System	Maximum Number of Annual One-Way Trips[1]	Distance from Corporate Yard to Destination (miles per trip)[2]	Total VMT (miles)
Ambler Park	772	16	12,352
Chualar	92	31	2,852
Garrapata	84	15	1,260
Ralph Lane	84	28	2,352
Toro	768	17	13,056
Total	**1,784**	**n/a**	**31,872**

[1] See Table 4.5-4. Maximum annual trip estimates conservatively assume that all trips for each activity would occur in the same year. In reality, some activities would not occur during the same year. For example, Toro system tank inspections that occur every five years may occur during a different year than Ambler Park tank inspections that occur every five years.

[2] See Table 4.5-3.

VMT = vehicle miles traveled; n/a = not applicable

As with vehicle trips discussed under Impact T-1 above, only the portion of the VMT associated with the Central Satellite systems that is within the project area would be attributable to the proposed project because the project would potentially result in duplication of VMT in the project area due to operation and maintenance of the Central Satellites separately from the MWS. Table 4.5-6 and Table 4.5-7 summarize the potentially duplicated portion of daily and annual VMT attributable to

the proposed project, which would represent net increases in daily and annual VMT as compared to existing conditions. As shown therein, the project would potentially result in a maximum net increase of approximately 414 VMT per day, or 21,180 VMT per year, associated with the Central Satellites.

Table 4.5-6 Maximum Daily VMT for Central Satellites Operation and Maintenance Attributed to Proposed Project

System	Maximum Number of Daily One-Way Trips[1]	One-Way Distance from Corporate Yard to Edge of MWS (miles per trip)[2]	Total VMT Attributed to Proposed Project (miles)
Ambler Park	8	12	96
Chualar	8	12	96
Garrapata	8	10	80
Ralph Lane	8	9	72
Toro	6	12	70
Total	**38**	**n/a**	**414**

[1] See Table 4.5-4. Maximum daily trip estimates conservatively assume that all daily trips for each activity would occur on the same day. In reality, it is likely that daily trips for different activities would occur on different days in any given month.

[2] See Table 4.5-3.

VMT = vehicle miles traveled

Table 4.5-7 Maximum Annual VMT for Central Satellites Attributed to Proposed Project

System	Maximum Number of Annual One-Way Trips[1]	One-Way Distance from Corporate Yard to Edge of MWS (miles per trip)[2]	Total VMT Attributed to Proposed Project (miles)
Ambler Park	772	12	9,264
Chualar	92	12	1,104
Garrapata	84	10	840
Ralph Lane	84	9	756
Toro	768	12	9,216
Total	**1,784**	**n/a**	**21,180**

[1] See Table 4.5-4. Maximum annual trip estimates conservatively assume that all trips for each activity would occur in the same year. Some activities would not occur during the same year. For example, Toro system tank inspections that occur every five years may occur during a different year than Ambler Park tank inspections that occur every five years.

[2] See Table 4.5-3.

VMT = vehicle miles traveled

In total, the project would result in net increases of approximately 1,014 daily VMT (600 VMT for employee commutes and 414 VMT for Central Satellites) and 177,180 annual VMT (156,000 VMT for employee commutes and 21,180 VMT for Central Satellites). The Governor's Office of Planning and Research *Technical Advisory on Evaluating Transportation Impacts in CEQA* (2018) states, "Absent substantial evidence indicating that a project would generate a potentially significant level of VMT, or inconsistency with an SCS or general plan, projects that generate or attract fewer than 110 trips

per day generally may be assumed to cause a less-than-significant VMT impact." As discussed under Impact T-1, the project would generate approximately 62 ADT, which falls below the recommended screening threshold of 110 ADT. Furthermore, the project would potentially result in an increase of approximately 1,014 maximum daily VMT and 177,180 maximum annual VMT (see Table 4.5-6 and Table 4.5-7). As shown in Table 4.5-8, this would be an incremental (0.01 percent) increase as compared to 2015 and projected countywide 2040 average daily VMT under the AMBAG 2040 MTP/SCS (AMBAG 2018b).[12]

Table 4.5-8 Comparison of Project-Related Daily VMT to Countywide Daily VMT

Year	Baseline Daily VMT[1]	Project-Related Daily VMT	Percent of Baseline Daily VMT
2015	9,764,441	1,014	0.01%
2040 (with 2040 MTP/SCS)	12,091,679	1,014	0.01%

[1] Source: AMBAG 2018b

The goals and policies of the AMBAG 2040 MTP/SCS focus on accommodating new households and jobs, investing in the existing and planned regional transportation network, providing new facilities for alternative transportation use, and implementing Complete Streets policies. In addition, the goals and policies of the seven local jurisdictions' general plans focus on providing a safe transportation network, promoting alternative transportation and carpooling, and achieving acceptable LOS. The project would not be inconsistent with the goals of the AMBAG 2040 MTP/SCS or local general plans, which are aimed at reducing vehicle trips, VMT, and associated GHG emissions from typical land use development projects such as residential and commercial development rather than from maintenance and operation of existing water infrastructure such as would occur under the proposed project.

Because the project would not exceed the Office of Planning and Research's recommended screening criteria for small projects, would generate an incremental increase in VMT, and would not be inconsistent with the 2040 MTP/SCS or local general plans, impacts associated with VMT per CEQA Guidelines Section 15064.3 would be less than significant.

Following the District's acquisition of the MWS under the proposed project, it likely that the CalAm executive team and staff based out of San Diego and New Jersey would need to travel less often to the project area, Sacramento, and San Francisco for conferences, hearings, settlement meetings, and rate cases.[13] In addition, it is likely that some travel by various stakeholders (e.g., California Public Utilities Commission, other public agencies) and members of the public between San Francisco/Sacramento and the project area for hearings and other meetings would also be reduced. The potential reduction in travel associated with the MWS would result in reduced VMT, which would offset some or all the VMT associated with the proposed project. However, because specific information on the change in travel by the CalAm executive team and staff, various stakeholders, and members of the public is not available currently, this analysis conservatively does not quantify

[12] VMT data for Monterey County for year 2015 is the most recently available data and was considered the "existing" scenario in the AMBAG 2040 MTP/SCS and its Final Environmental Impact Report (AMBAG 2018a and 2018b).
[13] It is possible that CalAm will re-locate its main California office to Sacramento in 2024; however, this EIR analyzes project impacts as compared to existing baseline conditions at the time of publication of the NOP (April 2020). As of April 2020, the CalAm headquarters remains in San Diego. Regardless, this analysis does not quantify or take credit for these potential trip reductions; as such, the location of the CalAm headquarters does not influence the analysis presented herein.

or take credit for this VMT reduction. Nevertheless, the potential reduction in travel and associated VMT would further reduce project impacts that are already less than significant.

Mitigation Measure

No mitigation is required.

Threshold 3:	Would the project substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible use (e.g., farm equipment)?

Impact T-3 THE PROPOSED PROJECT WOULD NOT SUBSTANTIALLY INCREASE HAZARDS DUE TO A DESIGN FEATURE OR INCOMPATIBLE USES. NO IMPACT WOULD OCCUR.

The proposed project does not include physical construction and would not result in any substantial change in the physical operations or maintenance activities associated with the MWS. Route operations and maintenance trips would continue to be made primarily via light-duty automobiles and light-duty trucks. Therefore, the project would not introduce a geometric design feature or incompatible use to the circulation network in the project area. As such, the project would not substantially increase hazards due to a geometric design feature or incompatible use, and no impact would occur.

Mitigation Measure

No mitigation is required.

Threshold 4:	Would the project result in inadequate emergency access?

Impact T-4 THE PROJECT WOULD NOT RESULT IN INADEQUATE EMERGENCY ACCESS. NO IMPACT WOULD OCCUR.

The proposed project does not include physical construction and would not result in any substantial change in the physical operations or maintenance activities of the MWS. Therefore, the project would not alter emergency access throughout the circulation network in the project area. As such, the project would not result in inadequate emergency access. No impact would occur.

Mitigation Measure

No mitigation is required.

c. Cumulative Impacts

The geographic scope of potential cumulative transportation impacts is Monterey County. Buildout of cumulative development within and near the project area, including the projects listed in Table 3-1 in Section 3, *Environmental Setting*, would increase traffic volumes on local roadways. As determined in the Final Environmental Impact Report for the AMBAG 2040 RTP/SCS (2018), the cumulative increase in traffic in the region would be significant due to increases in daily hours of vehicle delay, commuting time, congested VMT, and daily VMT. Therefore, cumulative traffic impacts during project operation would be potentially significant. However, project-related traffic of 42 ADT and 514 daily VMT would be negligible in comparison to current traffic volumes as well as the high volumes of traffic and VMT generated by the types of large residential, commercial, hotel,

industrial, and institutional projects listed in Table 3-1. As a result, the project's contribution to significant cumulative traffic impacts would not be cumulatively considerable.

4.6 Utilities and Service Systems

This section analyzes the environmental effects related to utilities and service systems associated with implementation of the proposed project. It discusses water, wastewater infrastructure and stormwater conveyance. Issues related to electricity, natural gas, telecommunication and solid waste services are addressed in Section 4.7, *Effects Found Less Than Significant*. Issues related to water demand can be found in Section 4.3, *Hydrology and Water Quality* and water quality, drainage and infiltration patterns, and flood hazards are discussed in Section 4.7, *Effects Found Less Than Significant*.

4.6.1 Setting

Water Service & Supply

California American Water

California American Water (CalAm) provides water to the project area through a combination of local water sources. As described in Section 2.4.1, *Water Supply Source*, of this EIR, the current sources of supply for the Monterey water system (MWS) include: wells pumping from the Carmel River, groundwater wells pumping from the Seaside Groundwater Basin, Aquifer Storage and Recovery (ASR), Sand City Desalination, and Pure Water Monterey. CalAm obtains most of its water supply from the Carmel Valley Alluvial Aquifer and the Seaside Groundwater Basin. However, due to the SWRCB-issued CDO, which limits pumping from the Carmel River, as well as adjudication of the Seaside Groundwater Basin, which requires pumpers of the basin to reduce pumping by 2021, CalAm is required to find an alternative water supply source.[1] CalAm's water supply is planned to be gradually replaced by a combination of sources including the proposed Monterey Peninsula Water Supply Project (MPWSP) and Pure Water Monterey Project. The proposed MPWSP includes construction and operation of a 6.4 million gallons per day (MGD) desalination plant which would provide 6,252 acre-feet per year (AFY) of water supply (CalAm 2016). The MPWSP was approved and the Environmental Impact Report (EIR) was certified by the California Public Utilities Commission (CPUC), the California Environmental Quality Act (CEQA) Lead Agency, on September 13, 2018. The Monterey Bay National Marine Sanctuary, the National Environmental Protection Act (NEPA) Lead Agency, has not yet issued a Record of Decision. CalAm is actively pursuing local, State and Federal approvals to construct the MPWSP.

The Pure Water Monterey Project was approved in 2015 and the 5.0 MGD Advanced Water Purification Facility became operational in 2019. Due to concerns regarding the timing of completion of the MPWSP Desalination Plant, Monterey One Water (M1W) and the District have released a Supplemental EIR for proposed modification to the Advanced Water Purification Facility to increase the capacity from 5.0 MGD to 7.6 MGD. The proposed modifications to the Pure Water Monterey Project would increase the amount of purified recycled water that could be produced from 6,500 AFY to 8,750 AFY. The proposed modification went before the M1W Board on April 27, 2020; at the meeting, the Draft EIR was not certified and thus no action was taken on the project. Table 4.6-1 outlines the current and projected water supplies for CalAm's entire water supply system in Monterey County, this includes both the MWS and the Central Satellite water systems.

[1] Information pertaining to the Seaside Groundwater Basin and Carmel Valley Alluvial Aquifer as well as the CDO and adjudication of the Seaside Groundwater Basin are described in detail in Section 4.3, *Hydrology and Water Quality*.

Table 4.6-1 Current and Projected Water Supplies (AFY)

Water Supply Sources	2015	2020	2025	2030	2035
Carmel River					
Carmel Valley Alluvial Aquifer	8,310	8,310	3,376	3,376	3,376
Seasonal Diversion	170	170	0	0	0
Groundwater Production					
Seaside Groundwater Basin[1]	2,251	1,820	774[3]	774[3]	774[3]
Salinas Valley Groundwater Basin	500	500	500	500	500
Garrapata Creek	35	35	35	35	35
Aquifer Storage and Recovery					
ASR Project	1,300	1,300	1,300	1,300	1,300
Desalination					
Sand City Desalination	300	300	300	300	300
Future Supply Projects					
MPWSP Desalination Plant	0	6,252	6,252	6,252	6,252
Pure Water Monterey[2]	0	3,500	3,500	3,500	3,500
Total	12,866	22,187	16,037	16,037	16,037

[1] Allocation reduced by 700 AFY for 25 years once the MPWSP Desalination Plant is online

[2] Projected water supply for the Pure Water Monterey Project does not include the additional water which may be generated by the expanded capacity Advanced Water Purification Facility, as the EIR was not certified and this supply is proposed as an alternative water supply source if the MPWSP encounters obstacles that prevent its timely, feasible implementation to satisfy the requirements of the CDO.

[3] Pursuant to adjudication of the basin.

Sources: CalAm 2016

Wastewater Collection and Treatment

Monterey One Water

Within the cities of Pacific Grove and Monterey the local jurisdictions operate and maintain the sewer systems, while the Seaside County Sanitation District maintains sanitary sewer collection systems within the cities of Del Rey Oaks, Seaside, and Sand City. Wastewater treatment is provided to these sewer systems by M1W at their Regional Treatment Plant (RTP) located approximately two miles north of the city of Marina off Charles Benson Road. In addition to the project area, M1W provides wastewater treatment, disposal, and reclamation services for the cities of Del Rey Oaks, Marina, Salinas; Castroville, Moss Landing, and Boronda Community Service Districts; and the former Fort Ord military base. Further, M1W owns and maintains sewer infrastructure that conveys wastewater from the furthest parts of their service area through other member communities to the RTP. In total, M1W operates and maintains 25 pump stations, 35 pressure-vacuum stations, approximately 30 miles of pipeline from each pump station to the RTP (M1W 2020).

The RTP receives and treats residential, commercial, and industrial wastewater. Wastewater undergoes primary and secondary treatment at the treatment plant before reuse or discharge.

Reuse is generally for agricultural applications and irrigation, and thus, occurs primarily during the summer growing season. In winter months, treated wastewater from the RTP is primarily discharged. Discharge is to the Monterey Bay through a diffuser outlet located approximately two miles offshore at a depth of approximately 100 feet below mean sea level. The treated water meets and exceeds all State discharge requirements (M1W 2017).

The treated wastewater discharge is regulated by the Central Coast RWQCB under the Waste Discharge Requirements for the M1W RTP (Order No. R3-2014-0013, NPDES Permit No. CA0048551). The diffuser outlet in Monterey Bay is designed to convey ultimate wet weather flows of 81.2 million gallons daily, which is the permitted rate of discharge through the outfall (Central Coast RWQCB 2014). Pursuant to the permit, the RTP has a maximum average dry weather design treatment capacity of 29.6 MGD and peak wet weather design capacity of 75.6 MGD, however it currently receives and treats approximately 18 MGD of wastewater with a peak wet weather flow of 36.8 MGD (M1W & District 2016). As a result, the RTP had unused but permitted treatment capacity of approximately 11.6 MGD during dry weather and about 38.3 MGD during peak wet weather conditions.

Carmel Area Wastewater District

Within the Carmel area, wastewater is collected, treated, and disposed of by the Carmel Area Wastewater District (CAWD). Specifically the CAWD service area includes the city of Carmel-by-the-Sea and the outlying areas including areas of the Del Monte forest to the north, Carmel Valley to the east extending as far as Quail Meadows and Del Mesa Carmel, Carmel Highlands to the south, and the Pacific Ocean to the west. The treatment plant also receives wastewater from the Pebble Beach unincorporated community, under a contractual arrangement with the Pebble Beach Community Services District. CAWD serves a population of 11,000 people as well as treatment and disposal for an additional 4,500 people in Del Monte Forest (CAWD 2020).

CAWD collection facilities consist of approximately 83 miles of sewer lines, five miles of force mains, and seven pump stations. Wastewater is conveyed to the CAWD's treatment plant, which is located south of Carmel on State Route (SR) 1, between the Crossroads area and the Carmel Meadows residential development. The District's current permitted treatment capacity is 3.0 MGD, however only about 1.2 to 1.4 MGD of daily dry weather inflow is currently estimated to be treated at the plant, which includes wastewater from Pebble Beach (LAFCO 2016). Thus, CAWD's treatment plant has an unused but permitted treatment capacity of approximately 1.6 to 1.8 MGD. In addition, CAWD in cooperation with the Pebble Beach Community Service District and the District provide up to 1.5 MGD of recycled water to irrigate seven golf courses, an equestrian center, the grounds of a private school, and some smaller landscaped areas within Pebble Beach as part of the Reclamation Project. Treated water that is not diverted as part of the Reclamation Project is discharged via CAWD's wastewater outfall pipe which extends approximately 650 feet offshore, south of the Carmel River Lagoon (LAFCO 2016).

Stormwater Conveyance

Storm drainage facilities within Monterey County are operated and maintained by the Monterey County Water Resources Agency. The cities of Carmel-by-the-Sea, Pacific Grove, Monterey, Sand City, and Seaside maintain the urban runoff system and natural drainage courses for their respective jurisdictions.

4.6.2 Regulatory Setting

a. Federal and State

As outlined in Section 2.3, *Regulatory Setting,* the proposed project is regulated by a variety of federal and State agencies and regulations, including the following: the federal Safe Drinking Water Act, the California Urban Water Management Planning Act (which includes 2018 Water Conservation Legislation and the California Water Conservation Act of 2009), the CPUC (regulates privately operated public utilities), and the SWRCB (regulates public drinking water systems).

b. Local

Locally, water within the project area is managed by the District. The District is a water resource planning/management entity and does not currently provide water service to retail customers. The District serves approximately 112,000 people within its 171 square-mile service area boundary and is funded by property tax, user fees, water connection charges, investments, grants, permit fees and project reimbursements. Functions of District include (District 2020):

- Augmenting the water supply through integrated management of ground and surface water
- Promoting water conservation
- Promoting water reuse and reclamation of storm and wastewater
- Fostering the scenic values, environmental qualities, native vegetation, fish and wildlife, and recreation on the Monterey Peninsula and in the Carmel River Basin

As part of its duties the District provides technical support and regulatory oversight to CalAm, and other smaller water systems. The District also manages production and use of water from the Carmel River and Seaside Groundwater Basin and has a number of ongoing programs to mitigate the effects of pumping from the Carmel River, such as Pure Water Monterey and ASR.

In addition, water policy is affected by the Monterey Peninsula Regional Water Authority (Regional Water Authority), a Joint Power Authority created in 2012 that consists of six peninsula cities: Carmel-by-the-Sea, Del Rey Oaks, Monterey, Pacific Grove, Sand City, and Seaside. The goal of the Regional Water Authority is to find a solution to the Monterey Peninsula water shortage due to the over-drafting of the Carmel River (Regional Water Authority 2020a). The Regional Water Authority adopted a Policy Position Statement on July 11, 2013 that establishes four basic criteria that any water project is expected to satisfy. The Regional Water Authority water portfolio to address these water shortages includes a combination of projects, namely desalination (MPWSP), groundwater replenishment (Pure Water Monterey), ASR and the Pacific Grove Local Water Project (Regional Water Authority 2020b).

Further, the following local policies and regulations pertaining to water supply and infrastructure are relevant to the proposed project. It is important to note that while Government Code 53091 generally exempts projects by water districts from the requirements of local building and zoning ordinances, the proposed project is generally consistent with these local policies and regulations.

County of Monterey

The County of Monterey General Plan Public Services Element (2010) contains the following policies that would be applicable to the proposed project:

Policy PS-2.1 Coordination among, and consolidation with, those public water service providers drawing from a common water table to prevent overdrawing the water table is encouraged

Policy PS-3.2 Specific criteria for proof of a Long Term Sustainable Water Supply and an Adequate Water Supply System for new development requiring a discretionary permit, including but not limited to residential or commercial subdivisions, shall be developed by ordinance with the advice of the General Manager of the Water Resources Agency and the Director of the Environmental Health Bureau. A determination of a Long Term Sustainable Water Supply shall be made upon the advice of the General Manager of the Water Resources Agency. The following factors shall be used in developing the criteria for proof of a long term sustainable water supply and an adequate water supply system:

a. Water quality;
b. Authorized production capacity of a facility operating pursuant to a permit from a regulatory agency, production capability, and any adverse effect on the economic extraction of water or other effect on wells in the immediate vicinity, including recovery rates;
c. Technical, managerial, and financial capability of the water purveyor or water system operator;
d. The source of the water supply and the nature of the right(s) to water from the source;
e. Cumulative impacts of existing and projected future demand for water from the source, and the ability to reverse trends contributing to an overdraft condition or otherwise affecting supply; and
f. Effects of additional extraction or diversion of water on the environment including on in-stream flows necessary to support riparian vegetation, wetlands, fish or other aquatic life, and the migration potential for steelhead, for the purpose of minimizing impacts on the environment and to those resources and species.
g. Completion and operation of new projects, or implementation of best practices, to renew or sustain aquifer or basin functions.

The hauling of water shall not be a factor nor a criterion for the proof of a long term sustainable water supply.

Policy PS-3.12:The County shall maximize the use of recycled water as a potable water offset to manage water demands and meet regulatory requirements for wastewater discharge, by employing strategies including, but not limited to, the following: a. Increase the use of treated water where the quality of recycled water is maintained, meets all applicable regulatory standards, is appropriate for the intended use, and reuse will not significantly impact beneficial uses of other water resources. b. Work with the agricultural community to develop new uses for tertiary recycled water and increase the use of tertiary recycled water for irrigation of lands currently being irrigated by groundwater pumping. c.

Work with urban water providers to emphasize use of tertiary recycled water for irrigation of parks, playfields, schools, golf courses, and other landscape areas to reduce potable water demand

City of Seaside

The City of Seaside General Plan Land Use Element (2003) contains the following goals and policies that would be applicable to the proposed project:

Goal LU-5: Collaborate with local and regional water suppliers to continue to provide quality water supply and treatment capacity to meet community needs

- **Policy LU-5.2**: Work cooperatively with local and regional water suppliers to ensure adequate water reserves
- **Policy LU-5.3**: Actively promote water conservation by City residents and businesses
- **Policy LU-5.4:** Promote the use of recycled water for irrigation of parks, golf courses, and public landscaped areas in the community

The City of Seaside is currently preparing *Draft Seaside 2040*, a comprehensive General Plan update, which includes updated goals and policies. The *Draft Seaside 2040* Community Facilities and Infrastructure Element (2019) contains the following goals and policies aimed at improving access to utility infrastructure:

Goal CFI-2 A sustainable water supply that supports existing community needs and long-term growth

Policy Regional Coordination. Continue to work cooperatively with local and regional water utilities, suppliers, and agencies to maintain an adequate water supply for existing uses and develop new water supplies for development of the former Fort Ord lands and redevelopment within the City

Goal CFI-3 Clean and sustainable groundwater

Policy Groundwater Monitoring. Coordinate with local organizations to ensure the City periodically assesses, monitors, and manages the quality of groundwater

Goal CFI-4 Well-maintained water and sewer systems that meet the City's current and future needs

Policy Level of Service. Work with utility owners to maintain the existing water and sanitary sewer systems to provide a high level of service to Seaside's neighborhoods

City of Monterey

The City of Monterey General Plan Public Facilities Element (2016) contains the following goals that would be applicable to the proposed project:

Goal K Continue cooperation with the Monterey Regional Water Pollution Control Agency to maintain an environmentally compliant closed system (system that complies with environmental regulations) that ultimately allows partial reuse of the wastewater

Goal I Continue to improve drainage and urban runoff quality throughout the City and maintain Monterey's status as a regional lead agency for storm water management programs

Goal m Develop long-term water supplies and conservation methods so that there is sufficient water to implement General Plan goals

Goal m.2 Encourage Cal-Am to maintain the City's water supply system in a good state of repair to prevent leakage and other water loss

City of Del Rey Oaks

The Del Rey Oaks General Plan Public Services and Open Space/Conservation Element (1997) contains the following goals and policies that would be applicable to the proposed project:

Goal 1 Provide water and maintain a water management policy that will provide a sufficient quantity of appropriate quality water to meet the needs of the existing and planned community

- **Policy S-7** The City shall identify public infrastructure needs to schedule improvements necessary for achieving long term land use and community development objectives
- **Policy S-8** The City shall encourage water allocation program identifying priority water connections

Goal 6 Recognize that water resources on the Monterey Peninsula are limited and that conservation of water will be encouraged

- **Policy C/OS-8** Surface water quality shall be maintained, and areas of ground water recharge kept free of contamination
- **Policy C/OS-11** The City shall work with the appropriate Water Management District to encourage water conservation, retrofitting, education, reclamation and reuse
- **Policy C/OS-12** Water usage and conservation of water will be considered as part of the land use decisions

City of Sand City

The Sand City General Plan Conservation and Open Space Element (2002) includes the following goals and policies that would be applicable to the proposed project:

Goal 3.10 Improve and maintain public utility systems to adequately serve existing and future development

- **Policy 3.10.4** The City will cooperate with CalAm and the District to develop a regional solution to the long-term water needs of the Monterey Peninsula by participating in any Seaside Groundwater Basin Management Strategy that may be pursued

Goal 5.2 Encourage and promote water conservation

- **Policy 5.2.1** The City supports District efforts to encourage water conservation. The City will participate in groundwater management actives of the Seaside Basin and storm water re-use planning efforts
- **Policy 5.2.2** The City requires new development to incorporate water conservation features in accordance with District guidelines

City of Pacific Grove

The Pacific Grove General Plan Public Facilities Element (1997) contains the following goal and policies that would be applicable to the proposed project:

Goal 1 Maintain an adequate level of service in the City's water system to meet the needs of existing and future development

- **Policy 1** Endeavor to ensure an adequate water supply for the City's future needs
- **Policy 8** Promote the reclamation of waste water for irrigation purposes (specifically, the golf course and cemetery)

City of Carmel-by-the-Sea

The Carmel-by-the-Sea General Plan Open Space and Conservation Element (2009) contains the following goals and policies that would be applicable to the proposed project:

Goal O7-6 Improve water conservation and promote water management techniques

- **Policy 7-19** Reduce per capita and total demand for water and wastewater treatment, and enhance storm water management through integrated and cost-effective design, technology, and demand reduction standards for new development and redevelopment
- **Policy 7-20** Encourage and implement water-saving techniques to reduce storm water volumes and increase percolation. Increase permeable surfaces and encourage on-site percolation to reduce storm water volume
- **Policy 7-22** Work with the District and CalAm, and other organizations to ensure adequate water supply, particularly during periods of prolonged drought and warm weather conditions

4.6.3 Impact Analysis

a. Methodology and Significance Thresholds

Based on Appendix G of the *State CEQA Guidelines*, impacts to utilities and service systems would be considered potentially significant if the proposed project would meet one of the following significance thresholds:

1. Require or result in the relocation or construction of new or expanded water, wastewater treatment or stormwater drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects
2. Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years
3. Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments
4. Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals
5. Comply with federal, State, and local statutes and regulations related to solid waste

As described in Section 2.5, *Project Characteristics*, the proposed project entails acquisition of CalAm's system facilities and related water rights but would not involve physical construction or increase the size of the existing water system. As a result, the proposed project would not result in a change in the manner of operation of the MWS or exercise of the associated water rights. As a result, the proposed project would result in no impact related to electric power, natural gas, telecommunication or solid waste. Therefore, checklist items 4 and 5 as well as the electric power, natural gas, and telecommunication aspects of checklist item 1 are analyzed in Section 4.7, *Effects Found Less Than Significant*. The remainder of Checklist item 1, as well as Checklist items 2, 3 and 5 are discussed below.

b. Project Impacts and Mitigation Measures

Threshold 1:	Would the project require or result in the relocation or construction of new or expanded water, wastewater treatment or stormwater drainage, the construction or relocation of which could cause significant environmental effects?
Threshold 3:	Would the project result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?

Impact UTIL-1 THE PROJECT WOULD NOT REQUIRE OR RESULT IN THE RELOCATION OR CONSTRUCTION OF NEW OR EXPANDED WATER, WASTEWATER TREATMENT, OR STORMWATER DRAINAGE AND WOULD NOT GENERATE WASTEWATER TREATMENT DEMAND IN EXCESS OF EXISTING SUPPLIES. IMPACTS WOULD BE LESS THAN SIGNIFICANT.

Water and Wastewater Treatment

As described in the Section 2.6, *Project Objectives,* one of the objectives of the proposed project, as outlined in the purpose of Measure J, is to provide cost-effective water service and lower the cost of service to ratepayers. Section 4.3, *Hydrology and Water Quality,* ~~1.2, *Purpose and Legal Authority,*~~ of this EIR describes that ~~the setting of water rates is typically statutorily exempt under CEQA and that~~ although water usage/demand may fluctuate in response to changes in water pricing, such fluctuations are not reasonably foreseeable and would be speculative to estimate. Further, ultimately, compliance with the SWRCB CDO that sets restrictions on pumping water from the Carmel River as well as the adjudication decision which established a "Natural Safe Yield" for the Seaside Groundwater Basin of 3,000 AFY would restrict the amount of water that may be pumped and would require the provision of replacement water to offset any water supply required in excess of what is allowed. In addition, laws and regulations such as the 2018 Water Conservation Legislation (AB 1668 and SB 606) and California Water Conservation Act of 2009 require specific goals to be set and milestones achieved towards reducing per capita water usage. With municipalization of the now privately-owned MWS under the proposed project, an UWMP would continue to be updated every five years, as required for an urban water supplier with 3,000 or more service connections or supplying 3,000 or more acre-feet of water per year. The existing UWMP includes goals, measures, procedures, and status reports for achieving reduced per capita water demand and ensuring water supply reliability. Future UWMPs for the MWS, whether prepared by the current owner or the District, would be required to provide the same information to demonstrate how the required per capita water usage reduction will be achieved. Further, areas within the District are subject to District rules and regulations which regulate the amount of water which can be used at each connection; areas proposed for annexation would also be subject to

these rules and regulations. Therefore, as discussed in Section 4.3, *Hydrology and Water Quality* of this EIR, water demand would not substantially increase as a result of the proposed project.

As the proposed project would continue to supply water to the same customer base for the same general purposes, it would not result in substantial changes to the way in which water is used in the service area and, therefore, would not directly influence the amount of wastewater generated in the service area. For example, residential customers would continue to dedicate roughly the same percentage of their water use to various activities such as watering plants, which does not result in wastewater flows, and washing dishes, which results in flows to the wastewater system. Therefore, the proportion of the water supply that is disposed of as wastewater after use would remain constant. Given that there would not be a substantial change to water demand and the proportion of water that enters the wastewater system would remain constant, wastewater generation also would not substantially increase as a result of the project.

In addition, the project does not propose any water treatment facilities, new water or sewer connections, and would not alter the rates or characteristics of existing wastewater discharges in the project area; therefore, the project would not alter the status of compliance of existing wastewater discharges with wastewater treatment requirements of the Central Coast RWQCB, and would not result in an exceedance of the capacity of a wastewater treatment provider. Similarly, because the project would not substantially alter water supply demands or associated wastewater discharge rates, the proposed project also would not require or result in the construction of new water or wastewater conveyance and treatment system or expansion of existing facilities.[2] Operation and maintenance of the water system would require occasional repair or upgrade of existing facilities, but such actions are typical of the operation and maintenance of a water system, would be required regardless of the ownership of the system, and would not constitute the construction or expansion of new or existing facilities. As a result, potential impacts associated with water demand as well as water and wastewater treatment would be less than significant.

Stormwater Drainage

Since the proposed project would not involve construction or expansion of facilities, it would not result in an increase in impermeable surfaces within the project area. Ongoing operation and maintenance activities would continue under the proposed project, using the same access roads and maintenance yards that are currently used to operate and maintain the system. In addition, no changes in non-stormwater runoff, i.e. due to landscape irrigation, would occur as no change in the demand for water supply would result from the proposed project. Thus, there would be no change in the amount of runoff occurring within the project area and no requirements to upgrade or expand existing stormwater conveyance systems. Potential impacts associated with stormwater generation would be less than significant.

Summary

The proposed project would not change the nature or amount of water used or the amount of wastewater or stormwater generated in the project area. Because the proposed project would not result in an increased demand, no relocation or construction of water, wastewater conveyance and treatment system, or stormwater drainage system which serve the project area would be required.

[2] As previously noted in Section 2, *Project Description,* environmental impacts from construction of the MPWSP Desalination Plant were analyzed under a separate environmental review process, the MWSP Environmental Impact Report/Environmental Impact Statement (EIR/EIS). It is important to note that this EIR does not analyze impacts associated with construction or operation of the MPWSP Desalination Plant, which was already reviewed and approved by the CPUC as part of the MWPSP EIR/EIS.

Further, as the proposed project would not result in generation of additional wastewater or stormwater, a determination by the wastewater treatment provider that the proposed project has adequate capacity to serve the project would not be required. Impacts related to the provision of these utility facilities would be less than significant.

Mitigation Measures

No mitigation is required.

Threshold 2:	Would the project have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?

Impact UTIL-2 THE PROPOSED PROJECT WOULD NOT RESULT IN SUBSTANTIAL NEW OR INCREASED WATER DEMANDS IN THE PROJECT AREA. IMPACTS WOULD BE LESS THAN SIGNIFICANT.

As outlined above in Section 4.3.2, *Regulatory Setting*, certain types of projects that are subject to CEQA are required to prepare a Water Supply Assessment (WSA) which assesses water supply reliability under varying drought conditions over a 20-year horizon. Section 4.3, *Hydrology and Water Quality*, of this EIR further explains that projects located within an adjudicated groundwater basin are exempt from preparing a WSA, and the annual Watermaster reports required per the adjudication of the Seaside Groundwater Basin fulfill the same purposes as a WSA. Based on the adjudication of the Seaside Groundwater Basin and the SWRCB CDO, CalAm must develop a replacement water supply to meet existing demand in the Monterey area. The 2015 UWMP assesses water supply availability in the project area, accounting for local groundwater supply limitations as well as future water supply projects, and with consideration to varying climatic (drought) conditions over a 25-year planning horizon. The 2015 UWMP determined that with existing water supply sources as well as future water projects such as ASR, MPWSP, and Pure Water Monterey Project, there are adequate water supplies to meet demands in the project area during average, single-dry, and multiple-dry years through the Year 2035 (CalAm 2016). In addition, any new operator of the water system would be required to comply with 2018 Water Conservation Legislation (AB 1668 and SB 606), which requires urban water suppliers to stay within annual water budgets, based on standards for their service areas, and the California Water Conservation Act of 2009, which mandates conservation goals for urban retail water suppliers. As a result, since the adjudication of the Seaside Groundwater Basin and the SWRCB CDO place an upper limit on water use and laws and regulations such as the 2018 Water Conservation Legislation (AB 1668 and SB 606) and California Water Conservation Act of 2009 set water conservation goal and requirements, the proposed project would not result in new or increased water demand in the project area and potential impacts associated with water supply availability would be less than significant.

Mitigation Measures

No mitigation is required.

c. Cumulative Impacts

The geographic scope for cumulative impacts is the MWS service area. As shown in Table 3-1, *Cumulative Projects List*, in Section 3, *Environmental Setting*, numerous development projects are anticipated in the vicinity of the project area. Cumulative development in the project area would add residential and non-residential development to the project area, as discussed below.

Cumulative buildout in the project area could introduce new and expanded water demands. These future water demands, including development projections based on allowable land uses in the project area, are accounted for in the current 2015 UWMP, which estimates that CalAm's service area will grow at a rate of just over two percent per year from 2010 through 2035 (CalAm 2016). The 2015 UWMP determined that, with existing water supply sources as well as future water projects such as MPWSP and Pure Water Monterey Project, there is adequate water supply to the project area to meet demands through 2035, including under varying climatic (drought) conditions (CalAm 2016). As development in the project area expands as predicted, it will become necessary to add additional connections to the existing water system. The exact location and connection would need to be determined at the time development is proposed and would be subject to subsequent environmental review. However, compliance with the adjudication of the Seaside Groundwater Basin and the SWRCB CDO as well as State and local policies and regulations would ensure that future connections to the water system are appropriately planned, designed, and implemented to avoid adverse effects. Further, implementation of planned projects, such as the MPWSP and/or the proposed modifications to the Pure Water Monterey Project outlined above, would also ensure water supply for cumulative buildout. Therefore, cumulative impacts due to water supply in the project area would be less than significant.

As discussed, the proposed project would not contribute to future increases in demand for water in the project area; future increased water demands would occur as a result of cumulative developments, regardless of the proposed project, i.e. transfer of ownership of the MWS. Therefore, the proposed project's contribution to the above stated less than significant cumulative impacts to water supply and water conveyance facilities would not be cumulatively considerable.

Similar to how future cumulative development in the project area could increase water demand, wastewater generation and stormwater runoff may also increase, thereby introducing a need for new or expanded facilities or infrastructure to accommodate these projects. These needs would be assessed on a project-by-project basis, and compliance with local municipal code and general plan policies as well as analysis of environmental impacts due utility expansion under CEQA, where appropriate, would ensure that future connections to these utilities are appropriately planned, designed, and implemented to avoid adverse effects. Further as outlined above, the RTP had unused but permitted treatment capacity of approximately 11.6 MGD during dry weather and about 38.8 MGD during peak wet weather conditions. With the available capacity at the RTP as well as local polices which require new development and redevelopment projects to provide adequate sewage collection infrastructure, cumulative impacts due to wastewater treatment and stormwater runoff in the project area would be less than significant.

Future planned upgrades to wastewater and stormwater facilities and/or infrastructure in the project area would be expanded and upgraded regardless of the water system ownership transfer that would occur under the proposed project. As described above under Impact UTIL-1, the project would not generate wastewater or stormwater. Therefore, the project's contribution to less than significant cumulative impacts would not be cumulatively considerable.

4.7 Effects Found Less Than Significant

The *State CEQA Guidelines* Section 15128 requires an EIR to briefly describe any possible significant effects that were determined not to be significant and, therefore, were not discussed in detail. This section addresses the potential environmental effects of the proposed Potential Water Supply Acquisition and District Boundary Adjustment project that clearly would not be significant and are not addressed in the preceding sections of this EIR.

The discussion is based on the thresholds contained in the *State CEQA Guidelines* Appendix G. Any items not addressed in this section are addressed in Sections 4.1 through 4.6 of this EIR.

4.7.1 Aesthetics

Based on Appendix G of the *State CEQA Guidelines*, a significant impact would occur if implementation of the proposed project would result in any of the following conditions:

1. Have a substantial adverse effect on a scenic vista
2. Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway
3. In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings (public views are those that are experienced from publicly accessible vantage points); or in an urbanized area, conflict with applicable zoning and other regulations governing scenic quality
4. Create a new source of substantial light or glare that would adversely affect day or nighttime views in the area

Aesthetics within the project area are varied and generally characterized by an abundance of highly valued scenic resources, which include coastal views along the Monterey Peninsula and inland views of the Santa Lucia Mountains. A portion of State Route (SR) 1 within the project area from San Luis Obispo County to the south up to the SR 68 intersection in the Monterey Peninsula is a designated state scenic highway, as is SR 68 from the SR 1 intersection eastward to the Salinas River (California Department of Transportation 2020).

General and area plans for Monterey County and the cities of Carmel-by-the-Sea, Del Rey Oaks, Monterey, Pacific Grove, Sand City, and Seaside contain policies to protect aesthetic resources in the project area. Aesthetic resources protected by various policies of jurisdictions within the project area include the Monterey coastline and scenic areas in the Carmel Valley For example, Goal F of the City of Monterey General Plan Urban Design Element is to “Maintain existing vistas and seek to improve new vista points seen from roadways, parks, and other public spaces. Collaborate with other agencies to protect city vistas and scenic amenities.”

The proposed project would not involve construction, demolition, or other physical changes that would result in aesthetic changes in the project area. The project would have no impact on scenic vistas, scenic resources, or visual character or quality, and would not create new sources of light or glare. There would be no impact relating to aesthetics.

4.7.2 Agriculture and Forestry Resources

Based on Appendix G of the *State CEQA Guidelines*, a significant impact would occur if implementation of the proposed project would result in any of the following conditions:

1. Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use
2. Conflict with existing zoning for agricultural use, or a Williamson Act contract
3. Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))
4. Result in the loss of forest land or conversion of forest land to non-forest use
5. Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use or conversion of forest land to non-forest use

Monterey County contains significant agricultural and forestry resources. Agricultural land is generally found east of the project area in the Salinas valley, while the County's forest land is generally south of the project area in the Big Sur region as well as in the Carmel Valley to the southeast. Within and near the project area, there are several small parcels designated Prime Farmland and Farmland of Statewide Importance in unincorporated Monterey County to the south and east of the Monterey Peninsula, while the majority of the project area is designated Urban and Built Up Land or Other Land (California Department of Conservation 2016).

The proposed project would not result in any land use changes that could convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance, or forest land. There would be no conflict with zoning for agricultural use, Williamson Act contracts, or timber land or forest land. As described in Section 4.6, *Utilities and Service Systems*, the project would not alter regional water supply or water demand, and thus would not impact the availability of water for agricultural use. There would no impact on agriculture or forestry resources.

4.7.3 Biological Resources

Based on Appendix G of the *State CEQA Guidelines*, a significant impact would occur if implementation of the proposed project would result in any of the following conditions:

1. Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service
2. Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service
3. Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means

4. Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites
5. Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance
6. Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan

The majority of the project area is developed land within the cities of Carmel-by-the-Sea, Del Rey Oaks, Monterey, Pacific Grove, Sand City, and Seaside. The coastline along and north/south of the Monterey Peninsula provides habitat for a variety of wildlife including shorebirds and aquatic mammals. The bordering portion of the Pacific Ocean from Cambria to the south and Marin to the north is designated a National Marine Sanctuary administered by the United States Department of Commerce National Oceanic and Atmospheric Administration (NOAA). The Monterey Bay National Marine Sanctuary is a national focus for recreation, research, and education (NOAA 2008). The Carmel River, which runs east-west to the Pacific Ocean south of Carmel-by-the-Sea and provides a portion of the Monterey Water System (MWS) water supply, supports breeding populations of steelhead trout and California red-legged frogs (CDFW 2020). Additionally, various parks, open space areas, and waterways provide additional habitat for biological resources within the project area, such as Laguna Grande Regional Park in Monterey/Seaside and Frog Pond Wetland Preserve in Del Rey Oaks. The project area consists mostly of developed land, but contains various habitat types such as oak woodland and grassland. Numerous special status species are found within and near the project area, such as California tiger salamander, California red-legged frog, Monterey gilia, seaside birds-beak, Monterey spineflower, and eastwood's goldenbush (County of Monterey 2008a; CDFW 2020).

Ongoing maintenance and operation of the MWS, such as repair activities, that could impact biological resources would not be altered by the project. The project could result in lower water rates. If lowered rates resulted in an increase in water use, then increased withdrawals from the Carmel Valley Alluvial Aquifer could result in drawdown of the Carmel River, which could result in impact to steelhead trout and other species reliant on the river. However, as described in Section 4.3, *Hydrology and Water Quality*, any changes in water use related to the project would be regulated by adjudication of the basin and the cease and desist order for Carmel River withdrawals. Withdrawal from the Carmel River and other sources would not exceed permitted quantities.

Various plans, policies, and ordinances relating to the management and protection of biological resources are applicable to the project area, including local coastal programs and tree preservation ordinances. However, because the project would not involve construction or land use changes, there would be no potential for impact to species or habitat. Indirect impacts on biological resources resulting from changes in water price and use would be subject to regulation of the water supply, as described above. Therefore, impacts to biological resources would be less than significant.

4.7.4 Cultural Resources

Based on Appendix G of the *State CEQA Guidelines*, a significant impact would occur if implementation of the proposed project would result in any of the following conditions:

1. Cause a substantial adverse change in the significance of a historical resource pursuant to § 15064.5
2. Cause substantial adverse change in the significance of an archaeological resource pursuant to § 15064.5
3. Disturb and human remains, including those interred outside of dedicated cemeteries

Monterey County has been inhabited for thousands of years by ancestors of the Ohlone Costanoan Esselen Nation. Spanish explorers arrived in the 1600s. Over the next several hundred years, groups from many parts of the world arrived in waves of immigration, contributing to the region's rich and layered cultural history (County of Monterey 2008b).

According to Monterey County, most of the area affected by the proposed project is rated "moderate" or "low" for archaeological sensitivity (County of Monterey 2008b). Areas of moderate sensitivity with the potential to contain valued archaeological resources include the active sand dunes along the Seaside coast, where a prehistoric archaeological site has been previously identified. Del Rey Oaks and Sand City also contain areas of high prehistoric archaeological sensitivity (City of Seaside 2003).

Cultural history within the project area has been relatively well-preserved through the preservation of historic buildings. Cultural history contributes to the region's appeal as a tourism destination. Various buildings of historic significance exist throughout the project area, including some on the National Register of Historic Places, such as the Pacific Grove Inn in Pacific Grove and the Larkin House in Monterey (U.S. National Park Service 2020).

Because the project would not involve demolition, construction, or land use changes, there is no potential to physically affect cultural resources. The project would not cause a substantial adverse change in the significance of a historical or archaeological resource, and would not result in disturbance of human remains. There would be no impact on cultural resources.

4.7.5 Energy

Based on Appendix G of the *State CEQA Guidelines*, a significant impact would occur if implementation of the proposed project would result in either of the following conditions:

1. Result in in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation
2. Conflict with or obstruct a state or local plan for renewable energy or energy efficiency

Energy use within the project area occurs through typical residential, commercial, and industrial activities. The area is served by Pacific Gas and Electric Company (PG&E) for electricity transmission and Monterey Bay Community Power (MBCP) for electricity supply (MBCP 2020). Refer below to Section 4.7.15, *Utilities and Service Systems*, for a discussion of electricity and fuel demand within the project area.

Energy use required for operation and maintenance (O&M) of the MWS includes electricity use at CalAm's office and operation center and fuel use for vehicles and repair equipment. Under project

conditions, energy use would occur by the District rather than by CalAm. However, the project does not entail any construction or land use changes that would result in an increase in energy use or in wasteful, inefficient, or unnecessary consumption of energy resources. Approximately 43 new residential connections would be annexed into the service area, but there would be no change in service for these connections and thus no expansion of energy use required to serve them. As described in Section 4.6, *Utilities and Service Systems*, the project would not substantially alter water demand in a manner that would increase energy use required to operate the MWS. As described in Section 4.5, *Transportation*, the project could result in an estimated increase of 177,180 VMT in and near the project area, which would consume approximately 10,183 gallons of gasoline per year (see Appendix B for calculations). This incremental increase in motor vehicle use would not substantially increase energy use associated with operation of the MWS. In addition, the existing CalAm office that would be acquired by the District is immediately adjacent to the David Avenue/#2875 bus stop for Monterey-Salinas Transit Route 2, which runs between Carmel and Pacific Grove, and Route 21, which is an express route that runs between Pebble Beach and Salinas. The office's proximity to this stop would provide opportunities for employees to use transit rather than personal automobiles, thereby reducing the potential for wasteful or unnecessary consumption of vehicle fuels. Furthermore, fuel consumed by District staff would be reduced over time as a result of California's increasingly stringent vehicle efficiency standards, and in the interest of cost efficiency, District staff would not utilize fuel in a manner that is wasteful or unnecessary. Therefore, the project would not conflict with or obstruct a plan for renewable energy or energy efficiency and would not result in wasteful or inefficient energy use. Energy impacts would be less than significant without mitigation.

4.7.6 Geology and Soils

Based on Appendix G of the *State CEQA Guidelines*, a significant impact would occur if implementation of the proposed project would result in any of the following conditions:

1. Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving
    a. Rupture of a known earthquake fault, as delineated on the most recent Alquist Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.
    b. Strong seismic ground shaking
    c. Seismic-related ground failure, including liquefaction
    d. Landslides
2. Result in substantial soil erosion or the loss of topsoil
3. Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on or off site landslide, lateral spreading, subsidence, liquefaction or collapse
4. Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial direct or indirect risks to life or property
5. Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water
6. Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature

The project area is located in a seismically active region in Monterey County. The San Andreas Fault traverses the eastern portion of the county. The San Andreas Fault system is the most active fault system in California. Additionally, the Palo Colorado – San Gregorio and Monterey Bay – Tularcitos fault zones occur closer to the shore in the vicinity of the project area (County of Monterey 2020). The area is prone to seismic ground shaking from earthquakes and associated geologic hazards such as landslides. Seismic ground shaking is an existing hazard for all structures in Monterey County.

Soils within the project area are complex and varied. The county contains 25 major soil associations and hundreds of soil series. Substantial soil concerns include soil loss from agricultural erosion, coastal erosion, and hillside development erosion (County of Monterey 2008c).

The proposed project would not involve construction, demolition, or land use changes that could result in increased exposure to geologic hazards. Acquisition of the MWS would not involve alteration of the system's use, and therefore would not affect the existing levels of exposure to geologic hazards. Nor would the project involve the use of septic systems or result in the potential to increase soil erosion or destroy a paleontological resource or geologic feature. There would be no impact related to geology and soils.

4.7.7 Hazards and Hazardous Materials

Based on Appendix G of the *State CEQA Guidelines*, a significant impact would occur if implementation of the proposed project would result in any of the following conditions:

1. Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials
2. Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment
3. Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one quarter mile of an existing or proposed school
4. Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment
5. If located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, result in a safety hazard for people residing or working in the project area
6. Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan
7. Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires

Use, storage, and transport of hazardous materials within the project area includes typical activities within residential and commercial areas, such as the use and transport of fuels for construction activity and the presence of underground storage tanks. The former Fort Ord United States Army Base east of the city of Seaside contained leaking petroleum underground storage tanks, dump sites, and target ranges. The presence of hazardous waste at the former Fort Ord has been partially remediated to date (ToxicSites 2020). Additionally, the concentration of harmful polyfluoralkyl substances (PFAS) has been studied in the project area as a result of PFAS-containing foam being sprayed at the Monterey Regional Airport to extinguish a fire in 2007. A report by the Monterey Peninsula Airport District dated April 20 concluded that some contamination of groundwater had

occurred (Monterey Peninsula Airport District 2020). A coordinated response to this issue is ongoing.

O&M of the MWS involves the use of hazardous materials for activities such as water treatment and system repairs. Safe operation of the MWS is regulated by multiple agencies and laws, as described in Section 2, *Project Description*. These include the Safe Drinking Water Act, the State Water Resources Control Board, and the California Public Utilities Commission. The proposed transfer of ownership and boundary adjustment would not alter the current use of or exposure to hazardous materials, including PFAS, involved with O&M of the MWS. Nor would the project increase exposure to wildland fires, result in a safety hazard related to operation of an airport, or impair implementation of emergency response. There would be no impact.

4.7.8 Hydrology and Water Quality

Based on Appendix G of the *State CEQA Guidelines*, impacts to hydrology and water quality would be considered potentially significant if the proposed project would meet one of the following significance thresholds:

1. Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or groundwater quality
2. Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin
3. Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or through the addition of impervious surfaces, in a manner which would:
    a. result in substantial erosion or siltation on- or off-site;
    b. substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or offsite;
    c. create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or
    d. impede or redirect flood flows
4. In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation
5. Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan

Checklist items 2 and 5 regarding groundwater supplies are analyzed in Section 4.3, *Hydrology and Water Quality*. Checklist items 1, 3, and 4 are discussed below.

As described in Section 2.5, *Project Characteristics*, the proposed project would acquire all of CalAm's system facilities and related water rights but would not change or expand the physical MWS or the associated water rights, nor the operation and maintenance thereof.

Because the proposed project would not involve physical construction of new facilities or infrastructure and would not involve any substantial change in physical operational or maintenance activities, it would not create any new runoff water or stormwater discharge. The proposed project would also not alter the drainage pattern or flow velocity of stormwater at any site. As a result, the proposed project would not have any of the potential impacts associated with such changes, such as water quality impacts, erosion, or flooding. For the same reason, the proposed project would also

not expose people or structures to flooding or inundation, including from dam failure, tsunami, seiche or mudflow. No impact would occur and these issues do not require further analysis.

4.7.9 Land Use and Planning

Based on Appendix G of the *CEQA Guidelines*, a significant impact would occur if implementation of the proposed project would result in either of the following conditions:

1. Physically divide an established community
2. Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect

Land use is varied within the multi-jurisdictional project area and includes residential, commercial, and open space land uses. The project area includes densely populated residential areas in the Monterey Peninsula and rural areas in the Carmel Valley, accounting for a total of approximately 40,000 customer connections.

The proposed project would affect water customers within the current MWS service area, which includes residents within the cities of Carmel-by-the-Sea, Del Rey Oaks, Monterey, Pacific Grove, Sand City, and Seaside, and unincorporated areas of Monterey County. The project includes a boundary adjustment to annex unincorporated portions of Monterey County into the proposed District jurisdictional boundary. The annexation areas are located east of the Monterey Peninsula, as shown in Figure 2-3 in Section 2, *Project Description*, and include approximately 43 residential connections. All customers served by the District would be subject to applicable District regulations and fees.

The following general plans and other plans are applicable to the proposed project:

- Carmel-by-the-Sea General Plan
- Del Rey Oaks General Plan
- City of Monterey General Plan
- Pacific Grove General Plan
- Sand City General Plan
- Seaside General Plan
- Monterey County General Plan
- Local Coastal Programs for Monterey County and the cities of Carmel-by-the-Sea, Monterey, Pacific Grove, Sand City, and Seaside
- Area Plans and Specific Plans throughout the project area

The plans listed above guide planning and development throughout the project area. The proposed project would not facilitate new development or population growth or conflict with other goals such as resource conservation or transportation planning. Therefore, the project would not conflict with or be inconsistent with any applicable plans. For specific goals and policies applicable to the proposed project, refer to the regulatory settings of Section 4.1 through 4.6.

While the project would transfer ownership of the MWS and adjust jurisdictional boundaries, there would be no changes in service or physical alterations that would divide an established community. The project would not influence or be influenced by zoning boundaries within any jurisdictions in the project area. The project does not include new roads or other physical changes that could result

in the physical division of an established community. Nor would the project conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect. The project would not require changes to zoning or land use and would not inhibit or modify land use within any of the affected jurisdictions. The project would have no impact related to land use and planning.

4.7.10 Mineral Resources

Based on Appendix G of the *State CEQA Guidelines*, a significant impact would occur if implementation of the proposed project would result in either of the following conditions:

1. Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state
2. Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan

The Monterey County General Plan Conservation and Open Space Element notes that although the county contains useful minerals, geological complexity caused by faulting and deformation makes further investigation difficult and inconclusive (County of Monterey 2010). The Monterey County General Plan and the general plans for the cities of Carmel-by-the-Sea, Del Rey Oaks, Monterey, Pacific Grove, Sand City, and Seaside do not identify any specific mineral resources or mineral sites with economic potential from mineral extraction (County of Monterey 2010; City of Carmel-by-the-Sea 2010; City of Del Rey Oaks 1997; City of Monterey 2016; City of Pacific Grove 1994; City of Sand City 2002; City of Seaside 2003).

The proposed project would not involve mineral extraction, construction, or changes in land use that could affect the availability of mineral resources. Therefore, there would be no impact to mineral resources.

4.7.11 Population and Housing

Based on Appendix G of the *State CEQA Guidelines*, a significant impact would occur if implementation of the proposed project would result in either of the following conditions:

1. Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)
2. Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere

According to estimates for 2020 by the Association of Monterey Bay Area Governments (AMBAG), Monterey County is home to an estimated 448,000 residents, with 105,000 residing in unincorporated land. Resident totals in the cities affected by the proposed project include 3,833 in Carmel-by-the-Sea, 1,949 in Del Rey Oaks, 28,726 in the city of Monterey, 15,349 in Pacific Grove, 544 in Sand City, and 34,301 in Seaside (AMBAG 2018).

The project area includes the area served by the MWS, which contains approximately 40,000 customer connections. The proposed project would involve the transfer of ownership and operation of the MWS from CalAm to the District. As described in Section 2, *Project Description*, the District would operate the MWS from the same facilities with a similar number of employees (an estimated increase in six District employees and six CalAm employees, for a net increase of approximately 12

employees) as the current CalAm operations. As stated throughout this EIR, given the nature of these employment opportunities, it is likely that these employees would be drawn from the existing workforce in Monterey County. However, even if these employees were to come from out of the area, and thus would be new residents of Monterey County, two additional positions would not constitute substantial population growth. Therefore, the project would not result in new employment opportunities that could contribute to regional population growth. Nor does the project involve new housing or other physical changes that could result in population growth, or changes to the water supply or distribution system. Therefore, the proposed project would not induce substantial unplanned population growth or displace existing people or housing. There would be no impact related to population and housing.

4.7.12 Public Services

Based on Appendix G of the *State CEQA Guidelines*, a significant impact would occur if implementation of the proposed project would result in any of the following conditions:

1. Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times, or other performance objectives for any of the public services:
    a. Fire protection
    b. Police protection
    c. Schools
    d. Parks
    e. Other public facilities

The cities of Carmel-by-the-Sea, Del Rey Oaks, Monterey, Pacific Grove, Sand City, and Seaside each have a city police department, while Monterey County is served by the Monterey County Sheriff's Office. The Seaside Fire Department provides service to the cities of Seaside and Del Rey Oaks; the Monterey City Fire Department provides service to the cities of Monterey, Carmel-by-the-Sea, Pacific Grove, and Sand City; and unincorporated Monterey County is served by the Monterey County Regional Fire District. In addition, fire protection and emergency services are provided to the proposed project area by the Pebble Beach Community Services District, Cypress Fire Protection District, or Carmel Highlands Fire Protection District. In addition, v~~V~~arious municipal and regional districts serve the project area with provision of schools, parks, libraries, and other public services and facilities.

The project does not propose changes to the provision or facilities of public services. Nor would the project result in a change in population that could impact service ratios for public services, because the project does not entail any new housing, employment opportunities, or land use changes. Therefore, the project would not have the potential to result in the need for new or expanded facilities for public services. There would be no impact on public services.

4.7.13 Recreation

Based on Appendix G of the *State CEQA Guidelines*, a significant impact would occur if implementation of the proposed project would result in either of the following conditions:

1. Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated
2. Include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment

The project area is served by various regional, county, and municipal parks, such as Laguna Grande Regional Park in Monterey/Seaside and El Estero Park in Monterey. Various large open space areas in the Big Sur region to the south and the Carmel Valley to the east are also available to residents within the project area.

The project does not involve the addition, removal, or alteration of any recreation facilities. The project would not result in an increase in population or involve any land use changes that could impact the use of recreation facilities. The project would have no impact on recreation.

4.7.14 Tribal Cultural Resources

Based on Appendix G of the *State CEQA Guidelines*, a significant impact would occur if implementation of the proposed project would result in any of the following conditions:

1. Cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code § 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:
    a. Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k), or
    b. a resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code § 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource Code § 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.

The Ohlone Costanoan Esselen Nation represents over 600 enrolled tribal members of Esselen, Carmeleno, Monterey Band, Rumsen, Chalon, Soledad Mission, San Carlos Mission, and Costanoan Mission Native American descent from the Monterey Bay region (Ohlone Costanoan Esselen Nation 2020). As described above in Section 4.7.4, *Cultural Resources*, most of the project area is rated "moderate" or "low" for archaeological sensitivity. Previous archaeological research within the project area has revealed sites of potential archaeological value related to Native American history, such as sites along the northern shore of the Monterey Peninsula related to the presence of the Costanoan Tribe (City of Monterey 2004).

Assembly Bill 52 (AB 52) requires local governments to conduct meaningful consultation with California Native American tribes that have requested to be notified by lead agencies of proposed projects in the geographic area with which the tribe is traditionally and culturally affiliated. Pursuant to AB 52, the District sent letters to tribal representative on April 6, 2020 informing them of the project. No requests for further consultation were received within the 30-day scheduling period that ended on May 6, 2020. However, as part of the State of California's response to the COVID-19 pandemic, Executive Order N-54-20 suspended the timeframes in which a California Native American Tribe is required to request consultation. Follow-up letters were therefore sent to tribal representatives on May 22, 2020. In addition, on May 28, 2020, District staff made telephone calls

or emails (where no phone number was available) to the tribal leaders who received consultation letters. The following outlines the responses received; this correspondence is also documented in Appendix C:

- On April 19, 2020 Valentin Lopez, Chair of the Amah Mutsun Tribal Band, noted via email that the project was outside their traditional tribal territory and they had no comment.
- An email reply was received on May 23, 2020 from Karen White of the Xolon Salinan Tribe noting that the Xolon Salinan Tribe considers a portion of the project area to be within the tribe's aboriginal territory. However, as the project would not result in ground disturbance, no further consultation was requested.
- On May 28, 2020, Irene Swierlein of the Amah Mutsun Tribal Band of Mission San Juan Bautista had questions for District staff about the project. David Stoldt, District General Manager, called Ms. Swierlein on May 29, 2020 to discuss her questions.
- On June 3, 2020, Rudolph Rosales, Indigenous Peoples Consultant for the Ohlone/Costanoan Esselen Nation, noted they had not received either letter sent to the contact listed under the NAHC and further expressed interest in consultation. The letter was forwarded to their email directly with contact information to follow-up with the District for consultation, if necessary.
- The District sent another followed-up email Mr. Rosales on June 5, 2020; as of June 11, 2020, no further response or request for consultation has been made from Mr. Rosales or any other representative of the Indigenous Peoples Consultant for the Ohlone/Costanoan Esselen Nation.

No other tribal leaders have responded as of the date of this writing.

The project would not involve any construction or demolition activity that would require ground disturbance. Therefore, there would be no potential to disturb or unearth previously unknown resources of tribal cultural significance. There would be no impact on tribal cultural resources.

4.7.15 Utilities and Service Systems

Based on Appendix G of the *State CEQA Guidelines*, a significant impact would occur if implementation of the proposed project would result in either of the following conditions:

1. Require or result in the construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction of which could cause significant environmental effects
2. Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years
3. Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments
4. Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals
5. Comply with federal, state, and local statutes and regulations related to solid waste

Checklist items 2 and 3 and checklist item 1 as it pertains to water, wastewater, and stormwater drainage are analyzed in Section 4.6, *Utilities and Service Systems*. Items 4 and 5 and item 1 as it pertains to electric power, natural gas, and telecommunications facilities are discussed below.

Electricity and Natural Gas

MBCP sources carbon-free electricity to provide to Monterey County customers. MBCP provides carbon-free and renewable electricity to serve 97 percent of the electricity load within its jurisdiction that covers Monterey, San Benito and Santa Cruz counties as well as San Luis Obispo and Morro Bay. In 2018, MBCP sourced 66 percent of its electricity from hydroelectric and 34 percent from renewable sources such as geothermal, solar, wind, and biomass and biowaste (MBCP 2020).

PG&E owns the electricity infrastructure and provides natural gas in the project area. In 2018, Monterey County's electricity usage was 2,509 kilowatt-hours and natural gas demand was 112 million therms (California Energy Commission 2020a and 2020b).

The proposed project would not involve physical construction of facilities or infrastructure and would not involve any change in physical operation or maintenance activities. As a result, the proposed project would not require any new or expanded electric power, natural gas, or telecommunication infrastructure. Therefore, there would be no impact related to electric power, natural gas, or telecommunication infrastructure.

Solid Waste

The proposed project area is served by the Monterey Regional Waste Management District (MRWMD). MRWMD operates facilities on its 475-acre property, two miles north of Marina, sharing a site with the Monterey One Water Regional Treatment Plant. The property includes the 315-acre Monterey Peninsula Landfill and a 126-acre buffer area. The facility is permitted to receive a maximum of 3,500 tons of waste per day. The current daily intake is approximately 1,300 tons per day, with a per person rate of six pounds daily (MRWMD 2016). As a result, the remaining daily intake capacity at the facility is 2,200 tons. Monterey Peninsula Landfill is not projected to reach capacity until the year 2115.

As described above, the proposed project would not involve physical construction or increase the size of the existing water system. Therefore, the project itself would not result in an increase in solid waste generated by operation of the water supply system. In addition, the proposed project is not expected to result in direct or indirect population growth and would not increase solid waste generation. As such, impacts related to solid waste would be less than significant.

4.7.16 Wildfire

Based on Appendix G of the *State CEQA Guidelines*, a significant impact would occur if the project would be located in or near State Responsibility Areas or lands classified as very high fire hazard severity zones, and would result in any of the following conditions:

1. Substantially impair an adopted emergency response plan or emergency evacuation plan
2. Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire
3. Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment
4. Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage change

Portions of the project area are located within State Responsibility Areas classified as high or very high for fire hazard severity. The California Department of Forestry and Fire Protection has responsibility for enforcement of basic fire safety regulations on all proposed construction and development within State Responsibility Areas as defined under PRC Section 4290. These regulations, known as "SRA Fire Safe Regulations," constitute the basic wildland fire protection standards for all proposed construction and development within State Responsibility Areas. Much of the southern and western portions of the Monterey Peninsula as well as areas within the Carmel Valley are within State Responsibility Areas classified as high or very high for fire hazard severity, while the northern and eastern portions of the Monterey Peninsula and the coastal land to the north and the inland land north of SR 68 are Local Responsibility Areas (California Department of Forestry and Fire Protection 2007). Wildfire hazards are of high concern in the region, particularly in forested areas in the Big Sur region and the Carmel Valley. Since 1999, Monterey County has experienced 15 large (300-acre or greater) wildland fires. These do not include the 25,000 acres burned annually from wildland fires in Los Padres National Forest. Most recently, the 2016 Soberanes Fire, which started as an illegal campfire in Garrapata State Park in Monterey County, burned a total of 121,050 acres (Monterey County Office of Emergency Services 2019).

The project does not involve construction or land use changes that could expose people or structures to wildfire hazards. Wildfire hazards are prevalent throughout the project area, but the proposed project would not exacerbate existing risks. The project would not alter the need for infrastructure associated with wildfire, such as roads or fuel breaks. Nor would the project affect traffic patterns or volume in a manner that could impair emergency response. Therefore, the project would have no impact related to wildfire.

5 Other CEQA Required Discussions

This section discusses growth-inducing impacts and irreversible environmental impacts that would be caused by the proposed project.

5.1 Growth Inducement

Section 15126(d) of the *State CEQA Guidelines* requires a discussion of a proposed project's potential to foster economic or population growth, including ways in which a project could remove an obstacle to growth. Growth does not necessarily create significant physical changes to the environment. However, depending upon the type, magnitude, and location of growth, it can result in significant adverse environmental effects if it requires new development or infrastructure to support it. The proposed project's growth-inducing effects would be considered significant if they could result in significant physical effects in one or more environmental resource areas. The most commonly cited example of how an economic effect might create a physical change is where economic growth in one area could create blight conditions elsewhere by causing existing competitors to go out of business and the buildings to be left vacant.

5.1.1 Economic and Population Growth

As discussed in Section 2, *Project Description*, the proposed project involves the Monterey Peninsula Water Management District's (District) acquisition of the Monterey water system (MWS), annexation of connections supported by the MWS into the District, as well as the operation and maintenance of the MWS by the District. These actions in and of themselves would not directly have any economic or growth-inducing effects, as they would not alter the area or number of customers served by the water system. However, one of the objectives of the proposed project is to provide greater local control over the water rate-setting process in order to control the pace of future rate increases. It could be argued that if long-range rates and rate increases are reduced, customers within the MWS would save money and be able to spend that money in other ways, thus producing a beneficial impact on the local economy. However, the proposed project would not change zoning or land use designations or provide new facilities that would accommodate an increased population; therefore, the project would not induce substantial population growth, as already determined in Section 4.7, *Effects Found Less Than Significant*.

Section 4.7, *Effects Found Less Than Significant*, also concluded that the potential for the proposed project to result in a substantial change in employment within the District or surrounding areas beyond employment already provided by CalAm would be minimal because no new facilities would be developed as part of the project. The District would offer employment to approximately 77 of the 81 existing staff CalAm staff associated with the MWS and would add approximately 10 additional positions in District administration related to billing, finance, and customer service.[1] In total, there would be approximately 87 employees hired by the District associated with the MWS, which would be a net increase of approximately six employees as compared to existing conditions

[1] It is possible that some of the 77 existing CalAm employees who are offered employment by the District would instead pursue employment opportunities at CalAm or another employer or retire. In these events, the District would hire other employees to fill the open positions. Given the nature of these employment opportunities, it is likely that non-CalAm employees that would be hired by the District currently live in the Monterey Peninsula area. Regardless, the key metric for this analysis is the number of net new employees hired by the District after acquisition of the MWS, which would be six.

(87 District employees – 81 existing CalAm employees). In addition, this analysis conservatively assumes that CalAm would hire approximately six additional employees to operate and maintain the Central Satellites (e.g., one meter reader/utility worker, two operators, and three field crew).[2] As a result, this analysis assumes the project would result in a net increase of approximately 12 employees (approximately 6 District employees + approximately 6 CalAm employees). As stated in Section 4.7.11, *Population and Housing,* it is likely these employees would be drawn from the existing workforce in Monterey County. However, even if these employees were to come from out of the area, and thus would be new residents of Monterey County, 12 additional positions would not constitute substantial population growth. Therefore, the project would not introduce substantial population growth as a result of employment opportunities and there would be no impact.

