

Submitted by staff at 1/24/18 meeting Item 15

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January 22, 2018

Mr. Dave Stoldt Monterey Peninsula Water Management Dist. 5 Harris Court, Bldg. G Monterey, CA 93940

Mayor Bill Kempe Monterey Peninsula Regional Water Authority c/o City of Pacific Grove 300 Forest Ave. Pacific Grove, CA 93950

Mr. Paul Sciuto Pure Water Monterey c/o Monterey 1 Water 5 Harris Court, Bldg. D Monterey, CA 93940 Mr. David Chardavoyne Monterey County Water Resources Agency 1441 Shilling Place Salinas, CA 93901

VIA: E-Mail

## RE: Monterey Peninsula Water Supply Project

Gentlemen:

Monterey County Farm Bureau represents family farmers and ranchers in the interest of protecting and promoting agriculture throughout our County. We strive to improve the ability of those engaged in production agriculture to provide a reliable supply of food and fiber through responsible stewardship of our local resources.

Since the filing for project approval with the California Public Utilities Commission in 2012, Monterey County Farm Bureau has participated as an active intervener in the portfolio of projects known as the Monterey Peninsula Water Supply Project. Through numerous settlement conferences and hearings, we have maintained an active stance as a good neighbor helping the Peninsula solve their water supply shortage that yields a sustainable, reliable, long-term supply for residents, businesses, tourism, economic expansion, and lots of record.

We urge the Monterey Peninsula community and water agencies to not lose focus on their longterm water supply solution by:

- Maintaining the portfolio of projects approach for future water supplies (desalination, reclamation, and aquifer-storage-and-recovery); and
- Working to meet the Cease-and-Desist modified order milestones for 2018 & 2019; and
- Advocating that the California Public Utilities Commission decision on the CPCN for the desalination facility expected in September 2018 is adhered to.



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## Discussion

The Salinas Valley community has a long history of building water resource projects to enhance the reliability of the groundwater basin that supports a robust agricultural economy. Projects built in the past seven decades include the two reservoirs in the southern area of the County, the Salinas Valley Water Project, the Salinas River Diversion Facility, and the Castroville Seawater Intrusion Project (CSIP). These projects, as noted in preliminary groundwater basin assessments, currently recharge the groundwater basin in nearly equal amounts of extractions each irrigation season, aim to contain seawater intrusion in the coastal zone by reducing reliance on wells and extracting less from the basin, and improve underground flow to balance the basin.

An important element of CSIP is that it utilizes municipal waste water from the Peninsula as one of the reclaimed water sources, a recycling project that the Peninsula communities did not or could not build on their own; this facility is paid for by the CSIP users and other landowners of the Salinas Valley. This reclamation project is an example of cooperative efforts between the two communities, finding solutions for the benefit of both the Salinas Valley and the Peninsula.

Seawater intrusion remains the biggest groundwater challenge for the Salinas Valley Groundwater Basin. With nearly 90% of groundwater extractions used for irrigation purposes, Salinas Valley landowners and growers are keenly aware of the issue and continue to seek farm practices and water resource projects that will find resolution to this challenging problem. Recent reports on advancement have heightened that awareness and moved the discussion on possible additional solutions to the forefront.

Salinas Valley landowners and growers are proud of their accomplishments in water resource management, consistently coming forward to build and pay for projects to ensure water is available for future generations.

If only the Peninsula community had undertaken the same development of their water resources, the problems facing this community would be far less than the dire consequences of the Cease-and-Desist order (CDO) issued by the State Water Resources Control Board. Where the Salinas Valley took charge of their water supply destiny, the Peninsula continued to disagree and defer possible water supply solutions, battling their water purveyor, and thereby losing control of their water supply destiny to state agencies.

As the Salinas Valley agricultural community is interested in a strong, robust tourism industry as a major element of our local economy, a deal was struck to provide 3,500 acre feet of potable water each year to the Monterey Peninsula through the development of the Pure Water Monterey project. This involved a year-long negotiation to reallocate waste water flows that were available from various sources, some existing and some newly developed. In the view of the Salinas Valley



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agricultural community, we were good neighbors in helping to create a partial supply of new potable water to replace the Carmel River supply deemed inappropriate by the State Water Board's CDO.

This 'new water' includes a reclamation from agricultural processing plant discharges utilized for food safety treatments on leafy greens and vegetables. As food safety measures evolve and new technologies are developed that allow for less or minimal use of water for pathogen treatment on these products, the available discharges may be reduced or eliminated altogether. It should also be noted that these discharges come from private business enterprises that may change their business models at any time, simply by relocating or changing their operations; it can be expected in the future that water reclamation from these facility discharges will only decrease over time.

Now, current discussions on the proposed expansion of Pure Water Monterey as an effort to provide more potable water come framed as a manner to delay or thwart the possibility of desalinated water production. The Salinas Valley agricultural community remains committed to the Peninsula solving their water supply problem with a portfolio of projects, rather than relying on a single project to run at nearly 100% capacity based on possibly interruptible source waters. Expansion of Pure Water Monterey should be a carefully considered option as part of the portfolio of projects originally contemplated within the Monterey Peninsula Water Supply Project.

There are concerns within the agricultural community about the partial or full barrier lining of the Salinas reclamation ponds that reside over the Salinas Valley Groundwater Basin. Curtailment of any groundwater percolation from these ponds could have serious impacts on the ability to confine seawater intrusion in the Blanco area west of the City of Salinas. Extensive studies are needed to determine if there is an interconnection between these surface water bodies and the perched aquifer where seawater intrusion is so prevalent. Additional source waters for reclamation by Pure Water Monterey need full disclosure, permitting and analysis, along with the required environmental impact investigation.

Further, there is a *perception* that, once again, the Peninsula community is looking to the Salinas Valley to solve their water supply problems, abandoning their own solution of a portfolio of projects that will ensure a reliable water supply for future needs and growth. While this may be a perception, there continues to be discussion and rhetoric about use of Salinas Valley water rights that are viewed as 'available' flows by those who are advocating for a delayed decision on desalination. The Lettuce Curtain is indeed a reality if these types of discussions gain traction and the Salinas Valley is forced to exert its entitlement to both surface water permits and groundwater rights.

While our organization has worked to help our Peninsula neighbors solve their water supply problems, we assert that any expansion of Pure Water Monterey beyond the original contracted amount of potable water supply to the Peninsula should be carefully considered as part of the



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portfolio of projects that includes a desalination component and optimized aquifer-storage-and-recovery (ASR).

## **Conclusion**

We continue to support that the Peninsula community solve their long-term water supply, not just replacement of current supplies based on drought-induced demand, with projects that are complementary and allow for expansion of supply in future decades. Again, we view the deferring of a decision on the desalination facility as another example of the Peninsula community thwarting a solution to their water supply.

Monterey County Farm Bureau urges that the scheduled 2018 milestone for the CDO not be jeopardized or missed, and that the current track for CPCN consideration in September 2018 be maintained. Consideration of Pure Water Monterey expansion should in no way delay or forestall the decision on desalination as a component of the portfolio of projects.

Sincerely,

Norman C. Groot Executive Director

Monterey County Farm Bureau is an intervener in the Matter of Application of California-American Water Company for Approval of the Monterey Peninsula Water Supply Project (California Public Utilities Commission A.12-04-019, filed April 23, 2012).