



AGENDA  
**Water Supply Planning Committee**

Monday, July 7, 2025, at 2:00 p.m. | *Virtual Meeting*

COMMITTEE MEMBERS	STAFF	Mission Statement
<i>Karen Paull – Chair Amy Anderson Rebecca Lindor  Alvin Edwards - Alternate</i>	<i>David J. Stoldt, General Manager Jonathan Lear, Water Resources Manager Sara Reyes, Board Clerk</i>	Sustainably manage and augment the water resources of the Monterey Peninsula to meet the needs of its residents and businesses while protecting, restoring, and enhancing its natural and human environments.  <b><u>Vision Statement</u></b> Model ethical, responsible, and responsive governance in pursuit of our mission.  <b><u>Board's Goals and Objectives</u></b> Are available online at <a href="https://www.mpwmd.net/who-we-are/mission-vision-goals/">https://www.mpwmd.net/who-we-are/mission-vision-goals/</a>

Join the meeting at:

<https://mpwmd-net.zoom.us/j/87154361942?pwd=yHP1EEDSuGfCyb55A5J54FfqQi0C4Q.1>

Webinar ID: **871 5436 1942** | Password: **070725** | To Participate by Phone: **(669) 900-9128**

For detailed instructions on how to connect to the meeting, please click the link below:

<https://www.mpwmd.net/instructions-for-connecting-to-the-zoom-meetings/>

Copies of the agenda packet are available for review on the District website ([www.mpwmd.net](http://www.mpwmd.net)) and at 5 Harris Court, Bldg. G, Monterey, CA.

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**Call to Order / Roll Call**

**Additions and Corrections to the Agenda**

**Comments from Public** – *The public may comment on any item within the District's jurisdiction. Please limit your comments to three (3) minutes in length.*

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

1. Consider Adoption of Committee Meeting Minutes from May 5, 2025
2. Consider Recommendation to Board to Enter into Agreement with Marina Coast Water District for Aquifer Storage and Recovery Cooperation

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

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

3. Update on California Public Utilities Commission A.21-11-024 Phase 2 (Supply and Demand) Proceeding
4. Update on Discussions with State Water Board Regarding Cease and Desist Order (*Verbal Report*)
5. Update on Pure Water Monterey Expansion Project (*Verbal Report*)

**Suggest Items to be Placed on Future Agendas**

**Adjournment**

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### Options for Providing Public Comment

#### Submission of Written Public Comment

Send written comments to District Office, 5 Harris Court, Building G, Monterey, CA or online at [comments@mpwmd.net](mailto:comments@mpwmd.net). Include the following subject line: "PUBLIC COMMENT ITEM #" (insert the agenda item number relevant to your comment). Written comments must be received by 12:00 PM on the day of the meeting. All submitted comments will be provided to the Committee, compiled as part of the record, and placed on the District's website as part of the agenda packet for the meeting. Correspondence is not read during public comment portion of the meeting.

**Instructions for Connecting to the Zoom Meeting can be found at**  
<https://www.mpwmd.net/instructions-for-connecting-to-the-zoom-meetings/>

*Refer to the Meeting Rules to review the complete Rules of Procedure for MPWMD Board and Committee Meetings:* <https://www.mpwmd.net/who-we-are/board-of-directors/meeting-rules-of-the-mpwmd/>

## **WATER SUPPLY PLANNING COMMITTEE**

### **ITEM: ACTION ITEM**

#### **1. CONSIDER ADOPTION OF COMMITTEE MEETING MINUTES FROM MAY 5, 2025**

**Meeting Date:** July 7, 2025

**From:** David J. Stoldt,  
General Manager

**Prepared By:** Sara Reyes

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**SUMMARY:** Attached as **Exhibit 1-A** are the draft minutes of the Water Supply Planning Committee meeting held on May 5, 2025.

**RECOMMENDATION:** The Water Supply Planning Committee should review and adopt the minutes by motion.

### **EXHIBIT**

#### **1-A Draft Minutes of May 5, 2025 Water Supply Planning Committee Meeting**

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## **EXHIBIT 1-A**

### **Draft Minutes Water Supply Planning Committee Meeting Monday, May 5, 2025, at 2:00 p.m. Meeting Location: Zoom**

#### **Call to Order / Roll Call**

Chair Paull called the meeting to order at 2:01 p.m.

#### **Committee Members Present**

Karen Paull, Chair  
Alvin Edwards (Alternate)  
Amy Anderson

#### **Committee Members Absent**

Rebecca Lindor

#### **District Staff Members Present**

David Stoldt, General Manager  
Mike McCullough, Assistant General Manager  
Jonathan Lear, Water Resources Manager  
Maureen Hamilton, District Engineer  
Sara Reyes, Board Clerk

#### **District Staff Members Absent**

None

#### **District Counsel Present**

Michael Laredo, De Lay & Laredo  
Fran Farina, De Lay & Laredo

#### **Additions and Corrections to the Agenda**

None

#### **Comments from the Public**

Chair Paull opened the public comment period, and the following comment was made to the committee:

- 1) John Tilley, urged the District to discuss the source waters for the Pure Water Monterey expansion. He raised concerns about the return on investment, suggesting that if the water sources are only temporarily available or not contractually secured, it would be wise to reconsider the expansion investment.