5.1.2 Removal of Obstacles to Growth

As discussed above, the proposed project involves the District's acquisition of the MWS, annexation of connections supported by the MWS into the District, and subsequent operation and maintenance of the water system by the District. As discussed in Section 4.6, *Utilities and Service Systems*, no expansion of the water system facilities is proposed and thus the project would not induce growth that would not otherwise occur in areas not previously served by municipal water supplies.[3] While one of the project objectives is to provide greater local control over the rate setting process and rate increases, that does not necessarily translate into higher usage and demand because there are other regulatory controls in place that encourage users to conserve water, as discussed in Sections 4.3, *Hydrology and Water Quality*, and 4.6, *Utilities and Service Systems*. Further, conservation of water is an objective of the project and is directly addressed in the Measure J purpose statement, which states "…to promote and practice sustainable water management measures…"

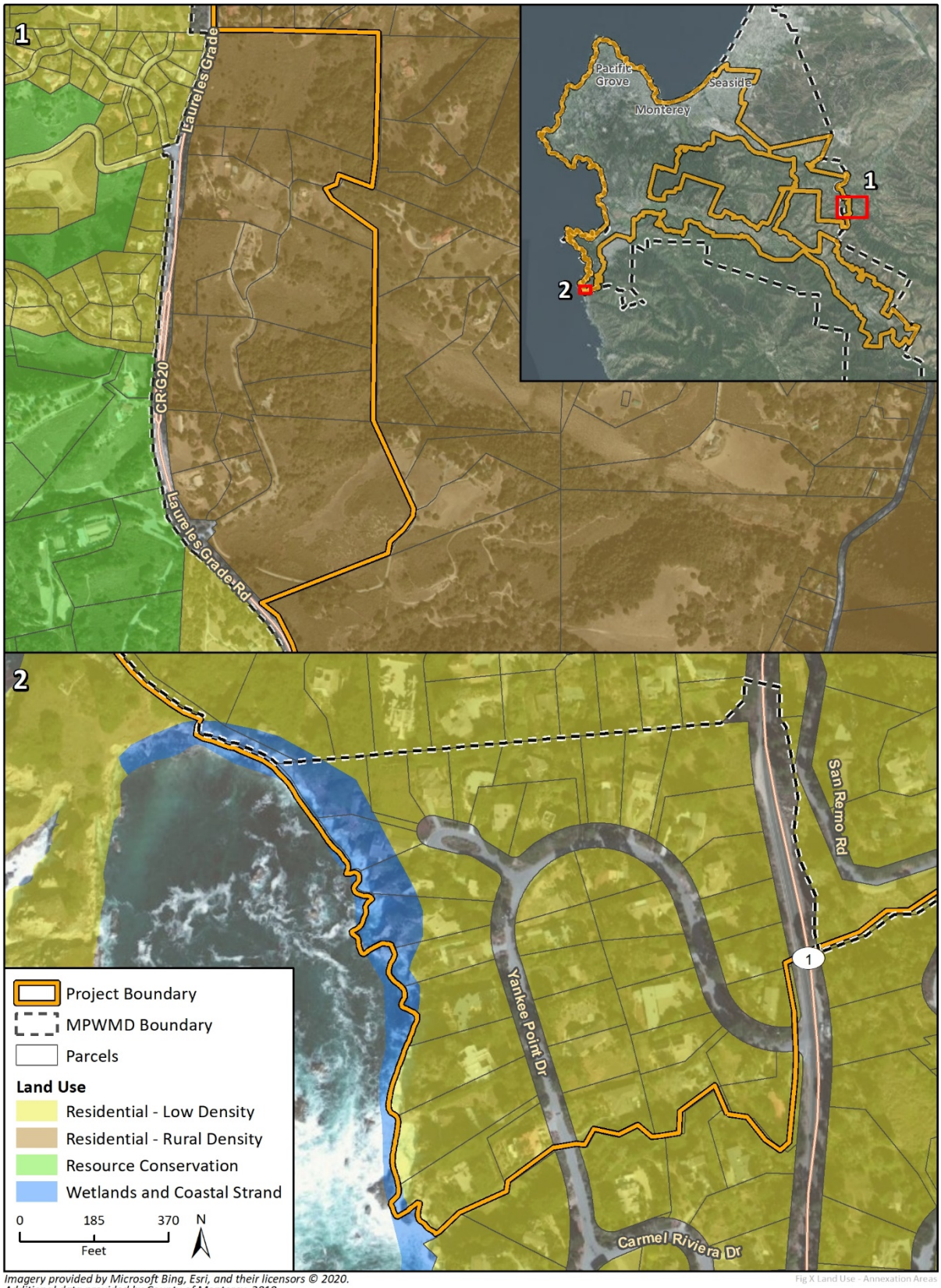
In addition, extension of the District boundaries to serve areas outside the District would not remove an obstacle to growth as these areas are already served by CalAm and the District would only be replacing that service. The areas proposed for annexation are designated by the Monterey County 2010 General Plan as residential and would not include lands designated for open space or agricultural uses. Further, as shown in Figure 5-1, a majority of the parcels at Yankee Point are already built-out. There are some vacant parcels in Hidden Hills that are designated rural residential however, the District does not have land use authority and thus would not approve new development. Notwithstanding existing connections, there is currently a constraint to future development in these areas due water availability; however, changing the service provider in these areas from private to public through an annexation would not enable new development which would otherwise be unable to proceed. Therefore, annexation of these areas into the District would not allow additional development or vacant lots to be developed any differently than without annexation. Any future development would be subject to local jurisdiction land use controls and would require CEQA clearance, permitting, and any other required approvals.

As described in Sections 4.1 through 4.7 of this EIR, environmental impacts resulting from the proposed project have been determined to be less than significant or less than significant with

[2] Although this scenario is possible, it is also possible that CalAm would utilize existing employees to operate and maintain the Central Satellites rather than hiring additional employees. As such, this is a conservative assumption for the purposes of analysis.

[3] Potential growth inducing impacts related to planned facilities, including the Monterey Peninsula Water Supply Project (MPWSP), were addressed in their respective environmental documents. As stated throughout, this EIR does not analyze impacts associated with construction or operation of the MPWSP and its 6.4 MGD Desalination Plant, which was already reviewed and approved by the CPUC as part of the MWPSP EIR/EIS.

Figure 5-1 Land Use Designation within Proposed Annexation Areas



Imagery provided by Microsoft Bing, Esri, and their licensors © 2020.
Additional data provided by County of Monterey, 2010.

Fig X Land Use - Annexation Areas

mitigation. The proposed project would not induce growth or remove any obstacles to growth because it would not require new or expanded facilities, such as water or wastewater treatment plants, or require procurement of additional water supplies beyond what is currently occurring under the existing ownership. The proposed project would therefore not result in any significant effect related to removing obstacles to growth.

5.2 Irreversible Environmental Effects

The *State CEQA Guidelines* require that EIRs reveal the significant environmental changes that would occur as a result of a proposed project. CEQA also requires decision-makers to balance the benefits of a project against its unavoidable environmental risks in determining whether to approve a project. This section addresses non-renewable resources, the commitment of future generations to the proposed uses, and irreversible impacts associated with the project.

The proposed project would not require construction of new or expanded water treatment or distribution facilities. As part of the proposed project, employees engaged in operation and maintenance of the water system would be based out of the existing CalAm facilities with some staff located at the District's existing administrative building.

The District would operate the MWS with a similar number of employees (an estimated increase of approximately six District employees as the current CalAm operations, and CalAm would hire approximately six additional employees to operate and maintain the Central Satellites for a total net increase of approximately 12 employees (approximately six District employees + approximately six CalAm employees). Expansion of facilities or staff to accommodate operational activities is not anticipated; therefore, the use of more than minor amounts of building materials and energy, some of which are non-renewable resources, would not occur. Increasingly efficient building fixtures and automobile engines are expected to offset any incremental increase in demand for non-renewable energy resources, such as petroleum and natural gas, which could result due to the presence of additional employees at the operation and maintenance facility, in the unlikely event that is required. As further discussed below, it is not anticipated that the proposed project would significantly affect local or regional energy supplies.

As described in Section 4.5, *Transportation*, the water system would be operated out of the existing CalAm facilities with the exception of a few staff at the existing District administrative building. However, there would be little to no change in the length, distribution, or number of vehicle trips required to commute to the District administrative building or to operate and maintain the system. Further, the increase in vehicle miles traveled associated with the Central Satellites would be incremental and impacts would be less than significant. As discussed in Section 4.1, *Air Quality*, the proposed project would not result in an increase in air emissions from operation and maintenance activities. As discussed in Section 4.4, *Noise*, no increased noise levels from traffic noise associated with the proposed project would occur or expose sensitive receptors to noise levels exceeding applicable standards. No noise impacts related to additional vehicle trips would occur.

5.3 Significant and Unavoidable Effects

The analysis contained in this EIR did not identify any significant and unavoidable impacts resulting from the proposed project. However, the proposed project would result in significant but mitigatable impacts for greenhouse gas emissions.

6 Alternatives

As required by Section 15126.6 of the *State CEQA Guidelines*, this Environmental Impact Report (EIR) examines a range of reasonable alternatives to the proposed project, or the location of the proposed project, that would attain most of the basic project objectives but would avoid or substantially lessen the significant adverse impacts.[1] In accordance with the *State CEQA Guidelines*, an EIR also shall describe the comparative merits of the alternatives. Section 15126.6(f) further states that "the range of alternatives in an EIR is governed by the 'rule of reason' that requires the EIR to set forth only those alternatives necessary to permit a reasoned choice." The analysis in this section focuses on those alternatives capable of reducing the potential environmental effects of the proposed project even if they would impede the attainment of some project objectives or be more costly. The EIR also analyzes the specific alternative of "no project" and its potential environmental effects. In accordance with Section 15126.6(f)(1), among the factors that may be taken into account when addressing the feasibility of alternatives are: (1) site suitability; (2) economic viability; (3) availability of infrastructure; (4) general plan consistency; (5) other plans or regulatory limitations; (6) jurisdictional boundaries; and (7) whether the proponent can reasonably acquire, control or otherwise have access to the alternative site. An EIR need not consider an alternative when the effect cannot be reasonably ascertained and the implementation is remote and speculative.

As required by the California Environmental Quality Act (CEQA), this section also includes a discussion of the "environmentally superior alternative" among those studied.

6.1 Development of Alternatives

Project alternatives considered were evaluated for their potential feasibility, their ability to achieve most of the proposed project's objectives, and their ability to reduce significant environmental effects. The following section provides an overview of proposed project's objectives and identified significant impacts.

This section also presents the specific alternatives that were suggested during the scoping process and alternatives developed by the Monterey Peninsula Water Management District (District) to reduce potentially significant impacts, respond to responsible agency recommendations, and meet CEQA requirements.

6.1.1 Project Objectives

As discussed in Section 2, *Project Description*, the underlying purpose of the proposed project is for the District to acquire, operate, and maintain California American Water's (CalAm's) Monterey Water System (MWS). The objectives of the proposed project are to implement the purpose approved by the electorate in Measure J:

> "…to ensure the long-term sustainability, adequacy, reliability, cost-effectiveness and quality of water service within the Monterey Peninsula Water Management District area, to lower the

[1] As previously stated, environmental impacts from construction of the Monterey Peninsula Water Supply Project (MPWSP) Desalination Plant were analyzed under a separate environmental review process, the MPWSP Environmental Impact Report/Environmental Impact Statement (EIR/EIS). It is important to note that this EIR does not analyze impacts associated with construction or operation of the MPWSP Desalination Plant, which was already reviewed and approved by the California Public Utilities Commission (CPUC) as part of the MWPSP EIR/EIS. As such no alternatives to the MPWSP Desalination Plant are considered herein.

cost of service to ratepayers, to promote and practice sustainable water management measures, and to establish public ownership of water system assets by establishing regulations requiring the District to take affirmative action, to the extent financially feasible, to acquire the water system assets owned and operated by the California American Water Company that currently provide water service to the District and its ratepayers."

The purpose of Measure J furthered by this proposed project shall include the following aspects:

- Allow the citizens of the Monterey Peninsula to independently own and operate the water production and distribution system serving customers presently served by the CalAm's MWS;
- Provide greater transparency and accountability to residents and businesses on the Monterey Peninsula regarding potable water supplies, as well as increased customer service and reliability;
- Enhance customer service and responsiveness to affected CalAm customers;
- Provide greater local control over the rate setting process and rate increases;
- Provide direct access to locally elected policy makers for water operations;
- Allow the District to pursue funding and other financing alternatives available to public agencies for future infrastructure needs, including grants and financing options not available to a California Public Utilities Commission (CPUC)-regulated, privately-owned utility; and,
- Ensure better coordination amongst local governmental decisions involving land use, emergency services, policy, the location and need for capital improvements, and overall planning in the water context.

6.2 Significant Environmental Effects

The evaluation of environmental impacts in Chapter 4, *Environmental Impact Analysis*, concludes that the proposed project would not result in temporary or permanent significant and unavoidable effects for any of the environmental issue areas identified in Appendix G of the *State CEQA Guidelines*. However, a range of feasible alternatives to the proposed project was developed to provide additional information and flexibility to the decision-makers when considering the proposed project.

6.3 Alternative Considered but Rejected

This section describes the alternative that was considered but eliminated from further evaluation. The alternative considered was evaluated for its potential feasibility, ability to achieve most of the project objectives, and ability to reduce project impacts.

6.3.1 District Acquires All Assets Alternative

Under this alternative the District would acquire the CalAm water system, but the physical area of the acquisition would be larger. This alternative includes the District acquiring all of CalAm's water supply system in Monterey County, including the MWS, the Central Satellites, and the Monterey Wastewater facilities and associated assets, including water and wastewater systems and production wells; utility plants; vehicles and equipment; water rights; water supply and wastewater contracts; records, books, and accounts; and, easements, and rental property. Under this alternative the District would still acquire any planned facilities, such as the MPWSP Desalination Plant. In addition, under this alternative the District's boundary adjustment would be larger. Specifically, the

District's annexation would be extended to not only cover Yankee Point and Hidden Hills, but would also include Ralph Lane, Ambler Park, Toro, Chualar, and Garrapata located in unincorporated Monterey County.

This alternative was rejected from further consideration because it does not meet the objectives of the project, which are to implement the purpose approved by the electorate in Measure J. As restated previously, this includes public ownership of water system assets, not wastewater assets. Further, the Monterey Peninsula Water Management District's mission is to promote or provide for a long-term sustainable water supply, and to manage and protect water resources for the benefit of the community and the environment. The District does not currently operate or manage any wastewater systems. Because this alternative would overstep the purpose of Measure J as well as overstep the mission of the District, this alternative was rejected from detailed consideration herein.

6.4 Alternatives Evaluated in Draft EIR

This section describes the following four alternatives that are included for more detailed consideration and evaluation in the Draft EIR, based on meeting most of the basic project objectives and reducing potentially significant impacts:

- Alternative 1: No Project Alternative
- Alternative 2: No Boundary Adjustment Alternative
- Alternative 3: Private Third-Party Operator Alternative
- Alternative 4: No Boundary Adjustment and Private Third-Party Operator Alternative

Table 6-1 lists the project objectives and identifies whether or not each of the alternatives meets the project objectives. Table 6-2 provides a comparison of the alternatives' characteristics relative to the proposed project.

Table 6-1 Project Objectives and Alternatives Evaluated in Draft EIR

	Alternative 1: No Project	Alternative 2: No Boundary Adjustment Alternative	Alternative 3: Private Third-Party Operator Alternative	Alternative 4: No Boundary Adjustment and Private Third-Party Operator Alternative
Ensure the long-term sustainability, adequacy, reliability, cost-effectiveness and quality of water service within the Monterey Peninsula Water Management District area, lower the cost of service to ratepayers, promote and practice sustainable water management measures, and establish public ownership of water system assets by establishing regulations requiring the District to take affirmative action, to the extent financially feasible, acquire the water system assets owned and operated by the California American Water	Not consistent with project objective	Consistent for areas within the District boundary, not consistent for proposed annexation areas	Consistent with project objectives*	Consistent for areas within the District boundary,* not consistent for proposed annexation areas

	Alternative 1: No Project	Alternative 2: No Boundary Adjustment Alternative	Alternative 3: Private Third-Party Operator Alternative	Alternative 4: No Boundary Adjustment and Private Third-Party Operator Alternative
Company that currently provide water service to the District and its ratepayers.				
Allow the citizens of the Monterey Peninsula to independently own and operate the water production and distribution system serving customers presently served by the CalAm's MWS	Not consistent with project objective	Consistent for areas within the District boundary, not consistent for proposed annexation areas	Consistent with project objectives	Consistent for areas within the District boundary, not consistent for proposed annexation areas
Provide greater transparency and accountability to residents and businesses on the Monterey Peninsula regarding potable water supplies, as well as increased customer service and reliability	Not consistent with project objective	Consistent for areas within the District boundary, not consistent for proposed annexation areas	Consistent with project objectives	Consistent for areas within the District boundary, not consistent for proposed annexation areas
Enhance customer service and responsiveness to affected CalAm customers	Not consistent with project objective	Consistent for areas within the District boundary, not consistent for proposed annexation areas	Consistent with project objectives	Consistent for areas within the District boundary, not consistent for proposed annexation areas
Provide greater local control over the rate setting process and rate increases	Not consistent with project objective	Consistent for areas within the District boundary, not consistent for proposed annexation areas	Consistent with project objectives*	Consistent for areas within the District boundary,* not consistent for proposed annexation areas
Provide direct access to locally elected policy makers for water operations	Not consistent with project objective	Consistent for areas within the District boundary, not consistent for proposed annexation areas	Consistent with project objectives	Consistent for areas within the District boundary, not consistent for proposed annexation areas

	Alternative 1: No Project	Alternative 2: No Boundary Adjustment Alternative	Alternative 3: Private Third-Party Operator Alternative	Alternative 4: No Boundary Adjustment and Private Third-Party Operator Alternative
Allow the District to pursue funding and other financing alternatives available to public agencies for future infrastructure needs, including grants and financing options not available to a California Public Utilities Commission (CPUC)-regulated, privately-owned utility	Not consistent with project objective	Consistent for areas within the District boundary, not consistent for proposed annexation areas	Consistent with project objectives	Consistent for areas within the District boundary, not consistent for proposed annexation areas
Ensure better coordination amongst local governmental decisions involving land use, emergency services, policy, the location and need for capital improvements, and overall planning in the water context	Not Consistent with Project Objective	Consistent for areas within the District boundary, not consistent for proposed annexation areas	Consistent with Project Objectives	Consistent for areas within the District boundary, not consistent for proposed annexation areas

*The alternative would meet the objective but to a lesser extent than the proposed project.

Table 6-2 Proposed Project and Alternatives Characteristics

Feature	Proposed Project	Alternative 1: No Project	Alternative 2: No Boundary Adjustment Alternative	Alternative 3: Private Third-Party Operator Alternative	Alternative 4: No Boundary Adjustment and Private Third-Party Operator Alternative
Project Area (square miles)	55	–	52.8	55	52.8
Service Agreement	District	CalAm	District under contract for annexation areas	District	District under contract for annexation areas
Operation and Maintenance performed by	District	CalAm	District	Third-party operator	District
Annexation included	Yes	No	No	Yes	No

The evaluation in this section includes all environmental topics addressed in Sections 4.1 to 4.7 and Chapter 5, although at a more general level to compare the merits of the alternatives to the proposed project, as allowed by CEQA (Guidelines 15126.6[d]). Table 6-3, located at the end of this chapter, presents a comparison of the impacts of the proposed project to the impacts of each of the alternatives.

6.4.1 Alternative 1: No Project Alternative

Description

CEQA requires analysis of a No Project alternative (Alternative 1) to allow decision makers to compare the impacts of approving a project with the impacts of not approving a project (*CEQA Guidelines* Section 15126.6[e]). The no-project analysis must discuss the existing conditions at the time the Notice of Preparation is published, as well as what would be reasonably expected to occur in the foreseeable future if the project were not approved, based on current plans and consistent with available infrastructure.

As such, Alternative 1 (No Project Alternative) assumes that the proposed acquisition of the MWS by the District would not occur. Specifically, the District would not acquire CalAm's Main, Bishop, and Hidden Hills~~, and Toro~~ water components of the MWS and associated assets, including water systems and production wells; utility plants; vehicles and equipment; water rights; water supply contracts; records, books, and accounts; and, easements, and rental property. In addition, since the District would not acquire the MWS, a boundary adjustment to annex service areas into the District would not be necessary and, therefore, would not occur under Alternative 1. Under this alternative, CalAm would continue to operate and maintain the MWS from its existing facilities, including the construction and operation of the MPWSP Desalination Plant.[2]

The No Project Alternative would not achieve any of the project objectives because it would not allow the District to implement the purpose approved by the electorate in Measure J. Specifically, the No Project Alternative would not allow the citizens of the Monterey Peninsula to independently own and operate the water production and distribution system serving customers presently served by the CalAm's MWS; provide greater transparency and accountability to residents and businesses on the Monterey Peninsula regarding potable water supplies, as well as increased customer service and reliability; enhance customer service and responsiveness to affected CalAm customers; provide greater local control over the rate setting process and rate increases; provide direct access to locally elected policy makers for water operations; allow the District to pursue funding and other financing alternatives available to public agencies for future infrastructure needs, including grants and financing options not available to a CPUC-regulated, privately-owned utility; or ensure better coordination amongst local governmental decisions involving land use, emergency services, policy, the location and need for capital improvements, and overall planning in the water context.

Impact Analysis

The No Project Alternative would avoid all of the less than significant environmental impacts associated with the proposed project and would maintain the current ownership and operational regime for the MWS. In reality, the less than significant impacts related to air quality, noise, and transportation under the proposed project would not occur (i.e. the same as under existing conditions, the No Project Alternative) since no change in operation or maintenance activities would occur.

Specifically, impacts due to air quality and greenhouse gas (GHG) emissions that would result from potential net increases in daily vehicle trips and vehicle miles traveled (VMT) under the proposed project would not occur, resulting in lesser impacts compared to the proposed project. The proposed project would require mitigation to reduce impacts due to GHG emissions to a less-than-

[2] If approved by the National Environmental Protection Agency lead agency, the Monterey Bay National Marine Sanctuary.

significant level. Because this alternative would not increase vehicle trips and VMT, this potentially significant impact would be eliminated, and no mitigation would be required.

Because the No Project Alternative would not increase trips or VMT, transportation and noise impacts would not occur. These impacts, which would be less than significant for the proposed project, would be eliminated.

The proposed project would not induce growth because it would not require new or expanded facilities, such as water or wastewater treatment plants, or require procurement of additional water supplies beyond what is currently occurring under the existing ownership. Further, since annexation areas are already served by CalAm, the proposed project would not remove any obstacles to growth. The No Project Alternative would have similar impacts related to growth inducement, since there would be no alternations to the MWS. Therefore, both the No Project Alternative and the proposed project would have no impact.

Finally, under the No Project Alternative the setting of water rates would remain the responsibility of CalAm as regulated by the CPUC. Conservatively assuming rates stay the same or increase over time as has been the trend in the area, no potential increase in demand on groundwater or surface water supplies would occur due to rate alterations. The No Project Alternative would have similar impacts related to hydrology and water quality as well as utilities and service systems, since water use would not change as a result of the proposed project. Therefore, both the No Project Alternative and the proposed project would have less than significant impacts.

Overall, environmental impacts would be reduced for the No Project Alternative compared to the proposed project.

6.4.2 Alternative 2: No Boundary Adjustment Alternative

6.4.2.1 Description

Alternative 2 (No Boundary Adjustment Alternative) assumes that the proposed acquisition of the MWS by the District would proceed but that the application to annex areas outside of the District's boundaries would not be approved by the Local Agency Formation Commission of Monterey County (LAFCO). Instead, the District's boundaries would remain the same. Areas outside of the District's boundaries that would be annexed under the proposed project - including approximately 33 residential connections within the Main component of the MWS in the Yankee Point area and approximately 10 residential connections in the Hidden Hills component of the MWS - would still be acquired from CalAm by the District under this alternative. However, rather than through an annexation, service by the District would occur under a contract agreement with property owners, likely through a Homeowner's Association (HOA) or similar entity, or some other contract mechanism.[3]

As a result, operation and maintenance of these areas outside the District would be the same as described under Section 2, *Project Description,* but the governance structure would be different. Whether the areas outside of the District are annexed or not, neither the proposed project nor this alternative would result in physical construction of facilities or infrastructure and would not involve any change in physical operation or maintenance activities.

[3] An example of this type of agreement includes Sleepy Hollow subdivision and Hitchcock Canyon neighborhood, both located in Carmel Valley, where CalAm has a master meter within its service area boundary serving each neighborhood, but both neighborhoods are outside CalAm's service territory boundary.

Although under Alternative 2 the acquisition would still proceed and the District would own the system within its service area and provide water to nonannexed areas through a contract agreement, these proposed annexation areas would still be considered outside the District and therefore would not have any representation within the District. Customers outside the District boundaries would not be allowed to vote for District Board of Directors and these customers would not have direct contact through their municipal elected officials as they would if they were annexed within the District. As a result, Alternative 2 would not fully realize project objectives because it would not allow the District to fully implement the purpose approved by the electorate in Measure J. Specifically, Alternative 2 would not allow the citizens outside the District to independently own and operate the water production and distribution system serving customers presently served by the CalAm's MWS. Further, Alternative 2 would not meet the following objectives for citizens outside the District boundaries: provide direct access to locally elected policy makers for water operations; allow the District to pursue funding and other financing alternatives available to public agencies for future infrastructure needs, including grants and financing options not available to a CPUC-regulated, privately-owned utility; and, ensure better coordination amongst local governmental decisions involving land use, emergency services, policy, the location and need for capital improvements, and overall planning in the water context. However, Alternative 2 would meet the following objectives for citizens outside the District boundaries: provide greater transparency and accountability to residents and businesses on the Monterey Peninsula regarding potable water supplies, as well as increased customer service and reliability; enhance customer service and responsiveness to affected CalAm customers; and provide greater local control over the rate setting process and rate increases. For customers already in the District boundaries, all the objectives would be met, similar to the proposed project.

6.4.2.2 Impact Analysis

a. Air Quality

Under Alternative 2, the District would maintain and operate non-annexed areas from its operation and maintenance facilities, albeit under a contract agreement rather than via annexation and direct representation. However, there would be no physical construction of facilities or infrastructure, no change in physical operation or maintenance activities, and no change in the number of employees employed by the District when compared to the proposed project. Section 4.1, *Air Quality,* found that estimated air emissions associated with the proposed project would not exceed applicable daily emission thresholds for operation; therefore, emissions associated with Alternative 2 would also not exceed these thresholds and air emissions would remain the same as compared to the proposed project. Overall, air quality impacts would be less than significant under Alternative 2, and impacts would be similar to the proposed project.

b. Greenhouse Gas Emissions

Similar to *Air Quality*, under Alternative 2 the District would maintain and operate non-annexed areas from its operation and maintenance facilities, albeit under a contract agreement rather than via annexation and direct representation. There would be no physical construction of facilities or infrastructure, no change in physical operation or maintenance activities, and no change in the number of employees employed by the District when compared to the proposed project. As described in Section 4.2, *Greenhouse Gas Emissions,* the proposed project would generate GHG emissions as a result of the potential net increases in daily vehicle trips and VMT associated with

project operation and maintenance activities. As there is no change to operation under this alternative, operational GHG emissions would be the same as for the proposed project. Mitigation Measures GHG-1 described in Section 4.2, *Greenhouse Gas Emissions*, would also apply to this alternative. Impacts due to operational GHG emissions and conflicts with applicable plans, policies, or regulations would be less than significant with mitigation, as they are for the proposed project.

c. Hydrology and Water Quality

No new facilities are proposed as part of Alternative 2; therefore, an increase in impermeable surfaces within the project area would not occur and thus there would be no reduction in groundwater recharge, similar to the proposed project.

No cost information is currently available related to operation and maintenance of the areas outside of District's jurisdictional boundaries if they are not annexed. However, based on the cost saving outlined in the District's *Preliminary Valuation and Cost of Service Analysis Report*, it can be assumed that water pricing would decrease in the annexation areas as a result of the proposed project (District 2019). As outlined in Section 4.3, *Hydrology and Water Quality,* reduced water pricing in the future could potentially result in increased water usage, as it is generally accepted that water use can fluctuate with cost. Since operation and maintenance would remain the same as the proposed project under this alternative, similarly successful Demand Management Measures (DMMs) would be implemented for the MWS and continued improvements in water conservation would be achieved even if water rates are less than what would have been charged by CalAm. Thus, the requirement to comply with existing laws and regulations relevant to water conservation practices and goals, including the Seaside Groundwater Basin Adjudication Decision, SWRCB Order WR 2016-0016, and water reduction strategies and goals contained within 2018 Water Conservation Legislation and California Water Conservation Act of 2009 as outlined in Section 2, *Project Description.* These existing laws and regulations would drive a reduction in water use throughout the MWS, even if the price charged for water is less. Therefore, increased demand for groundwater supplies would not occur as a result of Alternative 2 and impacts would be less than significant, similar to the proposed project.

d. Noise

Alternative 2 would not result in physical construction of facilities or infrastructure, a change in physical operation or maintenance activities, or a change in trip distribution when compared to the proposed project. Section 4.4, *Noise,* found that operation and maintenance noise and roadway noise would not result in noise impacts to sensitive receptors. Therefore, since operation and maintenance of the system would not change under this alternative, noise impacts associated with Alternative 2 would remain the same as compared to the proposed project and would also not exceed these thresholds. Overall, noise impacts would be less than significant under Alternative 2, and impacts would be similar to the proposed project.

e. Transportation

Alternative 2 would not result in a change to operation and maintenance as areas outside the District boundaries would still be served by the District in the same manner just under a different governance structure (i.e., via contract). Section 4.5, *Transportation,* found that the proposed project would have less than significant transportation impacts. Since operation and maintenance would not change under Alternative 2, this alternative would not contribute trips to the local street

network beyond those that were analyzed under the proposed project and, thus, would not exceed applicable thresholds. Impacts would therefore be less than significant, similar to proposed project.

f. Utilities and Service Systems

Because areas outside the current District boundary would still be served by the District under this alternative, just under a purchase agreement for water through the contracting entity, Alternative 2 would not result in alterations to the service provided to these areas or the number of connections to the system as compared to the proposed project. In addition, the comparatively lower cost rates between the current CalAm ownership and ownership by the District, would not be expected to result in an increase in demand on the water supply, as discussed under *Hydrology and Water Quality*. Therefore, implementation of Alternative 2 would not result in a commensurate increase in demand for wastewater treatment or need for an increase in capacity of the stormwater conveyance. Impacts would therefore be less than significant, similar to the proposed project.

g. Growth Inducement

As discussed in Section 5.1, *Growth Inducement*, the proposed project in and of itself would not directly have any economic or growth-inducing effects, as it would not alter the area or number of customers served by the water system and would slightly increase the number of employees (approximately 87 hired under District ownership versus 81 hired under CalAm ownership of the MWS, for an increase of six District employees as well as an additional six hired by CalAm to operate and maintain the Central Satellites, for a net increase of approximately 12 employees). Further, annexation under the proposed project would not remove an obstacle to growth since the areas outside the District are already served by CalAm and the contracting entity would only be replacing this service. Changing the service provider in these areas through a contract agreement, rather than via annexation, would not enable new development which would otherwise be unable to proceed. Impacts would therefore be less than significant, similar to proposed project.

6.4.3 Alternative 3: Private Third-Party Operator Alternative

6.4.3.1 Description

Alternative 3 (Private Third-Party Operator Alternative) assumes that the proposed acquisition of the MWS by the District would proceed but that CalAm employees would be relocated to other areas of the state, be retained for other services, or otherwise not be available for integration into the District. Instead the District would contract a private third-party operator to operate and maintain the system. The third-party operator would work out of the same operations and maintenance facilities and require the same number of employees to service the MWS (approximately 87 employees) as outlined in Section 2, *Project Description*. Further, employees hired by the third-party contractor would be domiciled locally (Stoldt 2020). The size of the system and the associated infrastructure would be the same for Alternative 3 as under the proposed project and no substantial construction would occur. Therefore, operation and maintenance of the system would remain the same as described in Section 2, *Project Description*, just performed by a third-party operator and not the District. This alternative still would achieve all of the stated project objectives, since the District would still acquire the system and operation and maintenance would remain the same. However, the water pricing reductions would not be as pronounced, due to the additional fees required to hire a third-party operator. Therefore, the purpose stated in Measure J "to ensure the long-term sustainability, adequacy, reliability, cost-effectiveness and quality of water

service within the Monterey Peninsula Water Management District area, to lower the cost of service to ratepayers…" would not be as fully realized as for the proposed project.

6.4.3.2 Impact Analysis

a. Air Quality

Alternative 3 would result in hiring a third-party operator for operation and maintenance activities. There would be no physical construction of facilities or infrastructure, no change in physical operation or maintenance activities, and no change in the number of employees employed by the District when compared to the proposed project. The third-party operator would operate out of the same facilities that are proposed to be acquired from CalAm by the District and employees would be domiciled locally so there would be no anticipated change in worker trips or vehicle miles traveled as compared to the proposed project. Section 4.1, *Air Quality,* found that estimated air emissions associated with the proposed project would not exceed applicable daily emission thresholds for operation; therefore, emissions associated with Alternative 3 would also not exceed these thresholds and air emissions would remain the same as compared to the proposed project. Overall, air quality impacts would be less than significant under Alternative 3, and impacts would be similar to the proposed project.

b. Greenhouse Gas Emissions

Similar to *Air Quality*, Alternative 3 would not change operation and maintenance of the MWS except that it would be performed by locally domiciled third-party contracted employees. As described in Section 4.2, *Greenhouse Gas Emissions,* the proposed project would generate GHG emissions as a result of the potential net increases in daily vehicle trips and VMT associated with project operation and maintenance activities. As there would be no change to operation under this alternative, operational GHG emissions would be the same as for the proposed project. Like the proposed project, Mitigation Measure GHG-1 described in Section 4.2, *Greenhouse Gas Emissions*, would also apply to this alternative. Impacts due to operational GHG emissions and conflicts with applicable plans, policies, or regulations would be less than significant with mitigation, as they are for the proposed project.

c. Hydrology and Water Quality

No new facilities are proposed as part of Alternative 3; therefore, an increase in impermeable surfaces within the project area would not occur and thus there would be no reduction in groundwater recharge, similar to the proposed project.

According to the District's *Preliminary Valuation and Cost of Service Analysis Report*, should a private third-party operator be contracted to operate and maintain the MWS, rates would still be lower than would have been charged by CalAm, but slightly higher than under direct District operation (District 2019). As outlined in Section 4.3, *Hydrology and Water Quality,* reduced water pricing in the future could potentially result in increased water usage, as it is generally accepted that water use can fluctuate with cost. Since operation and maintenance would remain the same as the proposed project under this alternative, similarly successful DMMs would be implemented for the MWS and continued improvements in water conservation would be achieved even if water rates are less than what would have been charged by CalAm. Thus, the requirement to comply with existing laws and regulations relevant to water conservation practices and goals, including 2018 Water Conservation Legislation and California Water Conservation Act of 2009 as outlined in Section 2,

Project Description, would drive a reduction in water use throughout the MWS, even if the price charged for water is less than under CalAm ownership. As a result, increased demand for groundwater supplies would not occur as a result of Alternative 3 and impacts would be less than significant, similar to the proposed project.

d. Noise

Alternative 3 would not result in physical construction of facilities or infrastructure, a change in operation or maintenance activities, or an increase in employees, over that which was described in Section 2, *Project Description*. Therefore, operation and maintenance activities would remain the same and roadway noise from these facilities would be similar to the proposed project. Section 4.4, *Noise,* found that operation and maintenance noise and roadway noise would not result in noise impacts to sensitive receptors. Therefore, since operation and maintenance of the system would not change under this alternative, noise impacts associated with Alternative 3 would remain the same as compared to the proposed project and would also not exceed these thresholds. Overall, noise impacts would be less than significant under Alternative 3, and impacts would be similar to the proposed project.

e. Transportation

Alternative 3 would not result in a change to operation and maintenance as areas outside the District boundaries would still be served by the District in the same manner just by a third-party contractor. Further, as outlined above, the same number of employees would be hired by the third-party contractor as the proposed project and these employees would be locally domiciled. Section 4.5, *Transportation*, found that the proposed project would have less than significant transportation impacts. Since operation and maintenance as well as worker commute distances would not change under Alternative 3, this alternative would not contribute trips to the local street network beyond those that were analyzed under the proposed project and, thus, would not exceed applicable thresholds. Impacts would therefore be less than significant, similar to proposed project.

f. Utilities and Service Systems

Operation and maintenance of the system by a private third-party contractor under Alternative 3 would not result in alterations to the service provided or the number of connections to the system. In addition, the comparatively lower cost rates between the current CalAm ownership and District ownership with a private third-party contractor would not be expected to result in an increase in demand on the water supply as discussed above under *Hydrology and Water Quality*. Therefore, implementation of Alternative 3 would not result in a commensurate increase in demand for wastewater treatment or need for an increase in capacity of the stormwater conveyance. Impacts would therefore be less than significant, similar to the proposed project.

g. Growth Inducement

As discussed in Section 5.1, *Growth Inducement*, the proposed project in and of itself would not directly have any economic or growth-inducing effects. Alternative 3 would not alter the area or number of customers served by the water system and would result in a small increase in the number of employees hired under District ownership (approximately 87, compared to 81 employed under CalAm ownership of the MWS, for an increase of six District employees as well as an additional six hired by CalAm to operate and maintain the Central Satellites, for a net increase of approximately 12 employees), similar to the proposed project as outlined in Section 5.1, *Growth*

Inducement. Further, since employees hired by the third-party contractor would be domiciled locally there is no potential for growth due to workers moving to the area. As a result, the growth inducement potential associated with Alternative 3 would remain the same as compared to the proposed project. Overall, growth inducement impacts would be less than significant under Alternative 3, and impacts would be similar to the proposed project.

6.4.4 Alternative 4: No Boundary Adjustment and Private Third-Party Operator Alternative

6.4.4.1 Description

Alternative 4 (No Boundary Adjustment and Private Third-Party Operator Alternative) assumes that the proposed acquisition of the MWS by the District would proceed, but that the application to annex areas outside the District's boundaries would not be approved by LAFCO and that the District would hire through a private third-party contractor to operate and maintain the system. Instead, similar to Alternative 2, the District's boundaries would remain the same and areas outside the District would be served under contract agreement. In addition, similar to Alternative 3, a third-party operator would be contracted by the District to operate and maintain the system, including both areas within the District service area and areas outside the District's service area served under contract. Under this alternative, operation and maintenance of the system would remain the same. Therefore, the same number of employees would be retained by the third-party contractor as under the proposed project. Further, employees hired by the third-party contractor would be domiciled locally (Stoldt 2020).

Similar to Alternative 2, this alternative would not fully realize all of the project objectives because it would not allow the District to fully implement the purpose approved by the electorate in Measure J in the areas that are not annexed. Specifically, Alternative 4 would not allow the citizens outside the District to independently own and operate the water production and distribution system serving customers presently served by the CalAm's MWS. Further, Alternative 4 would not meet the following objectives for citizens outside the District boundaries: provide direct access to locally elected policy makers for water operations; allow the District to pursue funding and other financing alternatives available to public agencies for future infrastructure needs, including grants and financing options not available to a CPUC-regulated, privately-owned utility; and, ensure better coordination amongst local governmental decisions involving land use, emergency services, policy, the location and need for capital improvements, and overall planning in the water context. However, Alternative 2 would meet the following objectives for citizens outside the District boundaries: provide greater transparency and accountability to residents and businesses on the Monterey Peninsula regarding potable water supplies, as well as increased customer service and reliability; enhance customer service and responsiveness to affected CalAm customers; and provide greater local control over the rate setting process and rate increases.

For customers already in the District boundaries, all the objectives would be met, similar to the proposed project. However, the water pricing reductions would not be as pronounced, due to the additional fees required to hire a third-party operator. Therefore, the purpose as stated under Measure J to "to ensure the long-term sustainability, adequacy, reliability, cost-effectiveness and quality of water service within the Monterey Peninsula Water Management District area, to lower the cost of service to ratepayers…" would not be as fully realized as for the proposed project.

6.4.4.2 Impact Analysis

a. Air Quality

Under Alternative 4, there would be no physical construction of facilities or infrastructure, no change in physical operation or maintenance activities and, no change in the number of employees employed by the District as compared to the proposed project. The third-party operator would operate out of the same facilities that are proposed to be acquired from CalAm by the District and employees would be domiciled locally so there would be no anticipated change in worker trips or vehicle miles traveled as compared to the proposed project. Section 4.1, *Air Quality,* found that estimated air emissions associated with the proposed project would not exceed applicable daily emission thresholds for operation; therefore, emissions associated with Alternative 4 would also not exceed these thresholds and air emissions would remain the same as compared to the proposed project. Overall, air quality impacts would be less than significant under Alternative 4, and impacts would be similar to the proposed project.

b. Greenhouse Gas Emissions

Similar to *Air Quality*, Alternative 4 would not change operation and maintenance of the MWS except that it would be performed by locally domiciled third-party contracted employees. As described in Section 4.2, *Greenhouse Gas Emissions,* the proposed project would generate GHG emissions as a result of the potential net increases in daily vehicle trips and VMT associated with project operation and maintenance activities. As there would be no change to operation under this alternative, operational GHG emissions would be the same as for the proposed project. Like the proposed project, Mitigation Measure GHG-1 described in Section 4.2, *Greenhouse Gas Emissions*, would also apply to this alternative. Impacts due to operational GHG emissions and conflicts with applicable plans, policies, or regulations would be less than significant with mitigation, as they are for the proposed project.

c. Hydrology and Water Quality

No new facilities are proposed as part of Alternative 4; therefore, an increase in impermeable surfaces within the project area would not occur and thus there would be no reduction in groundwater recharge, similar to the proposed project.

Similar to Alternatives to 2 and 3, under Alternative 4 water rates would fluctuate in the MWS and would potentially be lower as compared to CalAm operation of the system. As outlined in Section 4.3, *Hydrology and Water Quality,* reduced water pricing in the future could potentially result in increased water usage, as it is generally accepted that water use can fluctuate with cost. Since operation and maintenance would remain the same as the proposed project under this alternative, similarly successful DMMs would be implemented for the MWS and continued improvements in water conservation would be achieved even if water rates are less than what would have been charged by CalAm. Thus, the requirement to comply with existing laws and regulations relevant to water conservation practices and goals, including the Seaside Groundwater Basin Adjudication Decision, SWRCB Order WR 2016-0016, and water reduction strategies and goals contained within 2018 Water Conservation Legislation and California Water Conservation Act of 2009 as outlined in Section 2, *Project Description,* would drive a reduction in water use throughout the MWS, even if the price charged for water is less than under CalAm ownership. As a result, increased demand for

groundwater supplies would not occur as a result of Alternative 4 and impacts would be less than significant, similar to the proposed project.

d. Noise

Alternative 4 would not result in physical construction of facilities or infrastructure, a change in operation or maintenance activities, or an increase in employees, over that which was described in Section 2, *Project Description*. Section 4.4, *Noise,* found that operation and maintenance noise and roadway noise would not result in impacts to sensitive receptors. Therefore, since operation and maintenance of the system would not change under this alternative, noise impacts associated with Alternative 4 would remain the same as compared to the proposed project and would also not exceed these thresholds. Overall, noise impacts would be less than significant under Alternative 4, and impacts would be similar to the proposed project.

e. Transportation

Alternative 4 would not result in a change to operation and maintenance as areas outside the District boundaries would still be served by the District in the same manner except under contract(s). Further, as outlined above, operation and maintenance (both inside and outside the District boundaries) would be performed by a third-party contractor with the same number of local employees. Section 4.5, *Transportation*, found that the proposed project would have less than significant transportation impacts. Since operation and maintenance as well as worker commute distances would not change under Alternative 4, this alternative would not contribute trips to the local street network beyond those that were analyzed under the proposed project and, thus, would not exceed applicable thresholds. Impacts would therefore be less than significant, similar to proposed project.

f. Utilities and Service Systems

Similar to Alternatives 2 and 3, under Alternative 4 operation and maintenance of the system would not result in alterations to the service provided or the number of connections to the system. In addition, the comparatively lower cost rates between the current CalAm ownership and District ownership with a private third-party contractor would not be expected to result in an increase in demand on the water supply as discussed under *Hydrology and Water Quality*. Therefore, implementation of Alternative 4 would not result in a commensurate increase in demand for wastewater treatment or need for an increase in capacity of the stormwater conveyance. Impacts would therefore be less than significant, similar to the proposed project.

g. Growth Inducement

As discussed above under Alternatives 2 and 3, the proposed project in and of itself would not directly have any economic or growth-inducing effects, as it would not alter the area or number of customers served by the water system and would slightly increase the number of employees (approximately 87hired under District ownership versus 81 employed under CalAm ownership of the MWS, for an increase of six District employees as well as an additional six hired by CalAm to operate and maintain the Central Satellites, for a net increase of approximately 12 employees). Further, annexation under the proposed project would not removal an obstacle to growth since these areas outside the District are already served by CalAm and the District would only be replacing this service. Under Alternative 4 the District would serve the areas outside the District's jurisdictional boundaries under contract and thus would be replacing the service already provided by CalAm.

Changing the service provider in these areas through a contract agreement, would not enable new development which would otherwise be unable to proceed, similar to serving these areas through annexation. In addition, under Alternative 4 employees hired by the third-party contractor would be domiciled locally. As a result, there is no potential for growth due to workers moving to the area. As a result, the growth inducement potential associated with Alternative 4 would remain the same as compared to the proposed project. Overall, growth inducement impacts would be less than significant under Alternative 4, and impacts would be similar to the proposed project.

6.5 Environmentally Superior Alternative

This section evaluates the impact conclusions for the proposed project and the four alternatives under consideration. It then identifies the environmentally superior alternative. In accordance with the *State CEQA Guidelines*, if the No Project Alternative is identified as the environmentally superior alternative, the alternative among the remaining scenarios that is environmentally superior must also be identified.

As described above and in Section 4*, Environmental Impact Analysis*, no significant impacts would result from implementation of the proposed project or any of the alternatives considered, with the exception of GHG emissions, which would be mitigated to a less-than-significant level with incorporation of Mitigation Measure GHG-1. All the environmental impacts of the proposed project with a comparison to Alternatives 1 through Alternative 4 are presented in Table 6-3, which shows whether each alternative's environmental impact is greater, lesser, or similar to the proposed project for each issue area. Based on this comparison, Alternative 1 (No Project) would result in substantially less environmental impacts for all the resource topics, compared to the proposed project and Alternatives 2 through 4. This is because CalAm would continue to operate and maintain the MWS from its existing facilities, thus reducing air quality, greenhouse gas, noise and transportation impacts resulting from an increase in trips associated with the proposed project. However, Alternative 1 would not fulfill the project objectives.

If the environmentally superior alternative is the No Project Alternative, CEQA requires the EIR shall also identify an environmentally superior alternative among the other alternatives (CEQA Guidelines Section 15126.6(e)(2)). Therefore, the remaining discussion (following Table 6-3) focuses on the proposed project and Alternatives 2 through 4.

Table 6-3 Impact Comparison of Alternatives

Issue	Proposed Project Impact Classification	Alternative 1: No Project	Alternative 2: No Boundary Adjustment	Alternative 3: Third-Party Contractor	Alternative 4: No Boundary Adjustment and Third-Party Contractor
Air Quality	Less Than Significant	+	=	=	=
Greenhouse Gas Emission	Less Than Significant with Mitigation	+	=	=	=
Hydrology and Water Quality	Less Than Significant	=	=	=	=
Noise	Less Than Significant	+	=	=	=
Transportation	Less Than Significant	+	=	=	=
Utilities and Service Systems	Less Than Significant	=	=	=	=
Growth Inducement	Less Than Significant	=	=	=	=

+ Superior to the proposed project (reduced level of impact)

- Inferior to the proposed project (increased level of impact)

= Similar level of impact to the proposed project

As described in Section 6.3 above and summarized in Table 6-3, under Alternative 2 (No Boundary Adjustment), Alternative 3 (Third- Party Contractor), and Alternative 4 (No Boundary Adjustment and Third-Party Contractor), all impacts would be similar to the proposed project. Air quality, greenhouse gas, transportation, noise and growth inducement impacts would be similar since there would be no physical construction of facilities or infrastructure, no change in physical operation or maintenance activities, and no change in the number of employees as compared to the proposed project. Hydrology and water quality and utilities and service system impacts would be similar to the proposed project since there would be no change in water demand. Because impacts would be similar across Alternatives 2 through 4, there is no clear environmentally superior alternative. The only difference among these alternatives would be in the manner the area would be served, either under contract in the areas outside with District, by a third-party contractor hired to operate and maintain the system, or a combination of both, as well as each alternative's ability to meet project objectives. The nuances among the alternatives, as analyzed in Section 6.3, is discussed below. Based on this analysis, Alternative 3 is narrowly considered the environmentally superior alternative because it would meet more of the project objectives than the other alternatives considered.

- Alternative 1 (No Project) assumes that the proposed acquisition of the MWS by the District would not occur. In addition, since the District would not acquire the MWS, a boundary adjustment to annex service areas into the District would not be necessary and, therefore, would not occur under Alternative 1. Under this alternative, CalAm would continue to operate and maintain the MWS from its existing facilities, including the construction and operation of the MPWSP Desalination Plant. Therefore, Mitigation Measure GHG-1 would not be required. Alternative 1 would result in reduced impacts for air quality, greenhouse gas, noise and transportation, in comparison to the proposed project. Hydrology and water quality as well as

utilities and service systems would have similar impacts to the proposed project since both the proposed project and Alternative 1 would have no potential increase in demand on groundwater or surface water supplies. In addition, both Alternative 1 and the proposed project would not result in growth inducing impacts, as a result they have similar levels of impact.

With respect to the project objectives, Alternative 1 would not fulfill the project objectives because it would not allow the District to implement the purpose approved by the electorate in Measure J.

- Under Alternative 2 (No Boundary Adjustment) proposed acquisition of the MWS by the District would proceed but the application to annex areas outside of the District's boundaries would not be approved by LAFCO. Instead, the District's boundaries would remain the same and areas outside of the District's boundaries (that would be annexed under the proposed project) would still be acquired from CalAm by the District under this alternative. However, rather than through an annexation, service by the District would occur under a contract agreement with property owners, likely through an HOA or similar entity, or some other contract mechanism.

  Since operation and maintenance of these areas outside the District would remain the same as described under Section 2, *Project Description*; impacts would be similar to the proposed project and Mitigation Measure GHG-1 would be required under Alternative 2. When compared to the proposed project, the degree or extent of impact would be similar to the proposed project for all issue areas analyzed, and none of the impact determinations would change under Alternative 2.

  With respect to the project objectives, this alternative would not fully realize all of the project objectives because it would not allow the District to fully implement the purpose approved by the electorate in Measure J in the areas that are not annexed. Specifically, Alternative 2 would not allow the citizens outside the District to independently own and operate the water production and distribution system serving customers presently served by the CalAm's MWS. Further, Alternative 4 would not meet the following objectives for citizens outside the District boundaries: provide direct access to locally elected policy makers for water operations; allow the District to pursue funding and other financing alternatives available to public agencies for future infrastructure needs, including grants and financing options not available to a CPUC-regulated, privately-owned utility; and, ensure better coordination amongst local governmental decisions involving land use, emergency services, policy, the location and need for capital improvements, and overall planning in the water context. However, Alternative 2 would meet the following objectives for citizens outside the District boundaries: provide greater transparency and accountability to residents and businesses on the Monterey Peninsula regarding potable water supplies, as well as increased customer service and reliability; enhance customer service and responsiveness to affected CalAm customers; and provide greater local control over the rate setting process and rate increases.

- Alternative 3 (Third-Party Contractor) assumes that the proposed acquisition of the MWS by the District would proceed but that the District would contract a private third-party operator to operate and maintain the system.

  Alternative 3 would not alter system operation and maintenance nor the number of employees required. Further, employees would be domiciled locally. As a result, impacts would be similar to the proposed project and Mitigation Measure GHG-1 would be required under Alternative 3. When compared to the proposed project, the degree or extent of impact would be similar to the proposed project for all issue areas analyzed and none of the impact determinations would change under Alternative 3.

With respect to the project objectives, Alternative 3 would fulfill all of the stated project objectives since the District would still acquire the system and operation and maintenance would remain the same. However, the water pricing reductions would not be as pronounced, due to the additional fees required to hire a third-party operator. Therefore, the purpose as stated under Measure J to "to ensure the long-term sustainability, adequacy, reliability, cost-effectiveness and quality of water service within the Monterey Peninsula Water Management District area, to lower the cost of service to ratepayers…" would be met, but to a lesser extent. In the absence of any discernable comparison environmentally, preference was given to the alternative that most met the project objectives. Therefore, Alternative 3 is identified as the environmentally superior alternative for the purpose of complying with CEQA Guidelines Section 15126.6(e)(2). However, the environmental effects of this alternative are similar to the proposed project and to Alternatives 2 and 4.

- Under Alternative 4 (No Boundary Adjustment and Third-Party Contractor) the proposed acquisition of the MWS by the District would proceed, but the application to annex areas outside the District's boundaries would not be approved by LAFCO and the District would contract a private third-party operator to operate and maintain the system. Instead, similar to Alternative 2, the District's boundaries would remain the same and areas outside the District would be served under contract agreement. In addition, similar to Alternative 3, a third-party operator would be contracted by the District to operate and maintain the system, including both areas within the District and areas outside the District's service area served under contract.

  Similar to Alternatives 2 and 3, Alternative 4 would not alter system operation and maintenance nor the number of employees required. Further, employees would be domiciled locally. As a result, impacts would be similar to the proposed project and implementation of Mitigation Measure GHG-1 would be required under Alternative 4. When compared to the proposed project, the degree or extent of impact would be similar to the proposed project for all issue areas analyzed and none of the impact determinations would change under Alternative 4.

  With respect to the project objectives, similar to Alternative 2, Alternative 4 would not fully realize all of the project objectives because proposed annexation areas would still be considered outside the District and therefore would not have any representation within the District. Customers outside the District boundaries would not be allowed to vote for District Board of Directors and these customers would not have direct contact through their municipal elected officials as they would if they were annexed within the District. In addition, similar to Alternative 3, water pricing reductions would not be as pronounced, due to the additional fees required to hire a third-party operator. Therefore, even for areas within the District the purpose as stated under Measure J to "to ensure the long-term sustainability, adequacy, reliability, cost-effectiveness and quality of water service within the Monterey Peninsula Water Management District area, to lower the cost of service to ratepayers…" would be met, but to a lesser extent. As a result, under Alternative 4 none of the project objectives would be met for areas outside the District and for areas within the District the primary purpose under Measure J would not be fully realized.

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7.2 List of Preparers

This EIR was prepared by the District with the assistance of Rincon Consultants, Inc. Consultant staff involved in the preparation of the EIR are listed below.

RINCON CONSULTANTS, INC.

Jennifer Haddow, PhD, Principal-in-Charge
Megan Jones, Project Manager
Ashley Quackenbush, MS, Assistant Project Manager
Annaliese Miller, Associate Environmental Planner
Kelly Miller, Associate Environmental Planner

8 Responses to Comments on the Draft EIR

8.1 Response to Comments

This section includes comments received during the circulation of the Draft EIR prepared for the Potential Acquisition of Monterey Water System and District Boundary Adjustment Project (project).

The Draft EIR was circulated for a 45-day public review period that began on June 18, 2020 and ended on August 3, 2020. The District received nine letters on the Draft EIR, as well as written and verbal comments submitted at a public meeting. The commenters and the page number on which each commenter's letter appears are listed below. Comments received at public meetings are included as individual letter 3 (IND 3).

Letter No.	Commenter	Affiliation	Date	Page No.
Public Agencies				
SA 1	Cedric S. Irving, Environmental Scientist, Division of Financial Assistance	State Water Resources Control Board	May 7, 2020	xx
SA 2	David Fulcher, Unit Chief, CAL FIRE San Benito-Monterey Unit	California Department of Forestry & Fire Protection	June 22, 2020	xx
LA 1	Aaron Blair, City Manager	Sand City	July 9, 2020	xx
LA 2	Aaron Blair, City Manager	Sand City	July 31, 2020	xx
LA 3	Kate McKenna, AICP Executive Officer	Local Agency Formation Commission of Monterey County	August 11, 2020[1]	xx
Organizations				
ORG 1	Michael D. DeLapa, Executive Director	LandWatch Monterey County	June 22, 2020	xx
ORG 2	Ken Ekelund	Garrapata Trout Farm	July 5, 2020	xx
ORG 3	David T. Moran, Manatt, Phelps & Phillips, LLP	California American Water	July 31, 2020	xx
ORG 4	Rick Heuer, President	Monterey Peninsula Taxpayers Association	August 2, 2020	xx
Public				
IND 1	Anna Brigantina	Public	June 25, 2020	xx
IND 2	Richard W. Tezak, MD, MPH	Public	July 17, 2020	xx
IND 3	Summary comments from public meeting	Public	July 9, 2020	xx

[1] This comment letter was received after the close of the comment period; however, responses are provided below.

SA = State Agency; LA = Local Agency; ORG = Organization; IND = Individual

The comment letters and responses follow. The comment letters have been numbered sequentially and each separate issue raised by the commenter, if more than one, has been assigned a number. The responses to each comment identify first the number of the comment letter, and then the

number assigned to each issue (Response SA 1.1, for example, indicates that the response is for the first issue raised in comment Letter SA 1). In accordance with CEQA *Guidelines* Section 15088(c), the written responses describe the disposition of significant environmental issues raised.

Where a comment resulted in a change to the Draft EIR text, a notation is made in the response indicating that the text is revised. Changes in text are signified by strikeouts (~~strikeouts~~) where text is removed and by underlined font (<u>underlined font</u>) where text is added. None of the changes warrant recirculation of the EIR pursuant to *CEQA Guidelines* Section 15088.5.

Letter SA 1

CALIFORNIA Water Boards

SECRETARY FOR ENVIRONMENTAL PROTECTION

State Water Resources Control Board

David Stoldt, General Manager
Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 92940

Dear Mr. Stoldt:

CLEAN/DRINKING WATER STATE REVOLVING FUND (SRF) PROGRAM INFORMATION FOR THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT (DISTRICT); POTENTIAL ACQUISITION OF MONTEREY WATER SYSTEM AND DISTRICT BOUNDARY ADJUSTMENT (PROJECT); MONTEREY COUNTY; STATE CLEARINGHOUSE (SCH) NO. 2020040069

We have received a copy of the District's draft Environmental Impact Report (EIR) from the State Clearinghouse for the Project. The Project is related to components under consideration for SRF financing, and the State Water Resources Control Board (State Water Board) is providing comments related to the to the environmental review and compliance requirements of the SRF Program. The Project is related to the following SRF financing applications: California-American Water Company's SRF application for the "CalAm Monterey Peninsula Water Supply Project" (SRF Project No. 7844-110), and Monterey One Water's SRF application for the "Pure Water Monterey Groundwater Project Expansion" (SRF Project No. 8432-110). SA 1.1

The following are specific comments on the EIR, pursuant to the California Environmental Quality Act (CEQA) Guidelines, Section 15044:

1. California-American Water Company has a completed Drinking Water SRF environmental review for SRF Project No. 7844-110, the CalAm Monterey Peninsula Water Supply Project. Please discuss how the Project would affect the following: SA 1.2
   - Effects to the planned enhancements of the "Aquifer Storage and Recovery Project" as described in the project description of the EIR;
   - Addressing the unavoidable biological impacts due to maintenance activities related to slant wells as described in the Oct. 18, 2018 Biological Opinion regarding the Monterey Peninsula Water Supply Project; and
   - Addressing growth inducement related to the removal of water supply limitation as described in the EIR.

2. Monterey One Water (formerly Monterey Regional Water Pollution Control Agency) has applied to the Clean Water SRF Program for the Pure Water Monterey Groundwater Project Expansion, SRF Project No. 8432-110. The project relies on an EIR (SCH no. 2013051094) which the District adopted and approved minor changes on February 22, 2017, and filed a Notice of Determination on March 9, 2017. Please address the following: SA 1.3
   - What role will the District take for the Pure Water Monterey Groundwater Project Expansion?

- If the Pure Water Monterey Groundwater Project Expansion is implemented as an alternative to the new desalination plant, how would it affect the anticipated growth-inducement and biological resources impacts?

SA 1.3 CON'T

If you have any questions or concerns about the State Water Board SRF Program environmental review process or the information provided in this letter, please feel free to contact me at (916) 341-6983 or Cedric.Irving@waterboards.ca.gov, or contact Brian Cary at Brian.Cary@waterboards.ca.gov.

Sincerely,

Cedric S. Irving

Digitally signed by Cedric S. Irving
Date: 2020.07.31 11:52:24 -07'00'

Water Boards

Cedric Irving
Environmental Scientist
Division of Financial Assistance

Enclosures (1)

1. Oct. 18, 2018 Biological Opinion

SA 1.4

cc: State Clearinghouse
(Re: SCH# 20200400
P.O. Box 3044
Sacramento, CA 95812-3044

bcc: edric Irving, Division of Financial Assistance
Ahmad Kashkoli, Division of Financial Assistance
Brian Cary, Division of Financial Assistance
Bridget Binning, Division of Financial Assistance

Letter SA 1

COMMENTER: Cedric S. Irving, Environmental Scientist, Division of Financial Assistance, State Water Resources Control Board (SWRCB)

DATE: July 31, 2020

Response SA 1.1

The commenter states that the acquisition and annexation project is related to various other projects which are under consideration for State Revolving Fund (SRF) financing, specifically the California American Water (CalAm) SRF application for the "CalAm Monterey Peninsula Water Supply Project" (MPWSP) and Monterey One Water's SRF application for the "Pure Water Monterey Groundwater Project Expansion."

The comment is noted. Please refer to Section 2.4, *California American Water Supply System,* of the Draft EIR, where these projects are described in more detail.

Because the comment does not address the adequacy of the Draft EIR or CEQA process, no further response is required.

Response SA 1.2

The commenter requests clarification on how the acquisition and annexation project would impact the MPWSP. Specifically, the commenter questions how the project would impact the enhancements to the Aquifer Storage Recovery Project component of the MPWSP, the unavoidable biological impacts due to the slant wells component of the MPWSP, and growth inducement related to water supply limitations.

As outlined in Section 2.4, *California American Water Supply System,* environmental impacts from the construction and operation of MPWSP Desalination Plant were analyzed under a separate environmental review process; the MPWSP Environmental Impact Report/Environmental Impact Statement (EIR/EIS). This is the same for all components analyzed under the MPWSP EIR/EIS including the expanded Aquifer Storage Recovery Project and slant wells components (i.e. environmental impacts from construction and operation of all components of the MPWSP were analyzed the MPWSP EIR/EIS). If all the required permits are granted and the MPWSP is proceeding at the time the potential acquisition is performed, the District intends to acquire the 6.4 million gallons per day (MGD) Desalination Plant and all pertinent contracts, lands, and easements; this would include the Aquifer Storage Recovery Project component of the MPWSP as well as the slant wells. The acquisition and annexation project does not involve any changes in physical operational or maintenance of the planned MPWSP, or its components, from what was described in the MPWSP EIR/EIS. As a result, the Draft EIR does not analyze impacts associated with construction of operation of the MPWSP. Further, it should be noted, that this project does not influence the MPWSP.

Further, as described in Section 5.1, *Growth Inducement,* and Section 4.6, *Utilities and Service Systems,* no expansion of the water system facilities is proposed and thus the project would not induce growth that would not otherwise occur in areas not previously served by municipal water supplies. Potential growth inducing impacts related to planned facilities, including the MPWSP, were addressed in their respective environmental documents. As stated throughout, this EIR does not analyze impacts, including growth inducing impacts, associated with construction or operation of

the MPWSP and its 6.4 MGD Desalination Plant, which was already reviewed and approved by the California Public Utilities Commission (CPUC) as part of the MWPSP EIR/EIS. While one of the project objectives is to provide greater local control over the rate setting process and rate increases, that does not necessarily translate into higher usage and demand because there are other regulatory controls in place that encourage users to conserve water, as discussed in Sections 4.3, *Hydrology and Water Quality*, and 4.6, *Utilities and Service Systems*. Further, conservation of water is an objective of the project and is directly addressed in the Measure J purpose statement, which states that an intent of Measure J is "to promote and practice sustainable water management measures".

Because the comment does not address the adequacy of the Draft EIR or CEQA process, no further response is required.

Response SA 1.3

The commenter requests clarification on how the acquisition and annexation project would impact the Pure Water Monterey Groundwater Project Expansion. Specifically, the commenter questions the District's role in the Pure Water Monterey Groundwater Project Expansion as well as growth inducement and biological resources impacts of the Pure Water Monterey Groundwater Project Expansion.

The Pure Water Monterey Groundwater Project Expansion was proposed by Monterey One Water, as the lead agency, in partnership with the District, as an alternative water supply source, if the MPWSP encounters obstacles that prevent its timely, feasible implementation, to satisfy the requirements of the SWRCB-issued Cease and Desist Order (CDO). As stated in Section 4.6, *Utilities and Service Systems*, because the acquisition and annexation project would not substantially alter water supply demands or associated wastewater discharge rates, the acquisition and annexation project also would not require or result in the construction of new water or wastewater conveyance and treatment systems or expansion of existing facilities. This would be similar for reasonably foreseeable projects such as the Pure Water Monterey Groundwater Project Expansion. Environmental impacts from construction and operation of the Pure Water Monterey Groundwater Project Expansion, including growth inducement and biological resources impacts, were analyzed under a separate environmental review process, the Expanded Pure Water Monterey Groundwater Replenishment Project Supplemental EIR. It is important to note that the Expanded Pure Water Monterey Groundwater Replenishment Project Supplemental EIR was not certified by Monterey One Water. Nevertheless, the project does not entail any changes in physical operation or maintenance of the Pure Water Monterey Groundwater Project or Expanded Project as described under the Pure Water Monterey Groundwater Replenishment Project EIR and its supplements. As a result, the Draft EIR does not analyze impacts associated with construction or operation of the Pure Water Monterey Groundwater Replenishment Project. Further, this acquisition and annexation project does not influence the Pure Water Monterey Groundwater Project or Expanded Project.

Because the comment does not address the adequacy of the Draft EIR or CEQA process, no further response is required.

Response SA 1.4

The commenter enclosed the October 18, 2018 Biological Opinion for the MPWSP, requesting clarification on how the proposed project would affect the unavoidable biological impacts due to maintenance activities related to the slant wells identified in this document.

As stated above, the acquisition and annexation project does not involve any changes in physical operational or maintenance of the planned MPWSP, or its components including the slant wells, from what was described in the MPWSP EIR/EIS. As a result, the Draft EIR does not analyze impacts associated with construction of operation of the MPWSP and the attached Biological Opinion for MPWSP is not applicable to the acquisition and annexation project.

DEPARTMENT OF FORESTRY AND FIRE PROTECTION
San Benito-Monterey Unit
2221 Garden Road
Monterey, CA 93940
(831) 333-4600
Website: www.fire.ca.gov

Letter SA 2

June 22, 2020

David Stoldt, General Manager
Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93940

Via email to: comments@mpwmd.net

RE: COMMENTS FOR THE ENVIRONMENTAL IMPACT REPORT
Monterey Peninsula Water Management District
Potential Acquisition of Monterey Water System and District Boundary Adjustment
State Clearinghouse #2020040069

PROJECT REVIEW INPUT
AS REQUIRED BY THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT
AND
FIRE SAFE REGULATION

Authority Cited

The above-referenced notice of preparation of an environmental impact report was submitted to CAL FIRE for review under the California Environmental Quality Act (CEQA) because the proposed project resides wholly, or in part, within State Responsibility Area (SRA), as defined in the Public Resources Code (PRC) § 4126-4127; and the California Code of Regulations (CCR) Title 14, Division 1.5, Article 1, § 1220-1220. 5. In addition to Defensible Space, CAL FIRE has responsibility for enforcement of basic fire safety regulations on all proposed construction and development within SRA as defined under PRC § 4290 (Ref: PRC § 4290-4291 and CCR Title 14 Natural Resources Division, 1.5 Department of Forestry, Chapter 7 – Fire Protection, Subchapter 2 - SRA Fire Safe Regulations). These regulations, known as "SRA Fire Safe Regulations," constitute the basic wildland fire protection standards for all proposed construction and development within SRA. SA 2.1

General

CAL FIRE is not the lead agency in planning and development and project permitting. Each County's Board of Supervisors retains lead agency status and usually delegates this function to their planning departments. CAL FIRE cannot provide individual project map reviews and redesign orders as done by County Planning Department staff professionals. Under state law, only the county planning departments may provide professional planning services and charge fees for this function. CAL FIRE provides input as a contributing agency, generally limited to plan review, and is not the approving agency for these projects. SA 2.2

California Government code section (GC) 66474.02 within the Subdivision Map Act states, in part, that before approving a tentative map, or a parcel map for which a tentative map was not required, for an area located in a State Responsibility Area (SRA) or a very high fire hazard severity zone, as defined in Section 51177, a legislative body of a city/county shall, with certain exceptions, make the following specific findings: SA 2.3

1. A finding supported by substantial evidence in the record that the subdivision is consistent with:

    a. regulations adopted by the State Board of Forestry and Fire Protection pursuant to Sections 4290 and 4291 of the Public Resources Code, or

b. consistent with local ordinances certified by the State Board of Forestry and Fire Protection as meeting or exceeding the state regulations.

2. A finding supported by substantial evidence in the record that structural fire protection and suppression services will be available for the subdivision through any of the following entities:

   a. A county, city, special district, political subdivision of the state, or another entity organized solely to provide fire protection services that is monitored and funded by a county or other public entity.
   b. The Department of Forestry and Fire Protection by contract entered into pursuant to Section 4133, 4142, or 4144 of the Public Resources Code.

SA 2.3 CON'T

Local Responsibility Areas

CAL FIRE has no fire safe input on projects wholly contained within Local Responsibility Area (LRA). However, CAL FIRE is concerned with LRA land adjacent to (SRA) land where an uncontrolled fire may threaten SRA lands. In those areas, CAL FIRE recommends that local standards are enforced that are equal to, or more restrictive than, those CAL FIRE requires for SRA lands.

SA 2.4

State Responsibility Areas

The State Board of Forestry & Fire Protection (Board) recognizes CAL FIRE's primary fire protection responsibilities are on lands declared by the Board to be SRA. The SRA Fire Safe Regulations were prepared and adopted for the purposes of establishing minimum wildfire protection standards in conjunction with building, construction, and development in SRA. These regulations apply to the perimeters and access to all residential, commercial, and industrial building construction approved after January 1, 1991. The regulations include minimum standards for the following:

SA 2.5

1) Road standards for fire equipment access.
2) Standards for signs identifying streets, roads, and buildings.
3) Minimum private water supply reserves for emergency fire use.
4) Fuel breaks and greenbelts

These regulations do not supersede local regulations which equal or exceed minimum regulations adopted by the State. Additionally, exceptions to these standards may be allowed by the inspection entity listed in 14 CCR § 1270.05, where the exceptions provide the same overall practical effect as these regulations. Exceptions granted by the inspection entity listed in 14 CCR § 1270.05 shall be made on a case-by-case basis only.

Based on the aforementioned regulations and the authorities granted by the State, CAL FIRE requests that you address the following comments regarding the EIR:

1. Please demonstrate, in the form of written evidence, compliance with established minimum wildfire protection standards as described under CCR Title 14 Natural Resources Division, 1.5 Department of Forestry, Chapter 7 – Fire Protection, Subchapter 2 - SRA Fire Safe Regulations.

SA 2.6

2. Please demonstrate, in the form of written evidence and with specific distances and practices, how the project proposal will mitigate wildfire risk, including the maintenance of defensible space. Each individual area should receive a different consideration, due to the topography (slope), vegetation (fuels), and weather patterns. In this instance, the project proposal contains many areas with varying vegetation, such as chaparral, grasslands, and forested areas. Furthermore, there should be a discussion of maintaining the area free of invasive species, many of which exacerbate the fire risk of an area. This is not addressed in 4.7.16 Wildfire. This is not only to provide the minimum 100-feet defensible space around the infrastructure and structures of the water conveyance system; this also is to assist neighboring property owners with maintenance of defensible space around their structures and infrastructure, whether by direct implementation or by allowing access for neighboring property owners to enter district property for fuel maintenance activities.

SA 2.7

3. The EIR should address ongoing maintenance of, and upgrades to, the water supply and delivery system for emergency services. The fire hydrant flow testing and upgrades (greater pressure and volume delivery) are essential to the fire protection services within the project area. Section 4.7.12 Public Services does not consider potential impacts due to infrastructure maintenance and improvement of the water conveyance system and infrastructure, or flow testing of the 3,496 fire hydrants. This is essential for public safety in fire services, for all districts/departments, and the

SA 2.8

residents and visitors to the areas within the proposed project/acquisition. It also impacts ISO ratings, which impact rates for, and availability of, fire insurance.

4. Section 4.7.12 Public Services 1(a) does not mention CAL FIRE's jurisdiction for wildland fire in the SRA. It also does not mention Pebble Beach CSD, Cypress FDP, or Carmel Highlands FPD. This lack of inclusion is directly opposed to a stated objective of "(e)nsur(ing) better coordination amongst local governmental decisions involving land use, emergency services, policy, the location and need for capital improvements, and overall planning in the water context," as listed on page 2-15, 2.6 Project Objectives, bullet point 7.

SA 2.8 CON'T

SA 2.9

Thank you for your consideration of these comment(s). CAL FIRE appreciates your efforts to address these critical issues.

Sincerely,

David Fulcher
Unit Chief
CAL FIRE San Benito-Monterey Unit

Letter SA 2

COMMENTER: David Fulcher, Unit Chief San Benito-Monterey Unit, California Department of Forestry and Fire Protection (CAL FIRE)

DATE: June 22, 2020

Response SA 2.1

The commenter notes that the acquisition and annexation project is located within a State Responsibility Area (SRA) and notes CAL FIRE authority within SRAs.

This comment outlines CAL FIRE's legal authority within the acquisition and annexation project area. Because the comment does not pertain to the adequacy of the EIR or CEQA process, no further response is required.

Response SA 2.2

The commenter clarifies they are not the lead agency and cannot provide individual review, which should be done by the County Planning Department. CAL FIRE provides generally limited input to County review as a contributing agency and is not the approving agency.

To clarify, MPWMD is the lead agency, not the County Planning Department. As stated in Section, 2.7.2, *Discretionary Approvals and Other Permits,* the Local Agency Formation Commission (LAFCO) of Monterey County and the Monterey County Department of Environmental Health are both named as responsible agencies under CEQA. However, since the acquisition and annexation project does not include construction or expansion of facilities Monterey County Planning Department would not review or provide any project approvals. If any alterations to the MWS are proposed in the future, those changes would be addressed under their own project-specific environmental review, which depending on the project, would undergo Monterey County Planning Department review as necessary.

Because the comment does not pertain to the adequacy of the EIR or CEQA process, no further response is required.

Response SA 2.3

The commenter outlines the findings required to approve a tentative map in a SRA.

The acquisition and annexation project would not include a tentative map as there is no construction or expansion of facilities or use included. Since this comment does not raise specific environmental concerns about the Draft EIR or the acquisition and annexation project, no further response is required to this comment.

Response SA 2.4

The commenter outlines CAL FIRE authority in lands within a Local Responsibility Area.

As stated in Section 4.7.16, *Wildfire,* the northern and eastern portions of the Monterey Peninsula and the coastal land to the north and the inland land north of SR 68 are Local Responsibility Areas. Since the acquisition and annexation project does not include construction or expansion of facilities or use, the project would have no impact related to wildfire. Since this comment does not raise

specific environmental concerns about the Draft EIR or the acquisition and annexation project, no further response is required.

Response SA 2.5

The commenter generally outlines the SRA Fire Safe Regulations.

As stated in Section 4.7.16, *Wildfire,* portions of the project area are located within SRAs classified as high or very high for fire hazard severity. Since the acquisition and annexation project does not include construction or expansion of facilities or use, the project would have no impact related to wildfire. Since this comment does not raise specific environmental concerns about the Draft EIR or the acquisition and annexation project, no further response is required.

Response SA 2.6

The commenter would like written evidence of compliance with established minimum wildfire protection standards.

The acquisition and annexation project does not include changes to the operation or maintenance of the MWS and its associated facilities or infrastructure. As such, the project would result in no impacts due to wildfire. If acquired, the MWS and associated infrastructure would be maintained to existing wildfire protection standards. Since this comment does not raise specific environmental concerns about the Draft EIR or the acquisition and annexation project, no further response is required.

Response SA 2.7

The commenter requests Section 4.7.16, *Wildfire,* address on how the acquisition and annexation project would mitigate wildfire risk and invasive species management, which contribute to wildfire. The commenter notes that the acquisition and annexation project cover a large area each with different considerations.

The project does not include changes to the operation or maintenance of the MWS and its associated facilities or infrastructure. As such, the acquisition and annexation project would result in no impacts due to wildfire. If acquired, the MWS and associated infrastructure would be maintained to existing wildfire protection standards to manage wildfire risk and invasive species. As such, Section 4.7.16, *Wildfire,* is complete, and no revisions have been made in response to this comment.

Response SA 2.8

The commenter states the EIR should address ongoing maintenance of, and upgrades to, the MWS for emergency services. Specifically, the commenter states Section 4.7.12, *Public Services,* does not consider potential impacts due to infrastructure and maintenance improvements of the MWS or flow testing of fire hydrants, which the comments states is essential for public safety.

The project does not include changes to the operation or maintenance of the MWS and its associated facilities or infrastructure. As such, the acquisition and annexation project would result in no impacts to public services. If acquired, the MWS and associated infrastructure (including fire hydrants) would be maintained to existing standards. As such, the Section 4.7.12, *Public Services,* is complete, and no revisions have been made in response to this comment.

Response SA 2.9

The commenter states that Section 4.7.12, *Public Services,* does not mention CAL FIRE's jurisdiction for wildland fire in the SRA and does not mention Pebble Beach Community Services District, Cypress Fire Protection District, or Carmel Highlands Fire Protection District. The commenter states this is not in alignment with the project objective of "(e)nsur(ing) better coordination amongst local governmental decisions involving land use, emergency services, policy, the location and need for capital improvements, and overall planning in the water context," as listed in Section 2.6, *Project Objectives*, on p. 2-15 of the EIR.

In response to this comment, the following text is added to Section 4.7.12, *Public Services,* p. 4.7-10 of the Final EIR:

> "The cities of Carmel-by-the-Sea, Del Rey Oaks, Monterey, Pacific Grove, Sand City, and Seaside each have a city police department, while Monterey County is served by the Monterey County Sheriff's Office. The Seaside Fire Department provides service to the cities of Seaside and Del Rey Oaks; the Monterey City Fire Department provides service to the cities of Monterey, Carmel-by-the-Sea, Pacific Grove, and Sand City; and unincorporated Monterey County is served by the Monterey County Regional Fire District. In addition, fire protection and emergency services are provided to the proposed project area by the Pebble Beach Community Services District, Cypress Fire Protection District, or Carmel Highlands Fire Protection District. In addition, v~~V~~arious municipal and regional districts serve the project area with provision of schools, parks, libraries, and other public services and facilities. "

In addition, in response to this comment, the following text is added to Section 4.7.16, *Wildfire,* p. 4.7-14 of the Final EIR:

> Portions of the project area are located within State Responsibility Areas classified as high or very high for fire hazard severity. The California Department of Forestry and Fire Protection has responsibility for enforcement of basic fire safety regulations on all proposed construction and development within State Responsibility Areas as defined under PRC Section 4290. These regulations, known as "SRA Fire Safe Regulations," constitute the basic wildland fire protection standards for all proposed construction and development within State Responsibility Areas. Much of the southern and western portions of the Monterey Peninsula as well as areas within the Carmel Valley are within State Responsibility Areas classified as high or very high for fire hazard severity, while the northern and eastern portions of the Monterey Peninsula and the coastal land to the north and the inland land north of SR 68 are Local Responsibility Areas (California Department of Forestry and Fire Protection 2007).

Letter LA 1

From: Aaron Blair <Aaron@SandCityCA.org>
Sent: Thursday, July 9, 2020 12:00 PM
To: comments <comments@mpwmd.net>
Subject: Sand City Comments on the EIR - July 9, 2020 Meeting

Notice of Availability of an Environmental Impact Report for the Potential Acquisition of Monterey Water System and District Boundary Adjustment Project.

COMMENT
The EIR states that the lease (including operating agreement) of the Sand City Desal plant is being taken as part of the Monterey Water System. However, it does not address the following questions:

1. Will the District indemnify and hold Sand City harmless for any extra expense or damages associated with the District's taking of the lease and operation of the System? LA 1.1
2. What guaranties, if any, does Sand City have that the District will not abandon the Desal plant as a water source? LA 1.2
3. Who Is being considered as an operator? What is their experience and environmental track record? Are they the same entity that the District proposes to engage to operate the desal plant? If so, will they be required to have experience with desalination plants and beach intake wells? For the selection of an operator, what input, if any, will Sand City have in that process? LA 1.3

Thank you.

Aaron Blair
City Manager Sand City
@SandCityCA

Letter LA 1

COMMENTER: Aaron Blair, City Manager, Sand City

DATE: July 9, 2020

Response LA 1.1

The commenter asks if the District would indemnify Sand City from any expenses or damages associated with the District's assumption of control for operating the Monterey Water System.

This comment generally relates to the legal and economic aspects of the project. It is not the role of CEQA to perform analysis regarding the legal and economic aspects of a project, but rather to provide a robust and transparent review of the potential environmental effects that could occur if the project were to proceed. Therefore, legal and economic issues are not within the scope of CEQA, and thus not included in this EIR (*State CEQA Guidelines* Section 15002 and Section 15131). Regardless, this comment is herewith shared with decision-makers for consideration as part of the wider project review process.

Response LA 1.2

The commenter asks if the District can guarantee that it would not abandon the desalination plant.

The Draft EIR analyzes the project as proposed, which includes assumption of CalAm's Sand City Desalination Plant lease and all related operation and maintenance activities as they exist today. The project does not include changes to the operation or maintenance of the Sand City Desalination Plant, or abandonment of the facility. Therefore, analysis of the potential impacts related to abandonment of the Sand City Desalination Plant are not required in the Draft EIR under CEQA. The District intends to assume the lease and hire the CalAm staff currently operating the facility; refer to Response LA 1.3 for further discussion about staffing.

Response LA 1.3

The commenter requests details regarding operation of the water system and if the same entity would also operate the Sand City Desalination Plant. If so, the commenter asks about the operating entity's environmental track record and any experience with desalination plants and beach intake wells. Finally, the commenter would like to know if Sand City would have any input into the operator selection process.

As stated in Section 2, *Project Description,* and throughout the Draft EIR the District would offer employment to approximately 77 of the 81 existing CalAm staff associated with the MWS, including all staff at the Sand City Desalination Plant. If CalAm does not make its employees available to the District, a third-party operator would be hired, as analyzed under Alternative 3. The third-party operator would have all the necessary certifications and qualification as required by law. Moreover, Section 1.6, *Lead, Responsible, and Trustee Agencies*, addresses the proposed change in terms of management of the system, including SWRCB's role in evaluating the proposed change of ownership. As stated on p. 1-10 of the Final EIR, any proposed operator (the District or a third-party contractor) would have to "demonstrate to the SWRCB that it possesses adequate technical, managerial, and financial capability to assure the delivery of pure, wholesome and potable drinking water," before it would be approved for a permit to operate system. The acquisition and annexation project, or a selected alternative, would be reviewed by the SWRCB taking into consideration the

specific operator defined in the selected action. The permit would only be issued if the SWRCB found that the selected operator has proven they are capable of effectively managing the water system. Further, the commenter does not identify any environmental impacts which they believe may arise as a result of potential changes to the operator. Thus, no further response is required. (*State CEQA Guidelines*, Section 15088 [responses are required only for comments raising environmental issues].)

While the operation of the water system is an important consideration for the project, the specific operator's qualifications are not a factor required to be considered under the *State CEQA Guidelines.* The operator's qualifications are a personnel issue and therefore not considered a physical environmental factor to be analyzed in CEQA and are therefore beyond the scope of the EIR. Related impacts – such as how many employees the project might generate and where they might live – were identified in the Draft EIR as less than significant or less than significant with mitigation.

Regarding providing input into the operator selection, the selection process would be an open process in which Sand City and others could offer comment.

Letter LA 2

Sent via Electronic Mail

7/31/2020

David Stoldt,
General Manager
Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93940

Dear Mr. Stoldt,

Thank you for the opportunity to comment on the Draft Environmental Impact Report for the Potential Acquisition of Monterey Water System and District Boundary Adjustment ("DEIR"). This letter sets forth the City of Sand City comments on the DEIR, in light of the fact that it analyzes the environmental impacts of the proposed public acquisition and future operation of California American Water's ("Cal Am") Monterey Water System ("MWS"), including Cal Am's rights, obligations and duties under its existing lease with the City of Sand City for the operation of the Sand City desalination facility.

The DEIR states that the project is only to acquire and operate the existing system and is not proposing any changes to the "manner of operation" of the MWS. Inconsistently, the DEIR also acknowledges that existing Cal Am employees might not want to pursue employment with the District in which case the District "would hire other employees to fill the open positions". LA 2.1

Because operating a desalination plant is a complex task which requires highly specialized knowledge, how can Sand City be certain that the manner of operation will not change when the operator changes? LA 2.2

The DEIR does not address whether the person hired by the District will be required to have experience with desalination plants and beach intake wells. What input will Sand City have in the process of selecting an operator of the desal plant? LA 2.3

By not addressing these issues, the DEIR fails to adequately identify, analyze and mitigate the project's impacts on the Sand City desalination facility's future production of water, which in turn has a potential impact on population growth, housing and the City's ability to address blight. LA 2.4

The City of Sand City looks forward to reviewing the final EIR. If you have any questions regarding this response, please call me at (831) 394-3054 or email me at aaron@sandcityca.org.

Respectfully submitted,

Aaron Blair
City Manager
City of Sand City, CA
1 Pendergrass Way Sand City, CA 93955
Ph. 831.394.3054

Letter LA 2

COMMENTER: Aaron Blair, City Manager, Sand City

DATE: July 9, 2020

Response LA 2.1

The commenter notes that the Draft EIR states the District would acquire and operate the existing system without changing the manner of operation, but notes an inconsistency where the Draft EIR acknowledges CalAm employees may decide not to pursue employment with the District, in which case other persons would be hired to fill open positions. The commenter would like to confirmation that the manner of operation would not change when the operator changes.

As stated in Section 2, *Project Description,* and throughout the Draft EIR, the District plans to retain CalAm's employees, and only if CalAm does not make its employees available to the District would the District need to hire a third-party operator. The third-party operator option was analyzed as an alternative to the project and as detailed in Table 6-3; this alternative would have a similar level of impact as the proposed project across all issue areas. Further, a change in employees would not result in a change in operation, since the system would be operated at the same level of accuracy and with the same maintenance requirements as with CalAm employees. As further noted in Response LA 1.3, employees and the operator would possess adequate technical, managerial, and financial capability to operate the system; this would be a prerequisite to the issuance of the SWRCB permit.

Response LA 2.2

The commenter asks if new employees and/or the operator would be qualified and experienced to operate a desalination plant and beach intake wells.

Please refer to Response LA 1.3 for a response to this comment. As noted therein, employees and the operator would possess adequate technical, managerial, and financial capability to operate the system. Further, operator qualifications are a personnel issue and therefore not considered a physical environmental factor to be analyzed in the EIR.

Response LA 2.3

The commenter asks if Sand City will have any input into the selection process of the new operator.

The question about input in the selection process is herewith shared with District decision-makers for consideration as part of the wider project review process. The selection process would be an open process in which Sand City and others could offer comment. Because the comment does not pertain to the adequacy of the EIR or CEQA process, no further response is required.

Response LA 2.4

The commenter states that by not addressing issues related to the potential operator, the Draft EIR fails to adequately analyze project impacts to the Sand City Desalination Plant's future production of water and related impacts to population growth, housing, and blight.

Please see Response LA 1.2 for a discussion about the qualifications necessary for any potential operator. In addition, the Draft EIR includes an analysis of environmental issues related to a

potential third-party operator in Section 6, *Alternatives*. Alternative 3 (Private Third-Party Operator Alternative) assumes that the proposed acquisition of the MWS by the District would proceed, but that CalAm employees would be relocated to other areas of the state, be retained for other services, or otherwise not be available for integration into the District. Under Alternative 3, the District would contract a private third-party operator to operate and maintain the system. As detailed in Table 6-3, Alternative 3 would have a similar level of impact as the proposed project across all issue areas. Both the project and Alternative 3 include continued operation of the Sand City Desalination Plant as it operates today, which is reasonably foreseeable. The Draft EIR neither includes an analysis of Sand City Desalination Plant's discontinued operation or reduced production because these scenarios are not proposed nor reasonably foreseeable and would be too speculative to consider in the Draft EIR. If the Sand City Desalination Plant were to be abandoned in the future, it may be considered a "project" under CEQA requiring its own CEQA review, which would consider environmental impacts related to issues like population growth, housing, and blight at that time.

Letter LA 3

LAFCO *of Monterey County*

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

132 W. Gabilan Street, #102
Salinas, CA 93901

P. O. Box 1369
Salinas, CA 93902

Voice: 831-754-5838

www.monterey.lafco.ca.gov

August 11, 2020

David Stoldt, General Manager
Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93940

RE: Potential Acquisition of Monterey Water System and District Boundary Adjustment Project Draft Environmental Impact Report

Dear Dave,

Thank you for the opportunity to review the Draft Environmental Impact Report (EIR) for Potential Acquisition of Monterey Water System and District Boundary Adjustment Project. Under the California Environmental Quality Act, LAFCO is a Responsible Agency for the proposed project, and will have regulatory authority for the proposed annexation application, activation of latent services or powers, and other requested LAFCO approvals that the project may entail. It is in this role that LAFCO is commenting on the Draft EIR. LA 3.1

We have completed our review and appreciate your inclusion of LAFCO's suggested sentence in Section 2.7.2 "Discretionary Approvals and Other Permits" of the Draft EIR, from LAFCO's comment on your Notice of Preparation in April 2020. We have no additional comments at this time. LA 3.2

We appreciate this opportunity to review the Draft EIR. Please continue to keep us informed throughout your process. District staff and consultants are welcome to contact LAFCO staff if you have any questions. We would be happy to meet with you and your staff for more detailed discussions. LA 3.3

Sincerely,

Kate McKenna, AICP
Executive Officer

Letter LA 3

COMMENTER: Kate McKenna, AICP Executive Officer, LAFCO

DATE: August 11, 2020

Response LA 3.1

The commenter states that LAFCO is a responsible agency for the proposed project and cites LAFCO regulatory authority.

In Section 2.7.2, *Discretionary Approvals and Other Permits,* LAFCO is listed as a responsible agency for the proposed project and LAFCO's regulatory authority is listed as well. No further response is required.

Response LA 3.2

The commenter states they have completed their review, notes the District inclusion of LAFCO's suggested edit during the Notice of Preparation (NOP) scoping period, and states they have no further comments.

Because the comment does not address the adequacy of the Draft EIR or CEQA process, no further response is required.

Response LA 3.3

The commenter notes appreciation for the opportunity to review, requests the District to keep them informed throughout the process and extends an invitation for a meeting if the District has any questions.

The comment is noted and herewith shared with the District. LAFCO is included on the project distribution list.

Letter ORG 1

From: Michael DeLapa <execdir@landwatch.org>
Subject: DEIR for Potential Acquisition of Monterey Water Supply and District Boundary Adjustment Project
Date: June 22, 2020 at 1:10:46 PM PDT
To: comments@mpwmd.net

Dear Mr. Stoldt:

We have the following comments on the DEIR. The Cumulative Project List (p. 3-3 to 3-8) should be revised as follows:

- Delete Ferrini Ranch Subdivision which has been withdrawn
- Note the Interlake Tunnel lacks funding for completion

ORG 1.1

Thank you for the opportunity to review the document.

Sincerely,

Michael

Michael D. DeLapa
Executive Director
LandWatch Monterey County
execdir@landwatch.org
650.291.4991 m

Subscribe www.landwatch.org
Twitter @landwatch_mc
Facebook facebook.com/LandWatchMontereyCounty/

Letter ORG 1

COMMENTER: Michael DeLapa, Executive Director, LandWatch Monterey County

DATE: June 22, 2020

Response ORG 1.1

The commenter provides updates regarding two of the projects listed in Table 3-1, *Cumulative Projects List,* of the Draft EIR.

In response to this comment, the following revisions have been made to Table 3-1 (note that only modified rows are depicted):

Table 3-1 Cumulative Projects List

Cumulative Project	Description	Project Status
Monterey County		
~~Ferrini Ranch Subdivision~~	~~The project includes subdivision of an approximately 866-acre property into 212 residential lots including 146 market-rate lots, 23 clustered lots for workforce housing units and 43 lots for Inclusionary housing units; one commercial parcel fronting on River Road; and 600 acres of open space.~~	~~Approved~~
Interlake Tunnel	The project includes construction of a tunnel to divert water from Nacimiento Reservoir to San Antonio Reservoir that would have otherwise been spilt at Nacimiento Dam.	Approved, awaiting funds for ~~pending~~ construction

Letter ORG 2

From: Ken Ekelund <ken@carmelcaninesports.com>
Sent: Sunday, July 5, 2020 10:05 AM
To: comments <comments@mpwmd.net>
Cc: Martha Diehl <mvdiehl@mindspring.com>
Subject: Comments on Draft EIR "Potential Acquisition of Monterey Water System and District Boundary Adjustment"

Dear Mr. Stoldt, thank you for the opportunity to comment on the Draft EIR "Potential Acquisition of Monterey Water System and District Boundary Adjustment".

Although we do not live in your district, this document could potentially affect us. On page 2-3, Figure 2-2, which is entitled "District and Project Boundary" incorrectly shows the boundary for the Garrapata satellite system. A note in the legend box states that Polygons are approximate and do not represent exact boundaries, is inadequate since the very purpose of this document is to consider changing boundaries. Our property appears to be shown inside the polygon for the Garrapata satellite system. We are upstream of that system and have always been outside the water company's service area, as well as outside your district's boundary. We further understand that satellite systems such as Garrapata are not included in the acquisition but since they are operated by CalAm, it is hard to see that they would not in some way be impacted, since they use common personnel, equipment and facilities. ORG 2.1

I recommend that if actual boundaries for the satellite systems are not available, a more accurate way to show their location would be some kind of point symbol such as a star, not a polygon. ORG 2.2

We have a senior water right to the water company on Garrapata Creek and are so far from their system it would be infeasible to ever connect to them. We do not want to see an error such as this to remain in your document, where it could cause confusion in the future.

Sincerely,
Ken Ekelund
Garrapata Trout Farm
35811 Highway 1
Monterey, CA 93940
(831) 625-9621
(831) 915-6654 (cell)
Sent from my iPad

Letter ORG 2

COMMENTER: Ken Ekelund, Garrapata Trout Farm

DATE: July 5, 2020

Response ORG 2.1

The commenter notes the project site boundary in Figure 2-2 is inaccurate and includes their facility and asks that the figure be revised to reflect the project boundaries more accurately.

Figure 2-2 shows the most up-to-date service area boundaries for CalAm as identified in the 2015 UWMP (see Figure 3-1 in the 2015 UWMP) and shows the abandoned trout farm within the Garrapata System. As such, the figure is correct and has not been updated in response to this comment.

Regardless of whether the Garrapata Trout Farm is within our outside of the Garrapata satellite system boundary, the Garrapata satellite system is not included in the acquisition and annexation project. Since this comment does not raise specific environmental concerns about the Draft EIR or the acquisition and annexation project, no further response is required to this portion of the comment.

Response ORG 2.2

The commenter asks how systems such as theirs, which will continue to be operated by CalAm, would be impacted by the acquisition of other parts of the water system by the District.

The acquisition and annexation project does not include the Garrapata satellite system. Therefore, CalAm would continue to operate the Garrapata satellite system and the acquisition and annexation project would not physically impact the operation of that system. Further, as stated throughout the Draft EIR, the acquisition and annexation project would not result in changes in operation to the MWS itself.

Letter ORG 3

manatt
manatt | phelps | phillips

Manatt, Phelps &
Direct Dial: (310) 312-4365
E-mail: dmoran@manatt.com

July 31, 2020

Client/Matter: 81249-085

VIA U.S. MAIL & E-MAIL: COMMENTS@MPWMD.NET

Mr. David Stoldt, General Manager
Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 92940

Re: **Potential Acquisition of Monterey Water System and District Boundary Adjustment Project Draft Environmental Impact Report**

Mr. Stoldt:

This letter is submitted on behalf of California-American Water Company ("Cal-Am"), the owner and operator of the Monterey Water System ("MWS"). The Monterey Peninsula Water Management District ("District") proposes to supplant Cal-Am as the retail water service provider in Monterey County by taking Cal-Am's MWS, including, but not limited to, its pipelines, pump stations, production wells, utility plants and water treatment facilities, vehicle fleet, equipment, water rights, water supply contracts, accounts, land, easements, and other real and personal property. In addition, the District seeks to take Cal-Am's lease and operation of the Sand City Desalination Plant, and Cal-Am's approved, planned, but not yet completed, 6.4 million gallon per day ("MGD") desalination plant, referred to as the Monterey Peninsula Water Supply Project ("MPWSP"). Together with a proposed annexation of land and water supply connections into the District's boundaries, the District's proposed actions constitute the Potential Acquisition of Monterey Water System and District Boundary Adjustment Project ("Proposed Project"). The District cites to Measure J, which added Rule 19.8 to the District's Rules and Regulations, as the impetus for the Proposed Project. Notably, Rule 19.8 instructed the District's General Manager to, within nine months of the effective date of Rule 19.8, complete and submit to the District's Board of Directors a written plan as to the means to take Cal-Am's MWS. The District's written plan cannot be completed or adopted prior to the completion of environmental review, which is ongoing, even though more than 20 months have passed.

ORG 3.1

As discussed below, the Proposed Project requires discretionary approval from the District and other responsible agencies; thus environmental review under the California Environmental Quality Act (Pub. Resources Code, § 21000 et seq.) ("CEQA") and the State CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 et seq.) is mandatory. The District has prepared a document it contends is a Draft Environmental Impact Report for the Project ("DEIR"), despite the District's conflicting and erroneous stance that CEQA does not apply to the Proposed Project.

ORG 3.2

As detailed herein, the proper CEQA review process was not followed, and as a result, the purported DEIR is wholly inadequate in both its scope and content such that, in legal terms, it amounts to a negative declaration. (*See* Pub. Resources Code, § 21080(c)-(d); State CEQA Guidelines, §§ 15070-15071.) Moreover, the Proposed Project is so vaguely defined and incompletely described that no full accounting of potentially significant environmental impacts can occur. More specifically, the DEIR:

ORG 3.3

- Improperly piecemeals and fails to consider and analyze operational changes to the MWS that would occur;
- Relies on an unsupportable fallacy that existing regulations and orders limiting pumping in the Carmel Valley Alluvial Aquifer and Seaside Groundwater Basin will mitigate against increased usage if water rates are to decrease;
- Fails to address how much consumption will increase as a result of the District's inability to implement tiered water rates;
- Fails to analyze any of the potential impacts likely to occur as a result of severing the MWS from Cal-Am's other water and wastewater systems in Monterey County; and
- Fails to select a reasonable range of alternatives that can avoid or substantially lessen the Proposed Project's actual significant environmental effects.

As a result of these and other inadequacies, the DEIR violates CEQA's information disclosure mandates and must be significantly revised and recirculated for additional public review before the Proposed Project can move forward.[1]

ORG 3.3 CON'T

A. THE PROPOSED PROJECT MUST UNDERGO A GOOD-FAITH ENVIRONMENTAL REVIEW PRIOR TO THE DISTRICT'S DECISION TO PROCEED WITH ANY ACQUISITION OR ANNEXATION.

Despite completing and circulating the DEIR, in an apparent effort to excuse its inadequacies, the District asserts that it was not required by law to prepare the DEIR:

> [T]he District does not acknowledge it is legally required to prepare this EIR. The District asserts its proposed actions do not meet the CEQA definition of a "project." Further, even if the District's actions were deemed to constitute a CEQA-defined "project," the District asserts that the activity would be exempt from CEQA review. The District also notes any physical changes in the environment attributable to differences in water rates are too speculative or unlikely to be considered reasonably foreseeable to require CEQA review. Nonetheless, the District has voluntarily caused this EIR to be prepared to inform public decision makers and the public generally regarding these proposed activities. No statement in this EIR is intended or should be construed to constitute an acknowledgement by the District the CEQA process is legally required. (DEIR, p. 1-3.)

ORG 3.4

Each of the three arguments made by the District to excuse the DEIR's failure to provide a complete and robust environmental analysis—(1) that the District's actions do not constitute a "project"; (2) that any project would be exempt; and (3) that any non-exempt project would result in impacts too speculative to analyze—are baseless.

[1] Recirculation of a draft environmental impact report ("EIR") is required when new information could indicate a new or substantially more severe environmental impact would result from the project beyond those impacts disclosed in the draft EIR. (Pub. Resources Code § 21092.1; State CEQA Guidelines § 15088.5(a).) Further, recirculation is required whenever a draft EIR is "so fundamentally and basically inadequate and conclusory in nature that meaningful public review and comment were precluded." (State CEQA Guidelines § 15088.5(a)(4).)

1. The proposed acquisition and annexation constitute a "project" for purposes of CEQA.

CEQA applies to "projects." (Pub. Resources Code, § 21080(a).) A "project" is defined as any activity undertaken by a public agency which may cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. (Pub. Resources Code, § 21065.) The District is a public agency; acquisition of countless assets and annexation of land constitute "activities" undertaken by the District. These activities may cause a change in the environment, given that the District's own DEIR identifies the potential for significant impacts relating to greenhouse gas emissions. (DEIR, pp. 4.2-12 through -16.) Thus, the Proposed Project constitutes a "project" for purposes of CEQA, and environmental review is required unless one or more of CEQA's exemptions apply. ORG 3.5

2. The Proposed Project is not exempt from environmental review under CEQA.

The District claims that even if the acquisition and annexation constitute a "project" for purposes of CEQA, the Proposed Project nonetheless qualifies for an exemption from environmental review. The District fails to identify any specific exemption it believes applies. Assuming that the District intends to rely on either the common sense exemption or the Class 1 categorial exemption for existing facilities, neither of these exemptions can apply. (*See* State CEQA Guidelines, §§ 15061(b)(3), 15301.)

Any claim that CEQA's common sense exemption applies to the Proposed Project fails for the same reason the proposed acquisition and annexation constitute a "project" for purposes of CEQA. The common sense exemption applies only where it "can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment." (State CEQA Guidelines, § 15061(b)(3).) Here, the District itself found a potentially significant environmental impact relating to greenhouse gas emissions, and countless other impacts are also likely to occur, as discussed further, herein. Thus, it cannot be "seen with certainty" that no impacts would occur. The common sense exemption cannot excuse a failure to adequately analyze the environmental impacts of the Proposed Project. ORG 3.6

The Class 1 categorical exemption for existing facilities also cannot apply. This exemption applies to the operation, repair, maintenance, and minor alteration of existing public or private structures and facilities, but only where a project involves negligible or no expansion of use. (State CEQA Guidelines, § 15301.) Here, the Proposed Project ***does*** result in an expansion of use, whether or not the District intends to expand water supply and service after its acquisition of the MWS.

First, the Proposed Project severs the MWS from Cal-Am's other water and wastewater systems in the County. After an acquisition of only the MWS, Cal-Am would be required to continue operating and maintaining these other, unacquired systems, but without the use of its existing facilities, employees, and administrative resources given those would be acquired by the District.

ORG 3.6
CON'T

Even though it downplays the totality of the impacts associated with severing the MWS from Cal-Am's other five satellite water systems (Garrapata, Chualar, Ralph Lane, Ambler, and Toro) (together, the "Central Satellites"), the DEIR nonetheless concedes that separating the MWS from Cal-Am's other water systems will require Cal-Am to hire additional employees, and require the leasing, purchase, and/or construction of new facilities. (*See, e.g.,* pp. 2-14 [explaining that additional employees will be required]; 4.1-14 [describing the additional daily trips and vehicle miles traveled generated by the Proposed Project]; 4.5-12 [admitting that Cal-Am will require a new corporate yard to service the system components that the District is not intending to acquire].) In addition to the impacts that the District concedes, Cal-Am would also be required to train any new water system employees (which would include visiting all the various water systems over several months), ordering and operating new fleet trucks, and constructing or leasing a new administrative office with an adjacent equipment and fleet yard. Separate from the issues related to severing the Central Satellites, the DEIR wholly ignores similar issues related to the severing of the MWS from Cal-Am's eight wastewater systems (Oak Hills, Las Palmas, Spreckels, Indian Springs, Pasadera, Carmel Valley Ranch, White Oaks, and Village Green), but similar operational overlaps would occur there as well. For example, additional wastewater staff would also need to be hired for wastewater operations after the proposed acquisition, and the acquisition and operation of additional wastewater field vehicles, generators, and other equipment would be required.

Second, the District maintains that its acquisition of the MWS will result in water rates that are "substantially less" than rates currently paid by MWS customers. (DEIR, p. 4.3-13.) As explained in detail below, lower rates will result in higher water

consumption, and any assertions to the contrary by the District are unsupportable. Higher rates of water usage cannot be said to constitute "negligible or no expansion of use" and thus the Class 1 exemption cannot apply. Consumption would also likely increase as a result of the fact the District will not be able to implement tiered rates, pursuant to Proposition 218.

Even if the Class 1 categorical exemption did apply—and again, it does not—State CEQA Guidelines, section 15300.2, establishes at least two exceptions barring the use of the Class 1 or any other categorical exemption to the Proposed Project. First, where there is evidence that a project ***will*** result in a potentially significant impact, the "unusual circumstances" exception applies, and a categorical exemption cannot be used. (State CEQA Guidelines, § 15300.2(c); *Berkeley Hillside Preservation v. City of Berkeley* (2015) 60 Cal.4th 1086, 1115 ["evidence that the project *will* have a significant effect *does* tend to prove that some circumstance of the project is unusual. In that limited circumstance, a finding the project will have a significant effect necessarily establishes some circumstance of the project is unusual" (emphasis original)].) Here, the District's own DEIR concludes that the Proposed Project will have a potentially significant impact relating to greenhouse gas emissions. (DEIR, pp. 4.2-12 through -16.) While the DEIR claims that mitigation will reduce that potentially significant impact to a level of less than significant, mitigation measures cannot be relied upon in determining whether a categorical exemption applies. (*Salmon Protection and Watershed Network v. County of Marin* (2005) 125 Cal.App.4th 1098, 1107.) Thus, the "unusual circumstances" exception bars the applicability of any categorical exemption, including the Class 1 exemption, to the Proposed Project.

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Further, no categorical exemption may be used "for a project located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code." (State CEQA Guidelines, § 15300.2(e).) The DEIR's Notice of Availability states, "Portions of the project area include sites enumerated under Section 65962.5 of the Government Code." Thus, this exception also bars use of any categorical exemption.

3. The District cannot discharge its statutory duty to complete an environmental review document by stating, without support, that the Proposed Project's impacts are "too speculative."

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The third ground provided by the District to support its conclusion that it is not "legally required to prepare this EIR" is a general statement that "changes in the

environment attributable to differences in water rates are too speculative or unlikely to be considered reasonably foreseeable to require CEQA review." (DEIR, p. 1-3.) This is not the test for whether an environmental review document is required. Where a proposed activity constitutes a "project" for purposes of CEQA, and none of CEQA's statutory or categorical exemptions apply, a public agency must proceed with environmental review, regardless of whether the agency believes impacts are "too speculative" to review. (*See* State CEQA Guidelines, § 15151 [EIR requires "adequacy, completeness, and a good faith effort at full disclosure"].) "Drafting an EIR or preparing a negative declaration necessarily involves some degree of forecasting. While foreseeing the unforeseeable is not possible, an agency must use its best efforts to find out and disclose all that it reasonably can." (State CEQA Guidelines, § 15144.) ***Only if***, "after thorough investigation, a lead agency finds that a particular impact is too speculative for evaluation" may the agency note its conclusion and terminate discussion of the impact, ***in its environmental review document***. (State CEQA Guidelines, § 15145.) CEQA does not permit an agency to declare at the outset that impacts are so speculative that no environmental review document is required in the first place.

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B. THE DISTRICT FAILED TO FOLLOW CEQA'S ESTABLISHED PROCEDURE WHEN IT DECLARED ITS ENVIRONMENTAL REVIEW DOCUMENT A "VOLUNTARY" EIR.

Despite its claim that no environmental review is required for the Proposed Project under CEQA, the District states it has nonetheless "voluntarily caused this EIR to be prepared." (DEIR, p. 1-3.) But CEQA does not permit agencies to "voluntarily" prepare an EIR simply because it believes it will be politically or strategically advantageous to do so.

By preparing what is in substance a negative declaration and decreeing it to be a "voluntary" DEIR, the District has perverted the CEQA process in a way that robbed the public of a meaningful opportunity to provide input on the scope of the DEIR. The unusual process followed here appears to be an attempt to improperly shield the District's failure to adequately analyze impacts with the more favorable standard of judicial review (i.e., the standard that applies to an actual EIR) should a CEQA claim be brought against the District after the EIR is certified. If an agency wishes to avail itself of the benefits of preparing an EIR, then an agency must prepare an EIR that actually fulfills CEQA's purpose. The District has not done so.

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CEQA establishes a process through which agencies determine the proper environmental review document for any given project, based on facts and analysis. Under CEQA, if a proposed activity is a "project" and is not exempt from environmental review, the agency prepares an "Initial Study" to determine whether the project may result in a significant impact on the environment. (State CEQA Guidelines, § 15063.) The main purpose of the Initial Study is "to determine whether an EIR or a negative declaration must be prepared." (State CEQA Guidelines, § 15365.) There is only one circumstance where a lead agency is permitted to forgo preparation of an Initial Study: "If the lead agency can determine ***that an EIR will be clearly required for a project***, the agency may skip further initial review of the project and begin work directly on the EIR process…." (State CEQA Guidelines, § 15060(d), emphasis added.)

Here, the District did not determine that an EIR was "clearly required," nor did it prepare an Initial Study which would have determined whether the Proposed Project may result in significant impacts and would have dictated which type of environmental review document would be required under CEQA. The District's decision to forgo preparation of an Initial Study was not based on State CEQA Guideline section 15060(d), given that the District concluded from the outset that an EIR would not be required for the Proposed Project.

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The District's failure to prepare and circulate an Initial Study robbed the public of the opportunity to know, prior to preparation of the DEIR, which impacts the District was declining to analyze in detail. As a result, the District's failure to prepare and circulate an Initial Study prevented the public from providing the District with evidence that its conclusions in that regard were in error. [2]

[2] In fact, if the District truly believes that no significant impacts will occur, the State CEQA Guidelines ***direct*** the District to prepare a negative declaration, and not an EIR. The Initial Study procedure implements CEQA's requirement that an EIR be prepared ***if*** the lead agency finds that a proposed project may have a significant effect on the environment. "If a lead agency determines that a proposed project, not otherwise exempt from [CEQA], would not have a significant effect on the environment, the lead agency ***shall*** adopt a negative declaration to that effect." (Pub. Resources Code, § 21080(c), emphasis added.) On the other hand, "[i]f there is substantial evidence… that the project may have a significant effect on the environment, an environmental impact report shall be prepared." (Pub. Resources Code, § 21080(d).) When either "must" or "shall" is used in the State CEQA Guidelines, the term "identifies a mandatory element which all public agencies are required to follow." (State CEQA Guidelines, § 15005(a).) Here, because the District purports to have determined that the Proposed Project would not have a significant effect on the environment, "the [District] ***shall*** adopt a negative declaration to that effect." (Pub. Resources Code, § 21080(c), emphasis added.) Failure to do so is improper. By failing to follow the procedural requirements set forth in CEQA and the State CEQA Guidelines for preparation of an environmental review

For example, circulating an Initial Study with the District's Notice of Preparation would have allowed Cal-Am to bring to the District's attention its dramatic underestimation of the number of new employees that would be hired, and the impacts that would result from severing the MWS from the Central Satellites and wastewater systems. By skipping the Initial Study process, the District improperly omitted (i.e. "scoped out" or removed from the scope of the DEIR's analysis) any detailed consideration of biological resources from the main body of the DEIR, despite the questions raised herein regarding alternative water sources upon which the District will likely be required to rely, and the impacts on sensitive species and habitat that could occur as a result. The District also improperly omitted any detailed analysis of energy impacts from the main body of the DEIR, despite the questions raised herein about alternative water sources, operation of new generators, fleet vehicles and other equipment, and the necessary construction of new offices and equipment yards for Cal-Am. The District improperly omitted all detailed analysis of geology and soils from the main body of the DEIR, despite the questions raised herein about additional groundwater pumping that will likely be needed if the District continues to oppose Cal-Am's desalination project. Had the District followed CEQA's established procedure, it would have first circulated an Initial Study, affording the opportunity to Cal-Am and others to bring these errors in defining the scope of review to the District's attention and, as a result, the District would have been required to provide a more robust analysis of these issues within the main body of the DEIR. Instead, the DEIR relegates several important issues to Chapter 4.7: "Effects Found Less Than Significant," and dedicates a mere few paragraphs to each resource area.

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The environmental review document prepared by the District is, in substance, a negative declaration. Given the District's truncated process and analyses, the DEIR finds—albeit, in error—only a single potentially significant impact that the District claims will be reduced to a level of less than significant with a single mitigation measure.

Misnaming the document an EIR does not provide any benefit to the public. EIRs are considered more protective of the environment because they require an agency to identify and analyze alternatives that reduce or avoid a project's significant and unavoidable impacts, require an agency to identify the benefits of the project that outweigh a project's significant and unavoidable impacts, and it is generally understood

document, the District has failed to comply with CEQA as a matter of law. Agencies should not be permitted to declare its review document an "EIR" simply because a project is controversial, and the agency anticipates future litigation.

that EIRs provide a more robust and detailed analysis of potential impacts. Here, the DEIR's alternatives analysis is essentially meaningless, as the District asserts there will be no significant and unavoidable impacts. Because no significant and unavoidable impacts are identified, the District is not required to declare the Proposed Project's benefits in a Statement of Overriding Considerations. As discussed above, the DEIR scopes out (i.e., ignores) countless significance thresholds, even though no Initial Study disclosing to the public the evidence supporting such scoping was ever circulated prior to release of the DEIR.

While the public does not benefit from the District's "voluntary" EIR, the District undoubtedly perceives that it will gain a benefit if there is a legal challenge to the purported EIR. As the District is aware, the "fair argument" standard applies in litigation challenging the conclusions of a negative declaration. (*Gentry v. City of Murrieta* (1995) 36 Cal.App.4th 1359, 1399.) In contrast, the "substantial evidence" standard, which offers greater deference to the public agency, applies in litigation challenging an agency's determinations within an EIR. (*Laurel Heights Improvement Association v. Regents of University of California* (1988) 47 Cal.3d 376, 392.) In other words, by voluntarily characterizing their environmental review document as an "EIR" and thereby invoking the "substantial evidence" standard of judicial review, the District seeks to avoid being ordered to undertake an Initial Study and a proper CEQA analysis. A distortion the CEQA process does not allow. Given that the District's environmental review document is, in actuality, a negative declaration, the "fair argument" standard would apply in any future CEQA litigation challenging the District's CEQA actions.

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C. THE DEIR'S PROJECT DESCRIPTION IMPROPERLY PIECEMEALS, OR JUST FLATLY FAILS TO ACCOUNT FOR, NUMEROUS ASPECTS OF THE PROPOSED PROJECT.

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A project description must include all relevant aspects of a project, including reasonably foreseeable future activities that are part of the project. (*Laurel Heights Improvement Assn. v. Regents of the University of California* ("*Laurel Heights I*") (1988) 47 Cal.3d 376.) Responsibility for a project cannot be avoided by limiting the title or description of the project. (*Rural Land Owners Association v. Lodi City Council* (1983) 143 Cal.App.3d 1013, 1025.) Moreover, a single project may not be divided into smaller individual projects in order to avoid the lead agency's responsibility to consider the environmental impacts of the project as a whole. This is impermissible project segmenting. (*Orinda Assn. v. Board of Supervisors* (1986) 182 Cal.App.3d 1145, 1171.)

A complete project description is necessary to ensure that all of a project's environmental impacts are considered. (*City of Santee v. County of San Diego* (1989) 214 Cal.App.3d 1438, 1454.)

Here, the DEIR fails to include all relevant aspects of the Proposed Project, or improperly defers disclosure and consideration of portions of the Project to some indeterminant future date. These omissions result in a failure to proceed in the manner required by law in that the DEIR does not comport with State CEQA Guidelines, section 15378, requiring identification and disclosure of "the whole of an action." Further, these omissions result in an inadequate evaluation of the Proposed Project's potential environmental effects, including, but not limited to, impacts relating to traffic and circulation, air quality and greenhouse gas emissions, pedestrian safety, water supplies and water conservation, water quality and hydrology, energy use, biological resources, noise, growth-inducement, and cumulative impacts. (*See San Joaquin Raptor/Wildlife Rescue Center v. County of Stanislaus* (1994) 27 Cal.App.4th 713, 730.)

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1. The Project Description fails to disclose the scope of operational and physical changes that will occur as a result of severing the MWS from Cal-Am's other water and wastewater systems in Monterey County.

Cal-Am owns and operates not just the MWS, but also several wastewater systems and smaller water systems throughout Monterey County. Cal-Am provides water and wastewater service to five regions of California, including the Central Division. The Central Division all together serves approximately 41,000 customer connections and a population of approximately 99,794. The District seeks to sever and divide Cal-Am's Central Division by acquiring only the MWS, Cal-Am's lease of the Sand City Desalination Plant, and Cal-Am's planned MSWSP Desalination Plant. The District is not seeking to acquire Cal-Am's five "Central Satellite" water systems, or Cal-Am's eight wastewater systems, all of which are operationally interrelated with each other, the facilities and employees that the District seeks to acquire, and Cal-Am's corporate operations. With one minor exception, the Project Description does not describe any of the operational and physical changes that will occur as a result of severing the MWS from Cal-Am's other systems.

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The only inefficiency that the DEIR acknowledges and analyzes is that both the District and Cal-Am would be forced to hire six net additional employees each to maintain and operate both the MWS and the Central Satellites. (DEIR, p. 2-14.) The

DEIR also admits that Cal-Am would be required to find and/or develop a new corporate yard but does not analyze any of the potentially significant impacts associated with that. (DEIR, p. 4.5-12.) But separating MWS from Cal-Am's other water systems and wastewater systems would have substantially greater effects than the DEIR concedes.

Separating the MWS from Cal-Am's other water systems will require Cal-Am to hire more than just the six additional employees anticipated in the DEIR. Cal-Am preliminarily estimates its new hires will include at least one wastewater superintendent, eight production-treatment staff, seven distribution crewmembers, three meter readers/techs/customer service employees, two electrical staffers, two water quality monitoring and regulatory compliance staffers, two engineers, two administration personnel, and an operations manager and director. In addition, Cal-Am would be required to purchase and operate more than a dozen additional field vehicles, portable generators, kubotas, and various other pieces of department and administrative equipment. Cal-Am would also be required to acquire or construct a new main office and adjacent fleet, storage, and equipment yard. None of those changes are described in the DEIR, and as a result, none of the possible impacts arising from operation of additional vehicles and equipment, or construction and operation of new administrative offices or yards, is considered or disclosed. Those changes could cause increased air pollutant and greenhouse gas emissions than are disclosed in the DEIR, as well as additional impacts associated with increased energy use, changes in traffic and circulation conditions, impacts to biological resources affected by new construction, increased noise from new equipment operations, etc.

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After the acquisition, the District would also be required to hire additional staff and make equipment modifications as a result of severing the MWS from the Central Satellites and wastewater systems and from Cal-Am corporate support, none of which is acknowledged in the DEIR. The DEIR assumes the District will be required to hire only six net additional employees, but this underestimate ignores the lost support of Cal-Am corporate employees, and the fact that the District would have to establish a new customer billing system, a 24/7 call center for emergencies, establish a new cybersecurity and SCADA/controls and mission alarm system, install new meter reading software and systems, and hire a new GIS team. Underestimating the number of new net District employees results in undercounting air pollutant and greenhouse gas emissions in the DEIR.

Thus, the Project Description must be revised to account for the full scope of operational changes and inefficiencies of the Proposed Project, and each of the DEIR's impact analyses must be revised to account for all previously undisclosed environmental impacts resulting from these Project components.

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2. The Project Description claims the Project proposes no change in operation or maintenance of the MWS, but such an assertion is inconsistent with the stated Project objectives and the District General Manager's statements at the July 9, 2020, public meeting.

The DEIR's Project Description states that the District "is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the physical MWS or to the associated water rights, nor is the District proposing any changes to the manner of operation of the MWS or to the exercise of the associated water rights." (DEIR, p. 2-13.) This claim underpins the environmental analyses contained within the DEIR and is the basis for the District's conclusion that no potentially significant impacts will occur as a result of the Proposed Project. However, the assumption that the District will not change any of the operational characteristics of the MWS is belied by the DEIR's statement of project objectives and by statements made by the District's own General Manager during the DEIR's public review period.

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The main objective of both Measure J and the Proposed Project is to lower water rates. (DEIR, p. 2-15.) The DEIR also identifies objectives such as "increased customer service and reliability," "greater local control," and "better coordination amongst local governmental decisions"—however, the main focus of the Measure J ballot campaign, and the District's several January 2019 "Listening Session" workshops regarding the same, is the potential for the Proposed Project to reduce costs to ratepayers. Yet, the DEIR's Project Description fails to address any actions the District will take in order to reduce water rates. Would the District reduce operating or maintenance expenses in order to reduce rates? What operating expenses or activities would be reduced or eliminated? When would these reductions or eliminations occur? Would they occur equally throughout the MWS, or only in specific targeted areas? Desalination is an expensive endeavor; would changes in the operation of the Sand City Desalination Plant occur in order to reduce rates?[3] Will the District impose new or additional water

[3] Notably, the District currently does not manage or operate any water system or desalination plant and has no experience in doing so. Thus, it is reasonable to assume that the District's inexperience will result in differences—

conservation measures and usage limits to mitigate against a reasonably foreseeable increase in water use resulting from a decrease in rates? In what way will lower rates result in changes to the rate structure? An EIR's project description must include all relevant parts of a project, including reasonably foreseeable future activities, ***such as changes in operation***, that are a consequence of project approval. Here, if the main purpose of the Proposed Project is to reduce water service rates, it is reasonably foreseeable that changes in operation will occur to meet this mandate. The DEIR cannot assume there will be no change in operations simply "for the purpose of the technical analysis in the EIR" (*see* DEIR, p. 2-14), if a change in operations is reasonably foreseeable.

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The reasonably foreseeable change in operations was further addressed at the July 9, 2020, public meeting for accepting comments on the DEIR. At that meeting, District General Manager David Stoldt commented that "operations planning documents [will be] available towards the end of this phase of the process." But CEQA requires that these Project details be identified, ***and then analyzed***, within the DEIR, so that the public and decision makers will be adequately informed about the full scope and magnitude of the Proposed Project. Artificially narrowing the DEIR's Project Description solely to the acquisition, and deferring the details of operations planning to a later date, renders the DEIR inadequate, and improperly piecemeals the operation of the MWS from the acquisition. (*See County of Inyo v. City of Los Angeles* (1977) 71 Cal.App.3d 185, 193; *Orinda Assn. v. Board of Supervisors*, *supra*, 182 Cal.App.3d at p. 1171.)

Finally, the Proposed Project includes the annexation of approximately 50 parcels and more than 40 water connections in Yankee Point and Hidden Hills into the District boundary. The DEIR admits, albeit buried within its hydrology and water quality analysis, that "the District maintains its own set of rules and regulations for use and conservation" that apply within its territory. (DEIR, p. 4.3-14.) "If areas outside the District are annexed as a result of the proposed project, these rules and regulations would apply to these areas." (DEIR, p. 4.3-14.) This constitutes a change in operations on the annexed parcels, yet the Project Description contains no discussion of what these rules and regulations are and how they would change operation, maintenance, and water usage in the annexed areas.

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and likely, inefficiencies—in the operation and maintenance of the MWS. Such differences and inefficiencies should also be identified in the Project Description.

Failing to account for changes in operations that the District is likely to undertake to "substantially" lower rates results in inadequate impact analyses that do not fully account for all the potential effects of the Proposed Project. For example, if the District chooses to reduce operating or maintenance expenses, this could result in water quality impacts and hazard impacts. If the District plans to cut back on existing Sand City Desalination operations to reduce costs, this could result in increased pumping, which could in turn impact air quality, greenhouse gas emissions, noise, aesthetics, soils and erosions, and biological resources. If the District plans to impose new water conservation measures, these could also result in impacts relating to aesthetics, soil stability, or biological resources. In truth, it is impossible to know the true scope of potential impacts resulting from a change in operations because the District has not shared any of its operational plans with the public.

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Given the above, the Project Description must be revised to include the reasonably foreseeable changes in operation and maintenance, resulting from: (1) the District's primary objective of lowering water rates; (2) the District's "operations planning documents" that have yet to be released to the public; and (3) the changes resulting from annexing parcels and water service connections into the District's boundaries and subjecting those connections to new rules and regulations that are not currently applicable. Each of the DEIR's impact analyses then must be revised and recirculated to analyze the impacts of these operational changes.

3. The Project Description fails to explain how the Proposed Project will address pumping limits effective in 2021 and beyond if no change in operation is proposed.

The DEIR acknowledges that, beginning in 2021, significant limitations on pumping from the Carmel Valley Alluvial Aquifer and Seaside Groundwater Basin will be in effect. Specifically, SWRCB Order No. WR-2009-0060 and WR-2016-0016 significantly limit Cal-Am's diversions from the Carmel Valley Alluvial Aquifer beginning December 31, 2021. (DEIR, p. 2-8.) Adjudication of the Seaside Groundwater Basin similarly restricts Cal-Am's production from that basin in 2021. (DEIR, p. 2-9.) These sources make up the vast majority of the current water supply for the MWS. (DEIR, p. 4.6-2.) Thus, some change in operation ***must*** occur in 2021 and beyond to make up for these lost water supplies. Thus, all statements in the DEIR that the District will continue to maintain current MWS operations are baseless. The District

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will be required to alter operations in the near future, yet the Project Description contains absolutely no information regarding how or when this will occur.

While not part of the Project Description (and thus, not analyzed in any of the other impact analyses in the DEIR), the DEIR's utilities and service systems impact analysis purports to explain how the lost water supply from the Carmel Valley Alluvial Aquifer and Seaside Groundwater Basin will be addressed. DEIR Table 4.6-1 shows that as early as 2020, the MSWSP Desalination Plant will produce 6,252 AFY of water supply. Table 4.6-1 also assumes 3,500 AFY of supply from Pure Water Monterey. However, those are not current production levels. The MSWSP is not yet fully constructed, let alone operational, and the District has gone on record opposing crucial components of that project and encouraging the California Coastal Commission to deny project approvals for the MSWSP. This raises myriad questions: If the District opposes the MSWSP, how does the District justify relying on the MSWSP in this DEIR to meet future water demand? If the District is successful in opposing the MSWSP, what alternative water sources does the District plan to use to meet the water demand identified in the DEIR? Given the District's opposition to the MSWSP, it seems reasonably foreseeable that the District plans to rely upon some other water source, be it additional pumping of the Carmel River or Seaside Basin. Such plans are not disclosed in this DEIR and the impacts not analyzed. Increased pumping could result in impacts to air quality, climate change, subsidence, hydrology, water quality, and biological resources. Does the fact that the District currently relies on the MSWSP in this DEIR indicate that the District is no longer opposing the MSWSP and will not oppose the MSWSP going forward?

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Further, the DEIR's assumptions relating to future Pure Water Monterey water source availability are projections, based upon a future expansion of that project. There is no certified environmental review document for such an expansion, and the DEIR's assumptions are not based on actual, existing operations. What are the District's plans for alternative water sources if the expansion does not move forward, or if the expansion takes much longer to achieve? What assumptions about the timeline and phasing of that expansion is the District relying upon in its analysis? Specifically, what is the District assuming about the opening year of the Pure Water Monterey expansion, and upon what data are those assumptions based? If the District's assumptions prove wrong, what alternative water sources will the District rely upon, and what are the potential environmental impacts—including, but not limited to, impacts associated with air quality and greenhouse gas emissions, impacts to water supply and hydrology, impacts to water

quality, and impacts to biological resources—that could result from using those alternative sources? None of this is disclosed or analyzed in the DEIR.

The District may believe that because the limitations on pumping from the Carmel Valley Alluvial Aquifer and Seaside Goundwater Basin will apply regardless of whether Cal-Am or the District operates the MWS, the DEIR need not explain any changes in operations necessary to address these supply changes. But CEQA requires that a DEIR compare proposed plans to the environment ***in its current state***; any failure to do so renders the EIR inadequate as an informational document. (*Environmental Planning & Information Council v. County of El Dorado* (1982) 131 Cal.App.3d 350, 358.) A comparison between what is possible or likely to occur under Cal-Am's operation and what is possible or likely to occur under the District's operation bears no relation to actual, existing, operational conditions—including water supply sources for the MWS. (*See City of Carmel-by-the-Sea v. Board of Supervisors* (1986) 183 Cal.App.3d 229, 246.) Here, assuming the District has any sort of plan to address the future curtailment of pumping that presently accounts for the majority of the supply servicing the MWS, this plan will necessarily deviate from current operations. Yet, the Project Description continues to maintain the legally infeasible stance that no change from current operations will occur.

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The Project Description must be revised to account for the District's planned changes, and the rest of the DEIR must be similarly revised and recirculated to account for and disclose the potential environmental impacts of these operational changes.

D. THE DEIR IS BASED UPON A FALLACY THAT EXISTING REGULATIONS WOULD MITIGATE AGAINST ANY POTENTIAL FUTURE RISE IN WATER CONSUMPTION CAUSED BY LOWER WATER RATES.

The DEIR states that "[t]he District anticipates that under its ownership water rates for customers of the MWS would be reduced in the future as compared to the rates customers would otherwise pay to Cal-Am." (DEIR, p. 4.3-12.) The District further clarifies that it anticipates water rates will not only be less, but "substantially less" if the District were to acquire the MWS. (DEIR, p. 4.3-13.) The DEIR acknowledges that "the underlying drivers between water demand and water use have been extensively studied" and "[s]everal studies have shown that water pricing can be an effective tool to incentivize water conservation." (DEIR, p. 4.3-12.) Further, the DEIR describes that

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additional studies have shown "price and population had the most significant impact on water demand" and "higher pricing can play an important role in reductions in water consumption." (DEIR, p. 4.3-12.) The DEIR also acknowledges that the factors relevant to determining the impact of pricing on water use include the availability of alternate water sources, price range, income, population, and climatic data. (DEIR, p. 4.3-13.)

Despite the DEIR's acknowledgement of the connection between price and water usage, and despite ample information available to the District regarding the availability of alternative water sources like the County's desalination plants, the income and population of the County, and climatic data in the region, the DEIR fails to undertake any meaningful analysis of the effect "substantially" lower water rates would have on water usage. Instead, the DEIR claims, without support, that assessing the effect of rate changes on water use would be speculative because "there are several variables that affect water usage in addition to price." (DEIR, p. 4.3-13.) This statement does not explain why those factors—which the DEIR identifies as availability of alternate water sources, price range, income, population, and climatic data—cannot be considered and analyzed as part of the DEIR. Further, as the District is well aware, Cal-Am's implementation of tiered rates dramatically reduced water consumption in the higher tiers, showing that the unit price of water impacts consumption in this region, and there is much elasticity in residential water use demand.

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Even though the DEIR claims the analysis is too speculative to complete, the DEIR nonetheless goes on to conclude that any (unquantified and undisclosed) water use increase caused by "substantially" lower water rates would be barred by existing regulations. Specifically, the DEIR claims that the Seaside Adjudication Decision and SWRCB Order WR-95-10 and other "existing laws and regulations" would "avoid significant adverse impacts to groundwater supply reliability" and no potentially significant impact would occur. (DEIR, pp. 4.3-13, -14.) This argument fails on several grounds. First, these regulations apply to the water supplier, not the water customers. Customers would remain free to use as much water as they wished, leaving the water supplier to identify alternative water sources if the curtailed pumping volumes are not enough to cover increased demand. Yet the DEIR does not address what alternate sources it would consider, whether those sources have adequate supply, and whether utilizing those sources would have potentially significant impacts. Second, even if the Seaside Adjudication Decision and SWRCB orders were enough to protect those two specific groundwater sources, increased water usage (including from alternate sources) can have impacts beyond just the impacts on groundwater supplies. Increased water

usage could lead to increased air quality and greenhouse gas emissions associated with utilizing alternate water supplies, increased energy use associated with transporting water from elsewhere to the MWS, increased noise impacts associated with pumping elsewhere, or growth inducement impacts associated with the availability of ample, low-cost water. If alternate sources include groundwater from ***other*** basins, where regulations like the Seaside Adjudication Decision and SWRCB orders are not in place, groundwater supplies in those locations could be adversely impacted as well.

ORG 3.13 CON'T

Because ample evidence indicates that "substantially" lower water rates would lead to an increase in water consumption, and the DEIR's conclusion that no impacts would occur because of the Seaside Adjudication Decision and SWRCB orders is unsupportable, the analysis of impacts associated with increased consumption must be revised and recirculated.

E. THE DEIR WHOLLY IGNORES THE PROPOSED PROJECT'S POTENTIAL FOR GROWTH INDUCEMENT AND ITS ATTENDANT ENVIRONMENTAL IMPACTS.

Even though the Proposed Project is predicated upon the idea that the District's acquisition of the MWS will result in "substantially" lower water rates, the District wholly ignores the potential for reduced water rates to induce growth and therefore ignores any potential environmental impacts resulting from such growth. The DEIR claims that because "the proposed project would not change zoning of land use designations" the Proposed Project would not induce substantial population growth. (DEIR, p. 5-1.) This reasoning fails.

ORG 3.14

An EIR must discuss growth-inducing impacts even where those effects will result only indirectly from the project. (*Napa Citizens for Honest Government v. Napa County Board of Supervisors* (2001) 91 Cal.App.4th 342, 368.) In fact, the examples of growth-inducing project types given in the text of the State CEQA Guidelines include a growth-accommodating infrastructure project: an expansion of a wastewater treatment plant that might remove wastewater treatment capacity as a constraint on growth in its service area. (See State CEQA Guidelines, § 15126.2(d).) Freeway projects, which also do not rezone land use designations, have also been found to result in growth-inducement. (*City of Carmel-by-the-Sea v. U.S. Dept. of Transportation* (9th Cir. 1997) 123 F.3d 1142, 1165.) Neither of these examples "change zoning of land use designations" but nonetheless induce growth.

The DEIR also fails to address and analyze how the District's water allocation authority, paired with the Proposed Project's "substantially" lower water rates will function together in the context of future development and growth. The DEIR claims that because the Proposed Project will not "provide new facilities that would accommodate an increased population" the Project would not induce substantial population growth. (DEIR, p. 5-1.) While it may be true that the Proposed Project is not proposing new water supply sources or treatment facilities, the main purpose of the Project is to substantially lower water rates. The cost of water service and water supply is arguably a constraint to future development, and this Proposed Project seeks to remove that constraint. The District's claim that because it "does not have land use authority and thus would not approve new development" ignores the fact that lower water rates may make development or redevelopment more attractive, profitable, or affordable. (DEIR, p. 5-2.) Further, the District *does* have authority to distribute water allocations which can either allow municipalities within the District's territory to approve new development, or prevent municipalities from doing so. The DEIR's analysis of growth inducement must explain how the District's water allocation scheme operates, how it will be affected by the Proposed Project and potentially lower water rates, and what this means for future development throughout the District's territory. Failure to do so results in an inadequate growth inducement analysis, based on a false assumption that the District plays no role in future development and growth.

ORG 3.14 CON'T

F. MITIGATION MEASURE GHG-1 IMPROPERLY DEFERS MITIGATION.

The DEIR discloses a potentially significant impact associated with greenhouse gas emissions and identifies Mitigation Measure GHG-1 to reduce that impact to a level of less than significant. (DEIR, p. 4.2-13.) But GHG-1 improperly defers the formulation of mitigation, and therefore is legally inadequate to reduce potentially significant greenhouse gas impacts.

ORG 3.15

Instead of explaining how the District will reduce greenhouse gas emissions to below the District's significance threshold, GHG-1 merely directs the District to "prepare and implement a Greenhouse Gas Reduction Program" at some unspecified point in the future. (DEIR, p. 4.2-13.) This type of deferral of mitigation is permitted only in very narrow circumstances not present here: where it is (1) impractical to devise specific measures during the planning process; ***and*** (2) the agency commits itself to devising a measure in the future that will satisfy specific performance criteria articulated at the time

of project approval. (*Sacramento Old City Association v. City Council* (1991) 229 Cal.App.3d 1011, 1029.) Here, the DEIR contains absolutely no information indicating that formulation of a greenhouse gas emissions mitigation measure is impractical and must be deferred. Second, the only performance measure identified in GHG-1 is that the future "Greenhouse Gas Reduction Program" reduce emissions by 62.7 metric tons of CO_2e. (DEIR, p. 4.2-12 through -16.) The DEIR's Table 4.2-2 lists a variety of potential "mitigation options" that the District may choose from, while also reserving the right of the District to select options that are not even included in the table. Deferring the actual selection of "options" to some point in the future, when the District could do so now, amounts to improper deferral, and robs the public of the ability to review and comment on the effectiveness of the measures and whether they will result in other environmental impacts.

ORG 3.15 CON'T

G. THE DEIR FAILS TO PROVIDE A REASONABLE RANGE OF PROJECT ALTERNATIVES.

The DEIR's flawed Project Description and inadequate impact analyses necessarily result in an inadequate alternatives analysis. CEQA requires that EIRs identify feasible alternatives that could avoid or substantially lessen a project's significant environmental effects. (State CEQA Guidelines, § 15126.6(a).) Where a DEIR fails to properly identify a project's significant environmental effects—and as discussed above, this DEIR fails to account for myriad impacts of the Proposed Project—the DEIR's alternatives analysis fails to identify a reasonable range of alternatives that would avoid or lessen those missed impacts. Thus, after the DEIR is revised to account for all Proposed Project components and all potentially significant impacts, a reasonable range of alternatives addressing those impacts must be provided in a recirculated DEIR.

ORG 3.16

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For all of the foregoing reasons, the DEIR is deficient as an informational document under CEQA. We strongly urge the District to revise and recirculate a new DEIR that addresses these issues before taking any further action towards approving the Project. ORG 3.17

Very truly yours,

David T. Moran

David T. Moran

DTM:bs

Letter ORG 3

COMMENTER: David T. Moran, Manatt, Phelps & Phillips, LLP, California American Water

DATE: July 31, 2020

Response ORG 3.1

This comment is an introductory statement in which the commenter summarizes the project and requirements of Rule 19.8, which instructs the District to undertake a feasibility study on the public take-over of CalAm's MWS. The commenter suggests that the plan required by Rule 19.8 cannot be completed or adopted prior to completion of an environmental review.

The plan referred to by the commenter is "A Plan to Adopt and Implement a Policy to Secure and Maintain Public Ownership of All Water Production, Storage and Delivery System Assets and Infrastructure Providing Services Within the Monterey Peninsula Water Management District Territory," which the District General Manager released in August 2019. The commenter is correct that the plan meets the CEQA definition of a "project." However, the plan qualifies for a Statutory Exemption under CEQA Guideline 15262 and therefore does not require environmental review. Moreover, because these statements do not raise specific environmental concerns about the Draft EIR or the acquisition and annexation project, no further response is required to this portion of the comment.

Response ORG 3.2

This commenter states that the project requires discretionary approval from the District and environmental review under CEQA is required. The commenter contends the District prepared a document it terms a Draft EIR despite a conflicting stance that CEQA does not apply to the acquisition and annexation project.

The commenter is referring to a paragraph on p. 1-3 of the Final EIR, which is quoted verbatim in Comment ORG 3.4. Please refer to Response ORG 3.4 below for a response to this comment. As noted therein, although the District maintains the project is technically statutorily exempt, the District acknowledges it is a project under CEQA and has prepared an EIR, and hereby strikes the seemingly conflicting language from Section 1, *Introduction.*

Response ORG 3.3

This comment frames the nature and extent of the comment letter as a whole. In summary, the commenter claims the CEQA process was not followed, the Draft EIR is inadequate, and the project description is incomplete. The commenter states the Draft EIR should be revised and recirculated.

Because these statements are general in nature, no further response is required to this portion of the comment. (See *Browning-Ferris Indus. v. City of San Jose* (1986) 181 Cal.App.3d 852 [where a general comment is made, a general response is sufficient].) Specific concerns detailed in the remainder of the letter are addressed in the following responses.

Response ORG 3.4

The commenter provides a direct quote from p. 1-3 in Section 1, *Introduction,* of the Draft EIR. The commenter expresses disagreement with the quoted paragraph, stating that the three arguments in the paragraph – 1) that the District's actions do not constitute a "project" under CEQA; 2) that any

project would be exempt; and 3) that any non-exempt project would result in impacts too speculative to analyze – are false.

In consideration of this comment and to eliminate confusion, Section 1.2 in Section 1, *Introduction,* of the Draft EIR has been revised as follows:

1.2 Purpose and Legal Authority

In accordance with Section 15121 of the *State CEQA Guidelines* (California Code of Regulations, Title 14), the purpose of this EIR is to serve as an informational document that:

"…will inform public agency decision makers and the public generally of the significant environmental effects of a project, identify possible ways to minimize the significant effects, and describe reasonable alternatives to the project."

Therefore, the EIR is an informational document for use by decision makers, public agencies, and the general public. It is not a policy document and does not set forth District policy about the desirability of the proposed project.

~~It is important to note the District does not acknowledge it is legally required to prepare this EIR. The District asserts its proposed actions do not meet the CEQA definition of a "project." Further, even if the District's actions were deemed to constitute a CEQA-defined "project," the District asserts that the activity would be exempt from CEQA review. The District also notes any physical changes in the environment attributable to differences in water rates are too speculative or unlikely to be considered reasonably foreseeable to require CEQA review. Nonetheless, the District has voluntarily caused this EIR to be prepared to inform public decision makers and the public generally regarding these proposed activities. No statement in this EIR is intended or should be construed to constitute an acknowledgment by the District the CEQA process is legally required.~~

In addition, Section 4.6, *Utilities and Service Systems,* of the Draft EIR has been revised as follows:

As described in the Section 2.6, *Project Objectives,* one of the objectives of the proposed project, as outlined in the purpose of Measure J, is to provide cost-effective water service and lower the cost of service to ratepayers. Section 4.3, *Hydrology and Water Quality,* ~~1.2, *Purpose and Legal Authority,*~~ of this EIR describes that ~~the setting of water rates is typically statutorily exempt under CEQA and that~~ although water usage/demand may fluctuate in response to changes in water pricing, such fluctuations are not reasonably foreseeable and would be speculative to estimate.

Comments ORG 3.5 through ORG 3.7 address the three arguments from the above (stricken) paragraph in greater detail. Refer to Responses ORG 3.5 through ORG 3.7 for specific responses.

Response ORG 3.5

The commenter provides the definition of a "project" under CEQA and states that the acquisition and annexation project constitutes a "project" because the potential acquisition is an activity that would result in potentially significant impacts related to greenhouse gas emissions.

The District is treating its proposed actions as a project by preparing an EIR. As described in Response ORG 3.4 above, the statement about the actions not constituting a "project" have been removed from the EIR to avoid confusion.