#### **Action Items**

##### **1. Consider Adoption of Committee Meeting Minutes from March 3, 2025**

Chair Paull introduced this item and opened public comment; however no comments were directed to the committee.

On a motion by Anderson and seconded by Edwards, the minutes of the March 3, 2025, committee meeting were approved on a roll call vote of 3 Ayes (Edwards, Paull and Anderson) and 0 Noes.

## Informational Items

### 2. Seaside Municipal Well Funding Request

Chair Paull introduced this item.

General Manager Stoldt reported that in 2024, the District worked with Congressman Panetta's office and City of Seaside staff to apply for a Community Project Funding grant for a second municipal well. The grant was approved for \$1.1 million, but all earmarks were removed when Congress passed the Continuing Resolution in January.

For FY2026, Rep. Panetta's office and the Senators' offices will resubmit the FY2025 earmark requests. The District has coordinated with the City and Congressman Panetta's office and submitted a letter of support.

## Discussion Items

### 3. Follow-Up On Watermaster Board Workshop on April 2, 2025

Chair Paull introduced this item.

General Manager Stoldt referred to his report and summarized the following:

- As part of the District's ongoing efforts to understand how groundwater levels in the Salinas Valley affect conditions in the Seaside Subbasin, Montgomery & Associates were contracted to investigate and summarize the dynamics of the groundwater flow divide that defines the northern boundary of the Seaside Subbasin in a Technical Memorandum.
- March 3, 2025: MPWMD Water Supply Planning Committee reviewed the memorandum and recommended informing the full Board.
- March 17, 2025: The Board directed staff to send a letter summarizing the findings to the Watermaster (Exhibit 3-A).
- April 2, 2025: The Watermaster held a workshop and responded to the District's letter in a presentation titled "What is the Problem?" highlighting physical and institutional problems. District staff felt the presentation mischaracterized their position on several issues and stated the importance of maintaining adequate water levels to prevent leakage, overdraft, and seawater intrusion.

The committee engaged in discussions with District staff. General Manager Stoldt announced that Maureen Hamilton, District Engineer, has a presentation that displays where the District currently stands and where the Seaside Basin stands.

Chair Paull opened the public comment period, and the following comment was made to the committee:

- 1) Susan Schiavone attended the April 2, 2025, workshop and noted defensiveness at the meeting and hopes for collaboration to overcome initial resistance. She acknowledged Cal-Am's influence and the support for desalination despite challenges. She encouraged continued efforts to work together and appreciated the hard work being done.

Maureen Hamilton, District Engineer, presented a slide-deck presentation titled "MPWMD and the Seaside Groundwater Basin". She discussed the April 2 workshop and addressed institutional problems with MPWMD, summarizing their activities like investing in staff, maintaining wells, and conducting tracer studies. She highlighted efforts beyond monitoring, such as constructing the ASR site and investing in the Pure Water Monterey project. She noted a rebound in groundwater levels since 2022, supported by detailed data and graphs. *The presentation is available at the District office and on the District website.*

Jonathan Lear, Water Resources Manager, explained that the adjudication decision mechanism includes 10% ramp downs every three years to achieve natural safe yields. While water levels have stabilized and started to increase slightly, the full impact of the adjudication decision will be seen after the 25-year payback period. This mechanism is designed to gradually restore water levels without increasing overdraft.

**4. Update on Fort Ord Wells 09, 10, and 11 Status**

Chair Paull introduced this item.

General Manager Stoldt provided an update on Fort Ord Wells. He stated about a year and a half ago, a cost-sharing agreement was made to replace a shallow well. Recently, Wells 10 and 11 were evaluated. Marina Coast Water District, now the groundwater sustainability agency for the Monterey sub-area outside the adjudicated basin, analyzed Well 10 and recommended its destruction. The District agreed and will budget for its destruction in the coming fiscal year. Jonathan Lear provided additional information on the Wells. The committee engaged in discussions.

**5. Timeline for Pure Water Monterey Expansion – AWPf, Injection Wells, CAW Extraction Wells, and Regulatory Approvals**

Due to time constraints, the Committee did not discuss this matter.

**6. Committee Activities Related to Adopted 2025 Strategic Goals and Objectives**

Due to time constraints, the Committee did not discuss this matter.

**Suggest Items to Be Placed on a Future Agenda**

There were no items suggested for placement on a future agenda.

**Adjournment**

There being no further business, Chair Paull adjourned the meeting at 3:37 p.m.

/s/ Sara Reyes

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Sara Reyes, Board Clerk to the  
*MPWMD Water Supply Planning Committee*

Approved by the MPWMD Water Supply Planning Committee on \_\_\_\_\_.  
Received by the MPWMD Board of Director's on \_\_\_\_\_.