It should be noted, however, that the California courts have long recognized that, in the absence of a concrete plan to engage in future development activities, the mere transfer of ownership of or control over existing property and improvements will not result in "a reasonably foreseeable…physical change in the environment" and such an action therefore does not constitute a "project" subject to CEQA.[1]

Response ORG 3.6

The commenter states that the acquisition and annexation project is not exempt from environmental review, and notes that the District fails to identify any specific exemption that could, in theory, apply. Further, the commenter explains that the common sense and Class 1 exemptions are not applicable as the acquisition and annexation project would result in impacts due to greenhouse gas emissions and would result in an expansion of use. In addition, the commenter asserts that several exceptions to an exemption apply to the acquisition and annexation project, including unusual circumstances (15300.2(c)) and hazardous waste sites (15300.2(e)).

The District has not processed a CEQA exemption but rather prepared an EIR. As depicted in Response ORG 3.4 above, the statement about the actions being exempt from CEQA review have been removed from the EIR to avoid confusion. There are a number of additional points made by the commenter in Comment ORG 3.6 pertaining to the exemption language. Specifically, the commenter notes that a categorical exemption could not apply for a variety of reasons, including that none are applicable and several exceptions to an exemption apply to the acquisition and annexation project. However, since the exemption language has been removed from the Final EIR, these points are moot and a detailed response is not required. It should also be noted that the commenter on p. 6 line 3, incorrectly states that Proposition 218 prohibits tiered rates. Presently, the District believes there is substantial justification for maintaining a tiered rate structure for the MWS under public ownership.

For the sake of additional clarification, it should be noted that the commenter incorrectly assumes that a categorical exemption is the only applicable exemption. The California Legislature has chosen to exempt certain public agency actions from the obligation to comply with CEQA-even if those actions might result in physical changes to the environment. One of the statutory exemptions is set forth in Pub. Res. Code Section 21080(b)(8), which provides that "CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, and other charges by public agencies," provided that the rates, tolls or fares are used for meeting operating expenses, purchasing supplies, meeting financial reserve needs and funding capital projects. (See also, *State CEQA Guidelines* Section 15273.) Only "[r]ate increases to fund capital projects for the expansion of a system remain subject to CEQA." (Id.) Here, the District's (future) action in setting

[1] See, e.g., Simons v. City of Los Angeles (1976) 63 Cal.App.3d 455, 465 (city-proposed charter amendment to transfer park land, which had been used as a police training facility for 40 years, in circumstances in which existing use would continue, not a CEQA project); Friends of the Sierra Railroad v. Tuolumne Park & Recreation Dist. (2007) 147 Cal.App.4th 643, 657 (public agency's sale of land not a project under CEQA because there were no announced plans for future development); Silveria v. Las Gallinas Valley Sanitary District (1997) 54 Cal.App.4th 980, 992 (CEQA document for sanitary district acquisition of acreage surrounding treatment facility for buffer zone purposes not required to consider the potential for the buffer zone property to later be used for an expansion of the treatment facility because, inter alia, any development "would have to receive separate approval and a separate determination whether an EIR would be required."); City of Agoura Hills v. Local Agency Formation Com. (1988) 198 Cal.App.3d 480, 494 (adoption of sphere of influence that potentially changed political boundaries not a CEQA project); and Simi Valley Rec. & Park Dist. v. LAFCO (1975) 51 Cal.App.3d 648, 666 (removal of 10,000 acres of undeveloped land from park district not a CEQA project).

water rates for the MWS customers formerly served by CalAm would be for the purpose of operating the system, not for expanding it.[2] Therefore, a statutory exemption could apply.

It is further interesting to note that CalAm has consistently embraced the use of exemptions in numerous recent similar projects in which they have sought to acquire existing water systems. Thus, as CalAm asserted to the CPUC in its application for permission to purchase the assets of the Garrapata Water Company (now one of CalAm's Monterey County Central Satellites—see Section 2.2, *Project Location*):

> [T]he sale and purchase of Garrapata's assets is not an activity subject to the California Environmental Quality Act ('CEQA') because such a sale and purchase will not result in a 'direct or reasonably foreseeable indirect physical change in the environment,' as those terms are defined in CEQA and the CEQA Guidelines. The [CPUC] previously has held that a regulated utility's sale of land will not cause any direct physical change in the environment (D.97-07-019, mimeo, at 4), and that a change in ownership of a utility 'does not by itself cause any direct physical change to the environment (D.98-02-026, mimeo, at 3).[3,4]

Response ORG 3.7

The commenter asserts that the District did not complete a thorough enough investigation to claim that project impacts due to water rates are too speculative. Thus, the commenter makes a third assertion against a statement in the Draft EIR introduction that the District is not legally required to comply with CEQA.

First, the statement in Section 1, *Introduction,* about CEQA being legally required has been deleted from the EIR to avoid confusion (refer to Response ORG 3.4, above).

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[2] See, in this regard, Condit v. Solvang Municipal Improvement District (1983) 146 Cal.App.3d 997, 1001 (adoption of water rate and connection fee increase statutorily exempt from CEQA pursuant to Section 21080(b)(8)); Surfrider Foundation v. California Coastal Com. (1994) 26 Cal.App.4th 151, 156 (imposition of parking fees statutorily exempt from CEQA, and therefore any impacts caused by that decision are not subject to CEQA review); and Bus Riders Union v. Los Angeles County Metropolitan Transportation Agency (2010) 179 Cal.App.4th 101, 103 (accord).

[3] Application of California-American Water Company and Garrapata Water Company for an Order Authorizing Garrapata Water Company to Sell and California-American Water Company to Purchase the Public Utility Assets of Garrapata Water Company (Application No. 12-05-010), filed with the CPUC on May 8, 2012, at pp. 12-13.

[4] See also, the following CalAm applications to the CPUC in which it has made the identical point: (1) Application of California-American Water Company, Harry K. Bosworth and Karen R. Bosworth, dba Geyserville Water Works, for an Order Authorizing the Bosworths to Sell and California-American Water Company to Purchase the Public Utility Assets Associated With Geyserville Water Works (Application 15-08-024), filed with the CPUC on August 25, 2015, at pp. 22-23 (purchase of Geyserville public utility assets not a "project within the meaning of CEQA"); (2) Joint Application for Order Authorizing the Sale of All Outstanding Shares of Meadowbrook Water Company of Merced, Inc., as well as Certain Real Property Not Owned by that Company to California-American Water Company (Application No. 15-12-016), filed with the CPUC on December 21, 2015, at pp. 20-21 (same); (3) Joint Application of California-American Water Company and Cook Endeavors dba Fruitridge Vista Water Company for an Order Authorizing Cook Endeavors to Sell and California-American Water Company to Purchase the Water Utility Assets of Cook Endeavors (Application 17-10-016), filed with the CPUC on October 23, 2017, at pp. 22-23 (same); (4) Application of California-American Water Company, Hillview Water Company, et. al., for an Order Authorizing the Sale of All Shares of Hillview Water Company, Inc., to California-American Water Company and Approval of Related Matters (Application 18-04-025), filed with the CPUC on April 25, 2018, at pp. 21-22 (same); and (5) Application of California-American Water Company, Rio Plaza Water Company, et al., for an Order Authorizing the Sale of All Shares of Rio Plaza Water Company, Inc., to California-American Water Company and Approval of Related Matters (Application 17-12-006), at pp. 18-19 (same).
Further, the CPUC has also consistently agreed with CalAm's (and other water utilities') position that CEQA review is not required for the transfer of the ownership and operation of a privately owned water system from one entity to another. See, e.g., the following CPUC decisions involving CalAm as the purchaser: (1) CPUC Decision 13-01-033, dated 1/24/13, at pp. 8-9 (Garrapata); (2) CPUC Decision 16-11-014, dated November 10, 2016, at pp. 24-25 (Geyserville); (3) CPUC Decision 16-12-014, dated December 1, 2016, at pp. 15-16 (Meadowbrook); (4) CPUC Decision 19-04-015, dated April 25, 2019, at pp. 32-33 (Rio Plaza); and (5) CPUC Decision 19-11-003, dated November 7, 2019 (CPUC does not even find it necessary to address whether there is a need for CEQA review) (Hillview).

Second, the level of detail contained throughout this EIR is consistent with the requirements of CEQA and applicable court decisions. The *State CEQA Guidelines* provide the standard of adequacy on which this document is based. Specifically, *State CEQA Guidelines* Section 15151 states:

> An EIR should be prepared with a sufficient degree of analysis to provide decision makers with information which enables them to make a decision which intelligently takes account of environmental consequences. An evaluation of the environmental effects of the proposed project need not be exhaustive, but the sufficiency of an EIR is to be reviewed in light of what is reasonably feasible. Disagreement among experts does not make an EIR inadequate, but the EIR should summarize the main points of disagreement among the experts. The courts have looked not for perfection, but for adequacy, completeness, and a good faith effort at full disclosure.

Third, the commenter fails to consider the discussion in Section 4.3, *Hydrology and Water Quality,* which cites available research which investigates the potential to predict changes in water usage due to a change in water rates (Final EIR p. 4.3-12 through 4.3-13). (Also see Response ORG 3.13 which explores the speculative argument and changes in water pricing further.) As a result, the Draft EIR did complete a thorough investigation of the predictability of water rates and water usage and concluded that any future changes in water usage would be too speculative. *State CEQA Guidelines*, Section 15145, states that "If, after thorough investigation, a lead agency finds that a particular impact is too speculative for evaluation, the agency should note its conclusion and terminate discussion of the impact." Therefore, as outlined in the Draft EIR and above, because the impacts resulting from lower water rates are highly speculative, the District need not evaluate them further in the EIR.

Response ORG 3.8

The commenter states that the District failed to comply with CEQA by declaring the document a "voluntary" EIR; that the District should have prepared and circulated an Initial Study; that the District improperly omitted detailed consideration of biological resources, energy, and geology and soils; that the alternatives analysis is "essentially meaningless" due to the lack of a significant and unavoidable impact; and that the District has sought to avoid being ordered to undertake an Initial Study and "proper CEQA analysis."

Regarding the commenter's initial statement about no environmental review being required, please refer to Response ORG 3.4. As noted therein, the discussion about legal obligations to prepare the EIR has been removed from the Final EIR. The District elected to prepare an EIR, and the suggestion that one statement about this decision being voluntary "pervert[s]" the CEQA process and "[robs] the public of a meaningful opportunity to provide input on the scope of the DEIR," as suggested by the commenter, is spurious. On the contrary, the District's preparation of an EIR provided additional opportunity for public input through the NOP scoping period, and scoping meeting held on April 21, 2020. As acknowledged by the commenter, *State CEQA Guidelines* Section 15060(d) does allow a lead agency to skip the Initial Study and "begin work directly on the EIR process…in the absence of an initial study, the lead agency shall still focus the EIR on the significant effects of the project and indicate *briefly* its reasons for determining that other effects would not be significant or potentially significant" (emphasis added). The District has done so in the Draft EIR, with several issues addressed in Section 4.7, *Effects Found Less Than Significant.*

The commenter states that there is only one instance in which a lead agency may skip an Initial Study, and that is when an EIR "will be clearly required for a project." The District does not disagree with this language in the *State CEQA Guidelines*; however, the District's decision to prepare an EIR

was not based on the "clear" expectation of a significant effect, but rather on the "clear" desire to foster public input and transparency. Had the District first prepared an Initial Study, the analysis would have shown there to be no significant and unavoidable impacts, which would have led to the preparation of a Mitigated Negative Declaration (MND) rather than an EIR. In this circumstance, the public would have had less opportunity to provide input.

The commenter suggests that the lack of an Initial Study circulated with the NOP "robbed the public of the opportunity to know, prior to preparation of the DEIR, which impacts the District was declining to analyze in detail." As stated above, an Initial Study would have led to an MND and not an EIR. By electing to prepare an EIR, the District provided additional opportunity for input. Further, the NOP clearly identified which issues the EIR would focus on. As stated in the first paragraph on p. 3 of the NOP, "it is anticipated that the proposed project may have potentially significant impacts in connection with: Air Quality, Greenhouse Gas Emissions, Hydrology and Water Quality, Noise, Transportation, and Utilities." CalAm received the NOP and declined to respond to it. The commenter could have suggested that the District further consider Biological Resources, Energy, and Geology and Soils in greater detail, but failed to do so. These issues are all considered in Section 4.7, *Effects Found Less Than Significant.* The commenter suggests these issues are not in the "main body" of the EIR, which is false. This is a chapter of the Draft EIR, immediately following Section 4.6, *Utilities and Service Systems,* and preceding Section 5, *Other CEQA Required Discussions.* This analysis is not an attachment or appendix, and as such is clearly in the main body of the EIR. The analysis is brief, as allowed by *State CEQA Guidelines* Section 15060(d), but addresses each of the CEQA Appendix G checklist items in turn.

During the EIR analysis, no significant and unavoidable impacts were identified. The commenter claims that this fact renders the alternatives analysis "meaningless." This is not true. The EIR described a reasonable range of alternatives which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen significant effects and evaluated the comparative merits of the alternatives. The analysis complies with *State CEQA Guidelines* Section 15126.6, which does not state that an adequate alternatives evaluation cannot occur without a significant and unavoidable environmental effect. Furthermore, if the District were to opt for an Initial Study, as the commenter argues the District should have completed, an analysis of alternatives would not have even been required. Because the commenter does not provide further evidence to support the assertion that the alternatives analysis is improper, no further response to this comment is possible.

Lastly, the commenter protests that the EIR would be subject to the substantial evidence standard, suggesting that the District sought to avoid being "ordered" to undertake an Initial Study. CEQA allows for preparation of an EIR without first preparing an Initial Study; nothing in CEQA would reasonably "order" the preparation of an Initial Study. Further, as stated earlier, had the District prepared an Initial Study, it would have ultimately led to an MND rather than an EIR, which would have provided less opportunity for public input. The fact that a substantial evidence standard will be required in any future litigation does not undermine the quality or extent of the analysis contained in the EIR.

For the reasons described above, the District sufficiently complied with CEQA, contrary to the commenter's allegations.

Response ORG 3.9

The commenter states that the EIR project description improperly piecemeals and fails to account for numerous aspects of the acquisition and annexation project.

While the commenter provides a description of a proper project description based on case law and states that the EIR fails to include all relevant aspects of the project, the comment does not explain what aspects of the project are missing. These details are provided in Comment ORG 3.10 through ORG 3.12. Please refer to Responses ORG 3.10 through ORG 3.12 below for specific responses.

Response ORG 3.10

The commenter states that the EIR project description fails to disclose the scope of operational and physical changes that would occur as a result of severing the MWS from CalAm's other water and wastewater systems in Monterey County. Specifically, the commenter states that CalAm's central satellites and eight wastewater systems are operationally interrelated to the MWS. As a result, severing the MWS from these systems would require additional employees and facilities, beyond what is considered in the EIR.

Additional CalAm Employees

The Draft EIR assumed that CalAm would hire approximately six additional employees to operate and maintain the Central Satellites (e.g., one meter reader/utility worker, two operators, and three field crew). This was based on an estimation from a District consultant who has extensive knowledge on the subject.[5] In contrast, the commenter suggests that a preliminary estimate would be at least 28 employees. The commenter does not provide evidence for the number of employees cited in the letter. The District's expert disagrees with the estimated staffing required to operate the remaining five satellite water systems as described by the commenter. In general, the remaining systems are small, simple to run, rely heavily on SCADA and online analyzers, and would not require the level of personnel and equipment asserted. The five satellites generate less than 5 percent of Monterey District's water deliveries (CalAm 2019). The District's expert contends that the remaining five satellites could be serviced by one meter reader/utility worker, two operators, and three field crew. Administration and management functions could be run out of Sacramento. Routine maintenance could be brought in from CalAm's Northern Division or subcontracted. The District recognizes that there are ten wastewater employees in the Monterey District expected in 2021, the test year of the 2019 General Rate Case. The District proposes to leave this number unchanged (wastewater service employees would remain with CalAm); as such, this should not be included in an estimate of new hires.

The commenter further describes operational features that the District is aware of and planning for, but which would not result in physical effects. This includes establishment of a new customer billing system, a 24/7 call center, and cybersecurity and SCADA/controls. The lost support of CalAm corporate employees (Service Corporation in New Jersey and California General Office) would be made up by existing District positions and the requisite new hires. The District is prepared to use its existing software, Tyler Incode 10, for billing. The District currently utilizes it for customer billing, and the software can support over 100,000 customer accounts. Accordingly, the District proposes to add a billing supervisor and three customer service representatives. The District's IT and GIS would also be augmented, but it is assumed the existing CalAm SCADA supervisor position would remain

[5] The District's consultant is Craig Close, Executive Director of Close & Associates, LLC. Mr. Close was formerly Senior Vice President/National Director - Utility Management Services for HDR Engineering, Inc., Associate Vice President for PBS&J, and Vice President – Operations & Engineering for American Water Works Service Company, Inc. (AWWSC). During his tenure at AWWSC, Mr. Close serviced as the Vice President of Operations and Engineering for CalAm, including the Monterey District. In this capacity he was responsible for corporate oversight of CalAm's day-to-day operations on the Monterey Peninsula, including the engineering planning of capital improvements, water quality and regulatory compliance, and the rate recovery of capital and operations and maintenance expenditures from CPUC. Mr. Close has testified numerous times before CPUC on behalf of CalAm's General Rate Case (GRC) filings. At CalAm he was also integral to the acquisition of public, mutual, and developer water systems including several in Monterey.

part of the operations. These operational requirements would be accomplished by the District with the staff described in the EIR and within existing District facilities or facilities acquired as a result of the project.

Despite the claims by the commenter about staffing and other operational requirements, the District stands by the estimate for new staff in the Draft EIR, based on input from its expert. As noted in *State CEQA Guidelines* Section 15151, disagreement among experts does not make an EIR inadequate. Nevertheless, for informational purposes, impacts have been calculated for this scenario assuming an increase of up to 28 employees (herein referred to as the "commenter's scenario") and are discussed in the following subsections. The analysis of the commenter's scenario incorporates the assumptions for operation and maintenance of the Central Satellites as detailed in Section 4.1, *Air Quality*, Section 4.2, *Greenhouse Gas Emissions*, Section 4.4, *Noise*, and Section 4.5, *Transportation*, of the Draft EIR. The analysis of the commenter's scenario is similar to that contained in the Draft EIR for the acquisition and annexation project and does not constitute new information that would warrant recirculation. As discussed in the following subsections, the commenter's scenario would result in similar impact conclusions to those contained in the Draft EIR for the acquisition and annexation project.

TRANSPORTATION

The commenter's scenario would result in a net increase of approximately 34 employees (approximately 6 District employees + approximately 28 CalAm employees). summarizes the change in average daily traffic (ADT) and vehicle miles traveled (VMT) associated with the commenter's scenario as compared to the acquisition and annexation project. The net increase of approximately 34 employees would generate approximately 68 net new daily one-way vehicle trips (approximately 34 employees x two one-way home-work commute trips), or approximately 17,680 annual one-way vehicle trips (conservatively assuming 260 workdays per year). As discussed in Section 4.5, *Transportation*, of the Draft EIR, it is assumed that these net new employees would commute approximately 25 miles one-way, which is the distance between Pacific Grove and Salinas.[6, 7] Therefore, the net increase of approximately 34 employees would generate approximately 1,700 net new daily VMT (approximately 68 daily one-way trips x 25 miles per trip), which is approximately 1,100 daily VMT, or 183 percent, greater than the VMT that was estimated in the Draft EIR for the acquisition and annexation project.

[6] Although this scenario is possible, it is likely that the new District employees would live closer to Pacific Grove office in locations such as Marina, Seaside, Del Rey Oaks, Monterey, Pacific Grove, Carmel-by-the-Sea, or the unincorporated communities and neighborhoods in the project area. For context, the standard home-work trip distance assumption used in CalEEMod is 10.8 miles for Monterey County (California Air Pollution Control Officers Association 2017). The assumptions made herein are therefore considered conservative.

[7] It is assumed that the new CalAm corporate yard would be located at a similar distance from the Central Satellites as the existing CalAm corporate yard in Pacific Grove. Although this scenario is possible, it is likely that CalAm would acquire a new corporate yard for its reduced fleet at a more centralized location that is closer to the Central Satellites, such as Ryan Ranch or Salinas, which could result in reduced employee commute distances. However, the assumption that the corporate yard would be located at a similar distance from the Central Satellites as existing conditions provides a more conservative analysis and is therefore used herein.

Table 1 Comparison of ADT and VMT for Acquisition and Annexation Project and Commenter's Scenario

Metric	Acquisition and Annexation Project	Commenter's Scenario	Net Change (Commenter's Scenario – Acquisition and Annexation Project)
Employees	12	34	+22
Maximum Daily Trips[1]			
Employees	24	68	+44
Central Satellites O&M	38	38	+0
Total	62	106	+44
Maximum Annual Trips[2]			
Employees	6,240	17,680	+11,440
Central Satellites O&M	1,784	1,784	+0
Total	8,024	19,464	+11,440
Maximum Daily VMT[1]			
Employees	600	1,700	+1,100
Central Satellites O&M	414	414	+0
Total	1,014	2,114	+1,100
Maximum Annual VMT[2]			
Employees	156,000	442,000	+286,000
Central Satellites O&M	21,180	21,180	+0
Total	177,180	463,180	+286,000

[1] As further detailed in Section 4.5, *Transportation*, of the Draft EIR, maximum daily trip estimates conservatively assume that all daily trips for each operations and maintenance activity would occur on the same day. In reality, it is likely that daily trips for different activities would occur on different days in any given month.

[2] As further detailed in Section 4.5, *Transportation*, of the Draft EIR, maximum annual trip estimates conservatively assume that all trips for each operations and maintenance activity would occur in the same year. In reality, some activities would not occur during the same year. For example, Toro system tank inspections that occur every five years may occur during a different year than Ambler Park tank inspections that occur every five years.

ADT = average daily traffic; VMT = vehicle miles traveled; O&M = operations and maintenance

See Section 4.5, *Transportation*, of the Draft EIR for assumptions related to the acquisition and annexation project and Central Satellites O&M for both scenarios.

The approximately 106 total net new daily trips associated with the commenter's scenario (approximately 68 trips for employee commutes + 38 trips for Central Satellites[8]) would be approximately 44 ADT, or 71 percent, greater than was estimated in the Draft EIR for the acquisition and annexation project. These trips would primarily utilize regional roadways, including State Route (SR) 1, SR 68 West, and SR 68 East, to travel through the project area and surrounding region. The potential addition of approximately 106 commenter's scenario-related ADT to existing traffic volumes would be incremental (between approximately 0.1 percent of ADT on SR 1 and approximately 3.3 percent of ADT on SR 68 West) and would not conflict with regional and local plans and policies to provide for safe, efficient, and orderly transportation networks and to protect residential areas from high-volume through traffic. Therefore, operation of the commenter's scenario would not conflict with adopted policies, plans, or programs regarding roadways, public

[8] The analysis of the commenter's scenario incorporates the assumptions for operation and maintenance of the Central Satellites as detailed in Section 4.5, *Transportation*, of the Draft EIR.

transit, bicycle, or pedestrian facilities because the commenter's scenario would not significantly impact the circulation system, increase traffic congestion, substantially contribute additional ADT, or result in other long-term impacts, similar to the conclusions of the Draft EIR.[9]

As shown in Table 1, the net increase of 34 employees would bring total VMT associated with the commenter's scenario to approximately 2,114 maximum daily VMT (1,700 VMT for employee commutes and 414 VMT for Central Satellites)[10] and 463,180 maximum annual VMT (442,000 VMT for employee commutes and 21,180 VMT for Central Satellites).[11] Therefore, the commenter's scenario would increase maximum daily VMT by approximately 1,100 VMT, or 108 percent, and maximum annual VMT by approximately 286,000 VMT, or 161 percent, as compared to that estimated for the acquisition and annexation project in the Draft EIR. The commenter's scenario would generate approximately 106 total net new ADT, which would not exceed the Governor's Office of Planning and Research's (2018) recommended screening threshold of 110 ADT for small projects. Therefore, impacts associated with VMT per *State CEQA Guidelines* Section 15064.3 would remain less than significant, similar to the conclusions of the Draft EIR for the acquisition and annexation project. Furthermore, the commenter's scenario's contribution to cumulative transportation impacts would not be cumulatively considerable because scenario-related traffic of approximately 106 daily trips and approximately 2,114 daily VMT would be negligible in comparison to the high volumes of traffic and VMT generated by the types of large residential, commercial, hotel, industrial, and institutional projects listed in Table 3-1 in Section 3, *Environmental Setting*, of the Draft EIR.

AIR QUALITY

Table 2 summarizes criteria air pollutant emissions generated by the potential net increases in daily vehicle trips and VMT under the commenter's scenario. As shown therein, although criteria air pollutant emissions associated with the commenter's scenario would be greater than those of the acquisition and annexation project as assessed in the Draft EIR, emissions of volatile organic compounds, nitrogen oxides, carbon monoxide, sulfur oxides, and particulate matter would not exceed Monterey Bay Air Resources District (MBARD) thresholds. Therefore, impacts would be less than significant, similar to the conclusion of the Draft EIR for the acquisition and annexation project. Because operation of the commenter's scenario would not generate more than 82 pounds of PM_{10} emissions per day, the commenter's scenario would not have a cumulatively considerable contribution to the significant cumulative air quality impact related to PM_{10}, similar to the conclusion of the Draft EIR.

[9] As stated in Section 4.5, *Transportation*, of the Draft EIR, the District elected to immediately apply the provisions of *State CEQA Guidelines* Section 15064.3(b) in advance of July 1, 2020. Therefore, in accordance with *State CEQA Guidelines* Section 15064.3(a), this analysis does not consider project impacts on automobile delay as a significant environmental impact.

[10] As further detailed in Section 4.5, *Transportation*, of the Draft EIR, maximum daily trip estimates conservatively assume that all daily trips for each operations and maintenance activity would occur on the same day. In reality, it is likely that daily trips for different activities would occur on different days in any given month.

[11] As further detailed in Section 4.5, *Transportation*, of the Draft EIR, maximum annual trip estimates conservatively assume that all trips for each operations and maintenance activity would occur in the same year. In reality, some activities would not occur during the same year. For example, Toro system tank inspections that occur every five years may occur during a different year than Ambler Park tank inspections that occur every five years.

Table 2 Estimated Operational Emissions – Commenter's Scenario

Source	VOC	NO_X	CO	SO_X	PM_{10}	$PM_{2.5}$
Scenario Emissions (lbs/day)	**0.7**	**0.8**	**8.2**	**<0.1**	**0.2**	**0.1**
Net Increase as Compared to Acquisition and Annexation Project (lbs/day)[1]	+0.3	+0.4	+4.2	+<0.1	+0.1	+0.1
MBARD Threshold	137	137	550	150	82	N/A
Threshold Exceeded?	No	No	No	No	No	N/A

VOC = volatile organic compounds; NO_X = oxides of nitrogen; CO = carbon monoxide; SO_X = oxides of sulfur; PM_{10} = particulate matter with a diameter of 10 micrometers or less; $PM_{2.5}$ = particulate matter with a diameter of 2.5 micrometers or less; lbs/day = pounds per day; N/A = not applicable (MBARD has not adopted a threshold for evaluating operational $PM_{2.5}$ emissions); MBARD = Monterey Bay Air Resources District

Notes: All numbers have been rounded to the nearest tenth.

[1] See Table 4.1-4 in Section 4.1, *Air Quality*.

Source: See Appendix D for emission calculations.

The commenter's scenario would increase the population of Monterey County to approximately 445,448 (445,414 existing residents + 6 District employees + 28 CalAm employees), which would be an increase of approximately 22 persons as compared to the acquisition and annexation project as assessed in the Draft EIR. Nevertheless, the current population of Monterey County plus the commenter's scenario's indirect population growth would not exceed the population forecast utilized in the 2015 Air Quality Management Plan for year 2020 (447,516 residents) and is therefore within the applicable assumptions of the air pollutant emissions forecast contained in the Air Quality Management Plan. Furthermore, as shown in Table 2, operational emissions generated by the commenter's scenario would not exceed MBARD thresholds for ozone precursor emissions. As a result, the commenter's scenario would be consistent with MBARD's 2015 Air Quality Management Plan and would not have a cumulatively considerable contribution to the significant cumulative air quality impact related to ozone, similar to the conclusions of the Draft EIR.

Net new commenter's scenario-related trips would primarily utilize regional roadways (i.e., SR 1, SR 68 West, SR 68 East) to travel through the project area and surrounding region, and scenario-related ADT would increase traffic volumes on these roadways by between approximately 0.1 and 3.3 percent.[12] As discussed in Section 4.1, *Air Quality*, of the Draft EIR, the Bay Area Air Quality Management District, which is the air district immediately adjacent to the MBARD to the north, has determined that a volume of 44,000 vehicles per hour is the level above which traffic volumes may contribute to a violation of carbon monoxide standards (Bay Area Air Quality Management District 2017).[13] Average peak hour traffic on regional roadways in the project area ranges from 550 to

[12] Only the vehicle trips associated with the Central Satellites that are within the project area would be attributable to the proposed project because the project would potentially result in duplication of vehicle trips in the project area due to operation and maintenance of the Central Satellites separately from the MWS. The number of vehicle trips outside the project area would remain the same as existing conditions because these trips would not be duplicated by separate operations for the Central Satellites and the MWS given that District employees would only travel as far as the project area boundary to service the MWS. Refer to Section 4.5, *Transportation*, of the Draft EIR for additional detail.

[13] The North Central Coast Air Basin and the San Francisco Bay Area Air Basin (the jurisdiction of the Bay Area Air Quality Management District) are both in attainment for the California Ambient Air Quality Standards and National Ambient Air Quality Standards for carbon monoxide and have not reported exceedances of the carbon monoxide standard at local monitoring stations for the last two decades (California Air Resources Board 2020c; United States Environmental Protection Agency 2020b; Bay Area Air Quality Management District 2017). Therefore, given the similar ambient air quality conditions for carbon monoxide in both air basins, it is appropriate to use the Bay Area Air Quality Management District threshold in this analysis.

7,900 vehicles per hour. Therefore, although the commenter's scenario would result in 44 more ADT than the acquisition and annexation project as shown in Table 1, the addition of 106 scenario-related trips would not have the potential to increase existing traffic volumes to more than 44,000 vehicles per hour (California Department of Transportation 2020). As a result, the commenter's scenario would not expose sensitive receptors to substantial carbon monoxide concentrations, and impacts would be less than significant, similar to the conclusion of the Draft EIR. Furthermore, it is unlikely that cumulative and cumulative plus commenter's scenario traffic volumes would have the potential to exceed 44,000 vehicles per hour (California Department of Transportation 2020). Therefore, there would be no significant cumulative impact related to carbon monoxide hotspots at congested intersections, and the commenter's scenario would not have a cumulatively considerable contribution to a significant cumulative impact associated with carbon monoxide, similar to the conclusion of the Draft EIR for the acquisition and annexation project.

GREENHOUSE GAS EMISSIONS

Table 3 summarizes greenhouse gas (GHG) emissions generated by the potential net increases in annual vehicle trips and VMT under the commenter's scenario. As shown therein, the commenter's scenario would potentially result in a net increase of approximately 164 metric tons (MT) of carbon dioxide equivalents (CO_2e) per year as compared to baseline conditions. As discussed in Section 4.2, *Greenhouse Gas Emissions*, of the Draft EIR, this analysis considers any increase in GHG emissions above baseline conditions to be cumulatively considerable. Therefore, because the commenter's scenario would potentially result in an increase in GHG emissions of approximately 164.0 MT of CO_2e per year, impacts would be significant and cumulatively considerable, similar to the conclusion of the Draft EIR. GHG emissions associated with the commenter's scenario would be approximately 101.3 MT of CO_2e per year greater than those of the acquisition and annexation project, which represents a 162 percent increase as compared to that estimated for the acquisition and annexation project in the Draft EIR.

Table 3 Combined Annual GHG Emissions – Commenter's Scenario

Source	Project Emissions (MT of CO_2e per year)
Scenario Emissions	164.0
Net Increase as Compared to the Acquisition and Annexation Project	+101.3

MT = metric tons; CO_2e = carbon dioxide equivalents

See Appendix D for emission calculations.

Implementation of Mitigation Measure GHG-1 would be required for the commenter's scenario to reduce impacts to a less than significant level. Regardless of whether CalAm would hire six additional employees as assumed in the Draft EIR for the acquisition and annexation project or 28 additional employees as assumed herein for the commenter's scenario, Mitigation Measure GHG-1 would be feasible and effective in reducing GHG emissions to net zero using the GHG mitigation options summarized in Table 4.2-2 in Section 4.2, *Greenhouse Gas Emissions*. For example, the following combination of measures would reduce GHG emissions from the commenter's scenario by approximately 164.1 MT of CO_2e per year, which would be sufficient to achieve the requisite reduction to net zero specified by Mitigation Measure GHG-1 (see Appendix D for supporting calculations):

- Allowing 15 District employees to telework four days per week would achieve a reduction of approximately 18.0 MT of CO_2e per year (approximately 0.3 MT of CO_2e per year per employee per telework day per week)
- Converting three District fleet vehicles to electric vehicles would achieve a reduction of approximately 35.8 MT of CO_2e per year (approximately 11.9 MT of CO_2e per year per vehicle)
- Subsidizing transit passes for 12 District employees who then commute to work via transit three days per week would achieve a reduction of approximately 25.2 MT of CO_2e per year (approximately 0.7 MT of CO_2e per year per employee per transit use day per week)
- Planting 64 boxelder trees (*Acer negundo*) sized at 1.0 inch diameter at breast height at the time of planting in an area with partial sunlight would sequester approximately 5.1 MT of CO_2e per year (0.08 MT of CO_2e per year per tree)
- Obtaining and retiring 80 Carbon Offsets would achieve a reduction of 80.0 MT of CO_2e per year (1.0 MT of CO_2e per year per offset)

As compared to the combination of measures identified for the acquisition and annexation project in Section 4.2, *Greenhouse Gas Emissions*, this combination of measures for the commenter's scenario would require allowing 15 District employees to telework two additional days per week, subsidizing transit passes for six additional District employees to commute to work via transit tree days per week, planting 32 additional boxelder trees, and obtaining and retiring 72 additional carbon offsets. Similar to the conclusions of the Draft EIR, GHG emissions impacts associated with the commenter's scenario with mitigation incorporated would be less than significant and not cumulatively considerable.

NOISE

As shown in Table 1, the commenter's scenario would potentially result in a net increase of approximately 106 ADT, which is approximately 44 ADT, or 71 percent, greater than that estimated for the acquisition and annexation project in the Draft EIR. These net new trips would primarily utilize regional roadways, including SR 1, SR 68 West, and SR 68 East to travel through the project area and surrounding region. The potential addition of approximately 106 daily scenario-related trips to existing traffic volumes would be incremental (between approximately 0.1 and 3.3 percent of ADT volumes on regional roadways, as discussed under *Transportation,* and would not have the potential to double existing traffic volumes. Therefore, the commenter's scenario would not result in a 3-dBA increase in existing roadway noise. Impacts would be less than significant, similar to the conclusion of the Draft EIR. Furthermore, the commenter's scenario's contribution to the cumulative roadway noise impact would not be cumulatively considerable because scenario-related traffic of approximately 106 ADT and approximately 2,114 daily VMT would be negligible in comparison to the high volumes of traffic and VMT generated by the types of large residential, commercial, hotel, industrial, and institutional projects listed in Table 3-1 in Section 3, *Environmental Setting*, of the Draft EIR.

According to the FTA (2018) *Transit Noise and Vibration Impact Assessment Manual*, vibration generated by rubber-tired traffic on smooth roadways is rarely perceptible. The potential 106 net new daily scenario-related trips would be made in rubber-tired vehicles that would primarily utilize regional roadways, including SR 1, SR 68 West, and SR 68 East to travel through the project area and surrounding region. These roadways are well-developed (i.e., smooth); therefore, existing vehicle traffic on these roadways does not generally result in groundborne vibration or associated groundborne noise. Furthermore, the potential addition of 106 daily scenario-related trips to

existing traffic volumes would be incremental (between approximately 0.1 and 3.3 percent of average daily traffic volumes on regional roadways) and would not have the potential to increase traffic volumes such that excessive groundborne vibration or groundborne nose is generated. Therefore, no roadway vibration impacts would occur, similar to the conclusions of the Draft EIR for the acquisition and annexation project.

SUMMARY

As discussed in the above subsections, the commenter's scenario would result in similar impact conclusions to those contained in the Draft EIR for the acquisition and annexation project. No revisions to the EIR are warranted because the District stands by the estimate for new staff in the Draft EIR, based on input from its expert. As noted in *State CEQA Guidelines* Section 15151, disagreement among experts does not make an EIR inadequate. The analysis of the commenter's scenario is provided for informational purposes only. This analysis is similar to that contained in the Draft EIR and does not constitute new information that would warrant recirculation.

New CalAm Facility

The commenter further explains that CalAm would be required to construct a new main office and adjacent fleet, storage, and equipment yard. The need for a new facility is acknowledged in Draft EIR Section 4.5, *Transportation,* stating the assumption that a "new CalAm corporate yard would be located at a similar distance from the Central Satellites as the existing CalAm corporate yard in Pacific Grove" (p. 4.5-12). As stated in footnote 2 on p. 4.5-12 of the Draft EIR, "Although this scenario is possible, it is likely that CalAm would acquire a new corporate yard for its reduced fleet at a location that is closer to the Central Satellites, such as Ryan Ranch or Salinas. However, the assumption that the corporate yard would be located at a similar distance from the Central Satellites as existing conditions provides a more conservative analysis and is therefore used [in the analysis of trip length]." While the corporate yard is only mentioned directly in the transportation section, the resulting vehicle miles travelled (VMT) estimate is included in the greenhouse gas analysis as well.

The commenter notes that the physical impacts of constructing the corporate yard are not analyzed. The exact location and nature of this facility cannot be known at this time. Likely, any office space and parking areas would be existing facilities leased by CalAm, rather than constructed as new facilities. Further, one or more payment locations at existing facilities, such as banks, could be established. No increase in construction or use of equipment is anticipated because the activities at the satellites would remain the same regardless of ownership. As such, construction of new facilities is not anticipated and addressing specific physical impacts of such a facility would be speculative at this time. In addition, the District does not propose such a facility, and the District disagrees that a large facility for "at least" 28 new employees would be required. As such, the construction of a new main office and adjacent fleet, storage, and equipment yard for CalAm is not a reasonably foreseeable future activity of the acquisition and annexation project and excluding a detailed discussion or analysis of such a facility is not segmenting.

State CEQA Guidelines Section 15145 states that, if a lead agency finds an analysis too speculative for evaluation, the agency "should note its conclusions and terminate discussion of the impact." To clarify the District's conclusion that construction of new CalAm facilities would be speculative, the following language has been added to the end of Section 2.5, *Project Characteristics*, in Section 2, *Project Description,* of the Draft EIR:

Given that these facilities have sufficient existing space and facilities to support operation and maintenance staff and activities, the proposed project would not involve construction of new facilities. In addition, regular business hours for operation and maintenance would continue as under existing operations.

It is assumed that CalAm would utilize a new corporate yard that would be located at a similar distance from the Central Satellites as the existing CalAm corporate yard in Pacific Grove. Although this scenario is possible, it is likely that CalAm would acquire a new corporate yard for its reduced fleet at a location that is closer to the Central Satellites, such as Ryan Ranch or Salinas. However, the assumption that the corporate yard would be located at a similar distance from the Central Satellites as under existing conditions provides a more conservative analysis and is therefore used herein. It is anticipated that any office space and parking areas would be existing facilities leased by CalAm, rather than constructed as new facilities. The construction of new facilities is not anticipated and furthermore addressing specific physical impacts of such a facility would be speculative and is therefore not discussed further in this EIR.

Further, it is proposed that MWS infrastructure, including supply pipelines and storage tanks, would remain at existing locations within the existing MWS service area. Also, the District would operate the MWS and exercise the associated water rights in the same manner as CalAm has done. Other potential operational scenarios for the system are considered in Section 6, *Alternatives*, of this document as required under CEQA.

Based on the above response, no further revisions to the EIR project description are required.

Response ORG 3.11

The commenter claims that the Project Description is incomplete because the Draft EIR states there would be no change in operation and maintenance, yet the project's main objective is to lower water rates. The commenter claims this is a contradiction. The commenter goes on to make the assertion that a change in water rates would lead to a change in operation and as a result, the Draft EIR fails to analyze all the potential environmental impacts due to operation of the project. The commenter states the Draft EIR should be revised to include the reasonably foreseeable changes in operation and maintenance resulting from: (1) the District's primary objective of lowering water rates; (2) the District's "operations planning documents" that have yet to be released to the public; and (3) the changes resulting from annexing parcels and water service connections into the District's boundaries and subjecting those connections to new rules and regulations that are not currently applicable.

Despite the commenter's claims, Section 2, *Project Description*, includes all relevant aspects of the project, including reasonably foreseeable future activities that could be considered part of the project. A detailed description of the CalAm's water supply system including sources, facilities and infrastructure and quality of water supply is included in Section 2.4, *California American Water System*. Section 2.5, *Project Characteristics,* describes CalAm assets to be acquired and intended operation and maintenance of the MWS if acquired. Further, the level of detail contained throughout this EIR is intended to be fully consistent with the requirements of CEQA (pursuant *State CEQA Guidelines* Section 15151) and applicable court decisions. Therefore, the project description is complete and includes all relevant aspects of the project, including operations.

The commenter goes on to make an incorrect assumption that the District's objective to reduce water rates, as directed by Measure J, would result in an operational change. The District has been unwavering in stating that it seeks to step into CalAm's shoes and operate the MWS in an

unchanged manner. Reduced costs to ratepayers would not be the result of changes in operating methods; rather, as demonstrated in the District's "Preliminary Valuation and Cost of Service Analysis Report" (October 29, 2019), the reduced cost would be the result of: elimination of Service Corp payments and General Office allocations, elimination of shareholder returns, reduced regulatory expenses, waiver of taxes, and other efficiencies. The District does not reasonably foresee substantial changes in operations. The District's draft operations plan for use in its LAFCO application is consistent with integrating existing operations under new ownership. Therefore, the change in water rates is a function of the change of ownership, not of operation, and a change in water rates due to operation is not reasonably foreseeable. As stated throughout the Draft EIR, the District maintains the acquisition and annexation project would not result in any changes to the manner of operation of the MWS and the analysis of the acquisition and annexation project's impacts is adequate.

Next, the commenter references operational planning documents mentioned during the public scoping meeting on July 9, 2020 and states that these documents need to be identified and analyzed within the Draft EIR. Since the commenter did not ask during the public scoping meeting what these documents were, nor follow up with the District at a later date to request clarification on these documents, the commenter does not know what these documents, briefly mentioned in the public scoping meeting, actually contain. To clarify, the documents mentioned by the District in the public scoping meeting are part of the LAFCO of Monterey County application process. These are not CEQA documents and thus are not required at this stage in the project. As explained in Section 2, *Project Description,* LAFCO of Monterey County is acting as a CEQA responsible agency and is anticipated to use this EIR in considering any proposed sphere of influence amendments, annexations of lands into the District's jurisdictional boundary, activations of latent services or powers pursuant to Government Code Section 56000 et seq., or other similar requested LAFCO approvals that effectuation of the project may entail.[14] Although LAFCO would use this EIR in reviewing the application by the District to annex, the application to LAFCO is not required as part of the CEQA process. Further, these application documents are not, and cannot be, fully known at this time until the District Board of Directors certifies the environmental document that would accompany the LAFCO application and allows District staff to finalize and submit the application and EIR to LAFCO for review.

Further, the commenter claims that these operational planning documents artificially narrow the Draft EIR and defer the details of operation, therefore resulting in piecemealing of operations from the acquisition. As described in Response ORG 3.10 above, operations would not change. As such, the District has not limited the title or the description of the project and has not divided a larger project into smaller pieces.

Lastly, the commenter states that the rules and regulations imposed on areas outside the District boundaries proposed for annexation should be considered an operational change. The commenter goes on to contend that because they were not, impacts of that change were not adequately addressed in the Draft EIR. However, the only actions proposed to be taken by the District are a minor change in a jurisdictional boundary (annexation of 43 connections into the District currently served by CalAm) and a transfer of the ownership and operation of the MWS from CalAm to the District. The District does not propose to construct new MWS facilities, nor to change operations of the MWS. Adding regulatory oversight does not change how water would be serviced to the annexed parcels, nor change how the MWS is operated. Further, the commenter does not state

[14] Section 851 of the District's enabling law states that any changes to the District boundaries shall be approved through LAFCO in compliance with Government Code Section 56000 et seq. as stated above.

which specific rules and/or regulations would result in impacts, nor does the commenter list specific potential impacts resulting from imposition of District rules and regulations. Therefore, because these statements are general in nature, no further response is required.

The commenter lists a number of general and vague potential impacts that could result from a change in operation and maintenance. For example, the commenter states, "if the District chooses to reduce operating or maintenance expenses, this could result in water quality impacts and hazard impacts." However, the commenter does not provide specific information pertaining to what these water quality and hazard impacts would be and does not provide any specific evidence to support their claims. Because these statements are general in nature, no further response is required to this portion of the comment. (See *Browning-Ferris Indus. v. City of San Jose* (1986) 181 Cal.App.3d 852 [where a general comment is made, a general response is sufficient].) The commenter also states, "If the District plans to impose new water conservation measures, these could also result in impacts relating to aesthetics, soil stability, or biological resources." Again, this statement is general as it does not provide specific impacts or evidence to support the claim and therefore a specific response is not required.

The commenter also makes a claim that, "If the District plans to cut back on existing Sand City Desalination operations to reduce costs, this could result in increased pumping, which could in turn impact air quality, greenhouse gas emissions, noise, aesthetics, soils and erosions, and biological resources." Again, the comment does not provide any supporting evidence suggesting why reducing desalination operations would result in increased pumping. As this is a general comment, no further response is required.

Based on the above response, the District maintains that the acquisition and annexation project would not result in any changes in the manner of operation of the MWS and the analysis of the acquisition and annexation project's impacts is adequate. As such, the EIR project description is complete, and no revisions have been made in response to this comment.

Response ORG 3.12

The commenter states that the Draft EIR fails to address planned changes to operation of the MWS in order to address pumping limits effective in 2021 and beyond, whether those be construction of the MPWSP (i.e. 6.4 MGD Desalination Plant) or Expansion of the Pure Water Monterey Groundwater Replenishment Project. The commenter further states that these planned changes represent a change in operation which could result in potential impacts that were not adequately addressed in the Draft EIR.

The water supply estimates included in the Draft EIR are sourced from CalAm's 2015 Urban Water Management Plan (UWMP), which at the time of publication of the Draft EIR represented the best and most current information available. Section 2, *Project Description,* and Section 4.6, *Utilities and Service Systems,* describes both current and projected sources of water supply for the MWS as outlined in the 2015 UWMP. Future water supply sources listed in the 2015 UWMP include the MPWSP Desalination Plant and Pure Water Monterey. Further, Section 4.3, *Hydrology and Water Quality,* goes on to outline the seven Demand Management Measures (DMM) identified in the 2015 UWMP which CalAm implements in order to meet the 2020 urban water reduction targets. The Draft EIR makes clear that the acquisition and annexation project would have the same water supplies that are currently available and projected to be available to CalAm as set forth in its 2015 UWMP. Further, the Draft EIR makes clear that similar water conservation measures as identified in the DMMs would also be available for implementation by the District to achieve the required water use reductions, should the acquisition and annexation project be approved (Final EIR p. 4.3-14).

With regard to future water sources, due to the SWRCB-issued CDO, which limits pumping from the Carmel River, as well as adjudication of the Seaside Groundwater Basin, which requires pumpers of the basin to reduce pumping by 2021, an alternative water supply source will be required regardless of who owns the system - the same limits would apply to the District or CalAm. Whether the District supports future potential projects such as MPWSP or the Expanded Pure Water Monterey Project, is irrelevant because any future planned projects required to achieve the pumping limits set by the SWRCB-issued CDO would be subject to CEQA and are not part of the acquisition and annexation project. In fact, environmental impacts of the MPWSP 6.4 MGD Desalination Plant and Expansion of the Pure Water Monterey Project are already evaluated in their own separate environmental review documentation. This part of the existing regulatory framework would be in place for any water provider serving the MWS. Should the system be acquired by the District, the District would be obligated to comply with the 2020 UWMP and prepare an UWMP by 2025, which would identify DMMs to achieve the pumping limits set by the SWRCB-issued CDO for 2021. This requirement would be the same for any ownership entity. Projects to ensure compliance with the CDO and DMMs are not a result of the acquisition and annexation project.

The commenter goes on to acknowledge that the limitations on pumping will apply regardless of whether CalAm or the District operation the MWS, but states that the Draft EIR must compare proposed plans to the environment in its current state and the failure for the District to do so has resulted in an incomplete analysis. The commenter seems to be confusing the CEQA concept of baseline with the analysis of cumulative projects. Under CEQA, the impacts of a proposed project must be evaluated by comparing expected environmental conditions after project implementation to conditions at a point in time, referred to as the baseline. The changes in environmental conditions between those two scenarios represent the environmental impacts of the proposed project. *State CEQA Guidelines* Section 15125 provides the following guidance for establishing the baseline:

> An EIR must include a description of the physical environmental conditions in the vicinity of the project, as they exist at the time the notice of preparation is published, or if no notice of preparation is published, at the time environmental analysis is commenced, from both a local and regional perspective. This environmental setting will normally constitute the baseline physical conditions by which a lead agency determines whether an impact is significant.

As the above *State CEQA Guidelines* section makes clear, the appropriate baseline would be the actual environmental conditions existing at the time of CEQA analysis, or the time of release of the notice of preparation (NOP, April 2020). The assumption of a future water supply or water supply project that is not there would not be considered an expected environmental condition. The commenter is trying to argue that the future environmental conditions (i.e. reduced pumping in 2021) are the responsibility of the project. However, the project relates to ownership of the system and does not influence whether more supply is needed; the two concepts are independent of each other.

The proposed project is the District's acquisition and annexation of the MWS and the baseline is the current state of the MWS, whereas future water supply projects represent the cumulative change over baseline. To clarify, a cumulative impact is an impact created by the combination of the project reviewed in the Draft EIR together with other projects causing related impacts (*State CEQA Guidelines*, Section 15130(a)(1)). For an adequate analysis of cumulative impacts, CEQA requires that an EIR evaluate whether the environmental effects from past, present, and probable future projects taken together would result in a significant impact (*State CEQA Guidelines*, Section 15130(b)(1), (4), (5)), and then assess whether the incremental effect of the project at issue is

"cumulatively considerable" when combined with the effects of the other projects (*State CEQA Guidelines*, Section 15130(a)). As a result, projects such as the MPWSP and Expanded Pure Water Monterey Project would be considered future cumulative projects and were analyzed as such in the Draft EIR (see Section 3.2.2, *Cumulative Project List*, of the Draft EIR). The District anticipates that the long-term permanent water supply solution will be resolved before acquisition of the MWS is complete. Therefore, by stepping into CalAm's shoes as owner the District would inherit whatever projects and new supplies CalAm will have gained approvals for.

It should also be noted that predicting any future District Board of Directors action on any of the above-mentioned projects would be speculative. Board members are elected officials, and thus subject to political shifts; a future Board may have contrasting views from the current Board. Furthermore, the National Environmental Protection Agency lead agency, the Monterey Bay National Marine Sanctuary, could choose not to approve the project or the timeframe of receiving permits could be much longer than anticipated, which would change the water supply projections made in the 2015 UWMP. These potentials are outside the scope of the project's influence. Because it would be speculative for the EIR to forecast future actions by a future Board or other agency action or permitting timeline, the Draft EIR assesses potential impacts of the acquisition and annexation project against the environmental baseline, consistent with CEQA requirements.

Therefore, the District is not required to specifically analyze potential future projects, such as the MPWSP or the Expanded Pure Water Monterey Project, and the analysis of the acquisition and annexation project's impacts is adequate.

Response ORG 3.13

The commenter alleges the Draft EIR failed to adequately analyze potential environmental impacts associated with the changes in water rates and water usage that would occur in the future as a result of the project. Specifically, the commenter claims that by relying on existing regulations and a speculative argument, the District's analysis of impacts associated with increased consumption is inadequate.

As is made clear in the Draft EIR, one objective of the acquisition and annexation project is to lower water rates, as directed by Measure J (Final EIR p. 2-15). Further, the Draft EIR acknowledges that water pricing would in all likelihood be "substantially less" (Final EIR p. 4.3-12). However, as the Draft EIR goes on to state, quantifying future rates would be speculative for the District to estimate because there are several variables that affect water usage in addition to price, and isolating those variables to predict how changing one variable (price) for the MWS would affect customer demand would be conjectural (Id.).

As outlined in Response ORG 3.4, the District has made an adequate, complete, and good faith effort to disclose project impacts due to changes in water rates in this Draft EIR. The commenter fails to consider the discussion in Section 4.3, *Hydrology and Water Quality,* which specifically investigates whether the changes in water rates could impact water usage; it reads:

> The District anticipates that under its ownership water rates for customers of the MWS would be reduced in the future as compared to the rates customers would otherwise pay to CalAm. Understanding the underlying drivers between water demand and water use has been extensively studied in order to inform decision makers when planning for a sustainable water supply. Several studies have shown that water pricing can be an effective tool to incentivize water conservation (Barrett 2004; Whitcomb 2005; Ashoori et al. 2016). Ashoori et al. (2016), found in the service area of Los Angeles Department of Water and Power that price and

> population had the most significant impact on water demand. Barrett (2004) found higher pricing can play an important role in reductions in water consumption, especially when paired with regulation. Whitcomb's (2005) research supports the conclusion that water use decreases as price increases. Reduced water pricing could potentially result in increased water usage, as it is generally accepted that water use can fluctuate with cost. The amount of change in water use responding to changes in water cost can be a function of several factors including but not limited to: the availability of alternate water sources, price range and elasticity, income, population, climatic data, and customer knowledge and understanding of bill information (Whitcomb 2005; Ashoori et al. 2016). Accordingly, it would be speculative to numerically predict changes in water usage based on potential future changes in water rates.

As a result, the Draft EIR did complete a thorough investigation of the predictability of water rates and water usage and concluded that any future changes in water usage would be speculative. As noted in *State CEQA Guidelines* Section 15145, "If, after thorough investigation, a lead agency finds that a particular impact is too speculative for evaluation, the agency should note its conclusion and terminate discussion of the impact." As the court stated in *Citizens for a Sustainable Treasure Island v. City and County of San Francisco* (2014) 227 Cal.App.4th 1036, 1060-1061:

> An EIR is not required to engage in speculative analysis. (Guidelines, § 15145.) Indeed, this core principle is well established in the Guidelines and case law. While a lead agency must use its "best efforts" to evaluate environmental effects, including the use of reasonable forecasting, 'foreseeing the unforeseeable' is not required, nor is predicting the unpredictable or quantifying the unquantifiable. (Guidelines, § 15064, subd. (d)(3) ['A change which is speculative or unlikely to occur is not reasonably foreseeable']; Cadiz Land Co. v. Rail Cycle (2000) 83 Cal.App.4th 74, 107-108. . .[' "agency is required to forecast only to the extent that an activity could be reasonably expected under the circumstances"'].)
>
> This rule rests on both economic and practical considerations. It has long been recognized that premature attempts to evaluate effects that are uncertain to occur or whose severity cannot reliably be measured is 'a needlessly wasteful drain of the public fisc. [Citation.]' (Environmental Council of Sacramento v. City of Sacramento (2006) 142 Cal.App.4th 1018, 1031. . ; see, e.g., Save Round Valley Alliance v. County of Inyo (2007) 157 Cal.App.4th 1437, 1450-1451. . . [an EIR for a subdivision of single-family residences was not deficient in failing to consider the possibility that the future lot owners might build a second dwelling on their lot pursuant to a local ordinance allowing such dwellings, because the possibility was remote and speculative].)

Nonetheless, since the commenter claims that the determination of speculation was made without proper assessment, to further explore how certain factors may influence water rates and further investigate if determining water rates would be speculative, the following discussion is provided.

First, while the District agrees that the overall cost of water for CalAm customers would be reduced under District ownership and operation of the MWS, the exact differential between the rates to be charged by the District and the rates that would have been charged by CalAm over the next 5, 10, 15, 20, or more years is currently not known and is unknowable. For one thing, the total cost of water under District ownership would include the amounts needed to cover the debt service on the bonds used to finance the acquisition of the MWS from CalAm, and that amount would not be known until the fair market value of CalAm's MWS assets are either agreed to by the District and CalAm or established in the valuation phase of a future eminent domain action. In addition, the further out into the future one looks, the more speculative it becomes to predict exactly what the District's water rates would be and how those rates would compare to the water rates that would

have been charged by CalAm. While it is possible to conclude that the overall cost of water under District ownership and operation of the MWS would be less, in all likelihood substantially less, it is difficult to quantify the amount of the difference in rates over time so as to establish a baseline from which to assess the potential impact on water usage.

Second, even assuming a perfect "free market" exists with respect to water delivery and consumption (but see below), it is speculative for the District to estimate the elasticity of demand—i.e., the impact particular differences in the total cost of water under the District's and CalAm's management would have on total water consumption. As noted in Section 4.3.3 of the EIR, there are multiple variables that affect water usage in addition to price and isolating out those variables and predicting how changing one variable (price) for the MWS would affect customer demand is conjectural.

Third, the fact is that there is no unrestrained free market for water, particularly on the Monterey Peninsula—supply is limited, and demand is to a considerable extent controlled. Absolute limits on water supply and both voluntary and mandatory conservation measures (including mandatory cutbacks on water use) act to override price as an influence on consumption. Water supply is also variable and highly unpredictable from year-to-year, particularly to the extent supply is derived from surface water (i.e., rainfall).

Based upon these uncertainties, the District's position is that any physical changes in the environment attributable to differences in water rates are "too speculative or unlikely to be considered reasonably foreseeable" and, therefore, CEQA review is not required. See, e.g., *Laurel Heights Improv. Assn. v. Regents of the Univ. of California* (1988) 47 Cal.3d 376, 395-396; Pub. Res. Code Sections 21080(e) and 21082.2(c); *State CEQA Guidelines* Sections 15064(f)(5) and Section 15384.[15]

Further, the commenter states that even if the analysis of water rates is speculative (which it is as explained above), the District's conclusion that water rates would be substantially lower would result in environmental impacts beyond those analyzed in Draft EIR. However, this claim is baseless on the grounds that existing regulations, such as the Seaside Adjudication Decisions, the SWRCB-issued CDO and other existing laws and regulations relevant to water conservation practices, would continue to be required. These regulations would restrict the amount of water that may be pumped and would require the provision of replacement water to offset any water supply required in excess of what is allowed. As a result, there would be no additional environmental impacts, as water usage beyond which is allowed by these regulations would not be realized.

Further, the commenter's claim that these regulations are not applicable because they apply to the water supplier and not the water customers is moot. The project is proposed by the District; therefore, these regulations are applicable to the District and would require the District to manage the MWS water sources in compliance with these regulations. As stated above, if water is used in excess of supply as set by these regulations, then a replacement source is required. However, to identify a potential alternative source of water due to an impact that is not reasonably foreseeable is not required under CEQA (see Response ORG 3.12 above).

In addition, the commenter lists a number of general and vague potential impacts that could result from a change in operation and maintenance. For example, the commenter states, "Increased water

[15] Among the many court decisions supporting the District's position in this regard is *Topanga Beach Renters Assn. v. Dept. of General Services* (1976) 58 Cal.App.3d 188, 196 (in case involving demolition of structures on state beach, possible future development of new structures was nothing "more than an optimistic gleam in a state planner's eye" and evaluation of environmental effects from any such action "must await the future decisions that could cause the effects"

usage could lead to increased air quality and greenhouse gas emissions associated with utilizing alternate water supplies, increased energy use associated with transporting water from elsewhere to the MWS, increased noise impacts associated with pumping elsewhere, or growth inducement impacts associated with the availability of ample, low cost water." However, the commenter does not provide specific information outlining these and does not provide any specific evidence to support their claims. Because these statements are general in nature, no further response is required to this portion of the comment. (See *Browning-Ferris Indus. v. City of San Jose* (1986) 181 Cal.App.3d 852 [where a general comment is made, a general response is sufficient].)

Therefore, the District is not required to specifically analyze potential impacts due to a change in water rates as it would be speculative, and any impacts would be regulated by existing regulation; the analysis of the acquisition and annexation project's impacts is adequate and no revisions to the Draft EIR have been made in response to this comment.

Response ORG 3.14

The commenter claims that the EIR does not include a complete analysis of growth-inducing impacts. Specifically, the commenter is interested in how lower rates may induce growth as well as how the District's water allocation authority paired with lower water rates may induce growth.

Growth inducing impacts are addressed the Draft EIR under Section 5.1, *Growth Inducement*. As stated on p. 5-1 of the Final EIR:

> …the proposed project involves the Monterey Peninsula Water Management District's (District) acquisition of the Monterey water system (MWS), annexation of connections supported by the MWS into the District, as well as the operation and maintenance of the MWS by the District. These actions in and of themselves would not directly have any economic or growth-inducing effects, as they would not alter the area or number of customers served by the water system. However, one of the objectives of the proposed project is to provide greater local control over the water rate-setting process in order to control the pace of future rate increases. It could be argued that if long-range rates and rate increases are reduced, customers within the MWS would save money and be able to spend that money in other ways, thus producing a beneficial impact on the local economy. However, the proposed project would not change zoning or land use designations or provide new facilities that would accommodate an increased population; therefore, the project would not induce substantial population growth.

As shown above, the Draft EIR does assess the impacts due to a reduction in rates and does not, "wholly ignore the potential for reduced water rates to induce growth," as stated by the commenter.

The commenter proceeds to claim that the sole justification used in the Draft EIR to conclude the project would not induce population growth is that, "the proposed project would not change zoning or land use designations." But as shown in the excerpt above this is not true, the proceeding statement also notes that the acquisition and annexation project would not "provide new facilities that would accommodate an increased population." Further, as stated in the Draft EIR, the project would not result in a significant number of new employees to the community or remove an obstacle to growth because it would not require new or expanded facilities, such as water or wastewater treatment plants, or require procurement of additional water supplies beyond what is currently occurring under the existing ownership.

As stated in the Draft EIR, lower water rates do not necessarily translate into higher usage and demand because there are other regulatory controls in place that encourage users to conserve water, as discussed in Sections 4.3, *Hydrology and Water Quality*, and 4.6, *Utilities and Service Systems*. Further, conservation of water is an objective of the project and is directly addressed in the Measure J purpose statement, which states "…to promote and practice sustainable water management measures…" Further as outlined above in Response ORG 3.13, the extent of rate changes is entirely speculative and, therefore, CEQA review is not required.

The commenter further states that since the District has the authority to distribute water allocations, which can allow municipalities to approve new development, there is a potential growth inducing impact. However, the District's ability to distribute water allocations is highly regulated by its rules and regulations which are not a function of water rates but of regulatory oversight. In other words, water rates do not influence the District's water allocation decisions, rather laws enacted by the legislature govern the District's water allocations. Further, CalAm's customers are already regulated by the District's rules and regulations, unless located outside the District in the proposed annexation areas (see Response ORG 3.11 on why this is not an impact) and changing the service provider in these areas from private to public through an annexation would not enable new development which would otherwise be unable to proceed.

Therefore, the District maintains that the analysis of the acquisition and annexation project's growth inducing impacts is adequate, and no revisions to the Draft EIR have been made in response to this comment.

Response ORG 3.15

The commenter states an opinion that Mitigation Measure GHG-1 defers mitigation and does not adequately reduce potentially significant greenhouse gas (GHG) impacts.

State CEQA Guidelines Section 15126.4 states:

> The specific details of a mitigation measure, however, may be developed after project approval when it is impractical or infeasible to include those details during the project's environmental review provided that the agency (1) commits itself to the mitigation, (2) adopts specific performance standards the mitigation will achieve, and (3) identifies the type(s) of potential action(s) that can feasibly achieve that performance standard and that will considered, analyzed, and potentially incorporated in the mitigation measure.

The Draft EIR models emissions using CalEEMod and assumptions for the net increase of employees, vehicle type, trip lengths, and other inputs. The actual GHG emissions may vary and could be substantially less than depicted in the Draft EIR, due to the use of conservative assumptions. It is impractical for the District to identify specific GHG reduction actions to offset emissions associated with the acquisition and annexation project because the exact quantity of GHG emissions resulting from the acquisition and annexation project will not be known until the acquisition has occurred. As described in Response ORG 3.10, there is a disagreement among experts about the specific number of CalAm employees that would be required to operate and maintain the Central Satellites, and this information will not be known until the District acquires the MWS. Therefore, the exact quantity of GHG emissions that must be offset to achieve net zero emissions (the threshold of significance) is unknown.

The District is committing itself to implementation of Mitigation Measure GHG-1, which adopts a specific performance standard that the mitigation must achieve (i.e., a net zero increase in GHG

emissions as compared to existing baseline conditions, which would require a reduction of 62.7 MT of CO_2e) per year over the operational life of the acquisition and annexation project to achieve a net zero increase in GHG emissions above existing conditions), and identifies a suite of potential actions that can achieve the performance standard (see Table 4.2-2 of the Final EIR) that would be considered, analyzed, and potentially incorporated in the mitigation. As discussed on p. 4.2-15 of Section 4.2, *Greenhouse Gas Emissions*, of the Final EIR, implementation of one or more actions identified in Table 4.2-2 would feasibly achieve the specified performance standard. The courts have held that setting a clear, enforceable performance standard and specifying one or more actions that can meet the standard is not considered deferred mitigation.[16] Since Mitigation Measure GHG-1 sets a clear performance standard and outlines options to show meeting the performance standard is feasible, the measure does not improperly defer mitigation. No revisions to the Draft EIR are warranted.

Response ORG 3.16

The commenter contends that the Draft EIR fails to provide a reasonable range of project alternatives because it fails to adequately identify the project's significant environmental impacts, based on previous comments. The commenter suggests that by "missing" the project's significant environmental impacts, a reasonable range of project alternatives that would avoid or lessen these impacts could not be identified.

See Responses ORG 3.8 through ORG 3.15 for responses to specific comments regarding environmental effects of the project and the sufficiency of the Draft EIR analysis. As detailed therein, the commenter has not provided substantial evidence resulting in a change to the findings of the Draft EIR regarding project impacts. Therefore, the Draft EIR has sufficiently disclosed potential environmental effects of the project, and as such, the alternatives analysis need not be revised to consider new or different significant impacts. The commenter does not provide additional reasoning why the alternatives considered do not represent a "reasonable range," nor does the commenter identify alternatives that should have been included. Therefore, because these statements are general in nature, no further response is possible.

Response ORG 3.17

The final comment is a conclusory statement regarding the commenter's opinion that recirculation of the Draft EIR is required, based on previous comments.

Recirculation is only required when the addition of new information deprives the public of a meaningful opportunity to comment on a new or substantially increased adverse project impact, or feasible mitigation measures or alternatives that are disclosed by the new information but are not adopted (*Laurel Heights Improvement Assn. v. Regents of Univ. of Cal.* (1993) 6 Cal.4th 1112, 1130 (Laurel Heights II); *State CEQA Guidelines*, Section 15088.5(a).) As detailed in Responses ORG 3.1 through ORG 3.16, none of these circumstances apply. The commenter has not provided substantial evidence resulting in a change to the findings of the Draft EIR. The Draft EIR has not been revised to provide substantial new information nor has an impact or mitigation measure been added to the EIR; therefore, recirculation is not required.

[16] See *Oakland Heritage Alliance v. City of Oakland* (2011) 195 Cal.App.4th 884 [where impacts are of a type for which mitigation is known to be feasible, but practical considerations prohibit devising such measures early in the planning process, the agency can permissibly articulate specific performance criteria and commit to ultimately devising mitigation measures that will satisfy the criteria]; *and Gray v. County of Madera* (2008) 167 Cal.App.4th 1099 [mitigation may be deferred if there is a specific performance standard associated with the deferred mitigation].

Letter ORG 4

Monterey Peninsula Taxpayers Association
PO Box 15 – Monterey – CA - 93942

August 2, 2020

David Stoldt
General Manager
Monterey Peninsula Water Management District

RE: Response to Draft EIR

BY : Email

Dear Mr. Stoldt:

The Draft Environmental Impact report in HYD-1 indicated that there would not be any impact on Carmel River Ground Water from a reduction in rates. Yet, in their detailed analysis they acknowledge that lower water rates are a driver of increased demand.

They conclude that lower rates in the near term are not possible due to regulatory constraints currently in place. Thus, there would be no impact in the near term. This appears a valid analysis, but it should be noted that it goes against the stated intent of Measure J and is contrary to all the campaign promises of Public Water Now.

The EIR totally drops the ball when it comes to the long term. They conclude that it would be speculative to quantify the change in rates over time. They postulate that rates would be lower, however, acknowledge that since the price of the MWS is unknown. Without that key piece of information, it is impossible to determine that rates would be less. ORG 4.1

Since they state that rates would be lower there needs to be an analysis of the impact of lower rates on future ground water usage. Their reasoning is contradictory as is evident in the passage below which is on page 4.3-13.

"Further, the total cost of water under District ownership would include the amounts used to finance the acquisition of the MWS from Cal-Am, and that amount would not be known until the final purchase price for the MWS assets is determined. Regardless of the price of the MWS, while it is possible to conclude that the overall cost of water under District ownership and operation of the MWS would be less in the future, and in all likelihood substantially less, it is speculative to quantify the change in rates over time."

The draft EIR failed to sufficiently address our concerns raised in our letter of April 21, 2020.

Sincerely,

Rick Heuer
President

Letter ORG 4

COMMENTER: Rick Heuer, President, Monterey Peninsula Taxpayers Association

DATE: August 2, 2020

Response ORG 4.1

The commenter summarizes the findings of Impact HYD-1 in the Draft EIR and states the Draft EIR concludes lower rates in the near term are not possible due to regulatory constraints currently in place, resulting in no impact to groundwater supplies. The commenter suggests because the Draft EIR states that water rates would be lower, the analysis should include an evaluation of the impact of lower water rates on groundwater supply.

The commenter's assertion the Draft EIR concludes impacts to groundwater supplies are less than significant because lower rates in the near term are not possible due to regulatory constraints is incorrect. As detailed under Impact HYD-1, despite determining that an analysis of water demand based on water pricing would be speculative and thus not required under CEQA (pursuant to Section 15145 of the *State CEQA Guidelines*), the Draft EIR provides a conservative analysis of groundwater impacts based on a scenario in which water customers in the MWS respond to changes in ownership of the system and potential rate decreases by increasing their rates of water use. The Draft EIR concludes that, under this scenario, impacts to groundwater supply reliability would be less than significant due to required compliance with the existing Seaside Groundwater Basin Adjudication Decision and SWRCB Order WR 2016-001and other laws and regulations. Contrary to the commenter's statement, the Draft EIR does include an analysis of potential impacts to groundwater supply resulting from potential lower water rates.

Please see Response ORG 3-13 above for a discussion on the impact of lower water rates on water usage and supply.

Letter IND 1

From: Anna Brigantino <abrigantino@yahoo.com>
Sent: Thursday, June 25, 2020 1:33 PM
To: comments <comments@mpwmd.net>
Subject: DEIR COMMENTS

I support a buyout of CalAm and management of our water resources to be taken over by the MPWMD. As water costs to consumers across the country have risen by 80% over the last 10 years, I think it is in the local community's best interest to take back control of the invaluable resource of water and not allow a private company to profit off of our water in order to funnel money to its shareholders and management instead of re-investing into our community. I am sure that there will be challenges in the transfer of management, but allowing the local community to have control over its own water is essential to an equitable future. IND 1.1

Anna Brigantino

Letter IND 1

COMMENTER: Anna Brigantino

DATE: June 25, 2020

Response IND 1.1

The commenter states she supports the project.

This comment is noted and herewith shared with District decision-makers for consideration as part of the wider project review process.

Letter IND 2

From: Richard Tezak <rwtezak@gmail.com>
Sent: Friday, July 17, 2020 6:46 AM
To: comments <comments@mpwmd.net>
Subject: Draft EIR

I have reviewed the Draft EIR and am convinced that a public buyout of Cal Am is both feasible and far superior to the alternatives presented in the EIR.
I urge MPWMD to vigorously pursue the public buyout option.
Thank you.
Richard W. Tezak, MD, MPH

IND 2.1

Letter IND 2

COMMENTER: Richard Tezak

DATE: July 17, 2020

Response IND 2.1

The commenter states he supports the project and finds it superior to the alternatives presented in the Draft EIR.

Comment noted and herewith shared with District decision-makers for consideration as part of the wider project review process.

Letter IND 3

17:28:23 From Meeting Host – Rincon Consultants to Megan Jones(Privately) : From JAC to Me: (Privately) 05:28 PM
Did you evaluate the qualifications for the third party operator. How can you simply assume that a third party operator will operate the system in the same manner as CalAm? IND 3.1

17:28:25 From Rudy Fischer to Meeting Host – Rincon Consultants(Privately) : Thanks for a very comprehensive EIR, and this shows just how complex an undertaking this is, so I am Glad Dave and Dave are there to get us through that process. IND 3.2

17:29:55 From Mayor Mary Ann Carbone to Meeting Host – Rincon Consultants(Privately) : Since the District is openly opposing the Cal Am desal plant, what guarantees does Sand City have that the district will not just abandon the desal plant. IND 3.3

17:30:45 From George Riley to Meeting Host – Rincon Consultants(Privately) : what are the implications of not annexing the 50 properties outside the boundary? IND 3.4

17:31:23 From Susan Schiavone to Meeting Host – Rincon Consultants(Privately) : Do you cost out Alternative 3 vs the project– is there any savings in using an outside contractor. Do you explainin the EIR why #3 is environmentally superior...only as one of the alternative choices? IND 3.5

17:32:08 From Meeting Host – Rincon Consultants to Megan Jones(Privately) : From Paul's iPad to Me: (Privately) 05:31 PM
Measure J gave them water management District the authority to on all water systems within their boundaries and now they proposed acquire assets outside the boundaries is that contrary to the direction from the voters measure J to own all IND 3.6

17:32:24 From Marc Kelley to Meeting Host – Rincon Consultants(Privately) : please make sure we look really carefully at prop 218. It seems veery clear that tiered rates are not allowed and reduces consumption base on new state law is I believe subject to a task force with includes CEQA IND 3.7

17:32:43 From Mayor Mary Ann Carbone to Meeting Host – Rincon Consultants(Privately) : Operating a desal plant is a complex task.The EIR does not address who is being considered to operate the desalplant. {for example) Will they be required to have desal experiencewith desalination plants and beach intake wells. IND 3.8

17:34:28 From Mayor Mary Ann Carbone to Meeting Host – Rincon Consultants(Privately) : For the selection of an operator of the desalplant, what input will Sand City have in that process? IND 3.9

17:34:54 From John to Meeting Host – Rincon Consultants (Privately) : Is this a capital project constructionproject of the Water Supply Project EIR or an equity purchase?

IND 3.10

17:39:22 From Meeting Host – Rincon Consultants to Megan Jones(Privately) : From Tammy Jennings to Me: (Privately) 05:39 PM Can you please provide a link to the Draft EIR.

IND 3.11

Letter IND 3

COMMENTER: Summary of comments from the public meeting

DATE: July 9, 2020

Response IND 3.1

The commenter inquires about the qualifications of a potential new operator of the water system and if they will operate the system in the same manner as CalAm.

Please refer to Response LA 1.3. As noted therein, employees and the operator would possess adequate technical, managerial, and financial capability to operate the system. Further, operator's qualifications are a personnel issue and therefore not considered a physical environmental factor to be analyzed in the EIR.

Response IND 3.2

The commenter thanks the District for a comprehensive EIR.

Comment noted and herewith shared with District decision-makers for consideration as part of the wider project review process.

Response IND 3.3

The commenter expresses concern that the District does not support and will eventually abandon the Sand City Desalination Plant.

Please refer to Response LA 1.2 for a response to this comment. As noted therein, the project does not include changes to the operation or maintenance of the Sand City Desalination Plant, or abandonment of the facility.

Response IND 3.4

The commenter asks about the implications of not annexing 50 properties outside the District boundaries.

The Draft EIR evaluates the project as proposed, which includes annexation of approximately 43 new residential connections currently served by CalAm into the District's service area. Alternative 2, No Boundary Adjustment Alternative, and Alternative 4, No Boundary Adjustment and Private Third-Party Operator Alternative, both explore possible scenarios where these areas would not be annexed into the District boundaries. Both these alternatives generally conclude that since operation and maintenance of these areas outside the District would remain the same as described under Section 2, *Project Description,* impacts would be similar to the acquisition and annexation project. However, with respect to the project objectives, these alternatives would not fully realize all of the project objectives because they would not allow the District to fully implement the purpose approved by the electorate in Measure J in the areas that are not annexed. Specifically, these alternatives would not allow the citizens outside the District to independently own and operate the water production and distribution system serving customers presently served by the CalAm MWS. Further, these alternatives would not meet the following objectives for citizens currently outside the District boundaries: provide direct access to locally elected policy makers for water operations; allow the District to pursue funding and other financing alternatives available to public agencies for

future infrastructure needs, including grants and financing options not available to a CPUC-regulated, privately-owned utility; and, ensure better coordination amongst local governmental decisions involving land use, emergency services, policy, the location and need for capital improvements, and overall planning in the water context. However, these alternatives would meet the following objectives for citizens currently outside the District boundaries: provide greater transparency and accountability to residents and businesses on the Monterey Peninsula regarding potable water supplies, as well as increased customer service and reliability; enhance customer service and responsiveness to affected CalAm customers; and provide greater local control over the rate setting process and rate increases.

Response IND 3.5

The commenter asks about the cost of Alternative 3 versus the cost of the project. They also ask why Alternative 3 is the environmentally superior over the proposed project.

This comment generally relates to the economic aspects of the project. It is not the role of CEQA to perform analysis regarding the economic aspects of a project, but rather to provide a robust and transparent review of the potential environmental effects that could occur if the project were to proceed. Therefore, economic issues are not within the scope of CEQA, and thus not included in this EIR (*State CEQA Guidelines* Section 15131). The cost of the proposed acquisition or Alternative 3 are therefore not described further.

As shown in Table 6-3, Alternative 3 would result in a similar level of environmental impact as the proposed project. In addition, Alternative 3 would fulfill all the stated project objectives since the District would still acquire the system and operation and maintenance would remain the same. The reason for Alternative 3 being identified as environmentally superior has to do with objectives. Under Alternative 3, the water pricing reductions would not be as pronounced as the proposed project, due to the additional fees required to hire a third-party operator. Therefore, the purpose as stated under Measure J to "to ensure the long-term sustainability, adequacy, reliability, cost-effectiveness and quality of water service within the Monterey Peninsula Water Management District area, to lower the cost of service to ratepayers…" would not be met to the same extent as the proposed project. As stated in Section 6, *Alternatives,* in the absence of any discernable comparison environmentally, preference was given to the alternative that most met the project objectives. Therefore, Alternative 3 is identified as the environmentally superior alternative for the purpose of complying with *State CEQA Guidelines* Section 15126.6(e)(2). However, the environmental effects of this alternative are similar to the proposed project and to Alternatives 2 and 4.

Response IND 3.6

The commenter asks if the acquisition and annexation project exceeds the stipulations of Measure J with respect to acquiring assets outside District boundaries.

A discussion of Measure J and its purpose is provided in Section 2, *Project Description*, where a list of ways in which the project contributes to the achievement of that measure is provided (Final EIR p. 2-15 through 2-16). The EIR evaluates the project as proposed, which includes annexation of approximately 43 new residential connections in the Main and Hidden Hills MWS components currently served by CalAm into the District's service area. These portions of the Main and Hidden Hills MWS components are physically and functionally connected to the much larger portion of the MWS located within the District's boundary. As a result, if the MWS is acquired by the District, it would be less practical to have CalAm continue to be the retail service provider to these

connections as it is not practical for these components to operate independently. Because the commenter does not comment on the adequacy of the Draft EIR or CEQA process, no further response is required.

Response IND 3.7

The commenter is concerned about compliance with Proposition 218 and expresses an understanding that tiered rates are not allowed under this regulation but would reduce consumption.

The commenter incorrectly assumes that Proposition 218 prohibits tiered rates. Under Proposition 218 the District may institute tiered rates based on costing factors unique to each tier. However, analysis based on future water rates, whether tiered or otherwise, would be speculative as described in Section 4.3, *Hydrology and Water Quality,* (Final EIR p. 4.3-12 to 4.3-13) and Response ORG 3.13. As stated in the EIR, compliance with the Seaside Groundwater Basin Adjudication Decision and SWRCB Order WR 2016-001 and existing laws and regulations relevant to water conservation practices and goals would continue to be required in order to minimize impacts due to changes in water rates, tiered or otherwise.

Response IND 3.8

The commenter asks if the new operator will have experience operating a desalination plant.

Please refer to Response LA 1.3. As noted therein, employees and the operator would possess adequate technical, managerial, and financial capability to operate the system. Further, operator's qualifications are a personnel issue and therefore not considered a physical environmental factor to be analyzed in the EIR.

Response IND 3.9

The commenter asks if Sand City will be involved in the selection of the desalination plant operator.

Please refer to Response LA 1.3 for a response to this comment on input into the selection process. As noted therein, the selection process would be an open process in which Sand City and others could offer comment.

Response IND 3.10

The commenter asks if the project is a capital construction project or an equity purchase.

The project is not a capital construction project. As described in Section 2.5, *Project Characteristics*, the project entails acquisition of the MWS by the District. The project is effectively a change of ownership, without the construction of new facilities or alteration of existing facilities. It is intended that the District would purchase the CalAm assets utilizing publicly issued debt instruments known as Certificates of Participation, secured by the water rates and charges of the enterprise.

Because the comment does not include the adequacy of the Draft EIR or CEQA process, no further response is required.

Response IND 3.11

The commenter asks for a link to the Draft EIR.

As noted in the Notice of Availability for the project, the Draft EIR may be viewed on the District's website at https://www.mpwmd.net/resources/measure-j-information/.

8.2 Errata

This section of the Final EIR for the Potential Acquisition of Monterey Water System and District Boundary Adjustment Project presents a summary of minor modifications to the Draft EIR text following publication, where not made in direct response to a comment. Deletions are noted by ~~strikeout~~ and insertions by underline. Revisions made in response to a specific comment received are detailed in Section 8.1, above.

The below revisions correct minor errors or clarify information. The changes do not result in presentation of new substantial adverse environmental effects. None of these changes introduces significant new information or affects the conclusions of the EIR.

Page ES-8 in the *Executive Summary*:

> **Impact HYD-1.** The proposed project would not substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin. Therefore, potential impacts to groundwater supply would be less than significant. ~~The proposed project would alter the entity that operates the existing MWS, which could potentially alter the rate structure and fee charged for water service; if a reduction in pricing occurs, water use in the area could potentially increase because water use is linked to cost. However, the operator of the system would be required to comply with the Seaside Groundwater Basin Adjudication Decision, State Water Resources Control Board Order No. WR 2016-0016, and water use reduction strategies and goals contained within 2018 Water Conservation Legislation and the California Water Conservation Act of 2009. As a result, water use rates would continue to decline on a per capital basis regardless of potential changes in the system operator or water rate structures. Therefore, potential impacts to groundwater supply would be less than significant.~~

Page 4.2-13 in Section 4.2, *Greenhouse Gas Emissions*:

> ***GHG-1 Greenhouse Gas Reduction Plan for Operational Emissions***
>
> The District shall prepare and implement a Greenhouse Gas Reduction Program (GGRP) that reduces the net increase in GHG emissions of 62.7 MT of CO_2e to net zero (i.e., carbon neutral) over the operational life of the proposed project. To meet the net zero requirement, the District must reduce its operational GHG emissions by ~~16.8~~ 62.7 MT of CO_2e per year. Potential options include, but would not be limited to, those listed in Table 4.2-2.

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Appendix A

Notice of Preparation (NOP) and NOP Responses

NOTICE OF PREPARATION OF AN ENVIRONMENTAL IMPACT REPORT FOR THE POTENTIAL ACQUISITION OF MONTEREY WATER SUPPLY AND DISTRICT BOUNDARY ADJUSTMENT PROJECT EIR

TO: Public Agencies
Interested Parties

FROM: Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93940
(831) 658-5600

NOTICE IS HEREBY GIVEN that the Monterey Peninsula Water Management District (District) will serve as the Lead Agency, consistent with Sections 15020 and 15021 of the California Environmental Quality Act (CEQA), in preparing an Environmental Impact Report (EIR) for the Potential Acquisition of Monterey Water Supply and District Boundary Adjustment Project (proposed project). The District is seeking input from the general public, public agencies, organizations, and other interested parties regarding their views on the scope and content of the environmental information that should be analyzed in the EIR, including input regarding any topics or specific issues that are germane to a particular agency's statutory responsibilities in connection with the proposed project. A description of the proposed project, as well as the location and probable environmental effects, are discussed below.

Project Title: Potential Acquisition of Monterey Water Supply and District Boundary Adjustment

Project Location: The project area is located within Monterey County and is bordered by California State University Monterey Bay and the former Fort Ord to the north, the Central Satellites and unincorporated Monterey County to the east, Yankee Point and the Santa Lucia Mountains to the south, and the Pacific Ocean to the west (Figure 1). The project area consists of the existing California American Water Company (Cal-Am) Monterey County District (MCD) water system within the District's jurisdiction and may include assets outside the District that serve customers within the District. The existing MCD water system is a stand-alone system that serves an approximately 55 square-mile area that encompasses the majority of the Monterey Peninsula as well as portions of unincorporated Monterey County. The majority of the project area is in District jurisdiction; however, the proposed project would also include connections to adjacent areas outside of the District's current service area. Specifically, these connections include approximately 33 residential connections at Yankee Point, south of the District boundaries; and 10 residential connections in Hidden Hills, east of the District boundaries. Thus, the project area includes the MCD water system, which entails areas within the current District boundaries plus these annexation areas, as shown in Figure 2.

Project Sponsor: Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93940
Attn: David Stoldt, MPWMD General Manager

Project Description:

As instructed by the voters pursuant to Measure J, the District is proposing to acquire the Monterey Water Supply system, referred to as the MCD water system, that serves the Monterey Peninsula and outlying areas within unincorporated Monterey County and within the District's jurisdiction; the acquisition and subsequent operation of this water supply system by the District represents the proposed project. The existing system is currently owned and operated by Cal-Am, a subsidiary of the publicly-traded company, American Water Works Company, Inc. The District's proposed acquisition of the MCD water system would include all associated assets (i.e., real, intangible, and personal property) including, but not limited to:

- Water systems and production wells
- Utility plants
- Water rights
- Water supply contracts
- Records, books, and accounts

The proposed project includes the District's subsequent operation and maintenance of the MCD water system. The District is proposing only to acquire and operate the existing MCD water system, and is not proposing changes or

expansion to the physical MCD water system or to the associated water rights nor is the District proposing any changes to the manner of operation of the MCD water system or the exercise of the associated water rights.

Currently, the primary source of water for the MCD water system is supplied to customers from the Carmel River and the Seaside Groundwater Basin with a majority of supplies from the Carmel River coming from water withdrawn from the Carmel Valley Alluvial Aquifer. Since 2003, Cal-Am has not pumped any of its supply directly from the Carmel River. These supplies are supplemented through withdrawals from the Seaside Groundwater Basin, an adjudicated basin. The District's acquisition of Cal-Am's water rights would entitle the District to the currently established allocations assigned to Cal-Am and would require the District meet the same standards in terms of replenishment if it were to exceed established limits on withdrawals.

In addition to water rights, the MCD water system includes infrastructure that allows for the production, distribution, and delivery of water supplies within its service area. As reported, the MCD water system provides domestic water from its system of extraction wells, which has a total pumping capacity of approximately 29.18 million gallons per day. The MCD water system also includes approximately 614 miles of pipeline and approximately 40,000 customer connections. In addition, the MCD water system includes a Desalination Plant in Sand City, seven water treatment facilities, the Monterey Pipeline and Pump Station, 75 pump stations, 108 water storage facilities with a total combined capacity of 613.9 million gallons, and 3,496 fire hydrants and an estimated 12,000 distribution valves. The proposed project would also include the acquisition of the planned Monterey Peninsula Water Supply Project, including the proposed 6.4 million gallon per day desalination plant. Cal-Am also owns property that generally supports system infrastructure (e.g., wells and water storage tanks) and public utility rights-of-way, including 117 assessor parcels with a total area of approximately 4,753 acres; this infrastructure is also part of the project.

The underlying purpose of the proposed project is for the District to acquire, operate, and maintain the MCD water system. The objectives of the proposed project are to implement the Purpose approved by the electorate in Measure J:

> …to ensure the long-term sustainability, adequacy, reliability, cost-effectiveness and quality of water service within the Monterey Peninsula Water Management District area, to lower the cost of service to ratepayers, to promote and practice sustainable water management measures, and to establish public ownership of water system assets by establishing regulations requiring the District to take affirmative action, to the extent financially feasible, to acquire the water system assets owned and operated by the California American Water Company that currently provide water service to the District and its ratepayers.

The purpose of Measure J furthered by this proposed project shall include the following aspects:

- Allow the citizens of the Monterey Peninsula to independently own and operate the water production and distribution system serving customers presently served by the Cal-Am's MCD water system
- Provide greater transparency and accountability to residents and businesses on the Monterey Peninsula regarding potable water supplies, as well as increased customer service and reliability
- Enhance customer service and responsiveness to affected Cal-Am customers
- Provide greater local control over the rate setting process and rate increases
- Provide direct access to locally elected policy makers for water operations
- Allow the District to pursue funding and other financing alternatives available to public agencies for future infrastructure needs, including grants and financing options not available to a California Public Utilities Commission (CPUC) regulated, privately-owned utility
- Ensure better coordination amongst local governmental decisions involving land use, emergency services, policy, the location and need for capital improvements, and overall planning in the water context

Implementation of the proposed project would require the following discretionary approvals:

- Approval by District Board of Directors for acquisition of the existing MCD water system that services the District, and some outlying areas, from Cal-Am or other legal owner
- Reports under Government Code section 65402
- If the MCD water system is acquired through a negotiated purchase, the District will need to obtain approval from the CPUC for transfer of ownership and operation of the MCD water system from Cal-Am to the District

- The Monterey County Local Agency Formation Commission (LAFCO) would also review and/or approve the project insofar as the project involves the District's acquisition and potential operation of extra-jurisdictional water systems

Potential Environmental Effects: The EIR will address the potential physical environmental effects of the proposed project for each of the environmental topics outlined in the CEQA Guidelines, Appendix G. The EIR will also address the cumulative impacts resulting from other past, present and reasonably foreseeable future projects. As of the date of this NOP and based on currently available information, it is anticipated that the proposed project may have potentially significant impacts in connection with: Air Quality, Greenhouse Gas Emissions, Hydrology and Water Quality, Noise, Transportation, and Utilities.

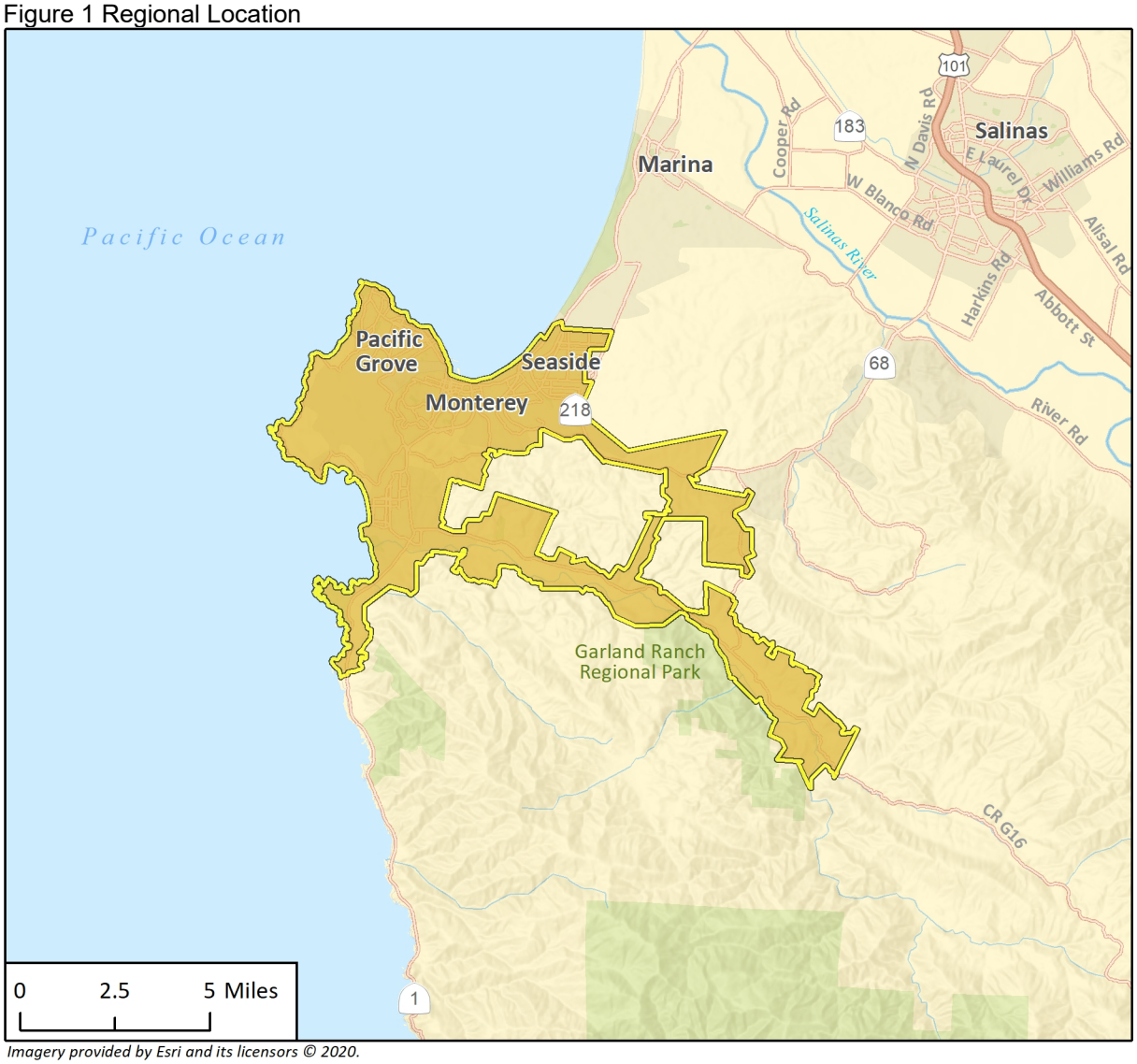
Scoping Meeting: The District, in its role as Lead Agency, will hold a public scoping meeting to provide an opportunity for the public and representatives of public agencies and interested organizations to address the scope of the EIR. Due to the Monterey County Shelter-in-Place Order in response to the COVID-19 outbreak, the Scoping Meeting for the EIR will be held virtually. The meeting will occur on **April 21, 2020 at 5:00 PM**. Please visit https://www.mpwmd.net/ for the meeting link, which will also be sent to the project mailing list at least 48 hours prior to the meeting. If you want to be added to the mailing list, please contact comments@mpwmd.net.

Thirty-Day Comment Period: This NOP is available for public review and comment pursuant to California Code of Regulations, Title 14, Section 15082(b). The 30-day public comment period, during which time the District will receive comments on the NOP for the Potential Acquisition of Monterey Water Supply and District Boundary Adjustment Project EIR, begins April 6, 2020 and ends on May 6, 2020. Comments should be sent via email to comments@mpwmd.net or to the address provided at the end of this notice.

David Stoldt, General Manager
Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93940
Fax: (831) 658-5651
Email: comments@mpwmd.net

Signature	April 6, 2020 Date
David Stoldt, MPWMD General Manager	

Figure 1 Regional Location



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Project Location

N

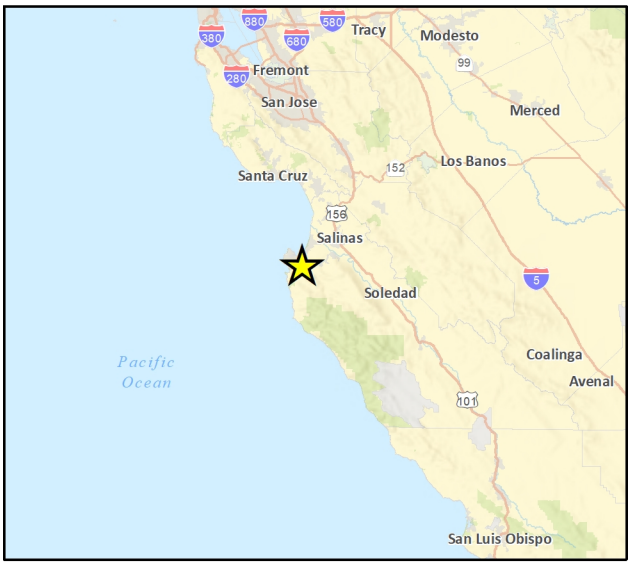

Fig 1 Regional Location

Figure 2 Project Boundary

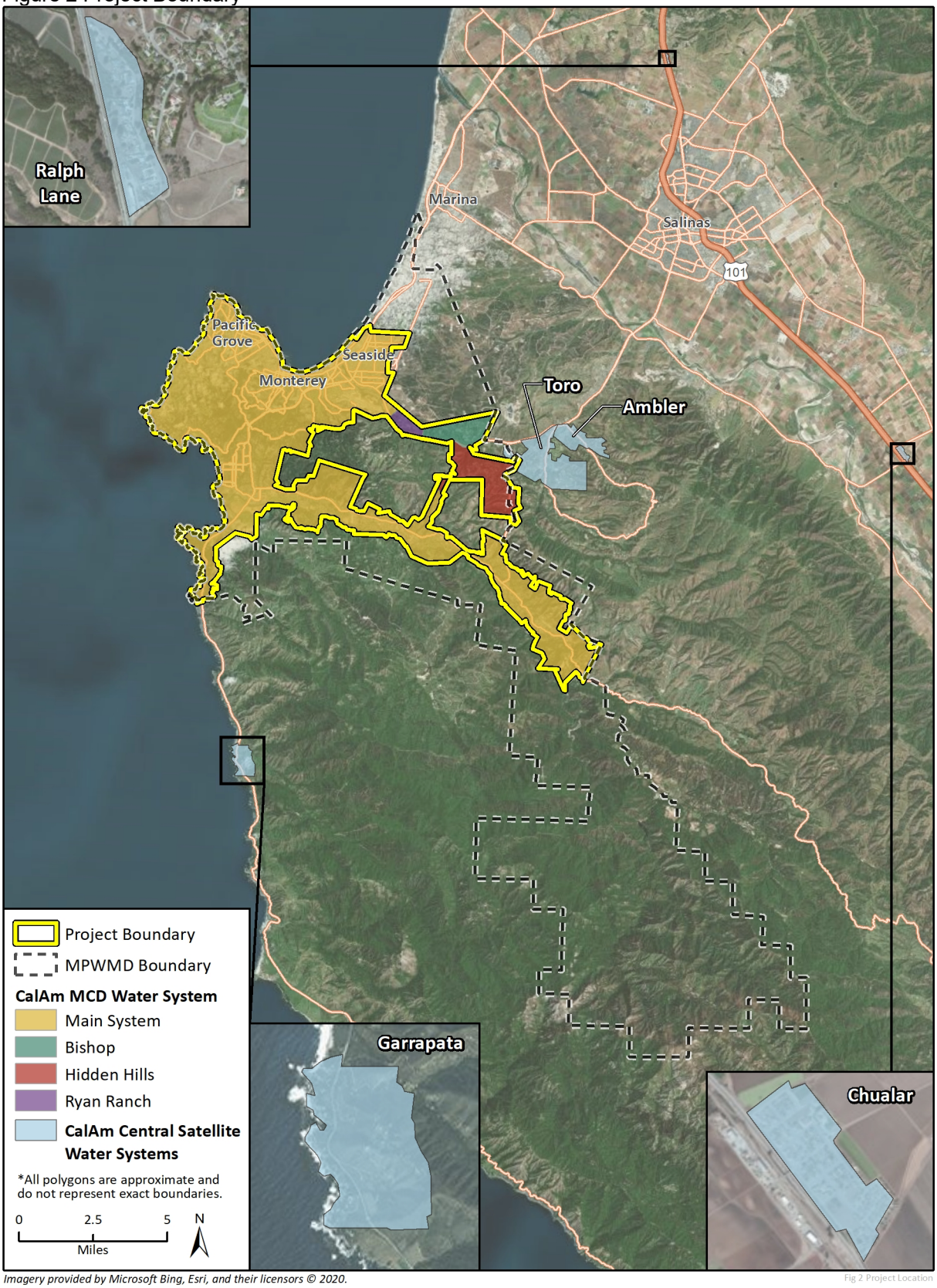

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Fig 2 Project Location

Subject: Notice of Preparation

From: McBain, Darren J. x5302 <McBainD@monterey.lafco.ca.gov>
Sent: Wednesday, April 8, 2020 10:50 AM
To: comments <comments@mpwmd.net>
Cc: Dave Stoldt <dstoldt@mpwmd.net>
Subject: Notice of Preparation

Good morning Dave, we received your NOP. Thanks for sending.
Here is a suggested sentence for use by your CEQA consultants in the Draft EIR's project description and/or Agency Approvals sections when those sections are developed.

- The Local Agency Formation Commission (LAFCO) of Monterey County, acting as a CEQA responsible agency, is anticipated to use the EIR in considering any proposed sphere of influence amendments, annexations of lands into MPWMD's jurisdictional boundary, activations of latent services or powers pursuant to Government Code section 56000 et seq., or other similar requested LAFCO approvals that effectuation of the project may entail.

This suggested wording isn't intended as a formal comment on the NOP.
If you have any questions or would like to follow up on discussing LAFCO's roles in this project, please let Kate or me know anytime. In the meantime, please do continue to keep us informed.
Thanks- Darren

Darren McBain
Principal Analyst
Local Agency Formation Commission (LAFCO) of Monterey County
McBainD@monterey.lafco.ca.gov
831-754-5838 (office)
132 W. Gabilan St. #102, Salinas CA 93901

NATIVE AMERICAN HERITAGE COMMISSION

April 7, 2020

David Stoldt
Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93940

Re: 2020040069, Potential Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County

Dear Mr. Stoldt:

The Native American Heritage Commission (NAHC) has received the Notice of Preparation (NOP), Draft Environmental Impact Report (DEIR) or Early Consultation for the project referenced above. The California Environmental Quality Act (CEQA) (Pub. Resources Code §21000 et seq.), specifically Public Resources Code §21084.1, states that a project that may cause a substantial adverse change in the significance of a historical resource, is a project that may have a significant effect on the environment. (Pub. Resources Code § 21084.1; Cal. Code Regs., tit.14, §15064.5 (b) (CEQA Guidelines §15064.5 (b)). If there is substantial evidence, in light of the whole record before a lead agency, that a project may have a significant effect on the environment, an Environmental Impact Report (EIR) shall be prepared. (Pub. Resources Code §21080 (d); Cal. Code Regs., tit. 14, § 5064 subd.(a)(1) (CEQA Guidelines §15064 (a)(1)). In order to determine whether a project will cause a substantial adverse change in the significance of a historical resource, a lead agency will need to determine whether there are historical resources within the area of potential effect (APE).

CEQA was amended significantly in 2014. Assembly Bill 52 (Gatto, Chapter 532, Statutes of 2014) (AB 52) amended CEQA to create a separate category of cultural resources, "tribal cultural resources" (Pub. Resources Code §21074) and provides that a project with an effect that may cause a substantial adverse change in the significance of a tribal cultural resource is a project that may have a significant effect on the environment. (Pub. Resources Code §21084.2). Public agencies shall, when feasible, avoid damaging effects to any tribal cultural resource. (Pub. Resources Code §21084.3 (a)). **AB 52 applies to any project for which a notice of preparation, a notice of negative declaration, or a mitigated negative declaration is filed on or after July 1, 2015.** If your project involves the adoption of or amendment to a general plan or a specific plan, or the designation or proposed designation of open space, on or after March 1, 2005, it may also be subject to Senate Bill 18 (Burton, Chapter 905, Statutes of 2004) (SB 18). **Both SB 18 and AB 52 have tribal consultation requirements.** If your project is also subject to the federal National Environmental Policy Act (42 U.S.C. § 4321 et seq.) (NEPA), the tribal consultation requirements of Section 106 of the National Historic Preservation Act of 1966 (154 U.S.C. 300101, 36 C.F.R. §800 et seq.) may also apply.

The NAHC recommends consultation with California Native American tribes that are traditionally and culturally affiliated with the geographic area of your proposed project as early as possible in order to avoid inadvertent discoveries of Native American human remains and best protect tribal cultural resources. Below is a brief summary of portions of AB 52 and SB 18 as well as the NAHC's recommendations for conducting cultural resources assessments.

Consult your legal counsel about compliance with AB 52 and SB 18 as well as compliance with any other applicable laws.

NAHC HEADQUARTERS
1550 Harbor Boulevard
Suite 100
West Sacramento,
California 95691
(916) 373-3710
nahc@nahc.ca.gov
NAHC.ca.gov

AB 52

AB 52 has added to CEQA the additional requirements listed below, along with many other requirements:

1. Fourteen Day Period to Provide Notice of Completion of an Application/Decision to Undertake a Project: Within fourteen (14) days of determining that an application for a project is complete or of a decision by a public agency to undertake a project, a lead agency shall provide formal notification to a designated contact of, or tribal representative of, traditionally and culturally affiliated California Native American tribes that have requested notice, to be accomplished by at least one written notice that includes:

- **a.** A brief description of the project.
- **b.** The lead agency contact information.
- **c.** Notification that the California Native American tribe has 30 days to request consultation. (Pub. Resources Code §21080.3.1 (d)).
- **d.** A "California Native American tribe" is defined as a Native American tribe located in California that is on the contact list maintained by the NAHC for the purposes of Chapter 905 of Statutes of 2004 (SB 18). (Pub. Resources Code §21073).

2. Begin Consultation Within 30 Days of Receiving a Tribe's Request for Consultation and Before Releasing a Negative Declaration, Mitigated Negative Declaration, or Environmental Impact Report: A lead agency shall begin the consultation process within 30 days of receiving a request for consultation from a California Native American tribe that is traditionally and culturally affiliated with the geographic area of the proposed project. (Pub. Resources Code §21080.3.1, subds. (d) and (e)) and prior to the release of a negative declaration, mitigated negative declaration or Environmental Impact Report. (Pub. Resources Code §21080.3.1(b)).

- **a.** For purposes of AB 52, "consultation shall have the same meaning as provided in Gov. Code §65352.4 (SB 18). (Pub. Resources Code §21080.3.1 (b)).

3. Mandatory Topics of Consultation If Requested by a Tribe: The following topics of consultation, if a tribe requests to discuss them, are mandatory topics of consultation:

- **a.** Alternatives to the project.
- **b.** Recommended mitigation measures.
- **c.** Significant effects. (Pub. Resources Code §21080.3.2 (a)).

4. Discretionary Topics of Consultation: The following topics are discretionary topics of consultation:

- **a.** Type of environmental review necessary.
- **b.** Significance of the tribal cultural resources.
- **c.** Significance of the project's impacts on tribal cultural resources.
- **d.** If necessary, project alternatives or appropriate measures for preservation or mitigation that the tribe may recommend to the lead agency. (Pub. Resources Code §21080.3.2 (a)).

5. Confidentiality of Information Submitted by a Tribe During the Environmental Review Process: With some exceptions, any information, including but not limited to, the location, description, and use of tribal cultural resources submitted by a California Native American tribe during the environmental review process shall not be included in the environmental document or otherwise disclosed by the lead agency or any other public agency to the public, consistent with Government Code §6254 (r) and §6254.10. Any information submitted by a California Native American tribe during the consultation or environmental review process shall be published in a confidential appendix to the environmental document unless the tribe that provided the information consents, in writing, to the disclosure of some or all of the information to the public. (Pub. Resources Code §21082.3 (c)(1)).

6. Discussion of Impacts to Tribal Cultural Resources in the Environmental Document: If a project may have a significant impact on a tribal cultural resource, the lead agency's environmental document shall discuss both of the following:

- **a.** Whether the proposed project has a significant impact on an identified tribal cultural resource.
- **b.** Whether feasible alternatives or mitigation measures, including those measures that may be agreed to pursuant to Public Resources Code §21082.3, subdivision (a), avoid or substantially lessen the impact on the identified tribal cultural resource. (Pub. Resources Code §21082.3 (b)).

7. Conclusion of Consultation: Consultation with a tribe shall be considered concluded when either of the following occurs:

a. The parties agree to measures to mitigate or avoid a significant effect, if a significant effect exists, on a tribal cultural resource; or

b. A party, acting in good faith and after reasonable effort, concludes that mutual agreement cannot be reached. (Pub. Resources Code §21080.3.2 (b)).

8. Recommending Mitigation Measures Agreed Upon in Consultation in the Environmental Document: Any mitigation measures agreed upon in the consultation conducted pursuant to Public Resources Code §21080.3.2 shall be recommended for inclusion in the environmental document and in an adopted mitigation monitoring and reporting program, if determined to avoid or lessen the impact pursuant to Public Resources Code §21082.3, subdivision (b), paragraph 2, and shall be fully enforceable. (Pub. Resources Code §21082.3 (a)).

9. Required Consideration of Feasible Mitigation: If mitigation measures recommended by the staff of the lead agency as a result of the consultation process are not included in the environmental document or if there are no agreed upon mitigation measures at the conclusion of consultation, or if consultation does not occur, and if substantial evidence demonstrates that a project will cause a significant effect to a tribal cultural resource, the lead agency shall consider feasible mitigation pursuant to Public Resources Code §21084.3 (b). (Pub. Resources Code §21082.3 (e)).

10. Examples of Mitigation Measures That, If Feasible, May Be Considered to Avoid or Minimize Significant Adverse Impacts to Tribal Cultural Resources:

a. Avoidance and preservation of the resources in place, including, but not limited to:

i. Planning and construction to avoid the resources and protect the cultural and natural context.

ii. Planning greenspace, parks, or other open space, to incorporate the resources with culturally appropriate protection and management criteria.

b. Treating the resource with culturally appropriate dignity, taking into account the tribal cultural values and meaning of the resource, including, but not limited to, the following:

i. Protecting the cultural character and integrity of the resource.

ii. Protecting the traditional use of the resource.

iii. Protecting the confidentiality of the resource.

c. Permanent conservation easements or other interests in real property, with culturally appropriate management criteria for the purposes of preserving or utilizing the resources or places.

d. Protecting the resource. (Pub. Resource Code §21084.3 (b)).

e. Please note that a federally recognized California Native American tribe or a non-federally recognized California Native American tribe that is on the contact list maintained by the NAHC to protect a California prehistoric, archaeological, cultural, spiritual, or ceremonial place may acquire and hold conservation easements if the conservation easement is voluntarily conveyed. (Civ. Code §815.3 (c)).

f. Please note that it is the policy of the state that Native American remains and associated grave artifacts shall be repatriated. (Pub. Resources Code §5097.991).

11. Prerequisites for Certifying an Environmental Impact Report or Adopting a Mitigated Negative Declaration or Negative Declaration with a Significant Impact on an Identified Tribal Cultural Resource: An Environmental Impact Report may not be certified, nor may a mitigated negative declaration or a negative declaration be adopted unless one of the following occurs:

a. The consultation process between the tribes and the lead agency has occurred as provided in Public Resources Code §21080.3.1 and §21080.3.2 and concluded pursuant to Public Resources Code §21080.3.2.

b. The tribe that requested consultation failed to provide comments to the lead agency or otherwise failed to engage in the consultation process.

c. The lead agency provided notice of the project to the tribe in compliance with Public Resources Code §21080.3.1 (d) and the tribe failed to request consultation within 30 days. (Pub. Resources Code §21082.3 (d)).

The NAHC's PowerPoint presentation titled, "Tribal Consultation Under AB 52: Requirements and Best Practices" may be found online at: http://nahc.ca.gov/wp-content/uploads/2015/10/AB52TribalConsultation_CalEPAPDF.pdf

SB 18

SB 18 applies to local governments and requires local governments to contact, provide notice to, refer plans to, and consult with tribes prior to the adoption or amendment of a general plan or a specific plan, or the designation of open space. (Gov. Code §65352.3). Local governments should consult the Governor's Office of Planning and Research's "Tribal Consultation Guidelines," which can be found online at: https://www.opr.ca.gov/docs/09_14_05_Updated_Guidelines_922.pdf.

Some of SB 18's provisions include:

1. Tribal Consultation: If a local government considers a proposal to adopt or amend a general plan or a specific plan, or to designate open space it is required to contact the appropriate tribes identified by the NAHC by requesting a "Tribal Consultation List." If a tribe, once contacted, requests consultation the local government must consult with the tribe on the plan proposal. **A tribe has 90 days from the date of receipt of notification to request consultation unless a shorter timeframe has been agreed to by the tribe.** (Gov. Code §65352.3 (a)(2)).
2. No Statutory Time Limit on SB 18 Tribal Consultation. There is no statutory time limit on SB 18 tribal consultation.
3. Confidentiality: Consistent with the guidelines developed and adopted by the Office of Planning and Research pursuant to Gov. Code §65040.2, the city or county shall protect the confidentiality of the information concerning the specific identity, location, character, and use of places, features and objects described in Public Resources Code §5097.9 and §5097.993 that are within the city's or county's jurisdiction. (Gov. Code §65352.3 (b)).
4. Conclusion of SB 18 Tribal Consultation: Consultation should be concluded at the point in which:
    a. The parties to the consultation come to a mutual agreement concerning the appropriate measures for preservation or mitigation; or
    b. Either the local government or the tribe, acting in good faith and after reasonable effort, concludes that mutual agreement cannot be reached concerning the appropriate measures of preservation or mitigation. (Tribal Consultation Guidelines, Governor's Office of Planning and Research (2005) at p. 18).

Agencies should be aware that neither AB 52 nor SB 18 precludes agencies from initiating tribal consultation with tribes that are traditionally and culturally affiliated with their jurisdictions before the timeframes provided in AB 52 and SB 18. For that reason, we urge you to continue to request Native American Tribal Contact Lists and "Sacred Lands File" searches from the NAHC. The request forms can be found online at: http://nahc.ca.gov/resources/forms/.

NAHC Recommendations for Cultural Resources Assessments

To adequately assess the existence and significance of tribal cultural resources and plan for avoidance, preservation in place, or barring both, mitigation of project-related impacts to tribal cultural resources, the NAHC recommends the following actions:

1. Contact the appropriate regional California Historical Research Information System (CHRIS) Center (http://ohp.parks.ca.gov/?page_id=1068) for an archaeological records search. The records search will determine:
    a. If part or all of the APE has been previously surveyed for cultural resources.
    b. If any known cultural resources have already been recorded on or adjacent to the APE.
    c. If the probability is low, moderate, or high that cultural resources are located in the APE.
    d. If a survey is required to determine whether previously unrecorded cultural resources are present.

2. If an archaeological inventory survey is required, the final stage is the preparation of a professional report detailing the findings and recommendations of the records search and field survey.
    a. The final report containing site forms, site significance, and mitigation measures should be submitted immediately to the planning department. All information regarding site locations, Native American human remains, and associated funerary objects should be in a separate confidential addendum and not be made available for public disclosure.

b. The final written report should be submitted within 3 months after work has been completed to the appropriate regional CHRIS center.

3. Contact the NAHC for:

a. A Sacred Lands File search. Remember that tribes do not always record their sacred sites in the Sacred Lands File, nor are they required to do so. A Sacred Lands File search is not a substitute for consultation with tribes that are traditionally and culturally affiliated with the geographic area of the project's APE.

b. A Native American Tribal Consultation List of appropriate tribes for consultation concerning the project site and to assist in planning for avoidance, preservation in place, or, failing both, mitigation measures.

4. Remember that the lack of surface evidence of archaeological resources (including tribal cultural resources) does not preclude their subsurface existence.

a. Lead agencies should include in their mitigation and monitoring reporting program plan provisions for the identification and evaluation of inadvertently discovered archaeological resources per Cal. Code Regs., tit. 14, §15064.5(f) (CEQA Guidelines §15064.5(f)). In areas of identified archaeological sensitivity, a certified archaeologist and a culturally affiliated Native American with knowledge of cultural resources should monitor all ground-disturbing activities.

b. Lead agencies should include in their mitigation and monitoring reporting program plans provisions for the disposition of recovered cultural items that are not burial associated in consultation with culturally affiliated Native Americans.

c. Lead agencies should include in their mitigation and monitoring reporting program plans provisions for the treatment and disposition of inadvertently discovered Native American human remains. Health and Safety Code §7050.5, Public Resources Code §5097.98, and Cal. Code Regs., tit. 14, §15064.5, subdivisions (d) and (e) (CEQA Guidelines §15064.5, subds. (d) and (e)) address the processes to be followed in the event of an inadvertent discovery of any Native American human remains and associated grave goods in a location other than a dedicated cemetery.

If you have any questions or need additional information, please contact me at my email address: Nancy.Gonzalez-Lopez@nahc.ca.gov.

Sincerely,

Nancy Gonzalez-Lopez
Staff Services Analyst

cc: State Clearinghouse

Subject: NOP: Potential Acquisition of Monterey Water Supply and District Boundary Adjustment

From: Bachman, Stephen@Parks <Stephen.Bachman@parks.ca.gov>
Sent: Monday, April 6, 2020 3:08 PM
To: comments <comments@mpwmd.net>
Subject: NOP: Potential Acquisition of Monterey Water Supply and District Boundary Adjustment

Hello,

State Parks would prefer that the project EIR also identify any/all Calam related projects that seek to utilize State Parks lands. WE look forward to review of the DEIR.

State Parks has reviewed the NOP for the Potential Acquisition of Monterey Water Supply and District Boundary Adjustment project. Please remit DEIR notices to the contact below:

Thank you

Stephen Bachman
Senior Park & Recreation Specialist
2211 Garden Road
Monterey, CA 93940
Phone (831) 649-2862
Cell (831) 277-3037

Stephen.bachman@parks.ca.gov

State Parks Mission Statement
The mission of California State Parks is to provide for the health, inspiration, and education of the people of California by helping to preserve the state's extraordinary biological diversity, protecting its most valued natural and cultural resources, and creating opportunities for high-quality outdoor recreation.

Subject: comments on the potential acquisition of MWS

From: Kevin Kamnikar <kkamnikar@mcrfd.org>
Sent: Wednesday, April 29, 2020 1:00 PM
To: comments <comments@mpwmd.net>
Subject: comments on the potential acquisition of MWS

Good afternoon,
Monterey County Regional Fire District has a few questions and concerns that we would like to have addressed.

1. Does the Monterey Peninsula Water Management District (MPWMD) conduct hydrant maintenance and if so how often and what is involved.
2. Will MPWMD be conducting annual flow test in accordance with NFPA and ISO?
3. Can fire departments have access to mapping and GIS information?
4. Exemptions and process to utilize assets for fire department training.

Please advise on these questions and any information you can provide will be greatly appreciated.

Kevin Kamnikar,
Division Chief/Fire Marshal
Monterey County Regional Fire

19900 Portola DR, Salinas, CA 93908

PHONE 831-455-1828(Office) 831-809-4526(Mobile)
FAX 831-455-0646
EMAIL kkamnikar@mcrfd.org

Serving the Northern Salinas Valley, Highway 68 Corridor, and the Communities of Chualar, East Garrison, Spreckels, Carmel Valley, Mid Carmel Valley & the Santa Lucia Preserve

State of California – Natural Resources Agency
DEPARTMENT OF FISH AND WILDLIFE
Central Region
1234 East Shaw Avenue
Fresno, California 93710
(559) 243-4005
www.wildlife.ca.gov

GAVIN NEWSOM, Governor
CHARLTON H. BONHAM, Director

May 6, 2020

David Stoldt, General Manager
Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, California 93940
comments@mpwmd.net

Subject: Potential Acquisition of Monterey Water Supply and District Boundary Adjustment (Project)
NOTICE OF PREPARATION (NOP)
State Clearinghouse No.: 2020040069

Dear Mr. Stoldt:

The California Department of Fish and Wildlife (CDFW) received the NOP of an Environmental Impact Report (EIR) for the Project from the Monterey Peninsula Water Management District for the above-referenced Project pursuant to the California Environmental Quality Act (CEQA) and CEQA Guidelines.[1]

Thank you for the opportunity to provide comments and recommendations regarding those activities involved in the Project that may affect California fish and wildlife. Likewise, we appreciate the opportunity to provide comments regarding those aspects of the Project that CDFW, by law, may be required to carry out or approve through exercise of our own regulatory authority under the Fish and Game Code.

CDFW ROLE

CDFW is California's **Trustee Agency** for fish and wildlife resources and holds those resources in trust by statute for all the people of the State (Fish & G. Code, §§ 711.7, subd. (a) & 1802; Pub. Resources Code, § 21070; CEQA Guidelines § 15386, subd. (a)). CDFW, in the trustee capacity, has jurisdiction over the conservation, protection, and management of fish, wildlife, native plants, and habitat necessary for biologically

[1] CEQA is codified in the California Public Resources Code in section 21000 et seq. The "CEQA Guidelines" are found in Title 14 of the California Code of Regulations, commencing with section 15000.

sustainable populations of those species (*Id.*, § 1802). Similarly, for purposes of CEQA, CDFW is charged by law to provide, as available, biological expertise during public agency environmental review efforts, focusing specifically on projects and related activities that have the potential to adversely affect fish and wildlife resources.

CDFW is also submitting comments as a **Responsible Agency** under CEQA (Pub. Resources Code, § 21069; CEQA Guidelines, § 15381). CDFW expects that it may need to exercise regulatory authority as provided by the Fish and Game Code. As proposed, for example, the Project may be subject to CDFW's lake and streambed alteration regulatory authority (Fish & G. Code, § 1600 et seq.). Likewise, to the extent implementation of the Project as proposed may result in "take" as defined by State law of any species protected under the California Endangered Species Act (CESA) (Fish & G. Code, § 2050 et seq.), related authorization as provided by the Fish and Game Code will be required.

Nesting Birds: CDFW has jurisdiction over actions with potential to result in the disturbance or destruction of active nest sites or the unauthorized take of birds. Fish and Game Code sections that protect birds, eggs and nests include, sections 3503 (regarding unlawful take, possession or needless destruction of the nest or eggs of any bird), 3503.5 (regarding the take, possession or destruction of any birds-of-prey or their nests or eggs), and 3513 (regarding unlawful take of any migratory nongame bird).

Water Rights: The use of unallocated stream flows is subject to appropriation and approval by the State Water Resources Control Board (SWRCB) pursuant to Water Code section 1225. CDFW, as Trustee Agency, is consulted by the SWRCB during the water rights process to provide terms and conditions designed to protect fish and wildlife prior to appropriation of the State's water resources. Certain fish and wildlife are reliant upon aquatic ecosystems, which in turn are reliant upon adequate flows of water. CDFW therefore has a material interest in assuring that adequate water flows within streams for the protection, maintenance and proper stewardship of those resources. CDFW provides, as available, biological expertise to review and comment on environmental documents and impacts arising from project activities.

PROJECT DESCRIPTION SUMMARY

Proponent: Monterey County Water Management District (District).

Objective: The proposed Project is for the District to acquire, operate, and maintain the MCD water system. The objectives of the proposed Project are to implement the purpose approved by the local electorate in Measure J:

"…to ensure the long-term sustainability, adequacy, reliability, cost-effectiveness and quality of water service within the Monterey Peninsula Water Management District area,

to lower the cost of service to ratepayers, to promote and practice sustainable water management measures, and to establish public ownership of water system assets by establishing regulations requiring the District to take affirmative action, to the extent financially feasible, to acquire the water system assets owned and operated by the California American Water Company that currently provide water service to the District and its ratepayers."

Due to the passage of Measure J (described below), the District proposes to acquire the Monterey Water Supply system, referred to as the Monterey County District (MCD) water system, that serves the Monterey Peninsula and outlying areas within unincorporated Monterey County and within the District's jurisdiction. The acquisition and subsequent operation of this water supply system by the District represents the proposed project. The existing system is currently owned and operated by California American Water Company (Cal-Am), a subsidiary of the publicly-traded company, American Water Works Company, Inc. The District's proposed acquisition of the MCD water system would include all associated assets (i.e., real, intangible, and personal property) including, but not limited to water systems and production wells, utility plants, water rights, water supply contracts, and records, books, and accounts.

The proposed Project includes the District's subsequent operation and maintenance of the MCD water system. The District proposes only to acquire and operate the existing MCD water system, and is not proposing changes or expansion to the physical MCD water system or to the associated water rights, nor is the District proposing any changes to the manner of operation of the MCD water system or the exercise of the associated water rights.

Currently, the primary source of water for the MCD water system is supplied to customers from the Carmel River and the Seaside Groundwater Basin with a majority of supplies from the Carmel River coming from water withdrawn from the Carmel Valley Alluvial Aquifer. These supplies are supplemented through withdrawals from the Seaside Groundwater Basin, an adjudicated basin. The District's acquisition of Cal-Am's water rights would entitle the District to the currently established allocations assigned to Cal-Am and would require the District meet the same standards in terms of replenishment if it were to exceed established limits on withdrawals.

In addition to water rights, the MCD water system includes infrastructure that allows for the production, distribution, and delivery of water supplies within its service area. As reported, the MCD water system provides domestic water from its system of extraction wells, which has a total pumping capacity of approximately 29.18 million gallons per day. The MCD water system also includes approximately 614 miles of pipeline and approximately 40,000 customer connections. In addition, the MCD water system includes a Desalination Plant in Sand City, seven water treatment facilities, the Monterey Pipeline and Pump Station, 75 pump stations, 108 water storage facilities with

a total combined capacity of 613.9 million gallons, and 3,496 fire hydrants and an estimated 12,000 distribution valves. The proposed project would also include the acquisition of the planned Monterey Peninsula Water Supply Project, including the proposed 6.4 million gallon per day desalination plant. Cal-Am also owns property that generally supports system infrastructure (e.g., wells and water storage tanks) and public utility rights-of-way, including 117 assessor parcels with a total area of approximately 4,753 acres; this infrastructure is also part of the Project.

Location: The Project area is located within Monterey County and is bordered by California State University Monterey Bay and the former Fort Ord to the north, the Central Satellites and unincorporated Monterey County to the east, Yankee Point and the Santa Lucia Mountains to the south, and the Pacific Ocean to the west. The Project area consists of the existing Cal-Am MCD water system within the District's jurisdiction and may include assets outside the District that serve customers within the District. The existing MCD water system is a stand-alone system that serves an approximately 55 square-mile area that encompasses the majority of the Monterey Peninsula as well as portions of unincorporated Monterey County. The majority of the Project area is in District jurisdiction; however, the proposed Project would also include connections to adjacent areas outside of the District's current service area. Specifically, these connections include approximately 33 residential connections at Yankee Point, south of the District boundaries; and 10 residential connections in Hidden Hills, east of the District boundaries. Thus, the Project area includes the MCD water system, which entails areas within the current District boundaries plus these annexation areas.

Timeframe: Unspecified.

COMMENTS AND RECOMMENDATIONS

Portions of the Project description, such as MCD boundary acquisition, are not anticipated to physically impact fish and wildlife (biological) resources, while other activities such as operation and maintenance may directly impact biological resources through ground-disturbance and construction. The following CDFW comments and recommendations are intended for Project-related activities that may impact biological resources. These comments are to assist the District in adequately identifying and/or mitigating the Project's significant, or potentially significant, direct and indirect impacts on biological resources. Editorial comments or other suggestions may also be included to improve the document.

Based on aerial imagery, species occurrence records, and the land cover types that intersect and comprise the project alignment, the Project area is known to and/or has high potential to support numerous special-status species, including CESA-listed species (CDFW 2020, CNPS 2019, UC Davis 2018). Therefore, the Project has the potential to significantly impact these species. Specifically, CDFW is concerned about

potential of the Project to significantly impact the State and federally threatened California tiger salamander (*Ambystoma californiense*); the federally threatened south-central California coast distinct population segment for steelhead trout (*Oncorhynchus mykiss irideus*); the federally threatened western snowy plover (*Charadrius alexandrinus nivosus*); the federally endangered Smith's blue butterfly (*Euphilotes enoptes smithi*); the State candidate endangered Western bumble bee (*Bombus occidentalis*); the State threatened, federally endangered, and California Rare Plant Ranked (CRPR) 1B.2 Monterey gilia (*Gilia tenuiflora* ssp. *arenaria*); the State endangered and CRPR 1B.1 seaside bird's-beak (*Cordylanthus rigidus* ssp. *littoralis*); the federally threatened and State species of special concern California red-legged frog (*Rana draytonii*); the State species of special concern northern California legless lizard (*Anniella pulchra*), coast horned lizard (*Phrynosoma blainvillii*), western pond turtle (*Emys marmorata*), burrowing owl (*Athene cunicularia*), and American badger (*Taxidea taxus*); and numerous CRPR plant species including but not limited to the federally threatened and CRPR 1B.2 Monterey spineflower (*Chorizanthe pungens* var. *pungens*); the CRPR 1B.1 Eastwood's goldenbush (*Ericameria fasciculata*), Pajaro manzanita (*Arctostaphylos pajroensis*), pink Johnny-nip (*Castilleja ambigua* var. *insalutata*), Kellogg's horkelia (*Horkelia cuneata* var. *sericea*), and Monterey pine (*Pinus radiata*); and the CRPR 1B.2 Hickman's onion (*Allium hickmanii*), Hooker's manzanita (*Arctostaphylos hookeri* ssp. *hookeri*), Jolon clarkia (*Clarkia jolonensis*), northern curly-leaved monardella (*Monardella sinuata* ssp. *nigrescens*), sand-loving wallflower (*Erysimum ammophilum*), sandmat manzanita (*Arctostaphylos pumila*), and Toro manzanita (*Artostaphylos montereyensis*). Many of these species occur in maritime chaparral, coastal scrub, coastal prairie, and grassland communities which are present within and adjacent to the Project area. In addition, the Carmel River within the Project area is known to support breeding populations of California red-legged frogs and steelhead trout (CDFW 2020). Other natural areas in the vicinity of the Project area where species mentioned above are known or likely to occur include the Carmel Lagoon, Fort Ord Natural Reserve lands managed by the University of California Natural Reserve System, Fort Ord Dunes State Park, Garland Ranch Regional Park, and the Frog Pond Wetland Preserve.

To evaluate impacts of the Project on these species, CDFW recommends that a qualified biologist conduct species-specific focused habitat assessments and, if suitable habitat is present, protocol-level surveys or assumption of presence. CDFW further recommends that the results of these surveys be summarized and used to evaluate Project impacts, impact avoidance and mitigation, and potential permitting needs in the Project's CEQA document. The CEQA document must provide quantifiable and enforceable measures as needed that will reduce impacts to less than significant levels.

I. Environmental Setting and Related Impact

Would the Project have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations, or by CDFW or United States Fish and Wildlife Service (USFWS)?

COMMENT 1: California tiger salamander (CTS)

Issue: CTS are known to occur in the Project area and its vicinity (CDFW 2020). Review of aerial imagery indicates the presence of several wetland features in the Project's vicinity that have the potential to support breeding CTS. In addition, the Project area or its immediate surroundings may support small mammal burrows, a requisite upland habitat feature for CTS.

Specific impact: Without appropriate avoidance and minimization measures for CTS, potential significant impacts associated with any construction or ground disturbing activity include burrow collapse; inadvertent entrapment; reduced reproductive success; reduction in health and vigor of eggs, larvae and/or young; and direct mortality of individuals. In addition, depending on the design of any activity, the Project has the potential to result in creation of barriers to dispersal.

Evidence impact would be significant: Up to 75% of historic CTS habitat has been lost to development (Shaffer et al. 2013). Loss, degradation, and fragmentation of habitat are among the primary threats to CTS (CDFW 2015, USFWS 2017a). The Project area is within the range of CTS and is both comprised of and bordered by suitable upland habitat. As a result, there is potential for CTS to occupy or colonize the Project area and for the Project to impact CTS.

Recommended Potentially Feasible Mitigation Measure(s) (Regarding Environmental Setting and Related Impact)
To evaluate potential impacts to CTS associated with the Project, CDFW recommends conducting the following evaluation of the Project area and including the following mitigation measures as conditions of Project approval in the Project's CEQA document.

Recommended Mitigation Measure 1: CTS Habitat Assessment

CDFW recommends that a qualified biologist conduct a habitat assessment well in advance of Project implementation, to determine if the Project area or its vicinity contains suitable habitat for CTS.

Recommended Mitigation Measure 2: Focused CTS Surveys

If the Project area does contain suitable habitat for CTS, CDFW recommends that a qualified biologist evaluate potential Project-related impacts to CTS prior to ground-disturbing activities using the USFWS's "Interim Guidance on Site Assessment and Field Surveys for Determining Presence or a Negative Finding of the California Tiger Salamander" (2003). CDFW advises that the survey include a 100-foot buffer around the Project area in all areas of wetland and upland habitat that could support CTS.

Recommended Mitigation Measure 3: CTS Avoidance

CDFW advises avoidance for CTS include a minimum 50-foot no disturbance buffer delineated around all small mammal burrows and a minimum 250-foot no disturbance buffer around potential breeding pools within and/or adjacent to the Project area. CDFW also recommends avoiding any impacts that could alter the hydrology or result in sedimentation of breeding pools. If avoidance is not feasible, consultation with CDFW is warranted to determine if the Project can avoid take.

Recommended Mitigation Measure 4: CTS Take Authorization

If through surveys it is determined that CTS are occupying the Project area and take cannot be avoided, take authorization may be warranted prior to initiating ground-disturbing activities by securing the acquisition of a state Incidental Take Permit (ITP) pursuant to Fish and Game Code section 2081(b) before Project ground or vegetation disturbing activities occur. Alternatively, in the absence of protocol surveys, the applicant can assume presence of CTS within the Project area and obtain an ITP from CDFW at any time.

COMMENT 2: Monterey gilia, Seaside bird's-beak, and CRPR plant species

Issue: Monterey gilia and the CRPR plant species mentioned above are known to occur on and in the vicinity Project area (USFWS 2008, CDFW 2020). Lands designated for development that were transferred from the Department of the Army's former Fort Ord, as is the case with portions of the Project site, contain high quality habitat for the CESA-listed Monterey gilia (USFWS 2008). In addition, the sandy soils and maritime chaparral vegetation community present within portions of the Project area are suitable to support CESA-listed seaside bird's-beak (CDFW 2020, CNPS 2019, UC Davis 2018). The Project area also supports coastal scrub and coastal prairie communities, which have the potential to support numerous CRPR-species including, but not limited to, Monterey spineflower, Eastwood's goldenbush, Pajaro manzanita, pink Johnny-nip, Kellogg's horkelia, Monterey pine, Hickman's onion, Hooker's manzanita, Jolon clarkia, northern curly-leaved

monardella, sand-loving wallflower, sandmat manzanita, and Toro manzanita. Therefore, ground-disturbing activities such as grading, and development associated with Project implementation have the potential to impact special-status plant species.

Specific impact: Without appropriate avoidance and minimization measures potential impacts to special-status plant species include inability to reproduce and direct mortality. Unauthorized take of species listed as threatened, endangered, or rare pursuant to CESA or the Native Plant Protection Act is a violation of Fish and Game Code.

Evidence impact would be significant: Monterey gilia, seaside bird's-beak, and many of the CRPR-listed plant species above are narrowly distributed endemic species with specific habitat requirements. These species are threatened with habitat loss and habitat fragmentation resulting from development, vehicle and foot traffic, and non-native plant species (CNPS 2019), all of which may be unintended impacts of the Project. Therefore, impacts of the Project have the potential to significantly impact populations of the species mentioned above.

Recommended Potentially Feasible Mitigation Measure(s)
To evaluate potential impacts to special-status plants associated with the Project, CDFW recommends conducting the following evaluation of the Project area and including the following mitigation measures as conditions of Project approval in the Project's CEQA document.

Recommended Mitigation Measure 5: Special-Status Plant Habitat Assessment

CDFW recommends that a qualified biologist conduct a habitat assessment well in advance of project implementation, to determine if the Project area or its vicinity contains suitable habitat for special-status plant species.

Recommended Mitigation Measure 6: Focused Surveys

CDFW recommends that the Project area be surveyed for special-status plants by a qualified botanist following the "Protocols for Surveying and Evaluating Impacts to Special Status Native Plant Populations and Sensitive Natural Communities" (CDFW 2018). This protocol, which is intended to maximize detectability, includes identification of reference populations to facilitate the likelihood of field investigations occurring during the appropriate floristic period. In the absence of protocol-level surveys being performed, additional surveys may be necessary.

Recommended Mitigation Measure 7: Special-Status Plant Avoidance

CDFW recommends special-status plant species be avoided whenever possible by delineation and observing a no-disturbance buffer of at least 50-feet from the outer edge of the plant population(s) or specific habitat type(s) required by special-status plant species. If buffers cannot be maintained, then consultation with CDFW is warranted to determine appropriate minimization and mitigation measures for impacts to special-status plant species.

Recommended Mitigation Measure 8: Special-Status Plant Take Authorization

If a State-listed plant species is identified during botanical surveys, consultation with CDFW is warranted to determine if the Project can avoid take. However, if take cannot be avoided, take authorization would need to occur through issuance of an ITP by CDFW to the District, pursuant to Fish and Game Code section 2081(b).

COMMENT 3: California Red-Legged Frog (CRLF)

Issue: CRLF have been documented to occur within the Carmel River, which is included in the Project Area (CDFW 2020). CRLF primarily inhabit ponds but can also be found in other waterways including marshes, streams, and lagoons. The species will also breed in ephemeral waters (Thomson et al. 2016). Review of aerial imagery indicates the presence of several ponded wetland features within the vicinity of the Project Area that may be suitable to support CRLF. As a result, the Project has the potential to impact CRLF.

Specific impact: Without appropriate avoidance and minimization measures for CRLF, potentially significant impacts associated with the Project's activities include burrow collapse, inadvertent entrapment, reduced reproductive success, reduction in health and vigor of eggs, larvae and/or young, and direct mortality of individuals.

Evidence impact is potentially significant: CRLF populations throughout the State have experienced ongoing and drastic declines and many have been extirpated (Thomson et al. 2016). Habitat loss from growth of cities and suburbs, invasion of nonnative plants, impoundments, water diversions, stream maintenance for flood control, degraded water quality, and introduced predators, such as bullfrogs are the primary threats to CRLF (Thomson et al. 2016, USFWS 2017b). All of these impacts have the potential to result from the Project. Therefore, Project activities have the potential to significantly impact CRLF.

Recommended Potentially Feasible Mitigation Measure(s)
To evaluate potential impacts to CRLF associated with the Project, CDFW recommends conducting the following evaluation of the Project Area and including

the following mitigation measures as conditions of Project approval in the Project's CEQA document.

Recommended Mitigation Measure 9: CRLF Habitat Assessment

CDFW recommends that a qualified biologist conduct a habitat assessment in advance of Project implementation, to determine if the Project Area or its immediate vicinity contain suitable habitat for CRLF.

Recommended Mitigation Measure 10: CRLF Surveys

If suitable habitat is present, CDFW recommends that a qualified wildlife biologist conduct surveys for CRLF within 48 hours prior to commencing work (two night surveys immediately prior to construction or as otherwise required by the USFWS) in accordance with the USFWS *"Revised Guidance on Site Assessment and Field Surveys for the California Red-legged Frog"* (USFWS 2005) to determine if CRLF are within or adjacent to the Project area.

Recommended Mitigation Measure 11: CRLF Avoidance

If any CRLF are found during preconstruction surveys or at any time during construction, CDFW recommends that construction cease and that CDFW be contacted to discuss a relocation plan for CRLF with relocation conducted by a qualified biologist, holding a Scientific Collecting Permit from CDFW for the species. CDFW recommends that initial ground-disturbing activities be timed to avoid the period when CRLF are most likely to be moving through upland areas (November 1 and March 31). When ground-disturbing activities must take place between November 1 and March 31, CDFW recommends that a qualified biologist monitor construction activity daily for CRLF.

COMMENT 4: Northern California Legless Lizard and Coast Horned Lizard

Issue: Northern California legless lizards and coast horned lizards are known to occur in the vicinity of the Project area (CDFW 2020). Northern California legless lizards are fossorial and inhabit chaparral habitat with sandy or loose loamy soils (Thomson et al. 2016). Coast horned lizards occur in a wide variety of habitat types but require loose, fine soils for burrowing, open areas for thermoregulation, and shrub cover for refugia (Thomson et al. 2016). Review of aerial imagery and soil characteristics indicates that portions of the Project area are comprised of and surrounded by these requisite habitat features (CDFW 2020, UC Davis 2018).

Specific impact: Without appropriate avoidance and minimization measures for Northern California legless lizard and coast horned lizards, potentially significant

impacts associated with ground disturbance include burrow abandonment, which may result in reduced health or vigor of eggs and/or young, and direct mortality.

Evidence impact is potentially significant: Habitat loss and fragmentation resulting from development is the primary threat to Northern California legless lizard and coast horned lizard (Thomson et al. 2016). The Project area is within the range of Northern California legless lizard and coast horned lizard and portions of it are composed of and bordered by suitable habitat (i.e., chaparral with friable soils). As a result, ground-disturbing activities associated with development of the Project area have the potential to significantly impact local populations of this species.

Recommended Potentially Feasible Mitigation Measure(s)
To evaluate potential impacts to Northern California legless lizard associated with the Project, CDFW recommends conducting the following evaluation of the Project area and including the following mitigation measures as conditions of Project approval in the Project's CEQA document.

Recommended Mitigation Measure 12: Habitat Assessment

CDFW recommends that a qualified biologist conduct a habitat assessment in advance of project implementation, to determine if the Project area or its immediate vicinity contain suitable habitat for Northern California legless lizard.

Recommended Mitigation Measure 13: Focused Surveys

If suitable habitat is present, CDFW recommends that a qualified biologist conduct focused surveys for Northern California legless lizard and their requisite habitat features to evaluate potential impacts resulting from ground- and vegetation-disturbance.

Recommended Mitigation Measure 14: Avoidance

Avoidance whenever possible is encouraged via delineation and observance of a 50-foot no-disturbance buffer around burrows.

COMMENT 5: Western Pond Turtle (WPT)

Issue: Portions of the Project area lie adjacent to the Carmel River, which may provide suitable aquatic habitat for WPT. Upland areas adjacent to the Carmel River may provide overwintering and nesting habitat for WPT, which are known to overwinter terrestrially, and which require loose soils and/or leaf litter (Thomson et al. 2016). In addition, several occurrence records of WPT are reported within the vicinity of the Project area (CDFW 2020). The presence of these requisite habitat

features increases the likelihood of WPT occurrence and the potential for the Project to significantly impact the local WPT population.

Specific impact: Without appropriate avoidance and minimization measures for WPT, potential significant impacts associated with development of the Project include nest abandonment, reduced reproductive success, reduced health and vigor of eggs and/or young, and direct mortality.

Evidence impact would be significant: WPT are capable of nesting up to 1,600 feet away from waterbodies. Nesting occurs in spring or early summer and hatching occurs in fall. Hatchlings can remain in the nest throughout the first winter, emerging the following spring. In addition, WPT are slow to reach sexual maturity, which naturally reduces the number of WPT that are recruited into a population each year (Thomson et al. 2016). Threats to WPT include land use changes and habitat fragmentation associated with development, road mortality, as well as a decrease in suitable upland nesting/overwintering habitat (Thomson et al. 2016), all of which are potential impacts of the Project. As a result, Project development has the potential to significantly impact the local population of WPT.

Recommended Potentially Feasible Mitigation Measure(s)
To evaluate the potential for the Project to impact WPT, CDFW recommends conducting the following evaluation of the Project area and including the following measures as conditions of approval in the Project's CEQA document.

Recommended Mitigation Measure 15: Preconstruction Surveys

CDFW recommends that a qualified wildlife biologist conduct focused surveys for WPT during the nesting season (March through August). If any nests are discovered, CDFW recommends that they remain undisturbed until the eggs have hatched, and the nestlings are capable of independent survival. In addition, CDFW recommends conducting pre-construction surveys for WPT immediately prior to initiation of construction activities.

Recommended Mitigation Measure 16: Avoidance

WPT detection during surveys warrants consultation with CDFW to discuss how to implement ground-disturbing activities and avoid take. However, CDFW recommends that if any WPT are discovered immediately prior to or during Project activities they be allowed to move out of the area on their own volition. If this is not feasible, CDFW recommends that a qualified biologist who holds a Scientific Collecting Permit from CDFW for the species capture and relocate the turtle(s) out of harm's way to the nearest suitable habitat immediately upstream or downstream from the Project area.

COMMENT 6: Burrowing Owl (BUOW)

Issue: BUOW have been documented to occur in the vicinity of the Project area (CDFW 2020). Review of aerial imagery reveals that suitable habitat for BUOW is present both within and in the vicinity of the Project area. BUOW inhabit open, treeless areas containing small mammal burrows, a requisite habitat feature used by BUOW for nesting and cover (Poulin et al. 2011). Habitat both within and bordering portions of the Project area, has the potential to support these habitat features. Therefore, there is potential for BUOW to occupy or colonize the Project area or its vicinity.

Specific impact: Potentially significant direct impacts associated with Project-related construction include burrow collapse, inadvertent entrapment, nest abandonment, reduced reproductive success, reduction in health and vigor of eggs and/or young, and direct mortality of individuals.

Evidence impact is potentially significant: BUOW rely on burrow habitat year-round for their survival and reproduction. Habitat loss and degradation are considered the greatest threats to BUOW in California (Gervais et al. 2008). Therefore, ground-disturbing activities associated with the Project have the potential to significantly impact local BUOW populations. In addition, and as described in CDFW's "*Staff Report on Burrowing Owl Mitigation*" (CDFG 2012), excluding and/or evicting BUOW from their burrows is considered a potentially significant impact under CEQA.

Recommended Potentially Feasible Mitigation Measure(s) (Regarding Environmental Setting and Related Impact)
To evaluate potential impacts to BUOW associated with the Project, CDFW recommends conducting the following evaluation of the Project area and including the following mitigation measures as conditions of Project approval in the Project's CEQA document.

Recommended Mitigation Measure 17: BUOW Habitat Assessment

CDFW recommends that a qualified biologist conduct a habitat assessment in advance of Project implementation, to determine if the Project area or its vicinity contains suitable habitat for BUOW.

Recommended Mitigation Measure 18: BUOW Surveys

If suitable habitat for BUOW is present, CDFW recommends assessing presence/absence of BUOW by having a qualified biologist conduct surveys following the California Burrowing Owl Consortium's (CBOC) "*Burrowing Owl Survey*

Protocol and Mitigation Guidelines" (CBOC 1993) and CDFW's *Staff Report on Burrowing Owl Mitigation*" (CDFG 2012). Specifically, CBOC and CDFW's Staff Report suggest three or more surveillance surveys conducted during daylight with each visit occurring at least three weeks apart during the peak breeding season (i.e., April 15 to July 15), when BUOW are most detectable. In addition, CDFW advises that surveys include a 500-foot no-disturbance buffer around the Project area.

Recommended Mitigation Measure 19: BUOW Avoidance

Should a BUOW be detected, CDFW recommends that no-disturbance buffers, as outlined in the "*Staff Report on Burrowing Owl Mitigation*" (CDFG 2012), be implemented prior to and during any ground-disturbing activities. Specifically, CDFW's Staff Report recommends that impacts to occupied burrows be avoided in accordance with the following table unless a qualified biologist approved by CDFW verifies through non-invasive methods that either: 1) the birds have not begun egg laying and incubation; or 2) that juveniles from the occupied burrows are foraging independently and are capable of independent survival.

Location	Time of Year	Level of Disturbance		
		Low	Med	High
Nesting sites	April 1-Aug 15	200 m*	500 m	500 m
Nesting sites	Aug 16-Oct 15	200 m	200 m	500 m
Nesting sites	Oct 16-Mar 31	50 m	100 m	500 m

* meters (m)

Recommended Mitigation Measure 20: BUOW Passive Relocation and Mitigation

If BUOW are found within these recommended buffers and avoidance is not possible, it is important to note that according to the Staff Report (CDFG 2012), exclusion is not a take avoidance, minimization, or mitigation method and is considered a potentially significant impact under CEQA. However, if necessary, CDFW recommends that burrow exclusion be conducted by qualified biologists and only during the non-breeding season, before breeding behavior is exhibited and after the burrow is confirmed empty through non-invasive methods, such as surveillance. CDFW recommends replacement of occupied burrows with artificial burrows at a ratio of 1 burrow collapsed to 1 artificial burrow constructed (1:1) as mitigation for the potentially significant impact of evicting BUOW. Because BUOW may attempt to colonize or re-colonize an area that will be impacted, CDFW recommends ongoing surveillance, at a rate that is sufficient to detect BUOW if they return.

COMMENT 7: American Badger

Issue: American badger have been documented to occur in the vicinity of the Project area (CDFW 2020). Badgers occupy sparsely vegetated land cover with dry, friable soils to excavate dens, which they use for cover, and that support fossorial rodent prey populations (i.e., ground squirrels, pocket gophers, etc.) (Zeiner et al. 1990). The Project area may support these requisite habitat features and therefore the Project has the potential to impact American badger.

Specific impact: Without appropriate avoidance and minimization measures for American badger, potentially significant impacts associated with ground disturbance include direct mortality or natal den abandonment, which may result in reduced health or vigor of young.

Evidence impact is potentially significant: Habitat loss is a primary threat to American badger (Gittleman et al. 2001). Ground-disturbing activities that may result in habitat fragmentation have the potential to significantly impact local populations of American badger.

Recommended Potentially Feasible Mitigation Measure(s)
To evaluate potential impacts to American badger associated with the Project, CDFW recommends conducting the following evaluation of the Project area and including the following mitigation measures as conditions of Project approval in the Project's CEQA document.

Recommended Mitigation Measure 21: American Badger Habitat Assessment

CDFW recommends that a qualified biologist conduct a habitat assessment in advance of Project implementation, to determine if the Project area or its immediate vicinity contain suitable habitat for American badger.

Recommended Mitigation Measure 22: American Badger Surveys

If suitable habitat is present, CDFW recommends that a qualified biologist conduct focused surveys for American badger and their requisite habitat features (dens) to evaluate potential impacts resulting from ground- and vegetation-disturbance.

Recommended Mitigation Measure 23: American Badger Avoidance

Avoidance whenever possible is encouraged via delineation and observation of a 50-foot no-disturbance buffer around dens until it is determined through non-invasive means that individuals occupying the den have dispersed.

COMMENT 8: Crotch Bumble Bee (CBB)

Issue: On June 28, 2019, the Fish and Game Commission published findings of its decision to advance CBB to candidacy as endangered.v Pursuant to Fish and Game Code section 2074.6, CDFW has initiated a status review report to inform the Commission's decision on whether listing of CBB, pursuant to CESA, is warranted. During the candidacy period, consistent with CEQA Guidelines section 15380, the status of the CBB as an endangered candidate species under CESA (Fish & G. Code, § 2050 et seq.) qualifies it as an endangered, rare, or threatened species under CEQA. It is unlawful to import into California, export out of California, or take, possess, purchase, or sell within California, CBB and any part or product thereof, or attempt any of those acts, except as authorized pursuant to CESA. Under Fish and Game Code section 86, take means to hunt, pursue, catch, capture, or kill, or to attempt to hunt pursue, catch, capture, or kill. Consequently, take of CBB during the status review period is prohibited unless authorization pursuant to CESA is obtained.

CBB have been documented to occur within the vicinity of the Project area (CDFW 2020). Suitable CBB habitat includes areas of grasslands and upland scrub that contain requisite habitat elements, such as small mammal burrows. CBB primarily nest in late February through late October underground in abandoned small mammal burrows, but may also nest under perennial bunch grasses or thatched annual grasses, under brush piles, in old bird nests, and in dead trees or hollow logs (Williams et al. 2014, Hatfield et al. 2015). Overwintering sites utilized by CBB mated queens include soft, disturbed soil (Goulson 2010), or under leaf litter or other debris (Williams et al. 2014). Therefore, ground disturbance and vegetation removal associated with Project implementation has the potential to significantly impact local CBB populations.

Specific impact: Without appropriate avoidance and minimization measures for CBB, potentially significant impacts associated with ground- and vegetation-disturbing activities associated with construction of the Project include loss of foraging plants, changes in foraging behavior, burrow collapse, nest abandonment, reduced nest success, reduced health and vigor of eggs, young and/or queens, in addition to direct mortality in violation of Fish and Game Code.

Evidence impact is potentially significant: CBB was once common throughout most of the central and southern California; however, it now appears to be absent from most of that area, especially in the central portion of its historic range within California's Central Valley (Hatfield et al. 2014). Analyses by the Xerces Society et al. (2018) suggest there have been sharp declines in relative abundance by 98% and persistence by 80% over the last ten years.

Recommended Potentially Feasible Mitigation Measure(s)

To evaluate potential impacts to CBB associated with the Project, CDFW recommends incorporating the following mitigation measures into the EIR prepared for this Project and implementing the following mitigation measures as a condition of approval for the Project.

Recommended Mitigation Measure 24: CBB Surveys

CDFW recommends that a qualified biologist conduct focused surveys for CBB and their requisite habitat features to evaluate potential impacts resulting from ground- and vegetation-disturbance associated with Project.

Recommended Mitigation Measure 25: CBB Take Avoidance

If surveys cannot be completed, CDFW recommends that all small mammal burrows and thatched/bunch grasses be avoided by a minimum of 50 feet to avoid take and potentially significant impacts. If ground-disturbing activities will occur during the overwintering period (October through February), consultation with CDFW is warranted to discuss how to implement Project activities and avoid take. Any detection of CBB prior to or during Project implementation warrants consultation with CDFW to discuss how to avoid take.

Recommended Mitigation Measure 26: CBB Take Authorization

If CBB is identified during surveys, consultation with CDFW is warranted to determine if the Project can avoid take. If take cannot be avoided, take authorization prior to any ground-disturbing activities may be warranted. Take authorization would occur through issuance of an ITP by CDFW, pursuant to Fish and Game Code section 2081(b).

II. Editorial Comments and/or Suggestions

Project Description: CDFW recommends that the Draft EIR provide a detailed description of all anticipated and reasonably foreseeable ground disturbing activities related to the Project such as operation and maintenance and new construction. Also, Figure 2 of the NOP shows four Cal-Am Central Satellite Water Systems (Garrapata, Toro, Cualar and Ralph Lane) that are not labeled as occurring within the Project boundary. Please provide clarification whether these areas are included with the Project or will remain within the jurisdiction of Cal-Am.

One objective of the proposed Project will be a reduction in water rates. If there is potential for water rate reduction to increase demand for surface water diversion,

CDFW recommends that the EIR analyze this potential and how it may impact biological resources.

Lake and Streambed Alteration: Project activities have the potential to substantially change the bed, bank, and channel of lakes, streams, and associated wetlands onsite and/or substantially extract or divert the flow of any such feature, such as the Carmel River, that is subject to CDFW's regulatory authority pursuant Fish and Game Code section 1600 et seq. Fish and Game Code section 1602 requires an entity to notify CDFW prior to commencing any activity that may (a) substantially divert or obstruct the natural flow of any river, stream, or lake; (b) substantially change or use any material from the bed, bank, or channel of any river, stream, or lake (including the removal of riparian vegetation): (c) deposit debris, waste or other materials that could pass into any river, stream, or lake. "Any river, stream, or lake" includes those that are ephemeral or intermittent as well as those that are perennial.

Activities within streams are subject to CDFW's regulatory authority. Construction activities within stream features have the potential to impact downstream waters. Streams function in the collection of water from rainfall, storage of various amounts of water and sediment, discharge of water as runoff and the transport of sediment, and they provide diverse sites and pathways in which chemical reactions take place and provide habitat for fish and wildlife species. Disruption of stream systems such as these can have significant physical, biological, and chemical impacts that can extend into the adjacent uplands adversely effecting not only the fish and wildlife species dependent on the stream itself, but also the flora and fauna dependent on the adjacent upland habitat for feeding, reproduction, and shelter.

Water diversions can impact flow regimes. Prolonged low flows can cause streams to become degraded and cause channels to become disconnected from floodplains (Poff et al. 1997). This process decreases available habitat for aquatic species including fish that utilize floodplains for nursery grounds. Prolonged low flows can also increase mortality for species that rely on specific flow regimes, such as endangered salmonids (Moyle 2002). Amphibians can also be sensitive to decreased flows. Kupferberg et al. (2012) reported that low flows were strongly correlated with early life stage mortality and decreased adult densities of California red-legged frogs, a species of special concern in California, and one with potential to occur in the Project area. In addition, alterations to flows can affect the health of riparian vegetation, reducing habitat quality for fish, wildlife, and plant species.

CDFW is required to comply with CEQA in the issuance of a Lake or Streambed Alteration Agreement (LSAA); therefore, if the CEQA document approved for the Project does not adequately describe the Project and its impacts, a subsequent CEQA analysis may be necessary for LSAA issuance. For additional information on

notification requirements, please contact CDFW staff in the Central Region Lake and Streambed Alteration Program at (559) 243-4593

Water Rights: The Project proponents anticipate applying for the water rights associated with the proposed acquisition of the Cal-Am MCD water system. CDFW recommends that the EIR address how the Project will affect existing water rights including pre-1914 appropriative rights, riparian rights, prescriptive rights, appropriative rights approved under licenses, violations, and SWRCB Water Right (WR) Orders, including those associated with SWRCB Order WR 2009-0060.

As stated previously, CDFW, as Trustee Agency, is consulted by the SWRCB during the water rights process to provide terms and conditions designed to protect fish and wildlife prior to appropriation of the State's water resources. Given the potential for impacts to sensitive species and their habitats, it is advised that consultation with CDFW occur well in advance of the SWRCB water right application process.

Nesting Birds: CDFW encourages implementation of ground disturbing projects during the bird non-nesting season. However, if ground-disturbing activities must occur during the breeding season (i.e., February through mid-September), the Project's applicant is responsible for ensuring that implementation of the Project does not result in violation of the Migratory Bird Treaty Act or relevant Fish and Game Codes as referenced above.

To evaluate project-related impacts on nesting birds, CDFW recommends that a qualified wildlife biologist conduct pre-activity surveys for active nests no more than 10 days prior to the start of ground disturbance to maximize the probability that nests that could potentially be impacted are detected. CDFW also recommends that surveys cover a sufficient area around the work site to identify nests and determine their status. A sufficient area means any area potentially affected by the project. In addition to direct impacts (i.e., nest destruction), noise, vibration, and movement of workers or equipment could also affect nests. Prior to initiation of construction activities, CDFW recommends that a qualified biologist conduct a survey to establish a behavioral baseline of all identified nests. Once construction begins, CDFW recommends that a qualified biologist continuously monitor nests to detect behavioral changes resulting from the Project. If behavioral changes occur, CDFW recommends the work causing that change cease and CDFW consulted for additional avoidance and minimization measures.

If continuous monitoring of identified nests by a qualified wildlife biologist is not feasible, CDFW recommends a minimum no-disturbance buffer of 250-feet around active nests of non-listed bird species and a 500-foot no-disturbance buffer around active nests of non-listed raptors. These buffers are advised to remain in place until the breeding season has ended or until a qualified biologist has determined that the

birds have fledged and are no longer reliant upon the nest or parental care for survival. Variance from these no-disturbance buffers is possible when there is compelling biological or ecological reason to do so, such as when the construction area would be concealed from a nest site by topography. CDFW recommends that a qualified wildlife biologist advise and support any variance from these buffers and notify CDFW in advance of implementing a variance.

Federally Listed Species: CDFW recommends consulting with the USFWS on potential impacts to federally listed species including but not limited to, CTS, CRLF, Monterey gilia, and Monterey spineflower. Take under the federal Endangered Species Act (ESA) is more broadly defined than CESA; take under ESA also includes significant habitat modification or degradation that could result in death or injury to a listed species by interfering with essential behavioral patterns such as breeding, foraging, or nesting. Similarly, for potential effects to steelhead trout and its critical habitat, CDFW recommends consultation with the National Marine Fisheries Service (NMFS). Consultation with the USFWS and NMFS in order to comply with FESA is advised well in advance of Project implementation.

ENVIRONMENTAL DATA

CEQA requires that information developed in environmental impact reports and negative declarations be incorporated into a database that may be used to make subsequent or supplemental environmental determinations (Pub. Resources Code, § 21003, subd. (e)). Accordingly, please report any special status species and natural communities detected during Project surveys to the California Natural Diversity Database (CNDDB). The CNDDB field survey form can be found at the following link: https://www.wildlife.ca.gov/Data/CNDDB/Submitting-Data. The completed form can be emailed to CNDDB at the following email address: CNDDB@wildlife.ca.gov. The types of information reported to CNDDB can be found at the following link: https://www.wildlife.ca.gov/Data/CNDDB/Plants-and-Animals.

FILING FEES

If it is determined that the Project will impact fish and/or wildlife, an assessment of filing fees is necessary. Fees are payable upon filing of the Notice of Determination by the Lead Agency and serve to help defray the cost of environmental review by CDFW. Payment of the fee is required in order for the underlying project approval to be operative, vested, and final (Cal. Code Regs, tit. 14, § 753.5; Fish & G. Code, § 711.4; Pub. Resources Code, § 21089).

CONCLUSION

CDFW appreciates the opportunity to comment on the Project to assist the District in identifying and mitigating the Project's impacts on biological resources.

More information on survey and monitoring protocols for sensitive species can be found at CDFW's website (https://www.wildlife.ca.gov/Conservation/Survey-Protocols). Should you have questions regarding this letter or for further coordination please contact Annette Tenneboe, Senior Environmental Scientist Specialist, at the address provided on this letterhead, by telephone at (559) 243-4014 extension 231, or by email at Annette.Tenneboe@wildlife.ca.gov.

Sincerely,

DocuSigned by:
Julie Vance
FA83F09FE08945A...

Julie A. Vance
Regional Manager

Attachment

ec: Office of Planning and Research, State Clearinghouse, Sacramento
State.Clearinghouse@opr.ca.gov

California Department of Fish and Wildlife:
Jeff Cann
Annette Tenneboe

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Attachment 1

CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE
RECOMMENDED MITIGATION MONITORING AND REPORTING PROGRAM (MMRP)

PROJECT: Potential Acquisition of Monterey Water Supply and District Boundary Adjustment

RECOMMENDED MITIGATION MEASURES	STATUS/DATE/INITIALS
Before Disturbing Soil or Vegetation	
Recommended Mitigation Measure 1: CTS Habitat Assessment	
Recommended Mitigation Measure 2: CTS Surveys	
Recommended Mitigation Measure 4: CTS Take Authorization	
Recommended Mitigation Measure 6: Special-Status Plant Surveys	
Recommended Mitigation Measure 8: Special-Status Plant Take Authorization	
Recommended Mitigation Measure 9: CRLF Habitat Assessment	
Recommended Mitigation Measure 10: CRLF Surveys	
Recommended Mitigation Measure 12: Habitat Assessment for Northern California Legless Lizard and Coast Horned Lizard	
Recommended Mitigation Measure 13: Focused Surveys for Northern California Legless Lizard and Coast Horned Lizard	
Recommended Mitigation Measure 15: WPT Preconstruction Surveys	
Recommended Mitigation Measure 17: BUOW Habitat Assessment	
Recommended Mitigation Measure 18: BUOW Surveys	
Recommended Mitigation Measure 21: American Badger Habitat Assessment	
Recommended Mitigation Measure 22: American Badger Surveys	
Recommended Mitigation Measure 23: American Badger Avoidance	
Recommended Mitigation Measure 24: CBB Surveys	
Recommended Mitigation Measure 26: CBB Take Authorization	
During Construction	
Recommended Mitigation Measure 3: CTS Avoidance	

RECOMMENDED MITIGATION MEASURES	STATUS/DATE/INITIALS
Recommended Mitigation Measure 5: Special-Status Plant Habitat Assessment	
Recommended Mitigation Measure 7: Special-Status Plant Avoidance	
Recommended Mitigation Measure 11: CRLF Avoidance	
Recommended Mitigation Measure 14: Avoidance for Northern California Legless Lizard and Coast Horned Lizard	
Recommended Mitigation Measure 16: WPT Avoidance	
Recommended Mitigation Measure 19: BUOW Avoidance	
Recommended Mitigation Measure 20: BUOW Passive Relocation and Mitigation	
Recommended Mitigation Measure 25: CBB Take Avoidance	

Subject: NOP for MPWMD Acquisition

From: Quenga, Anna V. x5175 <QuengaAV@co.monterey.ca.us>
Sent: Wednesday, May 6, 2020 5:55 PM
To: comments <comments@mpwmd.net>
Subject: NOP for MPWMD Acquisition

Dear Mr. Stoldt,

Thank you for providing the County of Monterey the opportunity to comment on the MPWMD Acquisition NOP. Since the project does not include construction of new, or improvement of existing facilities, our comments will be limited to how the acquisition would have the potential to impact County infrastructure and regulatory responsibilities.

The County suggests the project description clarify if the County owns, operates, or maintains (including old easements or conveyances) any of the existing infrastructure serving the areas to be acquired. Please also discuss any foreseeable County involvement necessary to operate and maintain the satellite water systems that will not be part of the acquisition.

The County also suggests that the EIR analyze project consistency with the 1982 General Plan, 2010 General Plan, applicable area plans and the Local Coastal Program.

Thank you again for the opportunity to comment and we look forward to reviewing the EIR.

Sincerely,

Anna V. Quenga, Senior Planner
Monterey County Resource Management Agency
1441 Schilling Place ~ South Building Second Floor
Salinas, CA 93901
(831) 755-5175 Direct (831) 757-9516 Fax
//www.co.monterey.ca.us/rma

Subject: SCH# 2020040069

From: Mikayla Vaba <mikayla.vaba@opr.ca.gov>
Sent: Thursday, May 7, 2020 3:25 PM
To: comments <comments@mpwmd.net>
Subject: SCH# 2020040069

The State Clearinghouse would like to inform you that our office will be transitioning from providing a hard copy of acknowledging the close of review period on your project to electronic mail system.

Please visit: https://ceqanet.opr.ca.gov/2020040069/2 for full details about your project and if any state agencies submitted comments by close of review period (note: any state agencies in bold, submitted comments and are available).

This email acknowledges that you have complied with the State Clearinghouse review requirements for draft environmental documents, pursuant to the California Environmental Quality Act.

Please email the State Clearinghouse at state.clearinghouse@opr.ca.gov if you have any questions regarding the environmental review process. If you have a question about the above-named project, please refer to the ten-digit State Clearinghouse number when contacting this office.

Carmel River Steelhead Association
501 (c)(3) TIN 77-0093979
P.O. Box 1183
Monterey, CA 93942

Monterey Peninsula Water Management District
5 Harris Court Building G
Monterey, CA 93940

Via: email

April 12, 2020

Dear MPWMD,

The Carmel River Steelhead Association (CRSA) has been notified of a meeting to be hosted by MPWMD. The purpose of this meeting is to discuss MPWMD going forward with an EIR to buy California American Water Company. Because of the current shelter in place conditions said meeting cannot be held as a public gathering style of a meeting. MPWMD has decided to hold the meeting as a virtual meeting using a conference call type of communication system.

CRSA believes this meeting should be postponed until a meeting can be held in person, as in a public setting held meeting. This meeting is dealing with a very important issue and should have a public gathering meeting rather than a virtual meeting.

CRSA is taking this position and is informing the MPWMD that CRSA is formally protesting MPWMD'S decision to hold this meeting as a virtual meeting rather than a public in person meeting.

Respectfully submitted,

Steve Park
CRSA President

Carmel River Steelhead Association
501 (c)(3) TIN 77-0093979
P.O. Box 1183
Monterey, CA 93942

David Stoldt, General Manager
Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93940

Re: Scoping comments on Environment Impact Report for the Potential Acquisition of Monterey Water Supply and District Boundary Adjustment Project EIR

May 6, 2020

Dear Mr. Stoldt,

The Carmel River Steelhead Association (CRSA) is concerned about and is therefore asking these questions regarding the EIR for the scoping of the takeover of Cal Am water service:

1: How will the Monterey Peninsula Water Management District (MPWMD) protect the steelhead in the Carmel River if there is a drought or a series of droughts in the future?

2: How will the MPWMD guarantee the steelhead in the Carmel River will have enough water to inhabit the river?

3: How will the MPWMD change the water policies that Cal Am has caused that are negatively effecting the Carmel River?

CRSA needs to understand the position the MPWMD is taking as they move forward on the acquisition of Cal Am and how that position will effect the steelhead populations of the Carmel River.

Sincerely

Steve Park
President of CRSA

Brian LeNeve
P.O. Box 1012
Carmel, CA 93921

Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93940

RE: EIR for purchase of Monterey Water Supply and District Boundary Adjustment Project

April 11, 2020

Gentlemen,

I recently received your notice of intent to have a scoping meeting for the above-mentioned project on April 21, 2020 and have the meeting a virtual meeting.

In the strongest terms possible I must demand that the scoping meeting be postponed until such time that the public can actually attend the meeting.

A virtual meeting is just not a substitute for an actual meeting where the public can interact with the proponents of the EIR. Having a virtual meeting will not give ratepayers an adequate chance to learn about the project and give suggestions.

We are talking about a project that will cost ratepayers millions of dollars and is very contentious on the peninsula. Such an issue requires full disclosure and full participation and neither one is achieved with a virtual meeting.

Sincerely,

Brian LeNeve

Brian LeNeve
P.O. Box 1012
Carmel, CA 93921

David Stoldt, General Manager
Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93940

RE: Scoping comments on Environmental Impact Report for the Potential Acquisition of Monterey Water Supply and District Boundary Adjustment Project EIR

May 5, 2020

Dear Mr. Stoldt:

I have a number of items I think must be analyzed in the upcoming EIR. They are as follows:

1: With MPWMD now being the pumper and provider of water to the peninsula, how would the acquisition of Cal Am affect the 1990 Water Allocation Program EIR?

2: With MPWMD now being the pumper and provider of water to the peninsula, how would the acquisition of Cal Am affect the 5-year Mitigation Program which has continued to date?

3: How would a takeover of Cal Am affect Orders from the State Water Resources Control Board; specifically, but not limited to Water Order 95-10 and the Cease and Desist Order?

4: How will the same agency that now will pump the water affect the mitigation done for steelhead This appears to be a huge conflict of interest. An alternate would be to subcontract the mitigation work out to another organization like FishBio.

5: How will the takeover affect ASR I and ASR II and how will it affect any further ASR projects?

6: How would the takeover affect the transfer of the San Clement Property to BLM?

I appreciate this opportunity to participate in the EIR process.

Sincerely;

Brian LeNeve

Monterey Peninsula Taxpayers Association
PO Box 15 – Monterey – CA - 93942

April 21, 2020

David Stoldt
General Manager
Monterey Peninsula Water Management District

RE: April 21, 2020 – EIR Scoping Session

BY : Email

Dear Mr. Stoldt:

The current tiered water rates were put in place to reduce water consumption on the Monterey Peninsula and are a major factor in the cost of water within the District. Should tiered water rates not be possible under public ownership water usage could greatly increase. Increased water usage may lead to environmental impacts which need to be studied within the EIR for public ownership.

Furthermore, the stated purpose for Measure J was “to lower the cost of service to ratepayers” which if accomplished may lead to increased water usage thus necessitating the study of the environmental impacts of a decrease in the cost of water.

In short the EIR needs to evaluate whether lower water rates would lead to significantly greater water consumption and thereby cause environmental impacts to the river and ground water.

Sincerely,

Rick Heuer
President

Margaret L. Thum
PO Box 991
Pebble Beach, CA 93953

May 5, 2020

VIA EMAIL (comments@mpwmd.net)

David Stoldt, General Manager
Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93940

Re: SCOPING MEMO FOR ENVIRONMENTAL IMPACT REPORT FOR THE POTENTIAL ACQUISITION OF MONTEREY WATER SUPPLY AND DISTRICT BOUNDARY ADJUSTMENT PROJECT EIR

Dear MPWMD (District),

Following are comments on the proposed EIR referenced above:

- The proposed EIR is premature because the scoping meeting indicated that the EIR would look at alternatives to CalAm's desalination plant. Without knowing what these alternatives are, it is impossible to provide meaningful input on the scope of this proposed EIR.

- The District's boundaries are listed in its enabling law, which is an Act passed by the California Legislature in 1977 (see section 102 of the District's enabling law; Cal. Water Code Appen. Ch. 118). The enabling law was amended by the Legislature in 1997 to exclude any part of Marina from the District's boundaries (section 103 of the enabling law). Any change to the District's boundaries requires an amendment to its enabling law that is approved by the California Legislature.

- The District's enabling law requires that projects are approved by the local citizens, and the Project, including the boundary adjustment Project, has not been approved by local citizens.

- The EIR should clarify the projects covered by it, e.g., is it for one or multiple Projects, and provide a clear description of the Project(s).

- The EIR should consider the alternative of not pursuing the Project or Projects.

- The EIR should explain why there is a need to adjust the District's boundaries as part of the Project.

- The EIR should consider alternatives to not adjusting the District's boundaries, i.e., if the Project did not include annexation of any areas outside of the District's current boundaries. For purposes of this letter "Boundary Adjustment" refers to the areas and properties, including vacant lands, currently outside of the District's boundaries that the District proposes to include in the District's boundaries as part of the Project, and "Project," includes the Project and Projects referred to in the EIR scoping notice and any and all alternatives to such Project or Projects.

- The EIR should consider zoning impacts, including prezone and general plan uses, in all areas included in the Project, including the areas and properties in the Boundary Adjustment and how the Project(s) would impact or be impacted by zoning requirements or plans. For example and without limitation, the EIR should consider the difference between the current water restrictions currently on the areas and properties in the Boundary Adjustment and the restrictions on those properties if the Projects are implemented, e.g., will the properties in the Boundary Area be subject to the District's rules that currently exist? Will property owners in the Boundary Adjustment be required to pay the District's fees, as the District it has suggested it would require, such as the Ordinance 152 fees that the District has said have been accruing on properties in the Boundary Adjustment since the ordinance was adopted in 2012.

- Separate and apart from the item immediately above, the EIR should consider impacts of the District's water allocation system, rules and regulations on the Project(s). The water allocation system, rules and regulations are those that restrict the number of household bathrooms, water fixtures, rooms, restaurant tables, development of vacant lands, etc., at properties on the Monterey Peninsula, which, over the past approximately 40 years, have severely restricted water usage and development on the Monterey Peninsula. For example, vacant lots on the Monterey Peninsula that do not currently have a water connection can no longer be developed and property owners who do have a water connection on their properties are subject to draconian rules that limit water usage and development, e.g., the District's one bathroom rule, limitation on water fixtures on a property, connection fees that are based on a rate of $30,502 per acre feet of water (note: this is approximately 20-30 times more than California American Water's (CalAm) cost per acre foot of water). Properties, including undeveloped or vacant lots, in the Boundary Adjustment are not subject to these draconian measures. For example, will the District relax or remove its rules that have restricted development and water use on the Monterey Peninsula? Will areas and properties in the Boundary Adjustment be subject to limits on development and water usage that have applied to the Monterey Peninsula for decades? Will vacant lots in the Boundary Adjustment be prohibited from being developed? What is the environmental impact on increased water usage by areas and properties in the Boundary Adjustment and the District's current boundaries, including if properties in the Boundary Adjustment are not subject to prior District rules?

- The EIR should consider the impact of the Project and any and all alternatives on the environment, including without limitation, the increase in pollution, carbon emissions, greenhouse gases, storage facilities, degradation of aquifers, from operating the Project and alternatives and servicing areas and properties including those currently in the District and in the Boundary Adjustment. For example, will the District consolidate its trips to count water fixtures at properties and make service calls? Or, will it count fixtures in one trip and handle service calls in another trip? What is the impact on pollution, environmental degradation from the ongoing operations of the Projects?

- The EIR should consider if the Project and any and all alternatives will be carbon neutral and if not, the mitigation efforts necessary to be carbon neutral.

- The EIR should consider the impact of the Project and alternatives on groundwater basins within and without the District's boundaries.

- The EIR should consider the impact of the Project and alternatives on the Monterey Bay, e.g., on the sea life and plants in in the Bay. For example, will waters leach into the Bay from aquifers or will contaminated water be disposed directly into the Monterey Bay.

- The EIR should consider the impact of the Project and alternatives on the Seaside Aquifer and the quality of the aquifer and water in it. For example, will water will be taken out of the Seaside Aquifer for properties in the Boundary Adjustment? If so, what conditions and approvals are required to do so, e.g., Seaside Basin Watermaster? Will water be added to the Seaside Aquifer? What will be the quality of that water? What mitigation measures will ensure protection of the quality and sustainability of the aquifer?

- The EIR should consider any necessary equipment and development needed for the Project and maintenance thereof, including the existing age of pipes and conveyances and the timing of replacement and additions, and the burden on the environment, e.g., noise, archaeological impact, soils testing, pollution, soils movement, etc. The EIR should consider if any development for the Project would comply with the District's current rules or if new rules would need to be implemented.

- The EIR should consider the impact on the environment of increased water usage, including by the properties in the Boundary Adjustment, e.g., how many properties in the District's current territory and in the areas proposed to be annexed are without water connections, how many connections would be added when the vacant land is fully developed, including on the areas in the proposed Boundary Adjustment, what is the estimated water usage and how does this usage impact the environment?

- The EIR should consider the District's proposed rate structure and the impact on water usage and the resulting impact on the environment. CalAm's current water rates are based on a tiered system promoted years ago by the District to restrict water usage. These tiered water rates would be impermissible for the District to charge, unless it could provide a thorough analysis of the cost of water provided to each property. If the District will not be using a tiered rate structure, the EIR should consider the impacts on the environment resulting from more water usage.

- The EIR should consider the impact of the Project and alternatives on health on the harmful chemicals, e.g., PFAS, viruses, pathogens, toxic waters, and propose mitigation measure that ensure health and safety of the local population.

- The EIR should consider the employee and consultant resources, including additional employees and consultant resources that would be required to implement the Project(s) and how these resources will negatively impact the environment, e.g., additional traffic, pollution, etc. The EIR should consider mitigation efforts to reduce these negative impacts.

- The EIR should consider if the District has sufficient financial resources to undertake the Project(s) and any and all alternatives, any and all mitigation efforts, and the impact on the environment if the Project(s) or alternatives were started but the District was unable to complete, e.g., due to financial limitations. Note that to fully fund the District's pension, including for any additional employees resulting from the Project, will significantly increase the District's costs, and thus the cost of water to residents. The EIR should consider the impact on the Project and mitigation requirements if water usage is insufficient to cover the costs

necessary to complete the Project(s), e.g. if the Project(s) or any and all alternatives are only able to be partially completed. For example, what are the impacts to the health and safety and to the environment if the Projects are not fully completed or if there is a default on the financing necessary for the Project(s).

Sincerely,

Margaret Thum

Subject: Coletti: EIR Scoping Comment (4/21/2020).

-----Original Message-----
From: Luke Coletti <pgneighborsunited@gmail.com>
Sent: Tuesday, April 21, 2020 5:36 PM
To: comments <comments@mpwmd.net>
Subject: Coletti: EIR Scoping Comment (4/21/2020).

Care and time should be taken to generate a single EIR, instead of one that (by design) relies on multiple “creeping feature” Supplemental EIRs, which have become so popular and obfuscate project analysis.

Luke Coletti
Pacific Grove

Subject: Scoping meeting for EIR

From: Kevin Kamnikar <kkamnikar@mcrfd.org>
Sent: Monday, April 20, 2020 7:59 AM
To: comments <comments@mpwmd.net>
Subject: Scoping meeting for EIR

Good morning,
Please add me to the address list for the Scoping Meeting for the EIR.

Kevin Kamnikar,
Division Chief/Fire Marshal
Monterey County Regional Fire

19900 Portola DR, Salinas, CA 93908

PHONE 831-455-1828(Office) 831-809-4526(Mobile)
FAX 831-455-0646
EMAIL kkamnikar@mcrfd.org

Serving the Northern Salinas Valley, Highway 68 Corridor, and the Communities of Chualar, East Garrison, Spreckels, Carmel Valley, Mid Carmel Valley & the Santa Lucia Preserve

Subject: Addition to Mailing List for
Attachments: MPWMD NOP_2020-0406_Final.pdf

From: Fried, Lauren <LFried@manatt.com>
Sent: Monday, April 20, 2020 1:12 PM
To: comments <comments@mpwmd.net>
Subject: Addition to Mailing List for

Per the attached document,

Please add George Soneff and myself to the mailing list.

GSoneff@manatt.com and lfried@manatt.com

Thank you,

Lauren

Lauren Fried
Associate

Manatt, Phelps & Phillips, LLP
2049 Century Park East
Suite 1700
Los Angeles, CA 90067
D (310) 312-4195 **F** (310) 914-5705
LFried@manatt.com

manatt.com

Subject: Potential Acquisition of Monterey Water Supply and District Boundary Adjustment Project

From: Donald Wilcox <DWilcox@mcwd.org>
Sent: Monday, April 6, 2020 3:53 PM
To: comments <comments@mpwmd.net>
Subject: Potential Acquisition of Monterey Water Supply and District Boundary Adjustment Project

Please add me to the mailing list for the above referenced project:

Thx,
Don

Don Wilcox, PE
Senior Engineer
Marina Coast Water District
2840 4th Avenue
Marina, CA 93933
831.883.5935
https://www.mcwd.org/

Subject: From the Office of Senator Monning

From: Courtney, Colleen <Colleen.Courtney@sen.ca.gov>
Sent: Monday, April 13, 2020 9:59 AM
To: comments <comments@mpwmd.net>
Subject: From the Office of Senator Monning

Good Morning,

My name is Colleen and I am a Field Representative for State Senator Bill Monning. May I please be added to the mailing list?

Thank you in advance.

All my best,
Colleen

Colleen Courtney
Field Representative
Office of Senator William W. Monning
California State Senate, District 17
99 Pacific Street, Suite 575F
Monterey, CA 93940
P: (831) 657-6315 | F: (831) 657-6320
http://sd17.senate.ca.gov/

Subject: MCD Project Mailing List

-----Original Message-----
From: Marx, Erika R CIV USARMY IMCOM (USA) <erika.r.marx.civ@mail.mil>
Sent: Tuesday, April 7, 2020 11:49 AM
To: comments <comments@mpwmd.net>
Subject: MCD Project Mailing List

Good afternoon,

Please add me to your mailing list for the Potential Acquisition of Monterey Water Supply and District Boundary Adjustment Project.

Thank you,

Erika Marx
Environmental Protection Specialist/Water Program Manager Directorate of Public Works - Environmental Division U.S. Army Garrison, Presidio of Monterey
4463 Gigling Road, Seaside, CA 93955
Phone: 831-242-7925

Subject: EIR Scoping meeting - Monterey Water Supply and District Boundary Adjustment Project

From: Michael Weaver <michaelrweaver@mac.com>
Sent: Tuesday, April 21, 2020 12:38 PM
To: comments <comments@mpwmd.net>
Subject: Re: EIR Scoping meeting - Monterey Water Supply and District Boundary Adjustment Project

David Stoldt, General Manager
Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93940
comments@mpwmd.net
▪ Written comments are due by Wednesday, May 6, 2020 @ 5:00 PM

Re: Potential Acquisition of Monterey Water Supply and District Boundary Adjustment Project EIR Scoping Meetings

April 21, 2020

Dear Mr. Stoldt,

I will be unable to Zoom in to the Public Scoping Meeting scheduled for today at 5 p.m.
However, I do plan on providing some Scoping Comments on or before May 6, 2020.

Please do keep me on the informational and notification lists for all things regarding
the EIR and any proposed District Boundary Adjustments.

Any questions, please do not hesitate to call.

Thank you very much,

Mike Weaver
831-484-2243

Appendix B

Air Quality and Greenhouse Gas Modeling

MPWMD Potential Acquisition of Monterey Water Supply and District Boundary Adjustment

Criteria Air Pollutant Emissions Calculations

Number of Daily Vehicle Trips	62
Maximum Daily VMT	1014

Pollutant	Emission Factor Type	Emission Factor		Daily Emissions (grams/day)	Daily Emissions (lbs/day)
ROG	RUNEX	0.041275223	grams/mile	41.85	0.0922
	IDLEX[1]	0	grams/vehicle/day	0.00	0.0000
	STREX	0.490113042	grams/trip	30.39	0.0669
	HOTSOAK	0.237161457	grams/trip	14.70	0.0324
	RUNLOSS	0.865214339	grams/trip	53.64	0.1182
	RESTLOSS	0.387310273	grams/vehicle/day	12.01	0.0264
	DIURN	0.473624501	grams/vehicle/day	14.68	0.0323
				TOTAL	**0.3685**
NO_X	RUNEX	0.152815038	grams/mile	154.95	0.3413
	IDLEX[1]	0	grams/vehicle/day	0.00	0.0000
	STREX	0.329095635	grams/trip	20.40	0.0449
				TOTAL	**0.3863**
CO	RUNEX	1.620705972	grams/mile	1643.40	3.6198
	IDLEX[1]	0	grams/vehicle/day	0.00	0.0000
	STREX	2.825834995	grams/trip	175.20	0.3859
				TOTAL	**4.0057**
SO_X	RUNEX	0.003440971	grams/mile	3.49	0.0077
	IDLEX[1]	0	grams/vehicle/day	0.00	0.0000
	STREX	0.000688433	grams/trip	0.04	0.0001
				TOTAL	**0.0078**
PM_{10}	RUNEX	0.00283291	grams/mile	2.87	0.0063
	IDLEX[1]	0	grams/vehicle/day	0.00	0.0000
	STREX	0.002924334	grams/trip	0.18	0.0004
	PMTW	0.008000002	grams/mile	8.11	0.0179
	PMBW	0.036750011	grams/mile	37.26	0.0821
				TOTAL	**0.1067**
$PM_{2.5}$	RUNEX	0.00260495	grams/mile	2.64	0.0058
	IDLEX[1]	0	grams/vehicle/day	0.00	0.0000
	STREX	0.002689121	grams/trip	0.17	0.0004
	PMTW	0.002000001	grams/mile	2.03	0.0045
	PMBW	0.015750005	grams/mile	15.97	0.0352
				TOTAL	**0.0458**

Notes

VMT = vehicle miles traveled; ROG = reactive organic gases; NO_X = nitrogen oxides; CO = carbon monoxide; SO_X = sulfur oxides; PM_{10} = particulate matter measuring no more than 10 microns in diameter; $PM_{2.5}$ = particulate matter measuring no more than 2.5 microns in diameter; RUNEX = Running Exhaust Emissions; IDLEX = Ide Exhaust Emissions (calculated only for heavy-duty trucks; STREX = Start Exhaust Tailpipe Emissions; HOTSOAK = Hot Soak Evaporative Hydrocarbon Emissions; RUNLOSS = Running Loss Evaporative Hydrocarbon Emissions; RESTLOSS = Resting Evaporative Losses; DIURN = Diurnal Evaporative Hydrocarbon Emissions; PMTW = Tire Wear Particulate Matter Emissions; PMBW = Brake Wear Particulate Matter Emissions

[1] According to the CARB EMFAC 2017 Volume 1 - User's Guide (2018), idle exhaust is calculated only for heavy-duty trucks because this process captures emissions from heavy-duty vehicles that idle for extended periods of time while loading or unloading goods.

Emissions factor source: California Air Resources Board EMFAC2017 Web Database v. 1.0.2 Emission Rates for Monterey County for year 2020 for gasoline-fueled LDT1 vehicles.

More information on emission factors can be found in the EMFAC2017 Volume I - User's Guide (2018) available at: https://ww3.arb.ca.gov/msei/downloads/emfac2017-volume-i-users-guide-final.pdf

MPWMD Potential Acquisition of Monterey Water Supply and District Boundary Adjustment

Greenhouse Gas Emissions Calculations

Number of Annual Vehicle Trips	7008
Maximum Annual VMT	177180

Greenhouse Gas	Emission Factor Type	Emission Factor		Annual Emissions (grams/year)	Annual Emissions (MT/year)	Annual Emissions (MT of CO_2e/year)[1]
CO_2	RUNEX	347.7199622	grams/mile	61609022.91	61.6090	61.609
	IDLEX[2]	0	grams/vehicle/day	0.00	0.0000	0.000
	STREX	69.56814807	grams/trip	487533.58	0.4875	0.488
				TOTAL	**62.0966**	**62.097**
CH_4	RUNEX	0.009190677	grams/mile	1628.40	0.0016	0.046
	IDLEX[2]	0	grams/vehicle/day	0.00	0.0000	0.000
	STREX	0.094267904	grams/trip	660.63	0.0007	0.018
				TOTAL	**0.0023**	**0.064**
N_2O	RUNEX	0.010901858	grams/mile	1931.59	0.0019	0.512
	IDLEX[2]	0	grams/vehicle/day	0.00	0.0000	0.000
	STREX	0.033168688	grams/trip	232.45	0.0002	0.062
				TOTAL	**0.0022**	**0.573**
CO_2e					**TOTAL**	**62.734**

Notes
VMT = vehicle miles traveled; CO_2 = carbon dioxide; CH_4 = methane; N_2O = nitrous oxide; CO_2e = carbon dioxide equivalents; MT = metric tons; RUNEX = Running Exhaust Emissions; IDLEX = Ide Exhaust Emissions (calculated only for heavy-duty trucks; STREX = Start Exhaust Tailpipe Emissions
[1] Assumes a global warming potential of 28 for CH_4 and 265 for N_2O.
[2] According to the CARB EMFAC 2017 Volume 1 - User's Guide (2018), idle exhaust is calculated only for heavy-duty trucks because this process captures emissions from heavy-duty vehicles that idle for extended periods of time while loading or unloading goods.
Emissions factor source: California Air Resources Board EMFAC2017 Web Database v. 1.0.2 Emission Rates for Monterey County for year 2020 for gasoline-fueled LDT1 vehicles.
Global warming potentials for CH_4 and N_2O source: Intergovernmental Panel for Climate Change (2015) Climate Change 2014 Synthesis Report.
More information on emission factors can be found in the EMFAC2017 Volume I - User's Guide (2018) available at: https://ww3.arb.ca.gov/msei/downloads/emfac2017-volume-i-users-guide-final.pdf

Source: EMFAC2017 (v1.0.2) Emission Rates
Region Type: County
Region: Monterey
Calendar Year: 2020
Season: Annual
Vehicle Classification: EMFAC2011 Categories

Units: miles/day for VMT, trips/day for Trips, g/mile for RUNEX, PMBW and PMTW, g/trip for STREX, HOTSOAK and RUNLOSS, g/vehicle/day for IDLEX, RESTLOSS and DIURN

Calendar Year	2020
Vehicle Category	LDT1
Model Year	Aggregate
Speed	Aggregate
Fuel	Gasoline
Population	15883.36119
VMT	560231.4269
Trips	72353.65478
NOx_RUNEX	0.152815038
NOx_IDLEX	0
NOx_STREX	0.329095635
PM2.5_RUNEX	0.00260495
PM2.5_IDLEX	0
PM2.5_STREX	0.002689121
PM2.5_PMTW	0.002000001
PM2.5_PMBW	0.015750005
PM10_RUNEX	0.00283291
PM10_IDLEX	0
PM10_STREX	0.002924334
PM10_PMTW	0.008000002
PM10_PMBW	0.036750011
CO2_RUNEX	347.7199622
CO2_IDLEX	0
CO2_STREX	69.56814807
CH4_RUNEX	0.009190677
CH4_IDLEX	0
CH4_STREX	0.094267904
N2O_RUNEX	0.010901858
N2O_IDLEX	0
N2O_STREX	0.033168688
ROG_RUNEX	0.041275223
ROG_IDLEX	0
ROG_STREX	0.490113042
ROG_HOTSOAK	0.237161457
ROG_RUNLOSS	0.865214339
ROG_RESTLOSS	0.387310273

ROG_DIURN	0.473624501
TOG_RUNEX	0.060175125
TOG_IDLEX	0
TOG_STREX	0.536607339
TOG_HOTSOAK	0.237161457
TOG_RUNLOSS	0.865214339
TOG_RESTLOSS	0.387310273
TOG_DIURN	0.473624501
CO_RUNEX	1.620705972
CO_IDLEX	0
CO_STREX	2.825834995
SOx_RUNEX	0.003440971
SOx_IDLEX	0
SOx_STREX	0.000688433

MPWMD Potential Acquisition of Monterey Water Supply and District Boundary Adjustment

Last Updated: June 4, 2020

Populate one of the following tables (Leave the other blank):

Annual VMT		OR	Daily Vehicle Trips	
Annual VMT:	177,180		Daily Vehicle Trips:	
			Average Trip Distance:	

Fleet Class	Fleet Mix
Light Duty Auto (LDA)	0.000000
Light Duty Truck 1 (LDT1)	1.000000
Light Duty Truck 2 (LDT2)	0.000000
Medium Duty Vehicle (MDV)	0.000000
Light Heavy Duty 1 (LHD1)	0.000000
Light Heavy Duty 2 (LHD2)	0.000000
Medium Heavy Duty (MHD)	0.000000
Heavy Heavy Duty (HHD)	0.000000
Other Bus (OBUS)	0.000000
Urban Bus (UBUS)	0.000000
School Bus (SBUS)	0.000000
Motorhome (MH)	0.000000
Motorcycle (MCY)	0.000000

Fuel Economy (MPG)	
Passenger Vehicles	24.0
Light-Med Duty Trucks	17.4
Heavy Trucks/Other	7.4
Motorcycles	43.9

Fleet Mix

Vehicle Type	Percent	Fuel Type	Annual VMT: VMT	Vehicle Trips: VMT	Fuel Consumption (Gallons)
Passenger Vehicles	*0.00%*	*Gasoline*	0	0.00	0.00
Light-Medium Duty Trucks	*100.00%*	*Gasoline*	177180	0.00	10182.76
Heavy Trucks/Other	*0.00%*	*Diesel*	0	0.00	0.00
Motorcycle	*0.00%*	*Gasoline*	0	0.00	0.00

Total Gasoline Consumption (gallons)	**10182.76**
Total Diesel Consumption (gallons)	**0.00**

MPWMD Potential Acquisition of Monterey Water Supply and District Boundary Adjustment

GHG Emission Reduction Measure - Teleworking

Number of Employees Teleworking	15
Number of Days per Week for Teleworking	2
Number of Annual Vehicle Trips	1560
Maximum Annual VMT[1]	33696

Greenhouse Gas	Emission Factor Type	Emission Factor		Annual Emissions (grams/year)	Annual Emissions (MT/year)	Annual Emissions (MT of CO_2e/year)[2]
CO_2	RUNEX	298.5998476	grams/mile	10061620.47	10.0616	10.062
	IDLEX[3]	0	grams/vehicle/day	0.00	0.0000	0.000
	STREX	59.85430507	grams/trip	93372.72	0.0934	0.093
				TOTAL	**10.1550**	**10.155**
CH_4	RUNEX	0.005093446	grams/mile	171.63	0.0002	0.005
	IDLEX[3]	0	grams/vehicle/day	0.00	0.0000	0.000
	STREX	0.073722737	grams/trip	115.01	0.0001	0.003
				TOTAL	**0.0003**	**0.008**
N_2O	RUNEX	0.006704133	grams/mile	225.90	0.0002	0.060
	IDLEX[3]	0	grams/vehicle/day	0.00	0.0000	0.000
	STREX	0.030307244	grams/trip	47.28	0.0000	0.013
				TOTAL	**0.0003**	**0.072**
CO_2e					**TOTAL**	**10.235**

Notes
VMT = vehicle miles traveled; CO_2 = carbon dioxide; CH_4 = methane; N_2O = nitrous oxide; CO_2e = carbon dioxide equivalents; MT = metric tons; RUNEX = Running Exhaust Emissions; IDLEX = Ide Exhaust Emissions (calculated only for heavy-duty trucks; STREX = Start Exhaust Tailpipe Emissions
[1] Assumes a one-way commute distance of 10.8 miles, consistent with the default home-work distance value for Monterey County used in CalEEMod.
[2] Assumes a global warming potential of 28 for CH_4 and 265 for N_2O.
[3] According to the CARB EMFAC 2017 Volume 1 - User's Guide (2018), idle exhaust is calculated only for heavy-duty trucks because this process captures emissions from heavy-duty vehicles that idle for extended periods of time while loading or unloading goods.
Emissions factor source: California Air Resources Board EMFAC2017 Web Database v. 1.0.2 Emission Rates for Monterey County for year 2020 for gasoline-fueled LDA vehicles.
Global warming potentials for CH_4 and N_2O source: Intergovernmental Panel for Climate Change (2015) Climate Change 2014 Synthesis Report.
More information on emission factors can be found in the EMFAC2017 Volume I - User's Guide (2018) available at: https://ww3.arb.ca.gov/msei/downloads/emfac2017-volume-i-users-guide-final.pdf

MPWMD Potential Acquisition of Monterey Water Supply and District Boundary Adjustment

GHG Emission Reduction Measure - Subsidizing Transit Passes

Number of Employees with Transit Passes	6
Number of Days per Week using Transit	3
Number of Annual Vehicle Trips	936
Maximum Annual VMT[1]	20217.6

Greenhouse Gas	Emission Factor Type	Emission Factor		Annual Emissions (grams/year)	Annual Emissions (MT/year)	Annual Emissions (MT of CO_2e/year)[2]
CO_2	RUNEX	298.5998476	grams/mile	6036972.28	6.0370	6.037
	IDLEX[3]	0	grams/vehicle/day	0.00	0.0000	0.000
	STREX	59.85430507	grams/trip	56023.63	0.0560	0.056
				TOTAL	**6.0930**	**6.093**
CH_4	RUNEX	0.005093446	grams/mile	102.98	0.0001	0.003
	IDLEX[3]	0	grams/vehicle/day	0.00	0.0000	0.000
	STREX	0.073722737	grams/trip	69.00	0.0001	0.002
				TOTAL	**0.0002**	**0.005**
N_2O	RUNEX	0.006704133	grams/mile	135.54	0.0001	0.036
	IDLEX[3]	0	grams/vehicle/day	0.00	0.0000	0.000
	STREX	0.030307244	grams/trip	28.37	0.0000	0.008
				TOTAL	**0.0002**	**0.043**
CO_2e					**TOTAL**	**6.141**

Notes
VMT = vehicle miles traveled; CO_2 = carbon dioxide; CH_4 = methane; N_2O = nitrous oxide; CO_2e = carbon dioxide equivalents; MT = metric tons; RUNEX = Running Exhaust Emissions; IDLEX = Ide Exhaust Emissions (calculated only for heavy-duty trucks; STREX = Start Exhaust Tailpipe Emissions
[1] Assumes a one-way commute distance of 10.8 miles, consistent with the default home-work distance value for Monterey County used in CalEEMod.
[2] Assumes a global warming potential of 28 for CH_4 and 265 for N_2O.
[3] According to the CARB EMFAC 2017 Volume 1 - User's Guide (2018), idle exhaust is calculated only for heavy-duty trucks because this process captures emissions from heavy-duty vehicles that idle for extended periods of time while loading or unloading goods.
Emissions factor source: California Air Resources Board EMFAC2017 Web Database v. 1.0.2 Emission Rates for Monterey County for year 2020 for gasoline-fueled LDA vehicles.
Global warming potentials for CH_4 and N_2O source: Intergovernmental Panel for Climate Change (2015) Climate Change 2014 Synthesis Report.
More information on emission factors can be found in the EMFAC2017 Volume I - User's Guide (2018) available at: https://ww3.arb.ca.gov/msei/downloads/emfac2017-volume-i-users-guide-final.pdf

MPWMD Potential Acquisition of Monterey Water Supply and District Boundary Adjustment

GHG Emission Reduction Measure - EV Conversion Reduction

Number of Vehicles Converted	3
Number of Annual Vehicle Trips	2964
Maximum Annual VMT[1]	118560

Greenhouse Gas	Emission Factor Type	Emission Factor		Annual Emissions (grams/year)	Annual Emissions (MT/year)	Annual Emissions (MT of CO_2e/year)[2]
CO_2	RUNEX	298.5998476	grams/mile	35401997.94	35.4020	35.402
	IDLEX[3]	0	grams/vehicle/day	0.00	0.0000	0.000
	STREX	59.85430507	grams/trip	177408.16	0.1774	0.177
				TOTAL	**35.5794**	**35.579**
CH_4	RUNEX	0.005093446	grams/mile	603.88	0.0006	0.017
	IDLEX[3]	0	grams/vehicle/day	0.00	0.0000	0.000
	STREX	0.073722737	grams/trip	218.51	0.0002	0.006
				TOTAL	**0.0008**	**0.023**
N_2O	RUNEX	0.006704133	grams/mile	794.84	0.0008	0.211
	IDLEX[3]	0	grams/vehicle/day	0.00	0.0000	0.000
	STREX	0.030307244	grams/trip	89.83	0.0001	0.024
				TOTAL	**0.0009**	**0.234**
CO_2e					**TOTAL**	**35.837**

MBCP Emissions Factors		
	Carbon Intensity Factors (lb/MWh)	**Emissions Factors (MT CO2e/MWh)**
CO2e	2	0.00091

EV Usage			
Level 2 Charger	6.6	kW	**Notes**
4 Hour Charge	26.4	kWh	

Project Report - i-Tree Planting Calculator v2.1.0

Location: Pacific Grove, California 93950
Electricity Emissions Factor: 2.00 pounds CO2 equivalent/MWh
Fuel Emissions Factor: 52.00 kilograms CO2 equivalent/MMBtu
Lifetime: 40 years
Tree Mortality: 10%

All amounts in the tables are for the full lifetime of the project.

Location		CO_2 (Carbon Dioxide) Benefits			
Group Identifier	**Tree Group Characteristics**	**CO_2 (Carbon Dioxide) Avoided (pounds)**	**CO_2 Avoided ($)**	**CO_2 Sequestered (pounds)**	**CO_2 Sequestered ($)**
1	• (1.0) Boxelder (Acer negundo) at 1.0 inch DBH (Diameter at Breast Height). • Planted 0-19 feet and north (0°) of buildings that were built post-1980 with heat and A/C. • Trees are in excellent condition and planted in partial sun.	742.9	$17.28	7,299.9	$169.77

Location		Energy Benefits			
Group Identifier	Tree Group Characteristics	Electricity Saved (kWh) (Kilowatt-Hours)	Electricity Saved ($)	Fuel Saved (MMBtu) (Millions of British Thermal Units)	Fuel Saved ($)
1	• (1.0) Boxelder (Acer negundo) at 1.0 inch DBH (Diameter at Breast Height). • Planted 0-19 feet and north (0°) of buildings that were built post-1980 with heat and A/C. • Trees are in excellent condition and planted in partial sun.	2,003.9	$398.78	6.4	$83.36

Location		Ecosystem Services			
Group Identifier	Tree Group Characteristics	Tree Biomass (short ton)	Rainfall Interception (gallons)	Runoff Avoided (gallons)	Runoff Avoided ($)
1	• (1.0) Boxelder (Acer negundo) at 1.0 inch DBH (Diameter at Breast Height). • Planted 0-19 feet and north (0°) of buildings that were built post-1980 with heat and A/C. • Trees are in excellent condition and planted in partial sun.	1.9	32,141.4	7,064.1	$63.12

Location		Air Benefits							
Group Identifier	Tree Group Characteristics	O_3 (Ozone) Removed (pounds)	NO_2 (Nitrogen Dioxide) Avoided (pounds)	NO_2 (Nitrogen Dioxide) Removed (pounds)	SO_2 (Sulfur Dioxide) Avoided (pounds)	SO_2 (Sulfur Dioxide) Removed (pounds)	VOC (Volatile Organic Compound) Avoided (pounds)	$PM_{2.5}$ (Particulate matter smaller than 2.5 micrometers in diameter) Avoided (pounds)	$PM_{2.5}$ (Particulate matter smaller than 2.5 micrometers in diameter) Removed (pounds)
1	• (1.0) Boxelder (Acer negundo) at 1.0 inch DBH (Diameter at Breast Height). • Planted 0-19 feet and north (0°) of buildings that were built post-1980 with heat and A/C. • Trees are in excellent condition and planted in partial sun.	20.3	0.1	1.1	0.5	0.2	1.0	0.7	0.1

www.fs.fed.us
www.davey.com
www.arborday.org
www.urban-forestry.com
www.isa-arbor.com
www.caseytrees.org
www.esf.edu
www.northeasternforests.org

Use of this tool indicates acceptance of the End-User License Agreement (EULA), which can be found at: https://help.itreetools.org/eula

Appendix C

AB 52 Tribal Consultation Letters

Acquisition of Monterey Water Supply and District Boundary Adjustment Project. AB 52 Correspondence

Contact List	Date Letter Sent to contact	Date of Response	Comments/Concerns
Esselen Tribe of Monterey County Tom Nason, Tribal Chair 38655 Tassaiara Rd. Carmel Valley, CA 93924 408-659-2153	4/6/20 5/22/20	read receipt recieved (RRcpt.) 4/20/20	5/28 – Monterey Peninsula Water Management District (District) called (A. Tavani, Executive Assistant), left message with answering service to return my call.
Costanoan Rumsen Carmel Tribe Tony Cerda 244 E. 1st Street Pomona, CA 91766 909-524-8041 Cell 909-629-6081 rumsen@aol.com	4/6/20 5/22/20	RRcpt. 4/16/20 RRcpt. 6/1/20	5/28 – District called (A. Tavani, Executive Assistant), left message on cell phone – re: calling to follow-up on letters sent on 4/6 and 5/22 re AB 52 consultation associated with expansion of District boundaries to facilitate acquisition of Monterey Water Supply."
Amah Mutsun Tribal Band Valentin Lopez PO Box 5272 Galt, CA 9532 vlopez@amahmutsun.org	4/6/20 5/22/20	RRcpt. 4/16/20 RRcpt. 6/1/20	4/19 – Val Lopez sent email to the consultant stating project is out of their tribal area will not participate. 5/28 – District sent email (had not seen 4/19 email, A. Tavani, Executive Assistant sent email) – re: AB 52 consultation associated with expansion of District boundaries to facilitate acquisition of Monterey Water Supply. Contact the District if you want to participate in consultation or you have questions or comments.
Ohlone/Costanoan-Esselen Nation Louise Miranda-Ramirez PO Box 1301 Monterey, CA 93942 408-629-5189 408-661-2486 Cell Ramirez.louise@yahoo.com	4/6/20 5/22/20	RRcpt. 5/4/20 RRcpt. 6/1/20	5/28 – District called (A. Tavani, Executive Assistant), left message on cell phone – re: calling to follow-up on letters sent on 4/6 and 5/22 re AB 52 consultation associated with expansion of District boundaries to facilitate acquisition of Monterey Water Supply."
Amah Mutsun Tribal Band of Mission San Juan Bautista Irene Zwierlein 789 Canada Road Woodside, CA 94602 650-851-7489 Cell 650-851-7747 Office 650-332-1526	4/6/20 5/22/20	RRcpt. 4/16/20 RRcpt. 5/28/20	5/28 – District called (A. Tavani, Executive Assistant), spoke with Irene Swierlein – re: calling to follow-up on letters sent on 4/6 and 5/22 re AB 52 consultation associated with expansion of District boundaries to facilitate acquisition of Monterey Water Supply. Irene Swierlein replied with the question, "has a search been done on the property we plan to incorporate?" District replied (A. Tavani, Executive Assistant), that the District General Manager or the consultant would contact her to respond to questions. 5/29 – D. Stoldt returned Irene Swierlein's call and responded in response to the question. Irene Swierlein was satisfied with the response.

Contact List	Date Letter Sent to contact	Date of Response	Comments/Concerns
Amahmutsuntribal@gmail.com			
Ohlone/Costanoan Esselen Nation Rudolph Rosales PO Box 647 Monterey, CA 93942 831-917-1866 Esselennation46@aol.com	4/6/20 5/22/20	RRcpt. 4/16/20	5/28 – District called (A. Tavani, Executive Assistant), left message on cell phone – re: calling to follow-up on letters sent on 4/6 and 5/22 re AB 52 consultation associated with expansion of District boundaries to facilitate acquisition of Monterey Water Supply. Call if you are interested in consulting with the District or you have questions or concerns. 6/3 – District (A. Tavani, Executive Assistant), received voicemail from Mr. Rosales asking about phone call he received. District returned phone call and left a brief explanation; asked him to call back. 6/3 – Mr. Rosales called District (A. Tavani, Executive Assistant), stating he had not received the letters. District confirmed that the mailing address was accurate. District re-mail and emailed the letters sent on 4/16 and 5/22 with attached maps. 6/5 – D. Stoldt emailed Mr. Rosales. Advised him that no land would be disturbed. Simply change of ownership.
Rumsen Ohlone Community Louis Trevino 2087 Delaware Streeet #5 Berkeley, CA 94709	4/6/20 5/22/20		5/28 – Letter Returned - Marked Return to Sender – Unable to Forward
Rumsen Ohlone Community Linda Yamane 1585 Mira Mar Ave Seaside, CA 93955 832-905-5915 rumsien123@yahoo.com	4/6/20 5/22/20	RRcpt. 4/13/20 RRcpt. 5/28/20	5/28 – District called (A. Tavani, Executive Assistant), left message on cell phone – re: calling to follow-up on letters sent on 4/6 and 5/22 re AB 52 consultation associated with expansion of District boundaries to facilitate acquisition of Monterey Water Supply. Call if you are interested in consulting with the District or you have questions or concerns.
Indian Canyon Mutsun Band of Costanoan Ann Marie Sayers, Chairperson ams@indiancanyon.org	4/6/20 5/22/20		5/28 – District emailed (A. Tavani, Executive Assistant) - re AB 52 consultation associated with expansion of District boundaries to facilitate acquisition of Monterey Water Supply. Contact the District if you want to participate in consultation or you have questions or comments.
Xolon-Salinan Tribe Donna Haro dhxolonaakletse@gmail.com	4/6/ 5/22		
Xolon-Salinan Tribe Karen White Xolon.salinan.heritage@gmail.com	4/6/20 5/22/20	5/23 Email	5/23 – District received email from Karen White dated 5/23/20 with CC to Donna Haro 5/28 – District emailed (A. Tavani, Executive Assistant), Karen White acknowledging receipt of 5/23 email.
NOTE: Also received April 7, 2020 letter from Native American Heritage Commission			

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

April 6, 2020

Indian Canyon Mutsun Band of Costanoan
Ann Marie Sayers, Chairperson
Via Email: ams@indiancanyon.org

RE: AB 52 Consultation, Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County California

Dear Chairperson Sayers,

The Monterey Peninsula Water Management District is preparing an EIR for the proposed Acquisition of Monterey Water Supply and District Boundary Adjustment Project. The proposed project consists of the acquisition and subsequent operation of the Monterey County District water system currently owned and operated by CalAm. The District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the physical MCD system or to the associated water rights, nor is the District proposing any changes to the manner of operation of the MCD system or the exercise of the associated water rights. The proposed project is subject to the California Environmental Quality Act (CEQA).

The proposed project must comply with California Public Resources Code § 21080.3.1 (Assembly Bill [AB] 52 of 2014), which requires local governments to conduct meaningful consultation with California Native American tribes that have requested to be notified by lead agencies of proposed projects in the geographic area with which the tribe is traditionally and culturally affiliated.

The input of the Indian Canyon Mutsun Band of Costanoan is important to the Monterey Peninsula Water Management District's planning process. Under AB 52, you have 30 days from receipt of this letter to respond in writing if you wish you consult on the proposed project. If you require any additional information or have any questions, please contact me at 831-658-5651 or via e-mail at dstoldt@mpwmd.net. Thank you for your assistance.

Sincerely,

Dave Stoldt
General Manager
Monterey Peninsula Water Management District

Enclosure: Project Location Map

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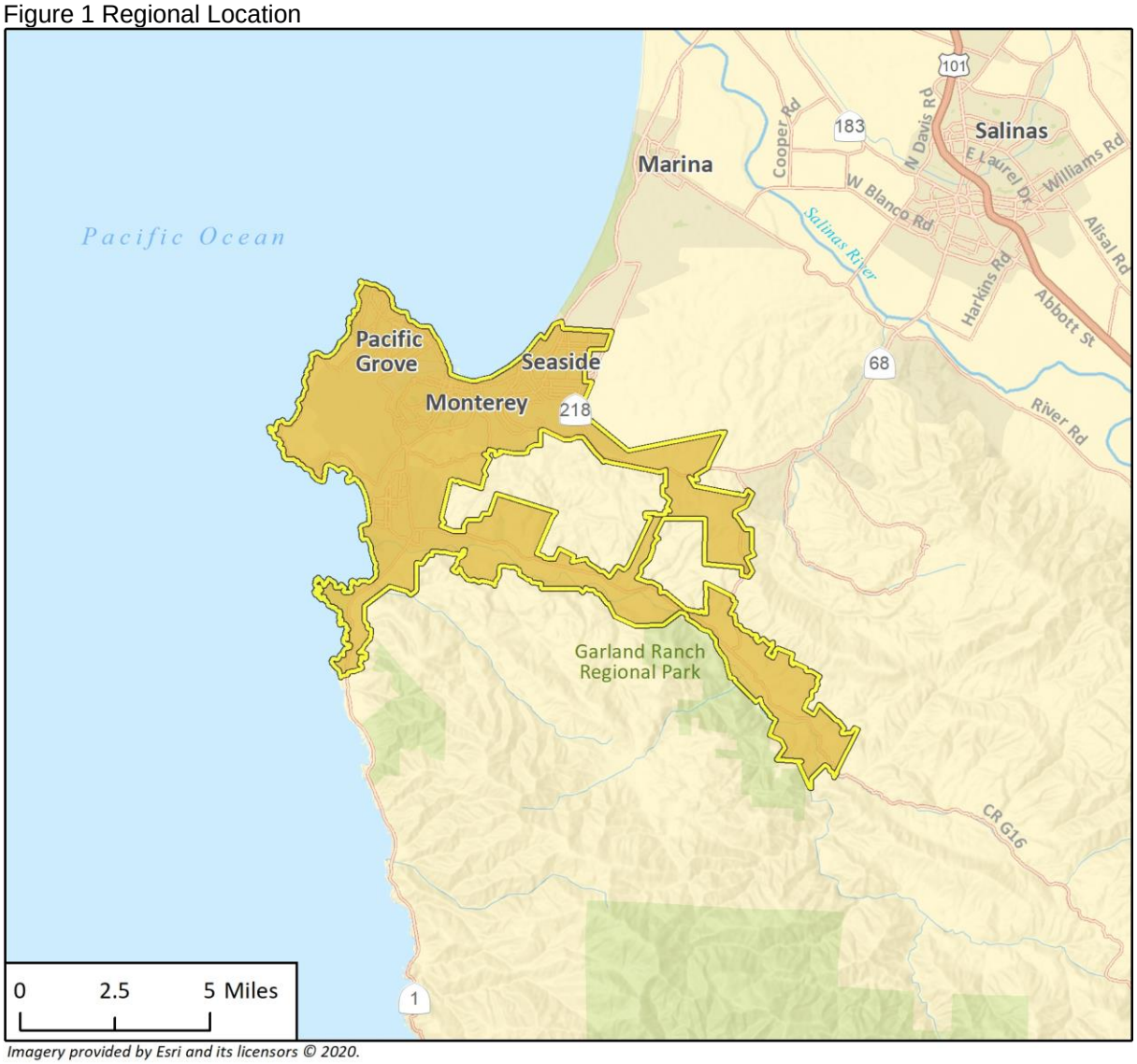
Figure 1 Regional Location



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Project Location

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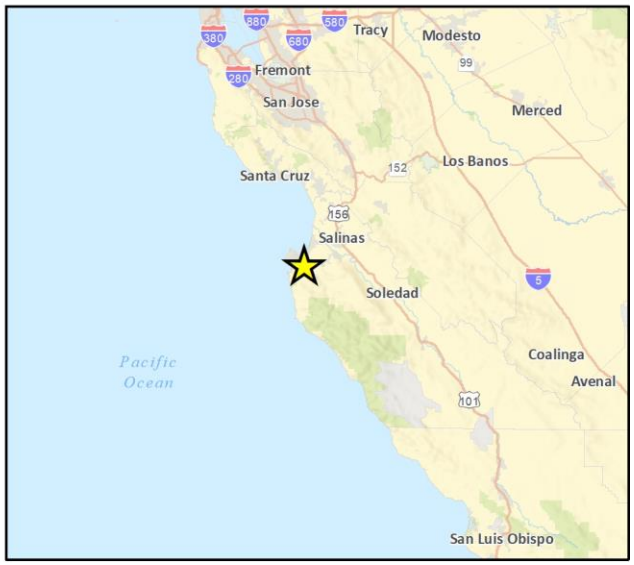

Figure 2 Project Boundary

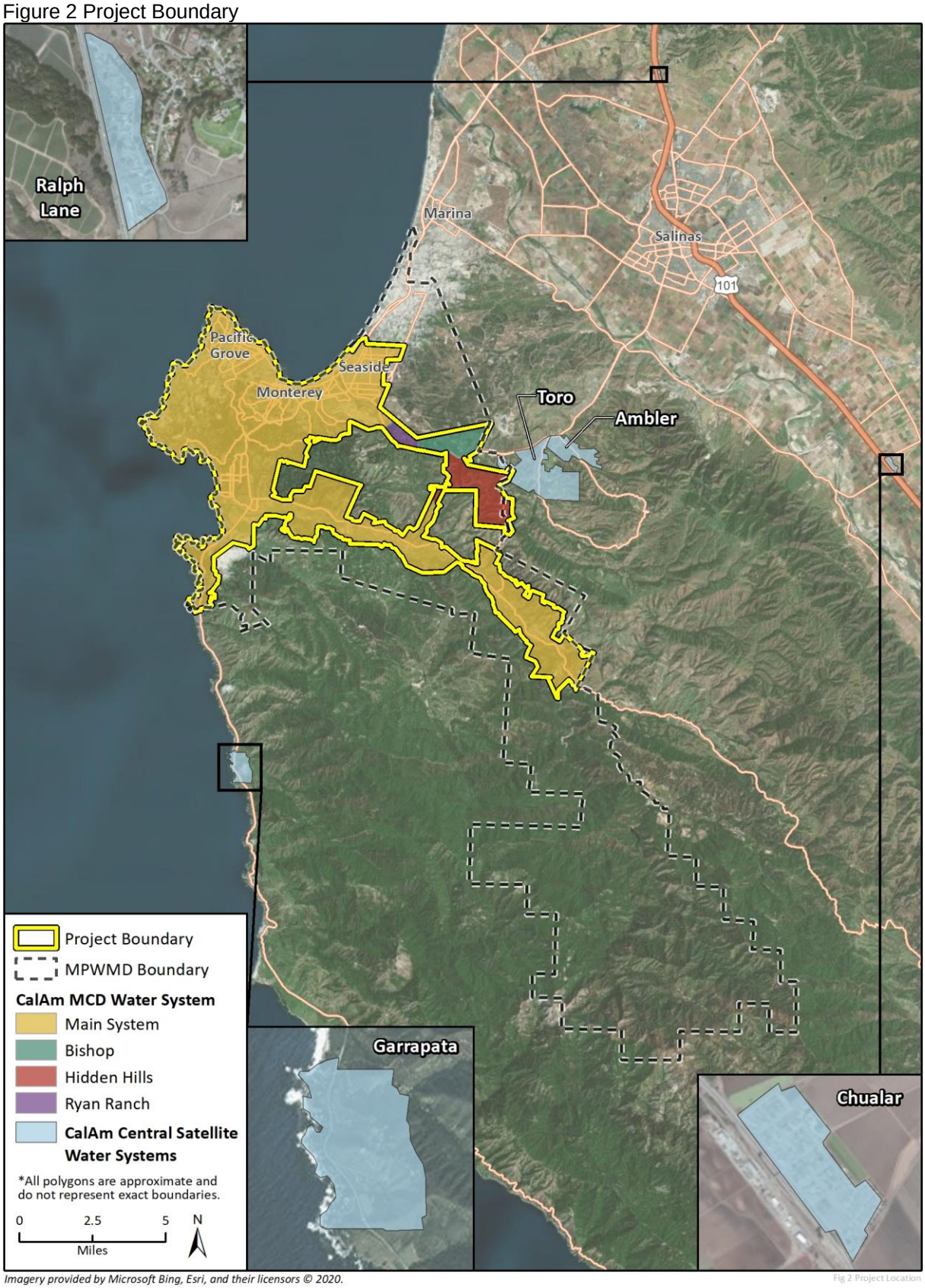

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Fig 2 Project Location

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

April 6, 2020

Xolon-Salinan Tribe
Donna Haro
Via Email: dhxolonaakletse@gmail.com

RE: AB 52 Consultation, Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County California

Dear Ms. Haro,

The Monterey Peninsula Water Management District is preparing an EIR for the proposed Acquisition of Monterey Water Supply and District Boundary Adjustment Project. The proposed project consists of the acquisition and subsequent operation of the Monterey County District water system currently owned and operated by CalAm. The District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the physical MCD system or to the associated water rights, nor is the District proposing any changes to the manner of operation of the MCD system or the exercise of the associated water rights. The proposed project is subject to the California Environmental Quality Act (CEQA).

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The input of the Xolon-Salinan Tribe is important to the Monterey Peninsula Water Management District's planning process. Under AB 52, you have 30 days from receipt of this letter to respond in writing if you wish you consult on the proposed project. If you require any additional information or have any questions, please contact me at 831-658-5651 or via e-mail at dstoldt@mpwmd.net. Thank you for your assistance.

Sincerely,

Dave Stoldt
General Manager
Monterey Peninsula Water Management District

Enclosure: Project Location Map

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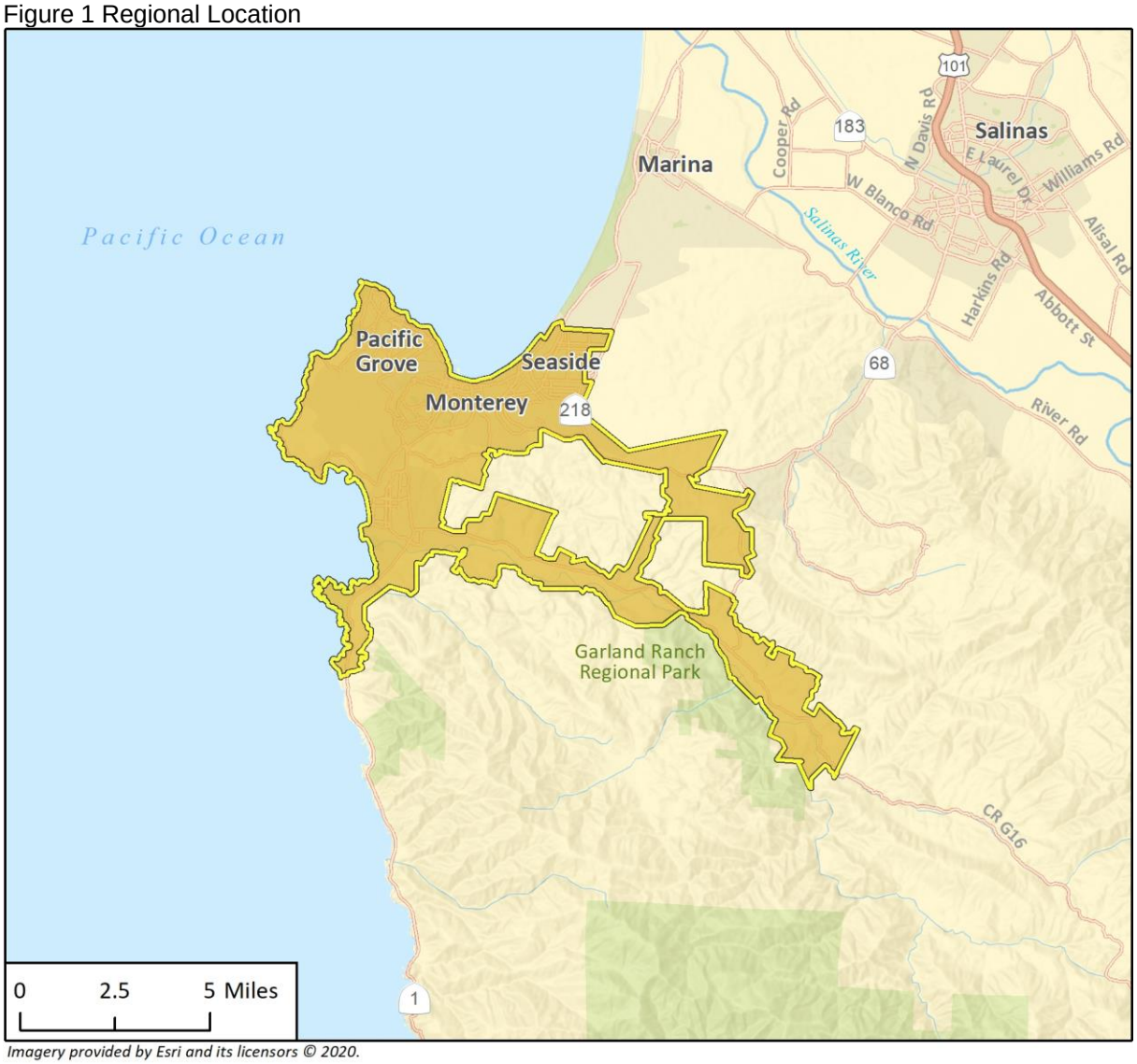
Figure 1 Regional Location



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Project Location

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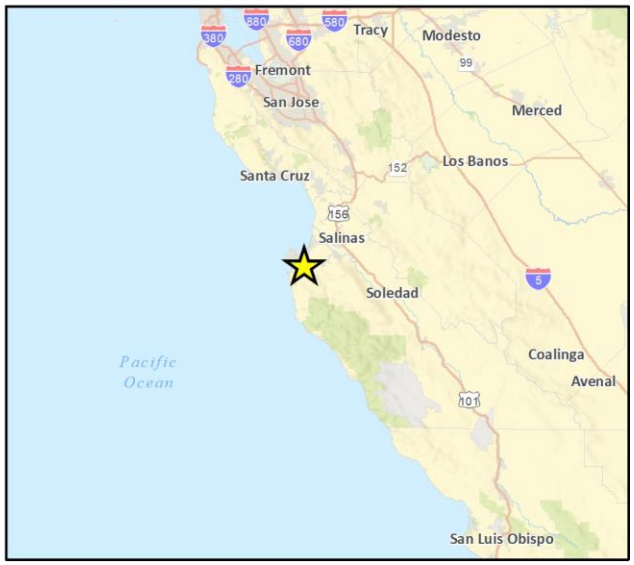

Figure 2 Project Boundary

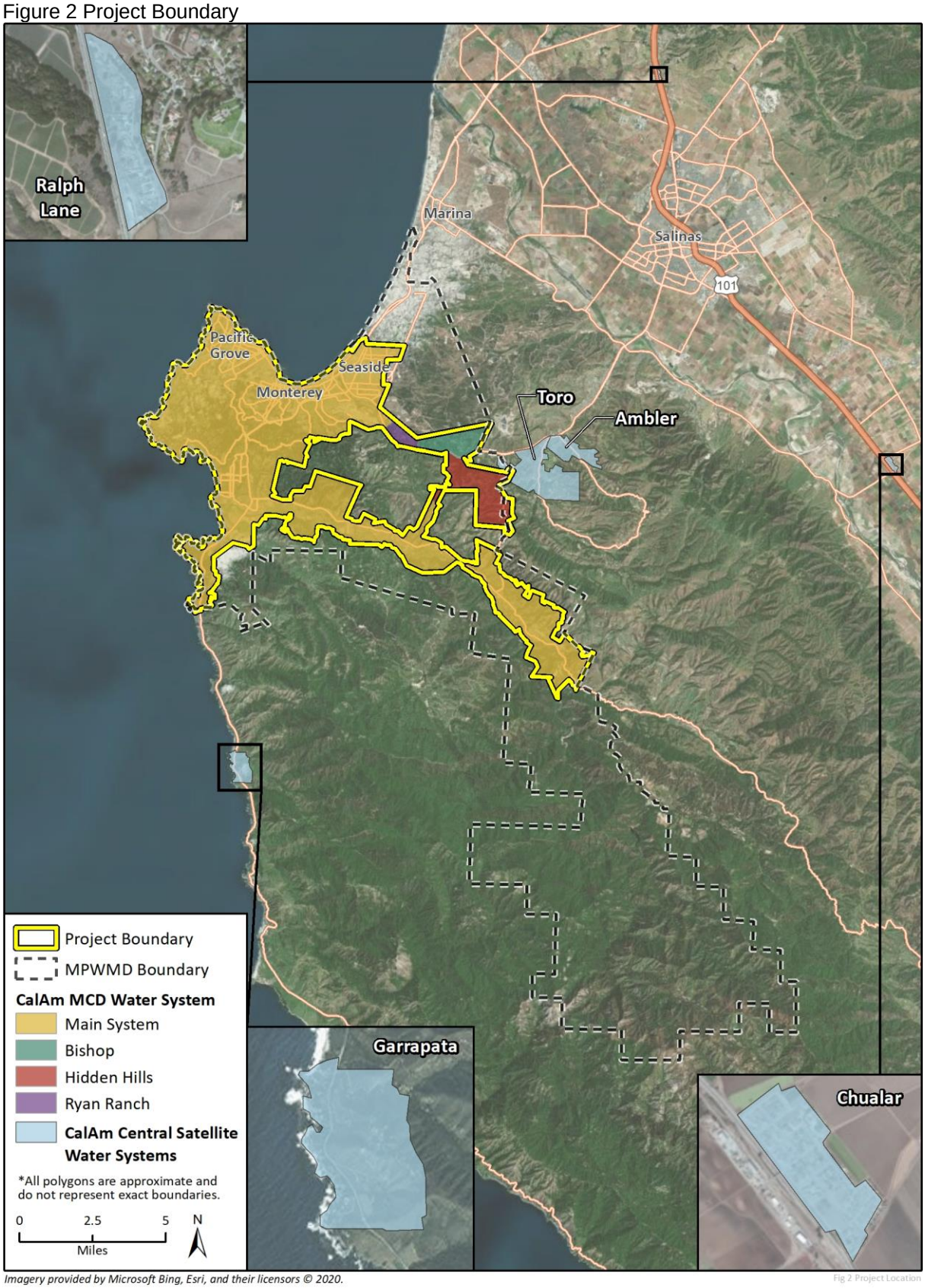

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Fig 2 Project Location

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

April 6, 2020

Xolon-Salinan Tribe
Karen White
Via Email: xolon.salinan.heritage@gmail.com

RE: AB 52 Consultation, Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County California

Dear Ms. White,

The Monterey Peninsula Water Management District is preparing an EIR for the proposed Acquisition of Monterey Water Supply and District Boundary Adjustment Project. The proposed project consists of the acquisition and subsequent operation of the Monterey County District water system currently owned and operated by CalAm. The District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the physical MCD system or to the associated water rights, nor is the District proposing any changes to the manner of operation of the MCD system or the exercise of the associated water rights. The proposed project is subject to the California Environmental Quality Act (CEQA).

The proposed project must comply with California Public Resources Code § 21080.3.1 (Assembly Bill [AB] 52 of 2014), which requires local governments to conduct meaningful consultation with California Native American tribes that have requested to be notified by lead agencies of proposed projects in the geographic area with which the tribe is traditionally and culturally affiliated.

The input of the Xolon-Salinan Tribe is important to the Monterey Peninsula Water Management District's planning process. Under AB 52, you have 30 days from receipt of this letter to respond in writing if you wish you consult on the proposed project. If you require any additional information or have any questions, please contact me at 831-658-5651 or via e-mail at dstoldt@mpwmd.net. Thank you for your assistance.

Sincerely,

Dave Stoldt
General Manager
Monterey Peninsula Water Management District

Enclosure: Project Location Map

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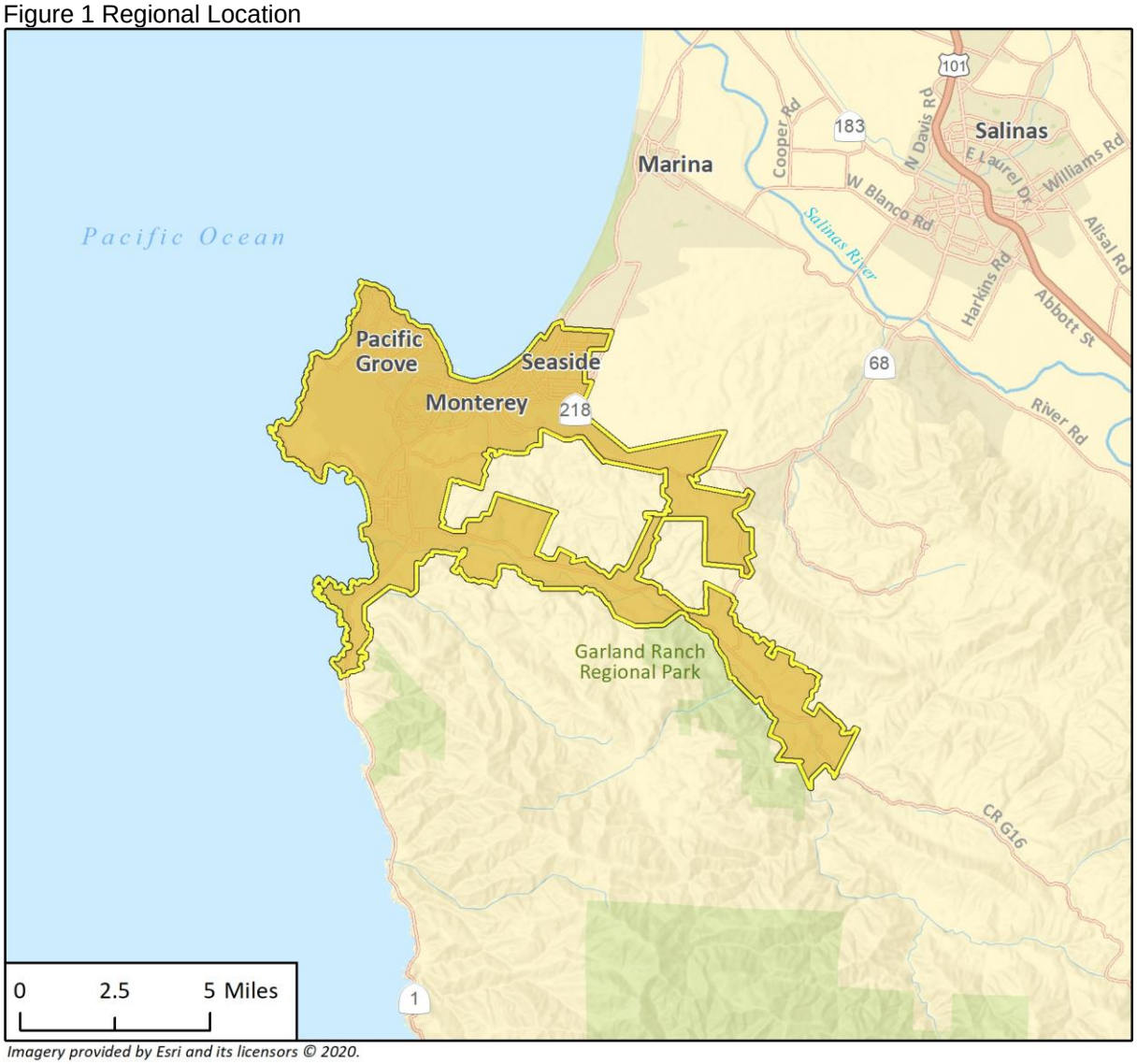
Figure 1 Regional Location



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Project Location

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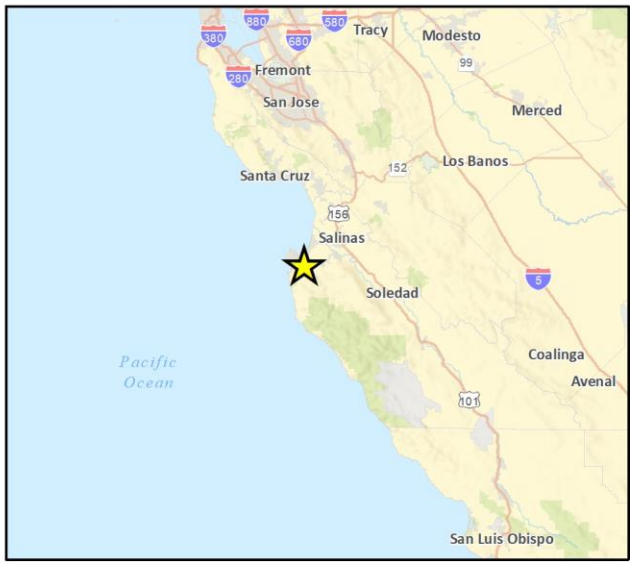

Figure 2 Project Boundary

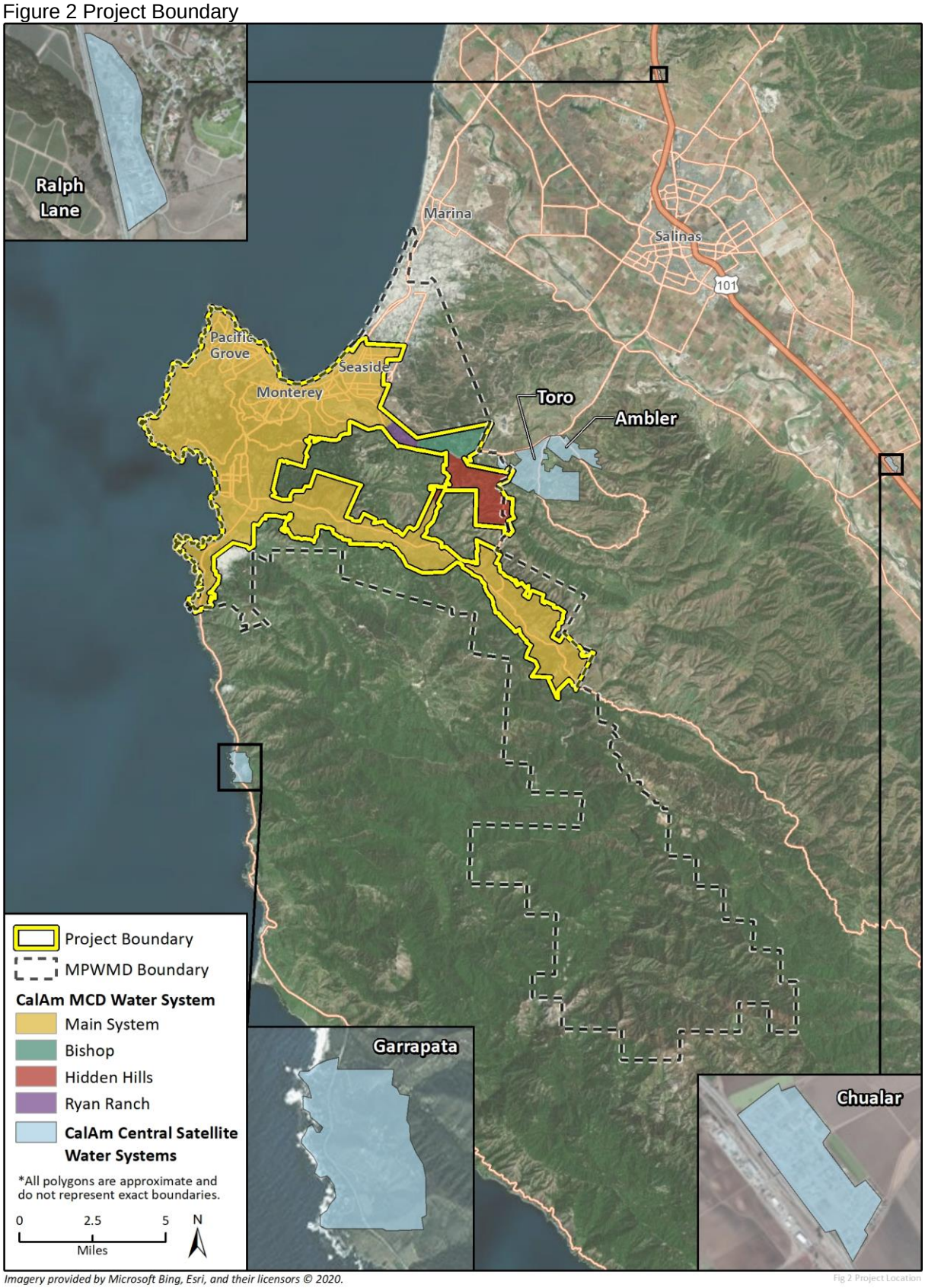

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Fig 2 Project Location

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

April 6, 2020

Amah Mutsun Tribal Band of Mission San Juan Bautista
Irene Zwierlein, Chairperson
789 Canada Road
Woodside, California 94602

RE: AB 52 Consultation, Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County, California

Dear Chairperson Zwierlein:

The Monterey Peninsula Water Management District is preparing an EIR for the proposed Acquisition of Monterey Water Supply and District Boundary Adjustment Project. The proposed project consists of the acquisition and subsequent operation of the Monterey County District water system currently owned and operated by CalAm. The District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the physical MCD system or to the associated water rights, nor is the District proposing any changes to the manner of operation of the MCD system or the exercise of the associated water rights. The proposed project is subject to the California Environmental Quality Act (CEQA).

The proposed project must comply with California Public Resources Code § 21080.3.1 (Assembly Bill [AB] 52 of 2014), which requires local governments to conduct meaningful consultation with California Native American tribes that have requested to be notified by lead agencies of proposed projects in the geographic area with which the tribe is traditionally and culturally affiliated.

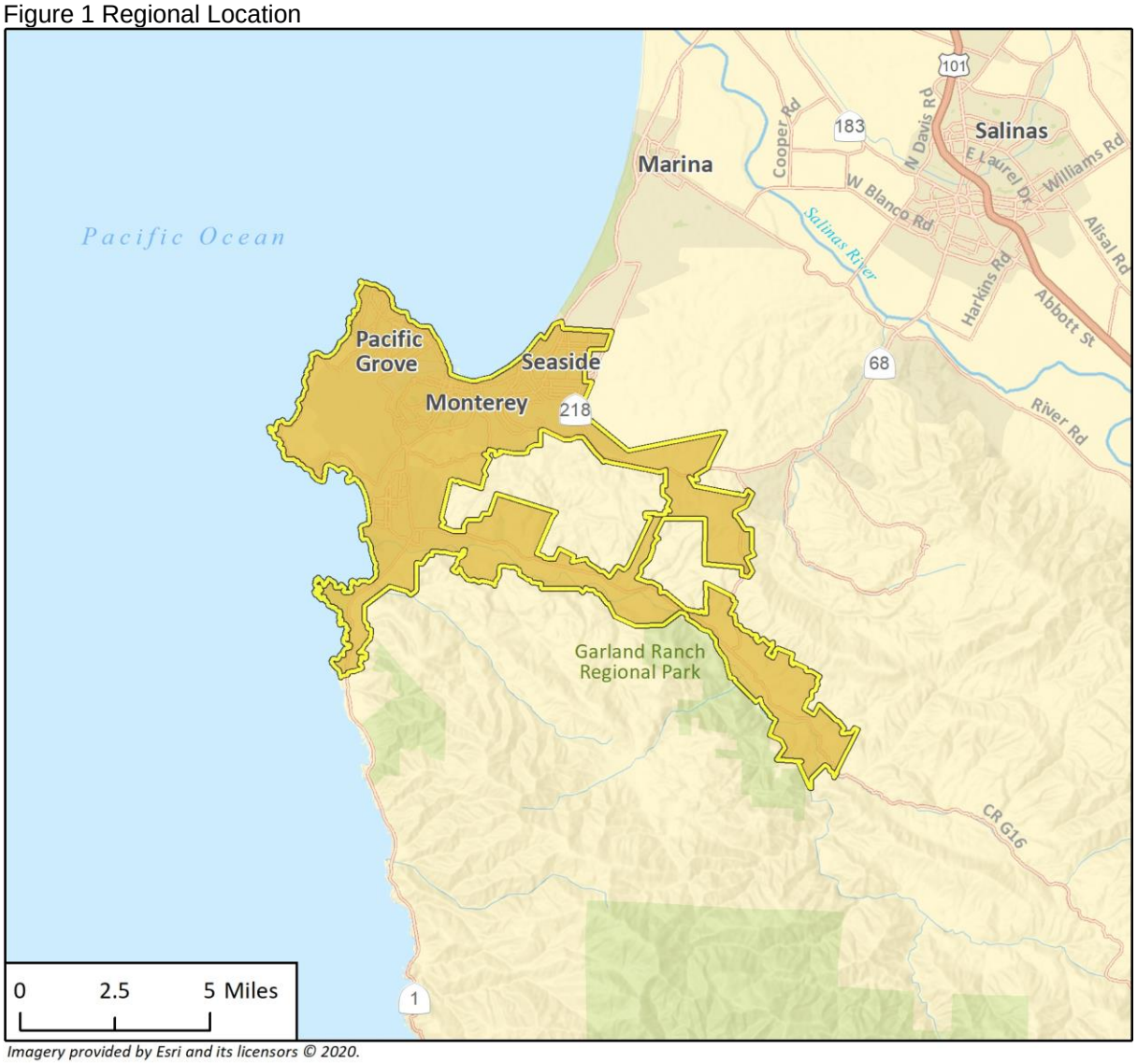
The input of the Amah Mutsun Tribal Band of Mission San Juan Bautista is important to the Monterey Peninsula Water Management District's planning process. Under AB 52, you have 30 days from receipt of this letter to respond in writing if you wish you consult on the proposed project. If you require any additional information or have any questions, please contact me at 831-658-5651 or via e-mail at dstoldt@mpwmd.net. Thank you for your assistance.

Sincerely,

Dave Stoldt
General Manager
Monterey Peninsula Water Management District

Enclosure: Project Location Map

Figure 1 Regional Location



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Project Location

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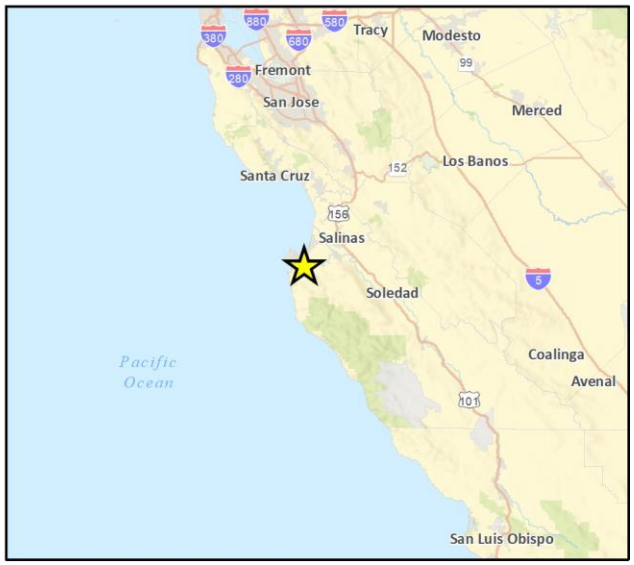

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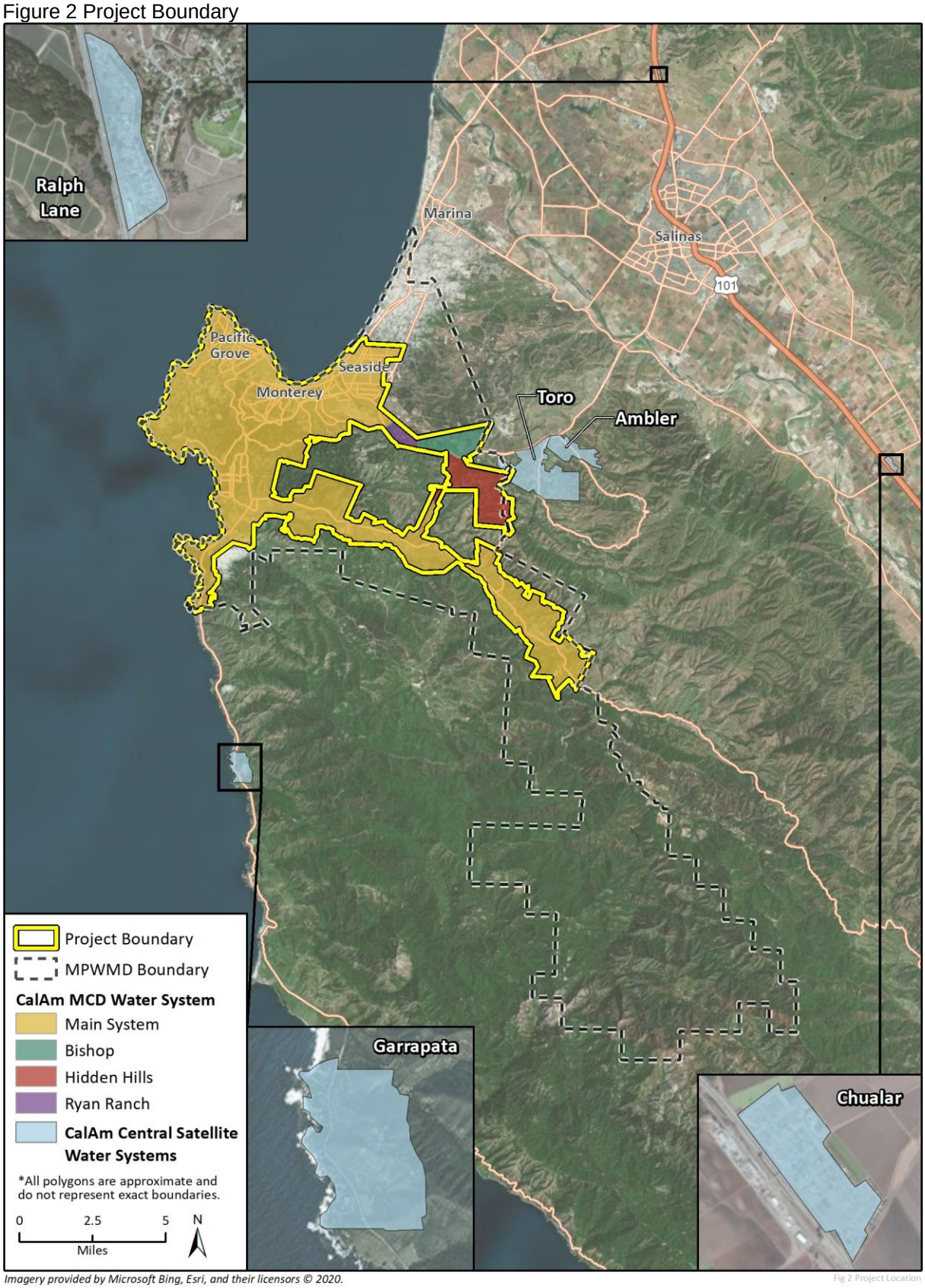

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Fig 2 Project Location

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

April 6, 2020

Ohlone/Costanoan-Esselen Nation
Louise Miranda-Ramirez, Chairperson
PO Box 1301
Monterey, California 93942

RE: AB 52 Consultation, Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County, California

Dear Chairperson Miranda-Ramirez:

The Monterey Peninsula Water Management District is preparing an EIR for the proposed Acquisition of Monterey Water Supply and District Boundary Adjustment Project. The proposed project consists of the acquisition and subsequent operation of the Monterey County District water system currently owned and operated by CalAm. The District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the physical MCD system or to the associated water rights, nor is the District proposing any changes to the manner of operation of the MCD system or the exercise of the associated water rights. The proposed project is subject to the California Environmental Quality Act (CEQA).

The proposed project must comply with California Public Resources Code § 21080.3.1 (Assembly Bill [AB] 52 of 2014), which requires local governments to conduct meaningful consultation with California Native American tribes that have requested to be notified by lead agencies of proposed projects in the geographic area with which the tribe is traditionally and culturally affiliated.

The input of the Ohlone/Costanoan-Esselen Nation is important to the Monterey Peninsula Water Management District's planning process. Under AB 52, you have 30 days from receipt of this letter to respond in writing if you wish you consult on the proposed project. If you require any additional information or have any questions, please contact me at 831-658-5651 or via e-mail at dstoldt@mpwmd.net. Thank you for your assistance.

Sincerely,

Dave Stoldt
General Manager
Monterey Peninsula Water Management District

Enclosure: Project Location Map

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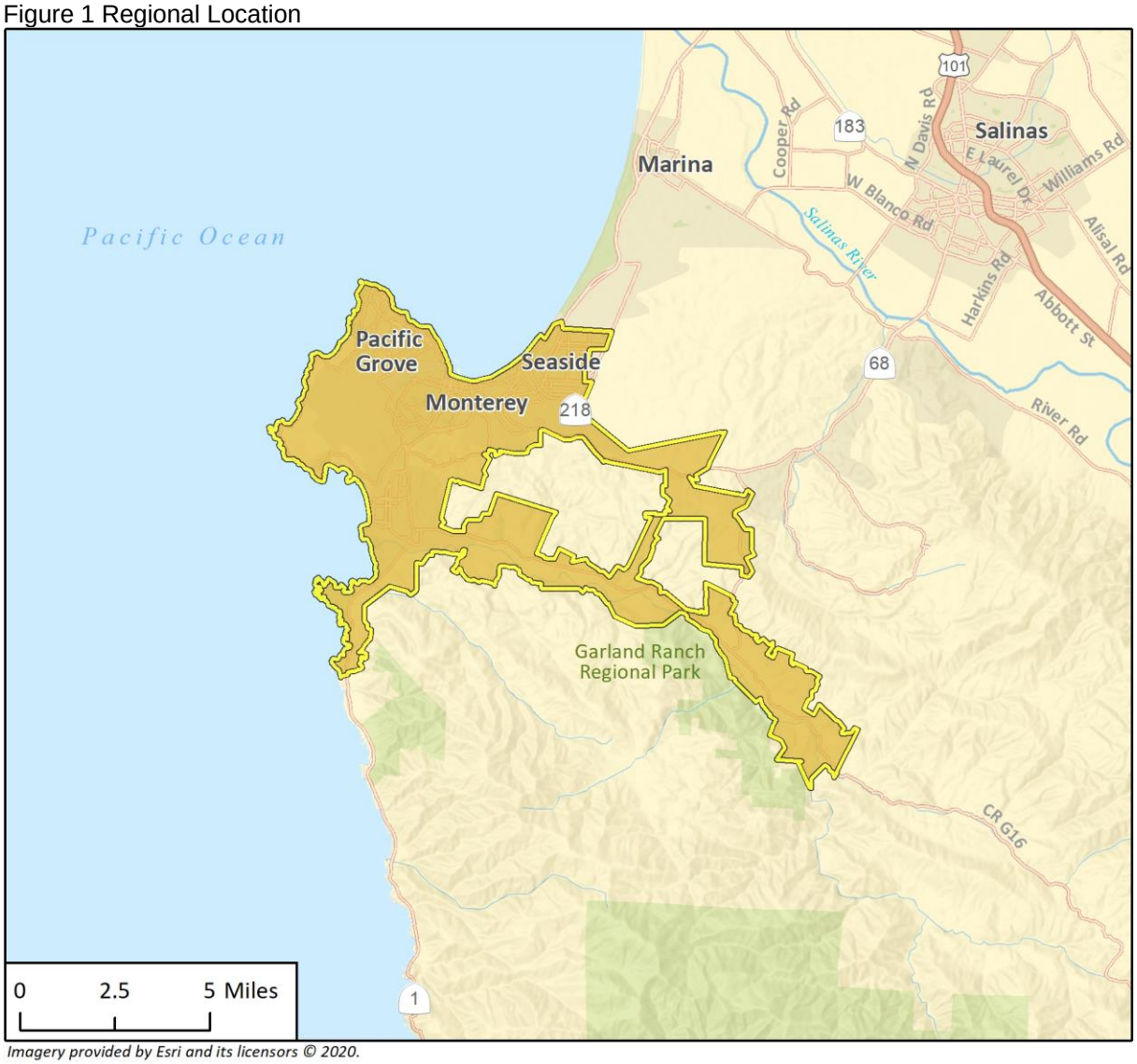
Figure 1 Regional Location



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Project Location

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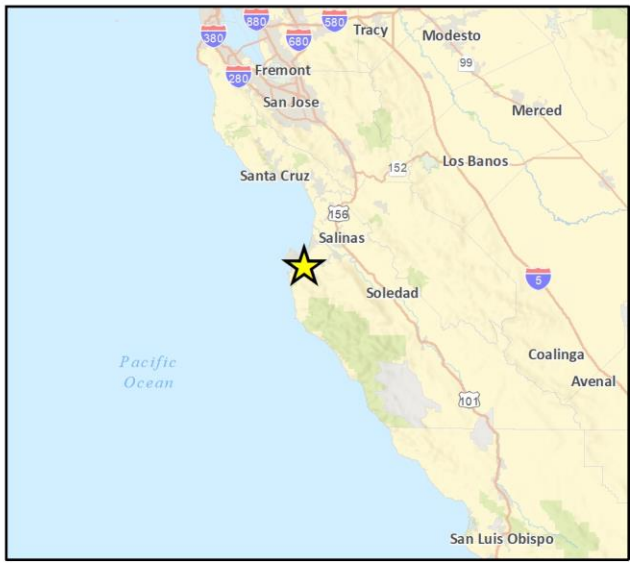

Figure 2 Project Boundary

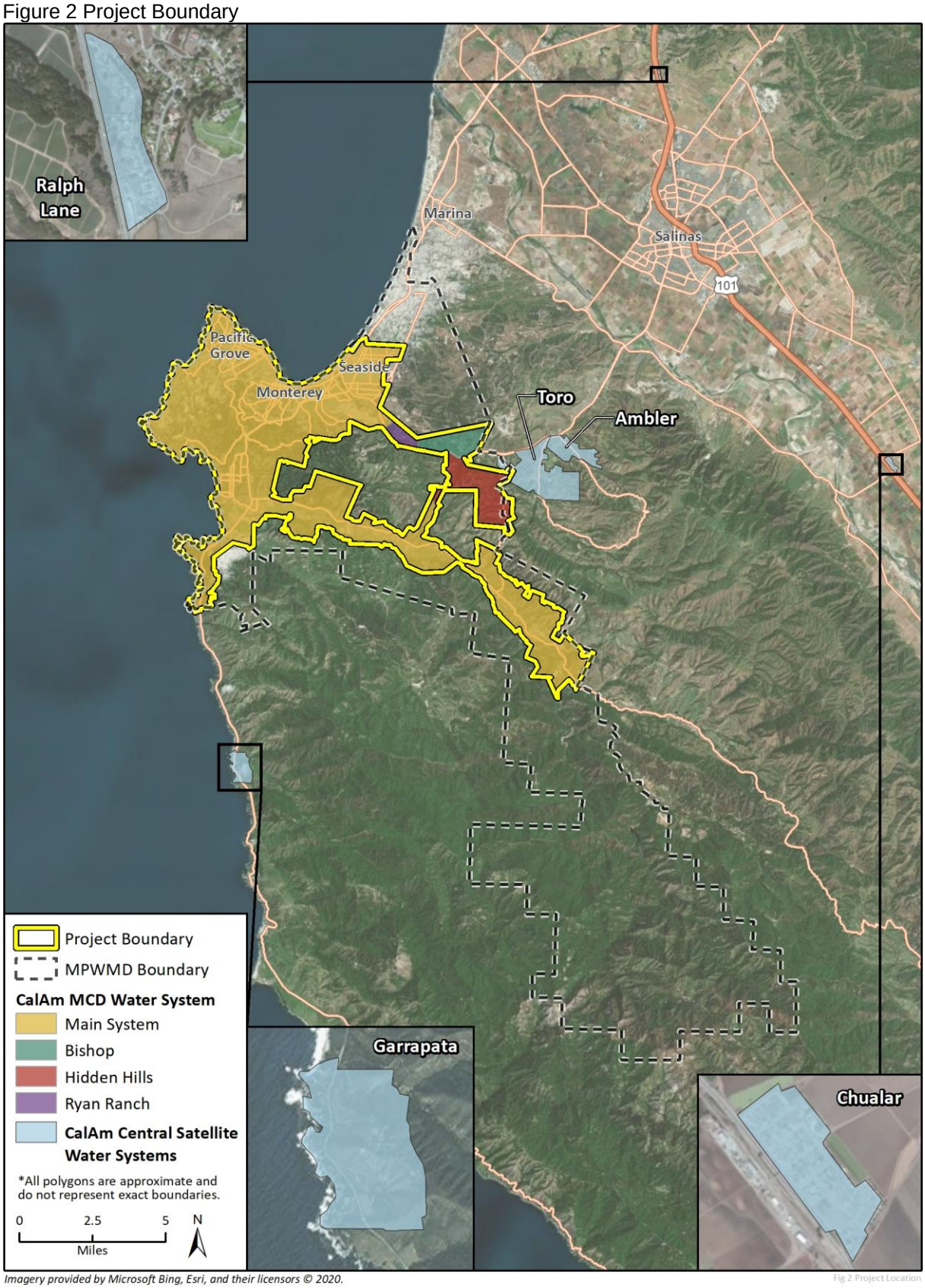

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Fig 2 Project Location

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

April 6, 2020

Rumsen Ohlone Community
Louis Trevino
2087 Delaware Street #5
Berkeley, California 94709

RE: AB 52 Consultation, Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County, California

Dear Mr. Trevino:

The Monterey Peninsula Water Management District is preparing an EIR for the proposed Acquisition of Monterey Water Supply and District Boundary Adjustment Project. The proposed project consists of the acquisition and subsequent operation of the Monterey County District water system currently owned and operated by CalAm. The District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the physical MCD system or to the associated water rights, nor is the District proposing any changes to the manner of operation of the MCD system or the exercise of the associated water rights. The proposed project is subject to the California Environmental Quality Act (CEQA).

The proposed project must comply with California Public Resources Code § 21080.3.1 (Assembly Bill [AB] 52 of 2014), which requires local governments to conduct meaningful consultation with California Native American tribes that have requested to be notified by lead agencies of proposed projects in the geographic area with which the tribe is traditionally and culturally affiliated.

The input of the Rumsen Ohlone Community is important to the Monterey Peninsula Water Management District's planning process. Under AB 52, you have 30 days from receipt of this letter to respond in writing if you wish you consult on the proposed project. If you require any additional information or have any questions, please contact me at 831-658-5651 or via e-mail at dstoldt@mpwmd.net. Thank you for your assistance.

Sincerely,

Dave Stoldt
General Manager
Monterey Peninsula Water Management District

Enclosure: Project Location Map

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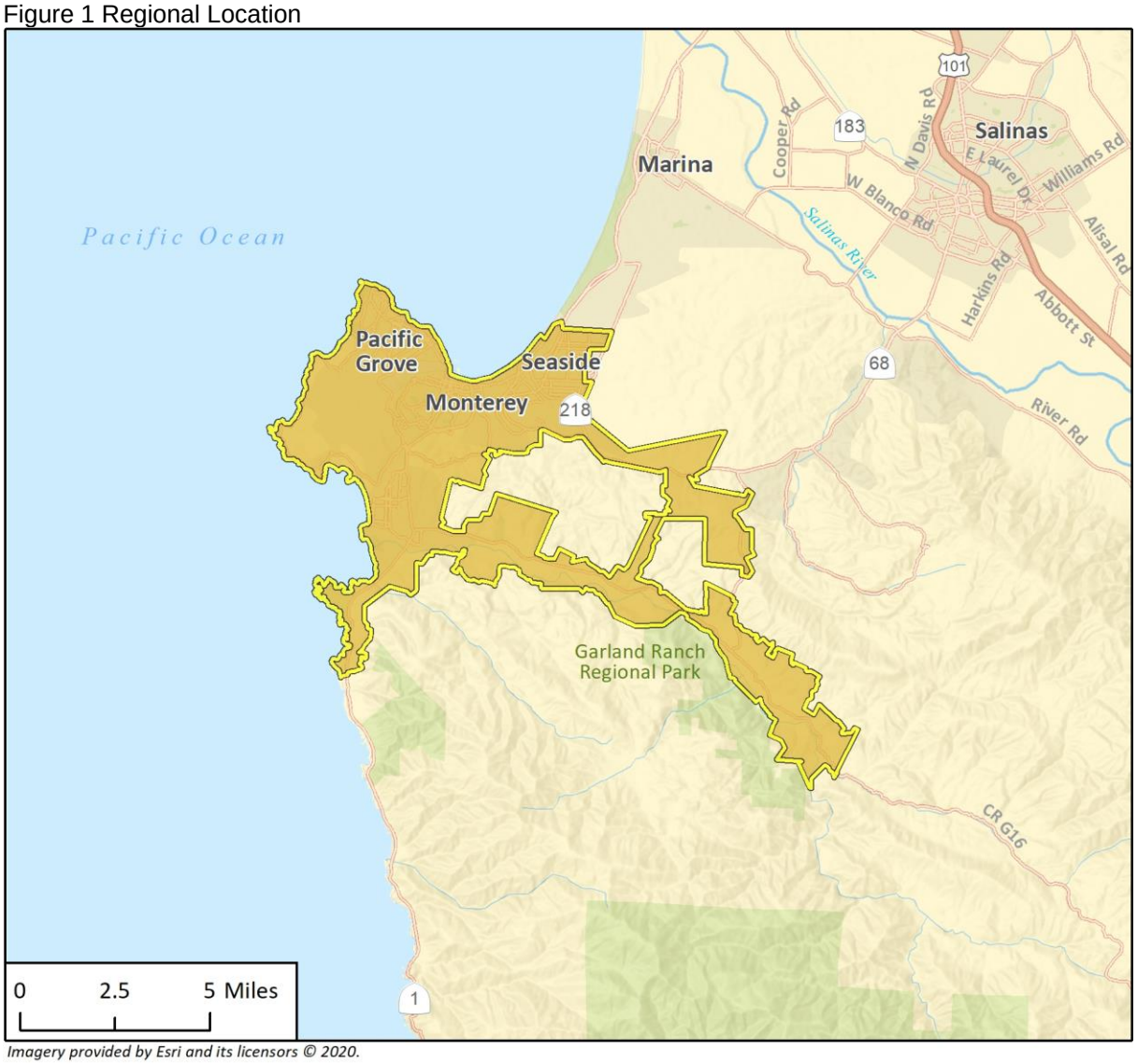
Figure 1 Regional Location



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Project Location

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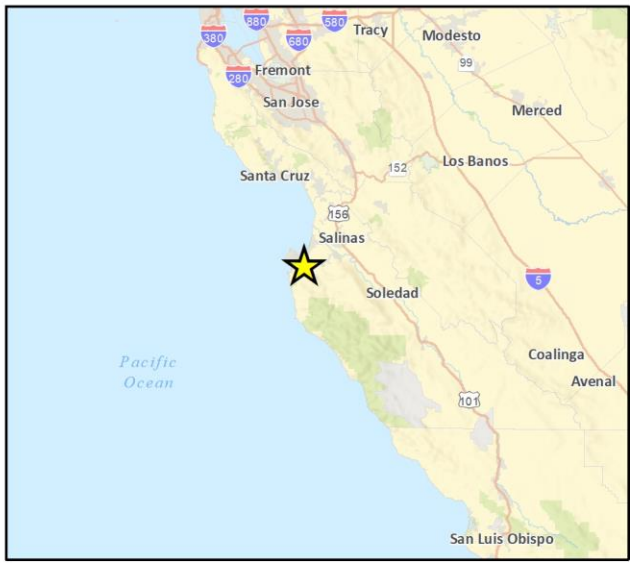

Figure 2 Project Boundary

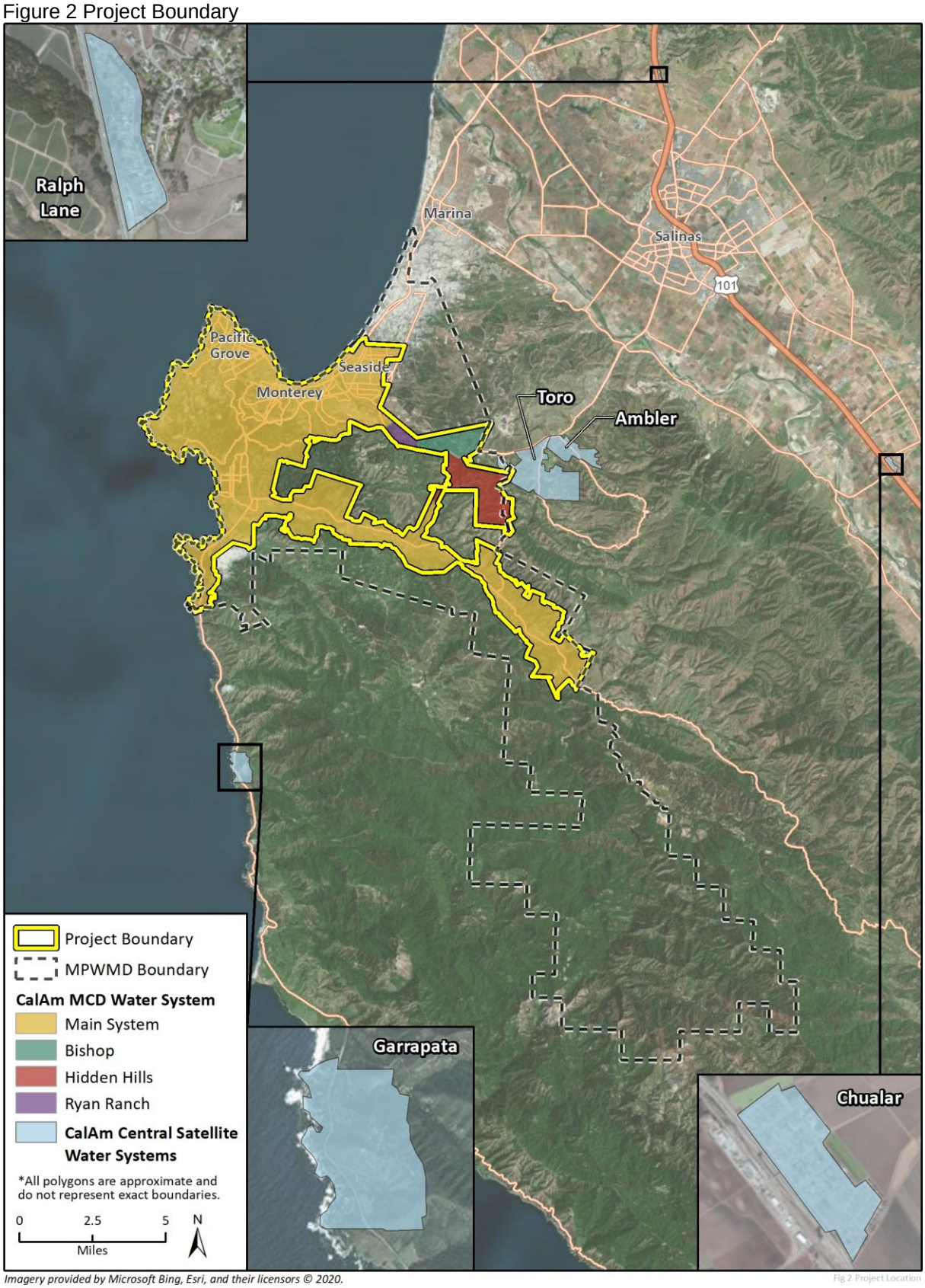

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Fig 2 Project Location

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

April 6, 2020

Rumsen Ohlone Community
Linda Yamane
1585 Mira Mar Avenue
Seaside, California 93955

RE: AB 52 Consultation, Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County, California

Dear Ms. Yamane:

The Monterey Peninsula Water Management District is preparing an EIR for the proposed Acquisition of Monterey Water Supply and District Boundary Adjustment Project. The proposed project consists of the acquisition and subsequent operation of the Monterey County District water system currently owned and operated by CalAm. The District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the physical MCD system or to the associated water rights, nor is the District proposing any changes to the manner of operation of the MCD system or the exercise of the associated water rights. The proposed project is subject to the California Environmental Quality Act (CEQA).

The proposed project must comply with California Public Resources Code § 21080.3.1 (Assembly Bill [AB] 52 of 2014), which requires local governments to conduct meaningful consultation with California Native American tribes that have requested to be notified by lead agencies of proposed projects in the geographic area with which the tribe is traditionally and culturally affiliated.

The input of the Rumsen Ohlone Community is important to the Monterey Peninsula Water Management District's planning process. Under AB 52, you have 30 days from receipt of this letter to respond in writing if you wish you consult on the proposed project. If you require any additional information or have any questions, please contact me at 831-658-5651 or via e-mail at dstoldt@mpwmd.net. Thank you for your assistance.

Sincerely,

Dave Stoldt
General Manager
Monterey Peninsula Water Management District

Enclosure: Project Location Map

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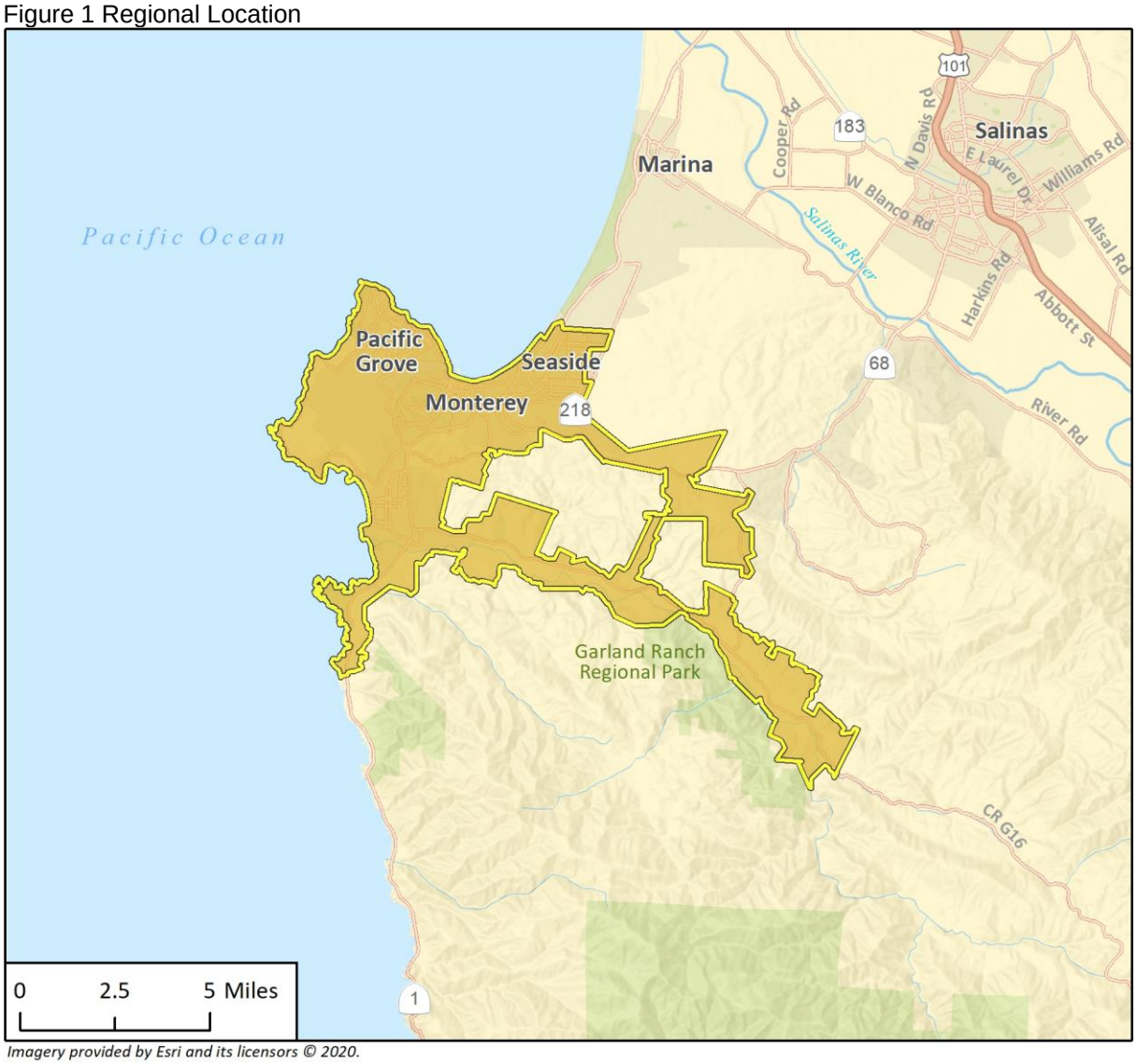
Figure 1 Regional Location



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Project Location

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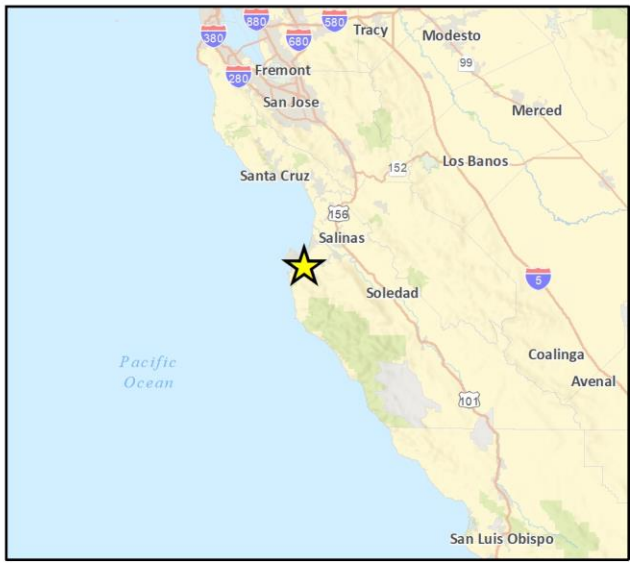

Figure 2 Project Boundary

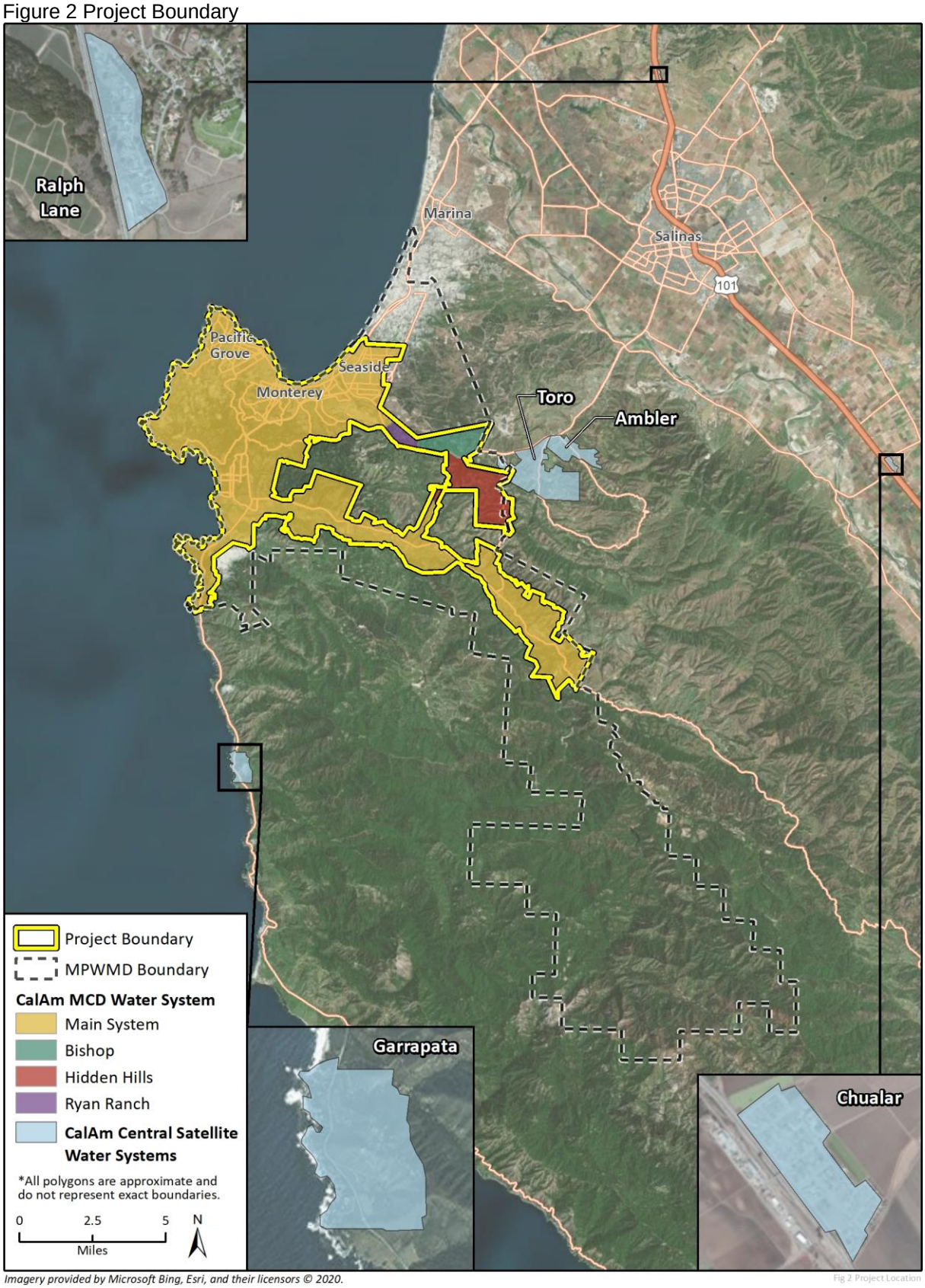

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Fig 2 Project Location

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

April 6, 2020

Ohlone/Costanoan Esselen Nation
Rudolph Rosales, Indigenous Peoples Consultant
PO Box 647
Monterey, California 93942

RE: AB 52 Consultation, Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County, California

Dear Mr. Rosales:

The Monterey Peninsula Water Management District is preparing an EIR for the proposed Acquisition of Monterey Water Supply and District Boundary Adjustment Project. The proposed project consists of the acquisition and subsequent operation of the Monterey County District water system currently owned and operated by CalAm. The District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the physical MCD system or to the associated water rights, nor is the District proposing any changes to the manner of operation of the MCD system or the exercise of the associated water rights. The proposed project is subject to the California Environmental Quality Act (CEQA).

The proposed project must comply with California Public Resources Code § 21080.3.1 (Assembly Bill [AB] 52 of 2014), which requires local governments to conduct meaningful consultation with California Native American tribes that have requested to be notified by lead agencies of proposed projects in the geographic area with which the tribe is traditionally and culturally affiliated.

The input of the Ohlone/Costanoan Esselen Nation is important to the Monterey Peninsula Water Management District's planning process. Under AB 52, you have 30 days from receipt of this letter to respond in writing if you wish you consult on the proposed project. If you require any additional information or have any questions, please contact me at 831-658-5651 or via e-mail at dstoldt@mpwmd.net. Thank you for your assistance.

Sincerely,

Dave Stoldt
General Manager
Monterey Peninsula Water Management District

Enclosure: Project Location Map

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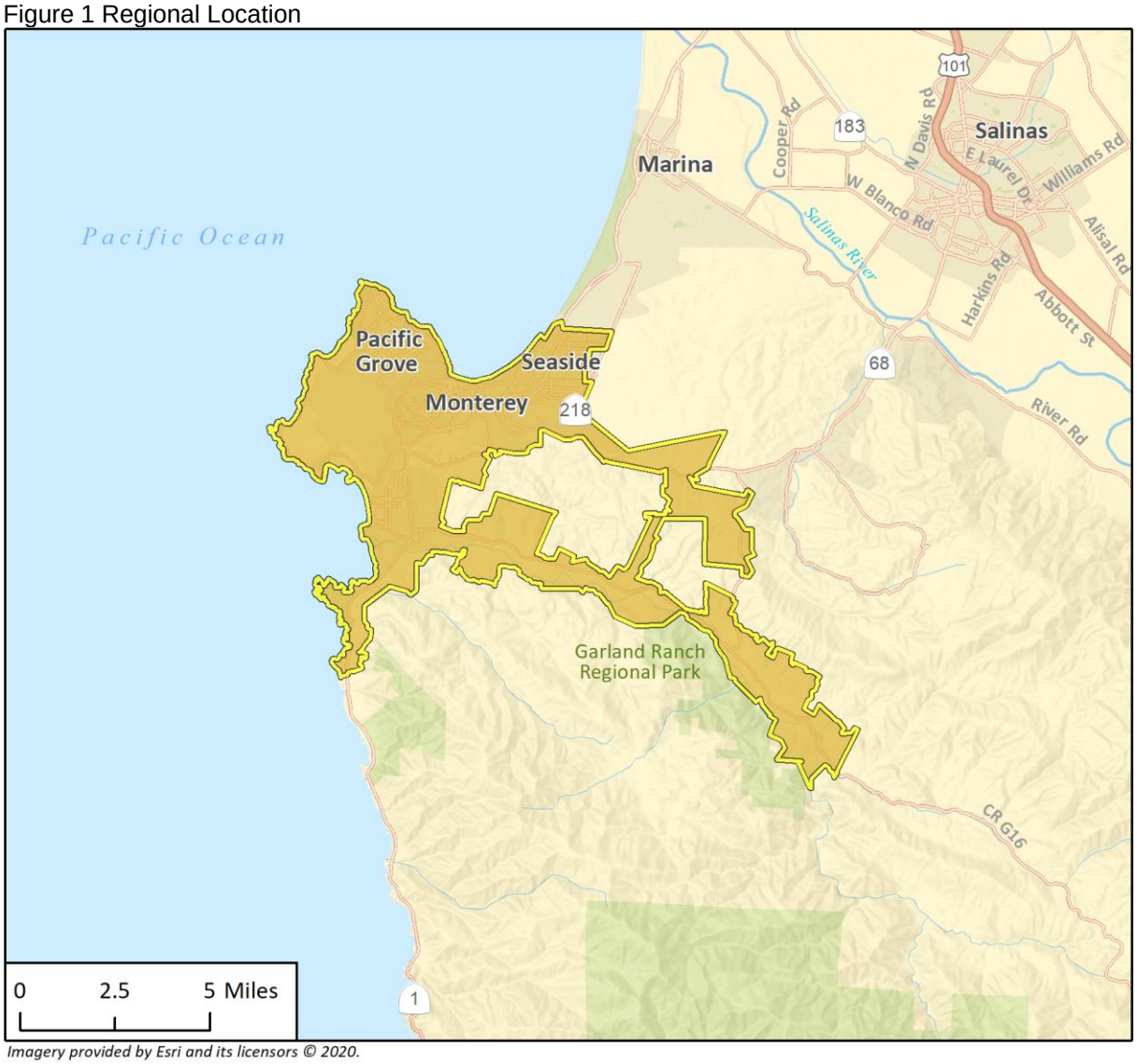
Figure 1 Regional Location



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Project Location

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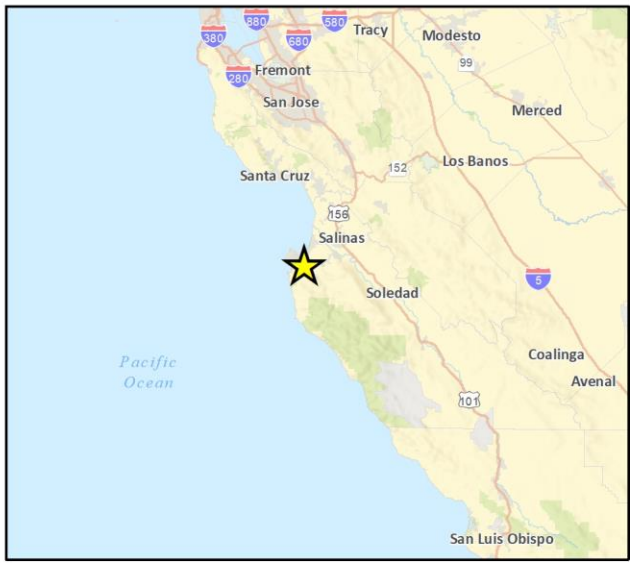

Figure 2 Project Boundary

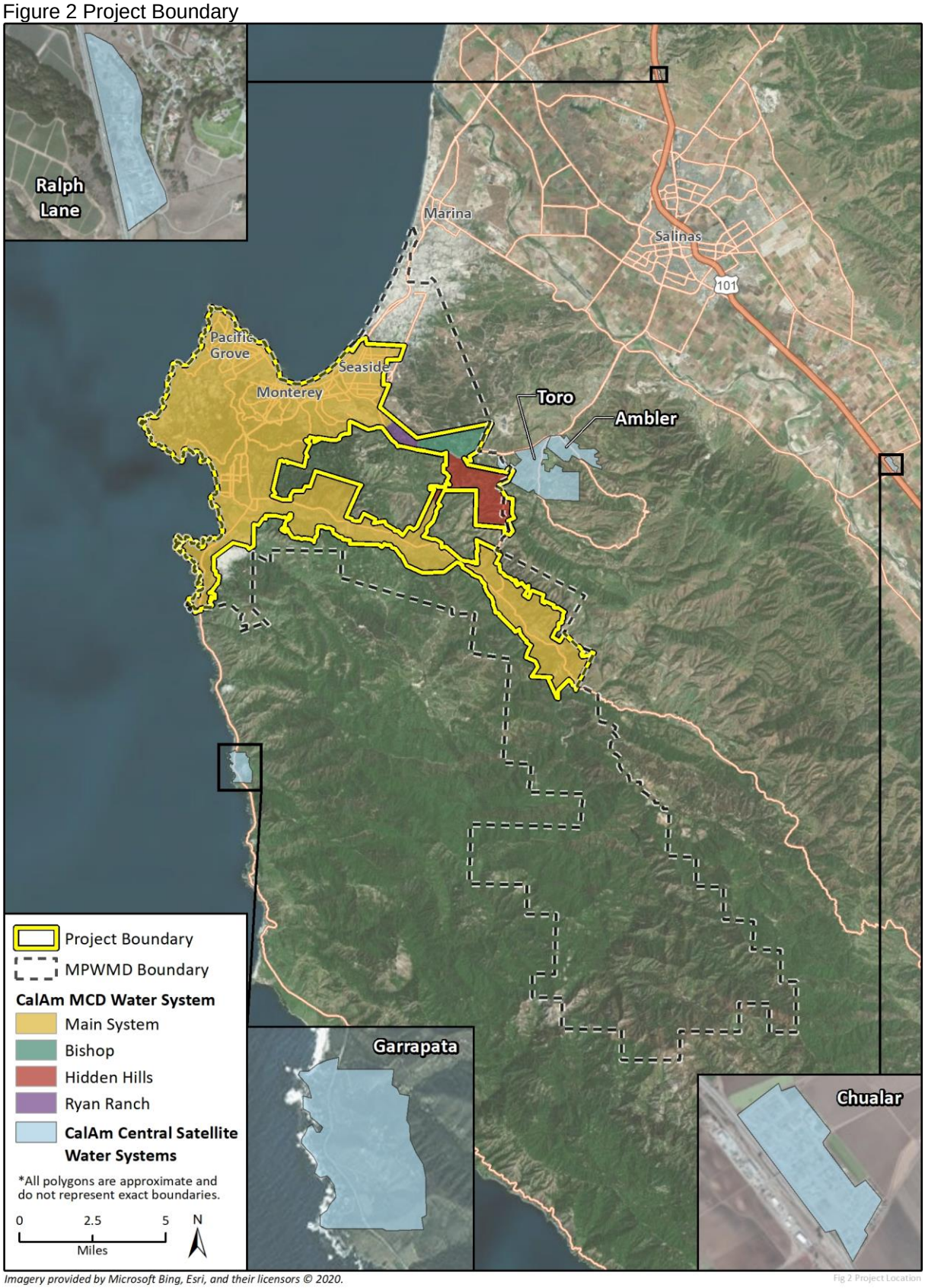

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Fig 2 Project Location

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

April 6, 2020

Costanoan Rumsen Carmel Tribe
Tony Cerda, Chairperson
244 E. 1st Street
Pomona, California 91766

RE: AB 52 Consultation, Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County, California

Dear Chairperson Cerda:

The Monterey Peninsula Water Management District is preparing an EIR for the proposed Acquisition of Monterey Water Supply and District Boundary Adjustment Project. The proposed project consists of the acquisition and subsequent operation of the Monterey County District water system currently owned and operated by CalAm. The District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the physical MCD system or to the associated water rights, nor is the District proposing any changes to the manner of operation of the MCD system or the exercise of the associated water rights. The proposed project is subject to the California Environmental Quality Act (CEQA).

The proposed project must comply with California Public Resources Code § 21080.3.1 (Assembly Bill [AB] 52 of 2014), which requires local governments to conduct meaningful consultation with California Native American tribes that have requested to be notified by lead agencies of proposed projects in the geographic area with which the tribe is traditionally and culturally affiliated.

The input of the Costanoan Rumsen Carmel Tribe is important to the Monterey Peninsula Water Management District's planning process. Under AB 52, you have 30 days from receipt of this letter to respond in writing if you wish you consult on the proposed project. If you require any additional information or have any questions, please contact me at 831-658-5651 or via e-mail at dstoldt@mpwmd.net. Thank you for your assistance.

Sincerely,

Dave Stoldt
General Manager
Monterey Peninsula Water Management District

Enclosure: Project Location Map

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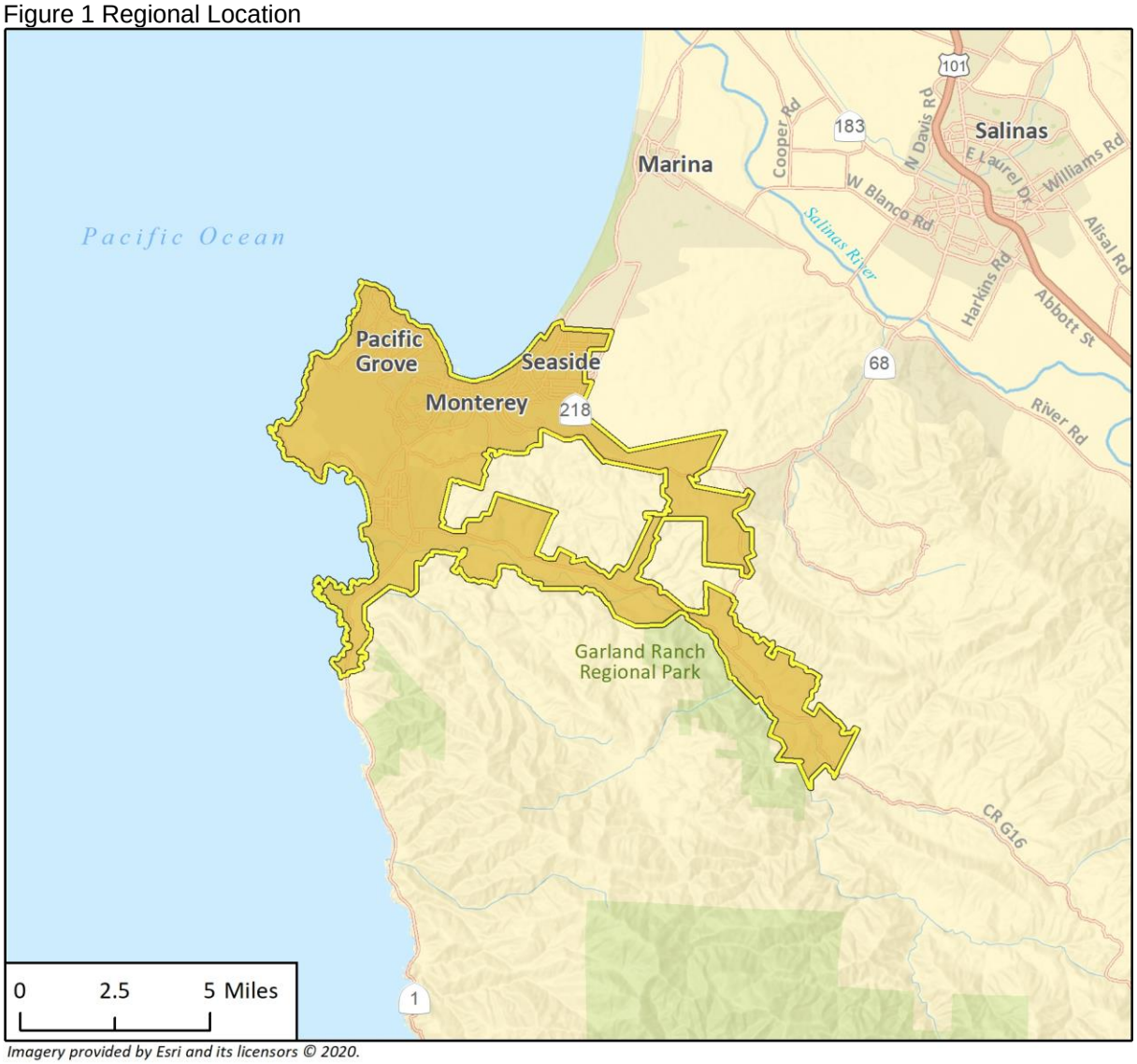
Figure 1 Regional Location



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Project Location

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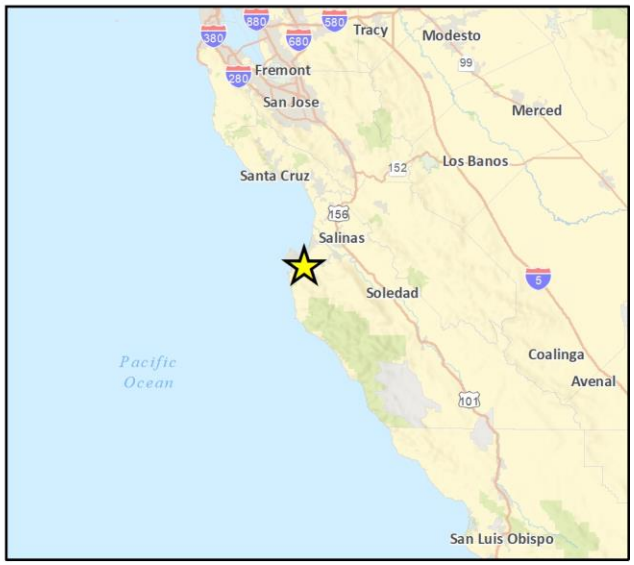

Figure 2 Project Boundary

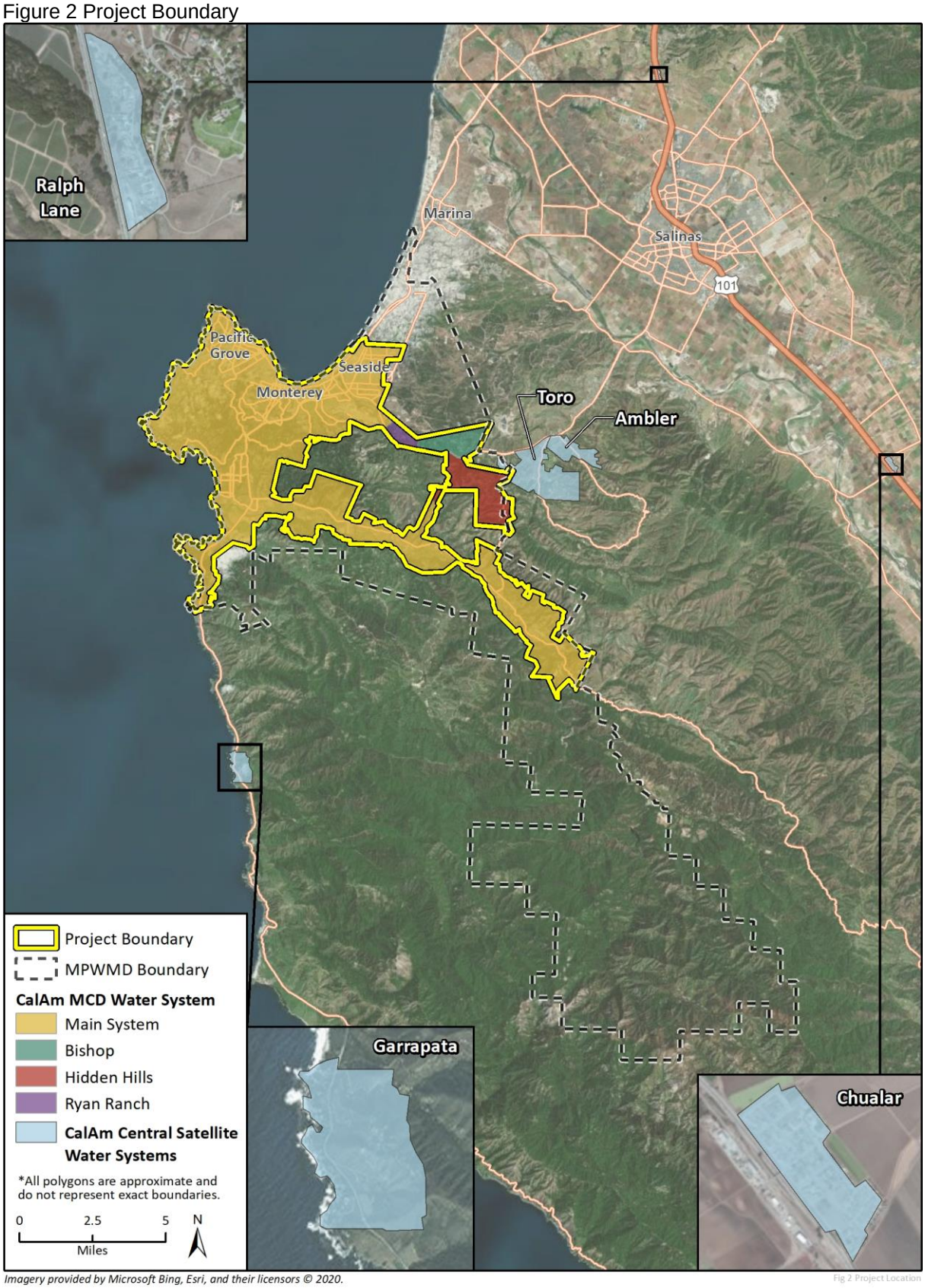

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Fig 2 Project Location

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

April 6, 2020

Esselen Tribe of Monterey County
Tom Nason, Tribal Chair
38655 Tassaiara Road
Carmel Valley, California 93924

RE: AB 52 Consultation, Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County California

Dear Tribal Chair Nason,

The Monterey Peninsula Water Management District is preparing an EIR for the proposed Acquisition of Monterey Water Supply and District Boundary Adjustment Project. The proposed project consists of the acquisition and subsequent operation of the Monterey County District water system currently owned and operated by CalAm. The District is proposing only to acquire and operate the existing system within or serving customers within its jurisdiction, and is not proposing changes or expansion to the physical MCD system or to the associated water rights, nor is the District proposing any changes to the manner of operation of the MCD system or the exercise of the associated water rights. The proposed project is subject to the California Environmental Quality Act (CEQA).

The proposed project must comply with California Public Resources Code § 21080.3.1 (Assembly Bill [AB] 52 of 2014), which requires local governments to conduct meaningful consultation with California Native American tribes that have requested to be notified by lead agencies of proposed projects in the geographic area with which the tribe is traditionally and culturally affiliated.

The input of the Esselen Tribe of Monterey County is important to the Monterey Peninsula Water Management District's planning process. Under AB 52, you have 30 days from receipt of this letter to respond in writing if you wish you consult on the proposed project. If you require any additional information or have any questions, please contact me at 831-658-5651 or via e-mail at dstoldt@mpwmd.net. Thank you for your assistance.

Sincerely,

David J. Stoldt

Dave Stoldt
General Manager
Monterey Peninsula Water Management District

Enclosure: Project Location Map

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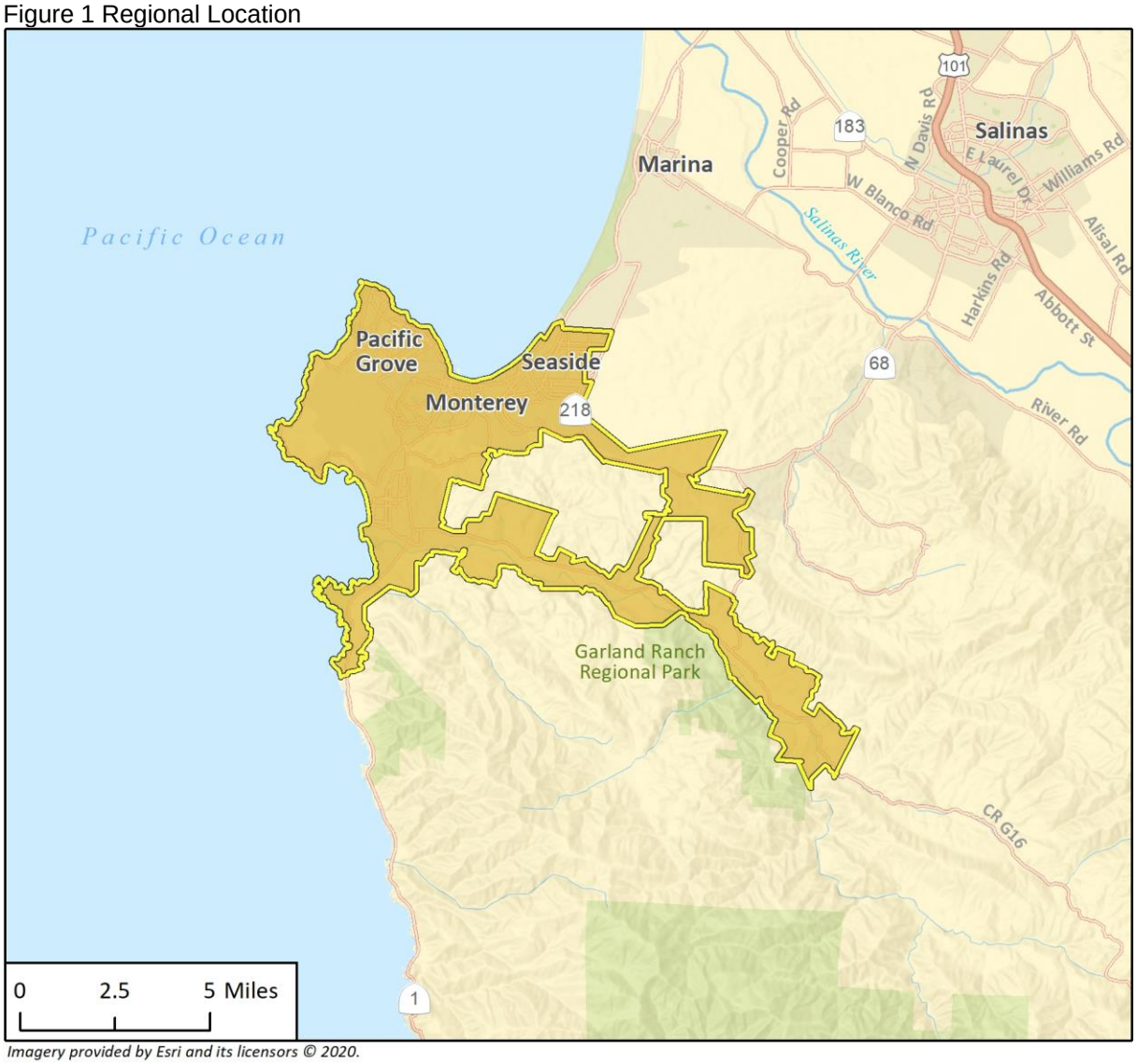
Figure 1 Regional Location



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Project Location

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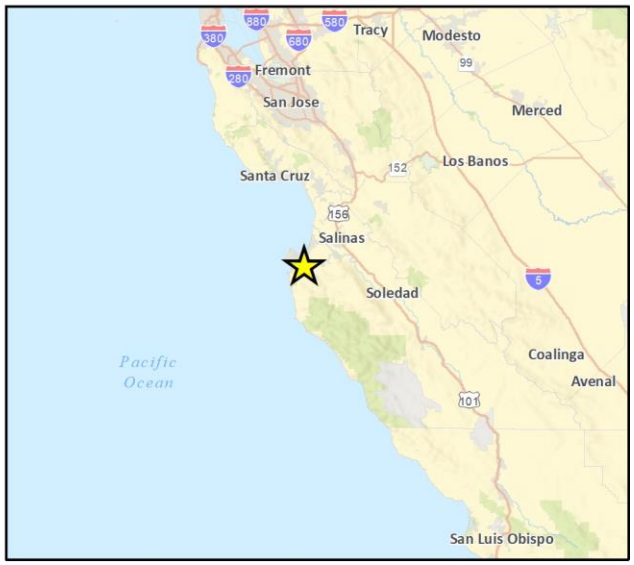

Figure 2 Project Boundary

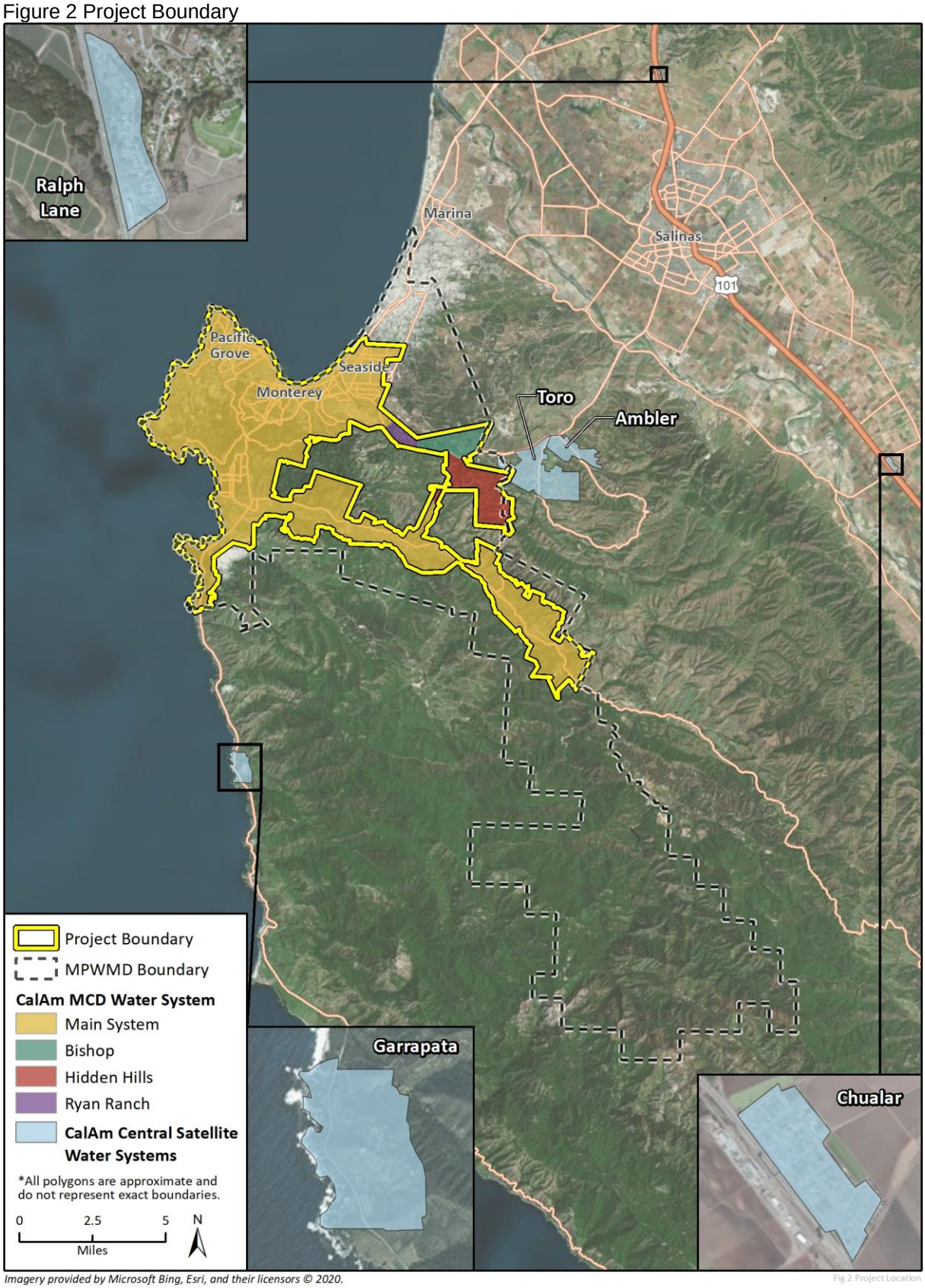

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Fig 2 Project Location

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

April 6, 2020

Amah Mutsun Tribal Band
Valentin Lopez, Chairperson
PO Box 5272
Galt, California 95632

RE: AB 52 Consultation, Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County, California

Dear Chairperson Lopez:

The Monterey Peninsula Water Management District is preparing an EIR for the proposed Acquisition of Monterey Water Supply and District Boundary Adjustment Project. The proposed project consists of the acquisition and subsequent operation of the Monterey County District water system currently owned and operated by CalAm. The District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the physical MCD system or to the associated water rights, nor is the District proposing any changes to the manner of operation of the MCD system or the exercise of the associated water rights. The proposed project is subject to the California Environmental Quality Act (CEQA).

The proposed project must comply with California Public Resources Code § 21080.3.1 (Assembly Bill [AB] 52 of 2014), which requires local governments to conduct meaningful consultation with California Native American tribes that have requested to be notified by lead agencies of proposed projects in the geographic area with which the tribe is traditionally and culturally affiliated.

The input of the Amah Mutsun Tribal Band is important to the Monterey Peninsula Water Management District's planning process. Under AB 52, you have 30 days from receipt of this letter to respond in writing if you wish you consult on the proposed project. If you require any additional information or have any questions, please contact me at 831-658-5651 or via e-mail at dstoldt@mpwmd.net. Thank you for your assistance.

Sincerely,

Dave Stoldt
General Manager
Monterey Peninsula Water Management District

Enclosure: Project Location Map

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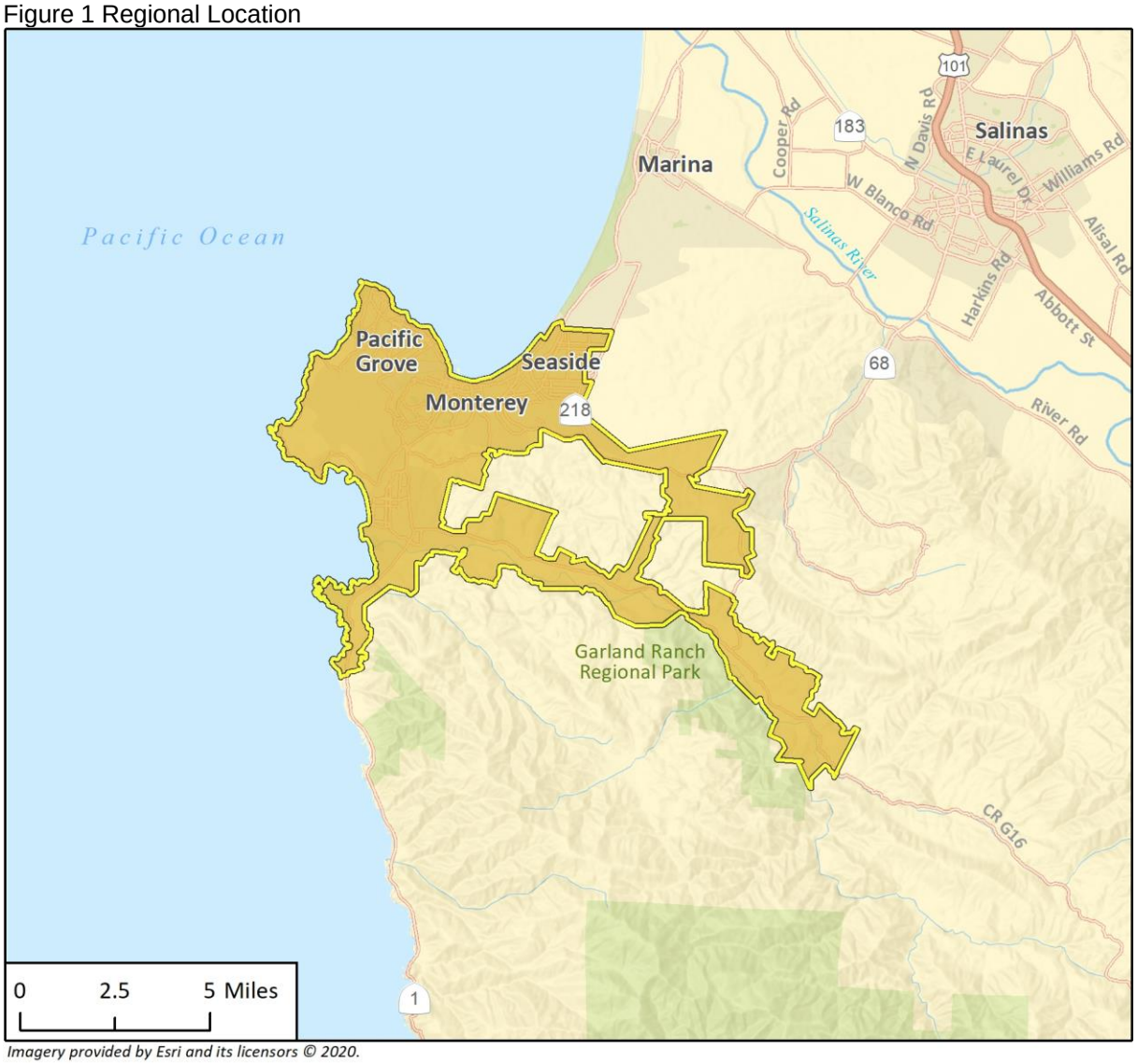
Figure 1 Regional Location



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Project Location

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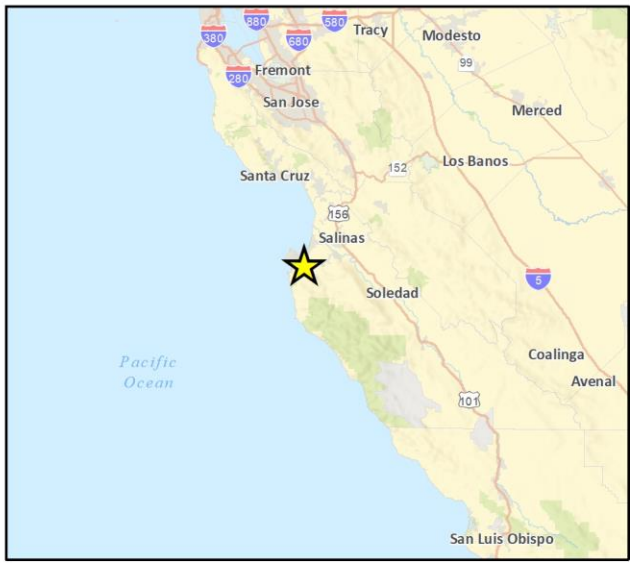

Figure 2 Project Boundary

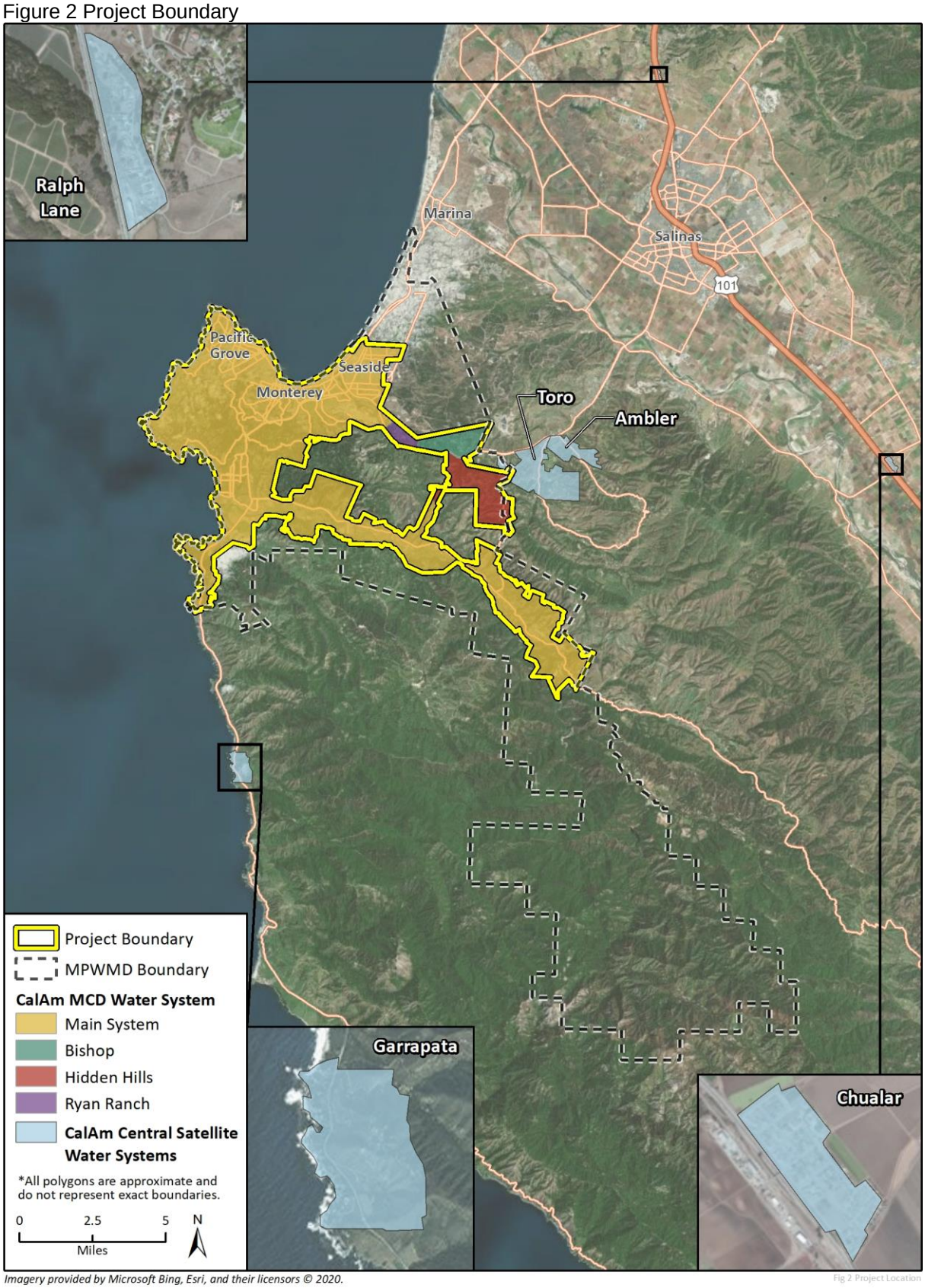

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Fig 2 Project Location

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

May 21, 2020

Indian Canyon Mutsun Band of Costanoan
Ann Marie Sayers, Chairperson
Via Email: ams@indiancanyon.org

RE: Follow Up Assembly Bill 52 Consultation for the Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County, California

Dear Chairperson Sayers:

The Monterey Peninsula Water Management District mailed a letter to your office under Assembly Bill (AB) 52 on April 6, 2020 regarding the Acquisition of Monterey Water Supply and District Boundary Adjustment Project (project). The letter was intended to notify you of the project so that you may request to consult on the project under AB 52 should you choose to do so. The Monterey Peninsula Water Management District has not received any request from your office for consultation under AB 52.

The project consists of preparing an EIR for the acquisition and subsequent operation of the Monterey County District water system currently owned and operated by CalAm. The Monterey Peninsula Water Management District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the current physical system or to the associated water rights, nor is the Monterey Peninsula Water Management District proposing any changes to the manner of operation of the current system or the exercise of the associated water rights.

Under Executive Order N-54-20, AB 52 consultation deadlines have been suspended until June 23, 2020. However, to allow adequate time to complete consultation and address any comments from the Indian Canyon Mutsun Band of Costanoan, the Monterey Peninsula Water Management District requests a timely response from the Indian Canyon Mutsun Band of Costanoan, regarding consultation for the project. At your earliest convenience, please notify the Monterey Peninsula Water Management District whether you intend to initiate formal consultation for the project under AB 52.

The input of the Indian Canyon Mutsun Band of Costanoan is very important to the Monterey Peninsula Water Management District's planning process. We look forward to hearing from you. Please contact me at 831-658-5651 or via e-mail at dstoldt@mpwmd.net if you have questions regarding this letter or the consultation process.

Sincerely,

Dave Stoldt
General Manager
Monterey Peninsula Water Management District

Attached: Project Location Map

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MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

May 21, 2020

Xolon-Salinan Tribe
Donna Haro
Via Email: dhxolonaakletse@gmail.com

RE: Follow Up Assembly Bill 52 Consultation for the Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County, California

Dear Ms. Haro:

The Monterey Peninsula Water Management District mailed a letter to your office under Assembly Bill (AB) 52 on April 6, 2020 regarding the Acquisition of Monterey Water Supply and District Boundary Adjustment Project (project). The letter was intended to notify you of the project so that you may request to consult on the project under AB 52 should you choose to do so. The Monterey Peninsula Water Management District has not received any request from your office for consultation under AB 52.

The project consists of preparing an EIR for the acquisition and subsequent operation of the Monterey County District water system currently owned and operated by CalAm. The Monterey Peninsula Water Management District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the current physical system or to the associated water rights, nor is the Monterey Peninsula Water Management District proposing any changes to the manner of operation of the current system or the exercise of the associated water rights.

Under Executive Order N-54-20, AB 52 consultation deadlines have been suspended until June 23, 2020. However, to allow adequate time to complete consultation and address any comments from the Xolon-Salinan Tribe, the Monterey Peninsula Water Management District requests a timely response from the Xolon-Salinan Tribe, regarding consultation for the project. At your earliest convenience, please notify the Monterey Peninsula Water Management District whether you intend to initiate formal consultation for the project under AB 52.

The input of the Xolon-Salinan Tribe is very important to the Monterey Peninsula Water Management District's planning process. We look forward to hearing from you. Please contact me at 831-658-5651 or via e-mail at dstoldt@mpwmd.net if you have questions regarding this letter or the consultation process.

Sincerely,

Dave Stoldt
General Manager
Monterey Peninsula Water Management District

Attached: Project Location Map

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MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

May 21, 2020

Xolon-Salinan Tribe
Karen White
Via Email: xolon.salinan.heritage@gmail.com

RE: Follow Up Assembly Bill 52 Consultation for the Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County, California

Dear Ms. White:

The Monterey Peninsula Water Management District mailed a letter to your office under Assembly Bill (AB) 52 on April 6, 2020 regarding the Acquisition of Monterey Water Supply and District Boundary Adjustment Project (project). The letter was intended to notify you of the project so that you may request to consult on the project under AB 52 should you choose to do so. The Monterey Peninsula Water Management District has not received any request from your office for consultation under AB 52.

The project consists of preparing an EIR for the acquisition and subsequent operation of the Monterey County District water system currently owned and operated by CalAm. The Monterey Peninsula Water Management District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the current physical system or to the associated water rights, nor is the Monterey Peninsula Water Management District proposing any changes to the manner of operation of the current system or the exercise of the associated water rights.

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The input of the Xolon-Salinan Tribe is very important to the Monterey Peninsula Water Management District's planning process. We look forward to hearing from you. Please contact me at 831-658-5651 or via e-mail at dstoldt@mpwmd.net if you have questions regarding this letter or the consultation process.

Sincerely,

Dave Stoldt
General Manager
Monterey Peninsula Water Management District

Attached: Project Location Map

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MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

May 21, 2020

Amah Mutsun Tribal Band of Mission San Juan Bautista
Irene Zwierlein, Chairperson
789 Canada Road
Woodside, California 94602

RE: Follow Up Assembly Bill 52 Consultation for the Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County, California

Dear Chairperson Zwierlein:

The Monterey Peninsula Water Management District mailed a letter to your office under Assembly Bill (AB) 52 on April 6, 2020 regarding the Acquisition of Monterey Water Supply and District Boundary Adjustment Project (project). The letter was intended to notify you of the project so that you may request to consult on the project under AB 52 should you choose to do so. The Monterey Peninsula Water Management District has not received any request from your office for consultation under AB 52.

The project consists of preparing an EIR for the acquisition and subsequent operation of the Monterey County District water system currently owned and operated by CalAm. The Monterey Peninsula Water Management District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the current physical system or to the associated water rights, nor is the Monterey Peninsula Water Management District proposing any changes to the manner of operation of the current system or the exercise of the associated water rights.

Under Executive Order N-54-20, AB 52 consultation deadlines have been suspended until June 23, 2020. However, to allow adequate time to complete consultation and address any comments from the Amah Mutsun Tribal Band of Mission San Juan Bautista, the Monterey Peninsula Water Management District requests a timely response from the Amah Mutsun Tribal Band of Mission San Juan Bautista regarding consultation for the project. At your earliest convenience, please notify the Monterey Peninsula Water Management District whether you intend to initiate formal consultation for the project under AB 52.

The input of the Amah Mutsun Tribal Band of Mission San Juan Bautista is very important to the Monterey Peninsula Water Management District's planning process. We look forward to hearing from you. Please contact me at 831-658-5651 or via e-mail at dstoldt@mpwmd.net if you have questions regarding this letter or the consultation process.

Sincerely,

Dave Stoldt
General Manager
Monterey Peninsula Water Management District

Attached: Project Location Map

U:\Arlene\2020\MeasureJ\BoundaryChange\AB52LetterNo2\IZwierlein-AmahMutsumMissionSJB-20200521.doc

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

May 21, 2020

Ohlone/Costanoan-Esselen Nation
Louise Miranda-Ramirez, Chairperson
PO Box 1301
Monterey, California 93942

RE: Follow Up Assembly Bill 52 Consultation for the Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County, California

Dear Tribal Chair Miranda-Ramirez:

The Monterey Peninsula Water Management District mailed a letter to your office under Assembly Bill (AB) 52 on April 6, 2020 regarding the Acquisition of Monterey Water Supply and District Boundary Adjustment Project (project). The letter was intended to notify you of the project so that you may request to consult on the project under AB 52 should you choose to do so. The Monterey Peninsula Water Management District has not received any request from your office for consultation under AB 52.

The project consists of preparing an EIR for the acquisition and subsequent operation of the Monterey County District water system currently owned and operated by CalAm. The Monterey Peninsula Water Management District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the current physical system or to the associated water rights, nor is the Monterey Peninsula Water Management District proposing any changes to the manner of operation of the current system or the exercise of the associated water rights.

Under Executive Order N-54-20, AB 52 consultation deadlines have been suspended until June 23, 2020. However, to allow adequate time to complete consultation and address any comments from the Ohlone/Costanoan-Esselen Nation, the Monterey Peninsula Water Management District requests a timely response from the Ohlone/Costanoan-Esselen Nation regarding consultation for the project. At your earliest convenience, please notify the Monterey Peninsula Water Management District whether you intend to initiate formal consultation for the project under AB 52.

The input of the Ohlone/Costanoan-Esselen Nation is very important to the Monterey Peninsula Water Management District's planning process. We look forward to hearing from you. Please contact me at 831-658-5651 or via e-mail at dstoldt@mpwmd.net if you have questions regarding this letter or the consultation process.

Sincerely,

Dave Stoldt
General Manager
Monterey Peninsula Water Management District

Attached: Project Location Map

U:\Arlene\2020\MeasureJ\BoundaryChange\AB52LetterNo2\LMRamirez-OhloneCostanoanEsselan20200521.doc

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

May 21, 2020

Rumsen Ohlone Community
Louis Trevino
2087 Delaware Street #5
Berkeley, California 94709

RE: Follow Up Assembly Bill 52 Consultation for the Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County, California

Dear Mr. Trevino:

The Monterey Peninsula Water Management District mailed a letter to your office under Assembly Bill (AB) 52 on April 6, 2020 regarding the Acquisition of Monterey Water Supply and District Boundary Adjustment Project (project). The letter was intended to notify you of the project so that you may request to consult on the project under AB 52 should you choose to do so. The Monterey Peninsula Water Management District has not received any request from your office for consultation under AB 52.

The project consists of preparing an EIR for the acquisition and subsequent operation of the Monterey County District water system currently owned and operated by CalAm. The Monterey Peninsula Water Management District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the current physical system or to the associated water rights, nor is the Monterey Peninsula Water Management District proposing any changes to the manner of operation of the current system or the exercise of the associated water rights.

Under Executive Order N-54-20, AB 52 consultation deadlines have been suspended until June 23, 2020. However, to allow adequate time to complete consultation and address any comments from the Rumsen Ohlone Community, the Monterey Peninsula Water Management District requests a timely response from the Rumsen Ohlone Community, regarding consultation for the project. At your earliest convenience, please notify the Monterey Peninsula Water Management District whether you intend to initiate formal consultation for the project under AB 52.

The input of the Rumsen Ohlone Community is very important to the Monterey Peninsula Water Management District's planning process. We look forward to hearing from you. Please contact me at 831-658-5651 or via e-mail at dstoldt@mpwmd.net if you have questions regarding this letter or the consultation process.

Sincerely,

Dave Stoldt
General Manager
Monterey Peninsula Water Management District

Attached: Project Location Map

U:\Arlene\2020\MeasureJ\BoundaryChange\AB52LetterNo2\LTrevino-RumsenOhlone-20200521.doc

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

May 21, 2020

Rumsen Ohlone Community
Linda Yamane
1585 Mira Mar Avenue
Seaside, California 93955

RE: Follow Up Assembly Bill 52 Consultation for the Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County, California

Dear Ms. Yamane:

The Monterey Peninsula Water Management District mailed a letter to your office under Assembly Bill (AB) 52 on April 6, 2020 regarding the Acquisition of Monterey Water Supply and District Boundary Adjustment Project (project). The letter was intended to notify you of the project so that you may request to consult on the project under AB 52 should you choose to do so. The Monterey Peninsula Water Management District has not received any request from your office for consultation under AB 52.

The project consists of preparing an EIR for the acquisition and subsequent operation of the Monterey County District water system currently owned and operated by CalAm. The Monterey Peninsula Water Management District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the current physical system or to the associated water rights, nor is the Monterey Peninsula Water Management District proposing any changes to the manner of operation of the current system or the exercise of the associated water rights.

Under Executive Order N-54-20, AB 52 consultation deadlines have been suspended until June 23, 2020. However, to allow adequate time to complete consultation and address any comments from the Rumsen Ohlone Community, the Monterey Peninsula Water Management District requests a timely response from the Rumsen Ohlone Community, regarding consultation for the project. At your earliest convenience, please notify the Monterey Peninsula Water Management District whether you intend to initiate formal consultation for the project under AB 52.

The input of the Rumsen Ohlone Community is very important to the Monterey Peninsula Water Management District's planning process. We look forward to hearing from you. Please contact me at 831-658-5651 or via e-mail at dstoldt@mpwmd.net if you have questions regarding this letter or the consultation process.

Sincerely,

Dave Stoldt
General Manager
Monterey Peninsula Water Management District

Attached: Project Location Map

U:\Arlene\2020\MeasureJ\BoundaryChange\AB52LetterNo2\LYamane-RumsenOhlone-20200521.doc

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

May 21, 2020

Ohlone/Costanoan Esselen Nation
Rudolph Rosales, Indigenous Peoples Consultant
PO Box 647
Monterey, California 93942

RE: Follow Up Assembly Bill 52 Consultation for the Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County, California

Dear Mr. Rosales:

The Monterey Peninsula Water Management District mailed a letter to your office under Assembly Bill (AB) 52 on April 6, 2020 regarding the Acquisition of Monterey Water Supply and District Boundary Adjustment Project (project). The letter was intended to notify you of the project so that you may request to consult on the project under AB 52 should you choose to do so. The Monterey Peninsula Water Management District has not received any request from your office for consultation under AB 52.

The project consists of preparing an EIR for the acquisition and subsequent operation of the Monterey County District water system currently owned and operated by CalAm. The Monterey Peninsula Water Management District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the current physical system or to the associated water rights, nor is the Monterey Peninsula Water Management District proposing any changes to the manner of operation of the current system or the exercise of the associated water rights.

Under Executive Order N-54-20, AB 52 consultation deadlines have been suspended until June 23, 2020. However, to allow adequate time to complete consultation and address any comments from the Ohlone/Costanoan Esselen Nation, the Monterey Peninsula Water Management District requests a timely response from the Ohlone/Costanoan Esselen Nation, regarding consultation for the project. At your earliest convenience, please notify the Monterey Peninsula Water Management District whether you intend to initiate formal consultation for the project under AB 52.

The input of the Ohlone/Costanoan Esselen Nation is very important to the Monterey Peninsula Water Management District's planning process. We look forward to hearing from you. Please contact me at 831-658-5651 or via e-mail at dstoldt@mpwmd.net if you have questions regarding this letter or the consultation process.

Sincerely,

Dave Stoldt
General Manager
Monterey Peninsula Water Management District

Attached: Project Location Map

U:\Arlene\2020\MeasureJ\BoundaryChange\AB52LetterNo2\RRosales-OhloneCostanoanEsselen-20200521.doc

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

May 21, 2020

Costanoan Rumsen Carmel Tribe
Tony Cerda, Chairperson
244 E. 1st Street
Pomona, California 91766

RE: Follow Up Assembly Bill 52 Consultation for the Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County, California

Dear Chairperson Cerda:

The Monterey Peninsula Water Management District mailed a letter to your office under Assembly Bill (AB) 52 on April 6, 2020 regarding the Acquisition of Monterey Water Supply and District Boundary Adjustment Project (project). The letter was intended to notify you of the project so that you may request to consult on the project under AB 52 should you choose to do so. The Monterey Peninsula Water Management District has not received any request from your office for consultation under AB 52.

The project consists of preparing an EIR for the acquisition and subsequent operation of the Monterey County District water system currently owned and operated by CalAm. The Monterey Peninsula Water Management District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the current physical system or to the associated water rights, nor is the Monterey Peninsula Water Management District proposing any changes to the manner of operation of the current system or the exercise of the associated water rights.

Under Executive Order N-54-20, AB 52 consultation deadlines have been suspended until June 23, 2020. However, to allow adequate time to complete consultation and address any comments from the Costanoan Rumsen Carmel Tribe, the Monterey Peninsula Water Management District requests a timely response from the Costanoan Rumsen Carmel Tribe regarding consultation for the project. At your earliest convenience, please notify the Monterey Peninsula Water Management District whether you intend to initiate formal consultation for the project under AB 52.

The input of the Costanoan Rumsen Carmel Tribe is very important to the Monterey Peninsula Water Management District's planning process. We look forward to hearing from you. Please contact me at 831-658-5651 or via e-mail at dstoldt@mpwmd.net if you have questions regarding this letter or the consultation process.

Sincerely,

Dave Stoldt
General Manager
Monterey Peninsula Water Management District

Attached: Project Location Map

U:\Arlene\2020\MeasureJ\BoundaryChange\AB52LetterNo2\TCerda-CostanoanRumsen-20200521.doc

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

May 21, 2020

Esselen Tribe of Monterey County
Tom Nason, Tribal Chair
38655 Tassaiara Rd.
Carmel Valley, CA 93924

RE: Follow Up Assembly Bill 52 Consultation for the Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County, California

Dear Tribal Chair Nason:

The Monterey Peninsula Water Management District mailed a letter to your office under Assembly Bill (AB) 52 on April 6, 2020 regarding the Acquisition of Monterey Water Supply and District Boundary Adjustment Project (project). The letter was intended to notify you of the project so that you may request to consult on the project under AB 52 should you choose to do so. The Monterey Peninsula Water Management District has not received any request from your office for consultation under AB 52.

The project consists of preparing an EIR for the acquisition and subsequent operation of the Monterey County District water system currently owned and operated by CalAm. The Monterey Peninsula Water Management District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the current physical system or to the associated water rights, nor is the Monterey Peninsula Water Management District proposing any changes to the manner of operation of the current system or the exercise of the associated water rights.

Under Executive Order N-54-20, AB 52 consultation deadlines have been suspended until June 23, 2020. However, to allow adequate time to complete consultation and address any comments from your Tribe, the Monterey Peninsula Water Management District requests a timely response from the Esselen Tribe of Monterey County regarding consultation for the project. At your earliest convenience, please notify the Monterey Peninsula Water Management District whether you intend to initiate formal consultation for the project under AB 52.

The input of the Esselen Tribe of Monterey County is very important to the Monterey Peninsula Water Management District's planning process. We look forward to hearing from you. Please contact me at 831-658-5651 or via e-mail at dstoldt@mpwmd.net if you have questions regarding this letter or the consultation process.

Sincerely,

Dave Stoldt
General Manager
Monterey Peninsula Water Management District

Attached: Project Location Map

U:\Arlene\2020\MeasureJ\BoundaryChange\AB52LetterNo2\TNason-EsselenMoCo-20200521.doc

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

May 21, 2020

Amah Mutsun Tribal Band
Valentin Lopez, Chairperson
PO Box 5272
Galt, California 95632

RE: Follow Up Assembly Bill 52 Consultation for the Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County, California

Dear Chairperson Lopez:

The Monterey Peninsula Water Management District mailed a letter to your office under Assembly Bill (AB) 52 on April 6, 2020 regarding the Acquisition of Monterey Water Supply and District Boundary Adjustment Project (project). The letter was intended to notify you of the project so that you may request to consult on the project under AB 52 should you choose to do so. The Monterey Peninsula Water Management District has not received any request from your office for consultation under AB 52.

The project consists of preparing an EIR for the acquisition and subsequent operation of the Monterey County District water system currently owned and operated by CalAm. The Monterey Peninsula Water Management District is proposing only to acquire and operate the existing system, and is not proposing changes or expansion to the current physical system or to the associated water rights, nor is the Monterey Peninsula Water Management District proposing any changes to the manner of operation of the current system or the exercise of the associated water rights.

Under Executive Order N-54-20, AB 52 consultation deadlines have been suspended until June 23, 2020. However, to allow adequate time to complete consultation and address any comments from the Amah Mutsun Tribal Band, the Monterey Peninsula Water Management District requests a timely response from the Amah Mutsun Tribal Band regarding consultation for the project. At your earliest convenience, please notify the Monterey Peninsula Water Management District whether you intend to initiate formal consultation for the project under AB 52.

The input of the Amah Mutsun Tribal Band is very important to the Monterey Peninsula Water Management District's planning process. We look forward to hearing from you. Please contact me at 831-658-5651 or via e-mail at dstoldt@mpwmd.net if you have questions regarding this letter or the consultation process.

Sincerely,

Dave Stoldt
General Manager
Monterey Peninsula Water Management District

Attached: Project Location Map

U:\Arlene\2020\MeasureJ\BoundaryChange\AB52LetterNo2\VLopez-AmahMutsun-20200521.doc

From: Val Lopez <vlopez@amahmutsun.org>
Sent: Sunday, April 19, 2020 1:42 PM
To: MPWMD_EIR
Subject: [EXT] Re: Scoping Meeting Information for the Potential Acquisition of Monterey Water Supply and District Boundary Adjustment EIR

Follow Up Flag: Follow up
Flag Status: Flagged

This project is outside our traditional tribal territory, we have no comment.

Valentin Lopez, Chair
Amah Mutsun Tribal Band

On Fri, Apr 17, 2020 at 1:04 PM MPWMD_EIR <MPWMD_EIR@rinconconsultants.com> wrote:

> Recipient:
>
> The public scoping meeting for the Potential Acquisition of Monterey Water Supply and District Boundary Adjustment EIR will be held on April 21, 2020 at 5:00 PM. Meeting information is below. Please also see attached document for guidance on using Zoom, including specific information about how public scoping comments will be received during the meeting.
>
> This information is also posted on the District's website.
>
> --
>
> Topic: Public Scoping Meeting for the Potential Acquisition of Monterey Water Supply and District Boundary Adjustment Project EIR
>
> Time: Apr 21, 2020 05:00 PM Pacific Time (US and Canada)
>
> Join Zoom Meeting
>
> https://zoom.us/j/95145502813

Meeting ID: 951 4550 2813

Password: 917531

One tap mobile

+16699006833,,95145502813#,,#,917531# US (San Jose)

+13462487799,,95145502813#,,#,917531# US (Houston)

Dial by your location

- +1 669 900 6833 US (San Jose)
- +1 346 248 7799 US (Houston)
- +1 929 205 6099 US (New York)
- +1 253 215 8782 US
- +1 301 715 8592 US
- +1 312 626 6799 US (Chicago)

Meeting ID: 951 4550 2813

Password: 917531

Find your local number: https://zoom.us/u/amvq7v8iQ

Thank you.

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

From:	Arlene Tavani
To:	xolon.salinas.heritage@gmail.com
Subject:	Follow Up Assembly Bill 52 Consultation for the Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County, CA
Date:	Thursday, May 28, 2020 10:27:00 AM

Ms. White: Your email was forwarded to me by Sara Reyes. Thank you for the correspondence. I will forward it to General Manager Stoldt.

Arlene Tavani
Executive Assistant
Monterey Peninsula Water
Management District
831-658-5652

From: Sara Reyes <Sara@mpwmd.net>
Sent: Tuesday, May 26, 2020 8:14 AM
To: Arlene Tavani <Arlene@mpwmd.net>
Subject: FW: Follow Up Assembly Bill 52 Consultation for the Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County, CA

For your information.

From: Karen White <xolon.salinan.heritage@gmail.com>
Sent: Saturday, May 23, 2020 10:38 AM
To: Sara Reyes <Sara@mpwmd.net>
Cc: Donna Haro <dhxolonaakletse@gmail.com>
Subject: Re: Follow Up Assembly Bill 52 Consultation for the Acquisition of Monterey Water Supply and District Boundary Adjustment Project, Monterey County, CA

Good day Ms. Reyes,
Thank you for the information, we apologize for the delay.
We have reviewed your information provided.
There is a portion off Hwy68, mainly the Los Laurelos Grade, we consider this apart of our aboriginal territory.
Since there will be no ground disturbance or penetration that may occur, we have no issues with this Acquisition.
Best Regards,
Karen R White
Xolon Salinan Tribe

On Fri, May 22, 2020 at 1:50 PM Sara Reyes <Sara@mpwmd.net> wrote:

> Attached is a letter with an attachment for the subject matter listed above.
>
> Thank you,

Sara Reyes
Senior Office Specialist
Monterey Peninsula Water Management District
Tel. 831-658-5610

From: Arlene Tavani
To: ams@indiancanyon.org
Subject: AB 52 Consultation - Letters from Monterey Peninsula Water Management District
Date: Thursday, May 28, 2020 2:53:00 PM

Ms. Sayers: In letters dated April 6 and May 22, 2020 the Monterey Peninsula Water Management District invited the Indian Canyon Mutsun Band of Costanoan to participate in consultation regarding acquisition of the Monterey Water Supply and District Boundary Adjustment Project, Monterey County California. No comments have been received in response to the letters. The District looks forward to hearing from you. If you have any questions or would like additional information, please contact David J. Stoldt, General Manager of the Water District at 831-658-5651.

Arlene Tavani
Executive Assistant
Monterey Peninsula Water
Management District
831-658-5652

From: Arlene Tavani
To: vlopez@amahmutsum.org
Subject: AB 52 Consultation - Letters from Monterey Peninsula Water Management District
Date: Thursday, May 28, 2020 2:49:00 PM

Mr. Lopez: In letters dated April 6 and May 22, 2020 the Monterey Peninsula Water Management District invited the Amah Mutsun Tribal Band to participate in consultation regarding acquisition of the Monterey Water Supply and District Boundary Adjustment Project, Monterey County California. No comments have been received in response to the letters. The District looks forward to hearing from you. If you have any questions or would like additional information, please contact David J. Stoldt, General Manager of the Water District at 831-658-5651.

Arlene Tavani
Executive Assistant
Monterey Peninsula Water
Management District
831-658-5652

From: Arlene Tavani
To: Esselennation46@aol.com
Subject: Letters re AB 25 Consultation - MPWMD
Date: Wednesday, June 3, 2020 11:07:00 AM
Attachments: RRosalesLtr1.pdf
RRosales-OhloneCostanoanEsselen-20200521.pdf
Project Map.docx

Rudy: Attached are the first and second letters sent to your PO box. If you would like to be part of the consultation, please let me know. Also, if you have questions about the project, please contact General Manager, David Stoldt at 831-658-5651. Thank you.

Arlene Tavani
Executive Assistant
Monterey Peninsula Water
Management District
831-658-5652

From: Dave Stoldt
To: Esselennation46@aol.com
Cc: Arlene Tavani
Subject: CEQA for Acquisition and Boundary Adjustment
Date: Friday, June 5, 2020 11:24:23 AM

Hi Rudy,

The important consideration in the EIR for acquisition of the Cal-Am water system and the District's boundary adjustment is that there will be absolutely no land disturbed. It is simply a change in ownership of the water system.

Regards,

_____

David J. Stoldt
General Manager
Monterey Peninsula Water Management District
5 Harris Court – Bldg G
Monterey, CA 93940

831.658.5651

Appendix D

Air Quality and Greenhouse Gas Modeling: 28 Additional CalAm Employees

MPWMD Potential Acquisition of Monterey Water Supply and District Boundary Adjustment

Criteria Air Pollutant Emissions Calculations - 28 Additional CalAm Employees

Number of Daily Vehicle Trips	106
Maximum Daily VMT	2114

Pollutant	Emission Factor Type	Emission Factor		Daily Emissions (grams/day)	Daily Emissions (lbs/day)
ROG	RUNEX	0.041275223	grams/mile	87.26	0.1922
	IDLEX[1]	0	grams/vehicle/day	0.00	0.0000
	STREX	0.490113042	grams/trip	51.95	0.1144
	HOTSOAK	0.237161457	grams/trip	25.14	0.0554
	RUNLOSS	0.865214339	grams/trip	91.71	0.2020
	RESTLOSS	0.387310273	grams/vehicle/day	20.53	0.0452
	DIURN	0.473624501	grams/vehicle/day	25.10	0.0553
				TOTAL	**0.6645**
NO_X	RUNEX	0.152815038	grams/mile	323.05	0.7116
	IDLEX[1]	0	grams/vehicle/day	0.00	0.0000
	STREX	0.329095635	grams/trip	34.88	0.0768
				TOTAL	**0.7884**
CO	RUNEX	1.620705972	grams/mile	3426.17	7.5466
	IDLEX[1]	0	grams/vehicle/day	0.00	0.0000
	STREX	2.825834995	grams/trip	299.54	0.6598
				TOTAL	**8.2064**
SO_X	RUNEX	0.003440971	grams/mile	7.27	0.0160
	IDLEX[1]	0	grams/vehicle/day	0.00	0.0000
	STREX	0.000688433	grams/trip	0.07	0.0002
				TOTAL	**0.0162**
PM_{10}	RUNEX	0.00283291	grams/mile	5.99	0.0132
	IDLEX[1]	0	grams/vehicle/day	0.00	0.0000
	STREX	0.002924334	grams/trip	0.31	0.0007
	PMTW	0.008000002	grams/mile	16.91	0.0373
	PMBW	0.036750011	grams/mile	77.69	0.1711
				TOTAL	**0.2222**
$PM_{2.5}$	RUNEX	0.00260495	grams/mile	5.51	0.0121
	IDLEX[1]	0	grams/vehicle/day	0.00	0.0000
	STREX	0.002689121	grams/trip	0.29	0.0006
	PMTW	0.002000001	grams/mile	4.23	0.0093
	PMBW	0.015750005	grams/mile	33.30	0.0733
				TOTAL	**0.0954**

Notes

VMT = vehicle miles traveled; ROG = reactive organic gases; NO_X = nitrogen oxides; CO = carbon monoxide; SO_X = sulfur oxides; PM_{10} = particulate matter measuring no more than 10 microns in diameter; $PM_{2.5}$ = particulate matter measuring no more than 2.5 microns in diameter; RUNEX = Running Exhaust Emissions; IDLEX = Ide Exhaust Emissions (calculated only for heavy-duty trucks; STREX = Start Exhaust Tailpipe Emissions; HOTSOAK = Hot Soak Evaporative Hydrocarbon Emissions; RUNLOSS = Running Loss Evaporative Hydrocarbon Emissions; RESTLOSS = Resting Evaporative Losses; DIURN = Diurnal Evaporative Hydrocarbon Emissions; PMTW = Tire Wear Particulate Matter Emissions; PMBW = Brake Wear Particulate Matter Emissions

[1] According to the CARB EMFAC 2017 Volume 1 - User's Guide (2018), idle exhaust is calculated only for heavy-duty trucks because this process captures emissions from heavy-duty vehicles that idle for extended periods of time while loading or unloading goods.

Emissions factor source: California Air Resources Board EMFAC2017 Web Database v. 1.0.2 Emission Rates for Monterey County for year 2020 for gasoline-fueled LDT1 vehicles.

More information on emission factors can be found in the EMFAC2017 Volume I - User's Guide (2018) available at: https://ww3.arb.ca.gov/msei/downloads/emfac2017-volume-i-users-guide-final.pdf

MPWMD Potential Acquisition of Monterey Water Supply and District Boundary Adjustment

Greenhouse Gas Emissions Calculations- 28 Additional CalAm Employees

Number of Annual Vehicle Trips	18448
Maximum Annual VMT	463180

Greenhouse Gas	Emission Factor Type	Emission Factor		Annual Emissions (grams/year)	Annual Emissions (MT/year)	Annual Emissions (MT of CO_2e/year)[1]
CO_2	RUNEX	347.7199622	grams/mile	161056932.10	161.0569	161.057
	IDLEX[2]	0	grams/vehicle/day	0.00	0.0000	0.000
	STREX	69.56814807	grams/trip	1283393.20	1.2834	1.283
				TOTAL	**162.3403**	**162.340**
CH_4	RUNEX	0.009190677	grams/mile	4256.94	0.0043	0.119
	IDLEX[2]	0	grams/vehicle/day	0.00	0.0000	0.000
	STREX	0.094267904	grams/trip	1739.05	0.0017	0.049
				TOTAL	**0.0060**	**0.168**
N_2O	RUNEX	0.010901858	grams/mile	5049.52	0.0050	1.338
	IDLEX[2]	0	grams/vehicle/day	0.00	0.0000	0.000
	STREX	0.033168688	grams/trip	611.90	0.0006	0.162
				TOTAL	**0.0057**	**1.500**
CO_2e					**TOTAL**	**164.008**

Notes
VMT = vehicle miles traveled; CO_2 = carbon dioxide; CH_4 = methane; N_2O = nitrous oxide; CO_2e = carbon dioxide equivalents; MT = metric tons; RUNEX = Running Exhaust Emissions; IDLEX = Ide Exhaust Emissions (calculated only for heavy-duty trucks; STREX = Start Exhaust Tailpipe Emissions
[1] Assumes a global warming potential of 28 for CH_4 and 265 for N_2O.
[2] According to the CARB EMFAC 2017 Volume 1 - User's Guide (2018), idle exhaust is calculated only for heavy-duty trucks because this process captures emissions from heavy-duty vehicles that idle for extended periods of time while loading or unloading goods.
Emissions factor source: California Air Resources Board EMFAC2017 Web Database v. 1.0.2 Emission Rates for Monterey County for year 2020 for gasoline-fueled LDT1 vehicles.
Global warming potentials for CH_4 and N_2O source: Intergovernmental Panel for Climate Change (2015) Climate Change 2014 Synthesis Report.
More information on emission factors can be found in the EMFAC2017 Volume I - User's Guide (2018) available at: https://ww3.arb.ca.gov/msei/downloads/emfac2017-volume-i-users-guide-final.pdf