## **WATER SUPPLY PLANNING COMMITTEE**

### **ITEM: ACTION ITEM**

#### **2. CONSIDER RECOMMENDATION TO BOARD TO ENTER INTO AGREEMENT WITH MARINA COAST WATER DISTRICT FOR AQUIFER STORAGE AND RECOVERY COOPERATION**

**Meeting Date:** July 7, 2025 **Budgeted:** N/A

**From:** David J. Stoldt **Program/**  
General Manager **Line Item No.:** N/A

**Prepared By:** David J. Stoldt **Cost Estimate:** N/A

**General Counsel Approval:** N/A

**Committee Recommendation:** N/A

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

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**SUMMARY:** The Marina Coast Water District (MCWD) has requested that MPWMD consider making its Aquifer Storage and Recovery (ASR) facilities available to inject MCWD water to the Seaside Groundwater Basin when not in use for MPWMD's own ASR program.

- Under its permits MPWMD can only inject Carmel River water from December through May, meaning that there is available capacity in the June to November period. There may also be surplus capacity in winter months during dry years when Carmel River permit conditions cannot be met.
- MPWMD retains its statutory right to store water in the basin for the benefit of the District. The Court found that this right is preserved and does not conflict with the Physical Solution under the adjudication. The power of the Watermaster to enjoin unauthorized storage is limited to storage by Producers, and does not extend to storage by the District. However, the District has traditionally worked cooperatively with the Watermaster as to the nature and scope of its storage activities, and has participated in two storage and recovery agreements.
- MCWD has committed to serve water to developments in the former Fort Ord within the MPWMD jurisdiction, including Monterey (65 AFY), Del Rey Oaks (242.5 AFY), and Seaside (1,012 AFY). While these allocations are ostensibly sourced from the Salinas Valley Groundwater Basin, the place of use is generally within MPWMD boundaries. Until those developments are built out, MCWD could store water to build up reserves.

MPWMD may choose to do this solely as a mutual form of cooperation, although there are potential benefits to the groundwater basin, as well as to jurisdictions served by MCWD that are also constituents of MPWMD. There is a potential cost-sharing benefit to MPWMD should an

additional injection well be desired.

If MPWMD chooses to move forward, an agreement would be developed that would include terms and conditions as outlined in **Exhibit 2-A**.

**RECOMMENDATION:** The Committee should consider a recommendation to the Board to enter into an agreement with Marina Coast Water District for Aquifer Storage and Recovery cooperation.

## **EXHIBITS**

### **2-A** General Terms and Conditions of a Cooperation Agreement

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## **EXHIBIT 2-A**

### General Terms and Conditions of a Cooperation Agreement

- Recitals
- Definitions
- Injection Facilities: Injection will occur at the Santa Margarita ASR wells 1 and 2 (the “Point of Delivery.”) MPWMD shall retain exclusive ownership of all injection facilities. The Parties may agree to cost-share on any future injection wells.
- Extraction Facilities: MCWD will be solely responsible for developing extraction (production) facilities, or contracting with others for extraction. MPWMD will make its Santa Margarita water treatment facility available, subject to agreement with California American Water, as a possible option for treatment if extraction configuration supports it.
- Operations: MPWMD will be responsible for injection operations under its permit with the Regional Water Quality Control Board. MCWD will be responsible for extraction and treatment as regulated by the State Water Resource Control Board Division of Drinking Water.
- Water Rights: MCWD will represent that it owns the water designated for storage and is authorized to request storage.
- Storage Rights: The Parties will endeavor to negotiate a Storage and Recovery Agreement with the Watermaster. However, if such Agreement is not forthcoming, MPWMD will store on behalf of MCWD under its rights protected by the Superior Court adjudication decision.
- Measurement: All water furnished pursuant to the Agreement shall be measured by MPWMD at the Point of Delivery. Such measurement shall be with equipment chosen by MPWMD, installed by MPWMD on MPWMD facilities, and approved by MCWD in writing. All measuring equipment shall be installed, maintained, repaired and replaced by MPWMD. Measurement records of injection will be provided by MPWMD to MCWD monthly during injection operations.
- Water Quality Guarantee: All water delivered by MCWD to MPWMD to the Point of Delivery must meet the water quality requirements set forth in Applicable Law, including the Watermaster. MCWD will provide sufficient information to demonstrate that the water quality characteristics of the water being proposed for storage will meet all of the requirements imposed by any regulatory agency or agencies and the Watermaster. If at any time MCWD fails to meet the Water Quality Guarantee, MCWD shall give MPWMD immediate notice thereof and shall promptly meet with MPWMD to discuss the circumstances of such failure and a proposed action plan for remediation. Subject to such notice, MPWMD may immediately cease injection.

- Costs: MCWD will pay all costs associated with the operation of the ASR facilities on behalf of MCWD, including administration, operation, regulatory compliance, maintenance, repair, replacement, insurance, and depreciation. MPWMD will invoice MCWD monthly during injection operations.
- Water Charges: The Parties shall not impose any fee or other expense upon each other, except as provided for under “Costs,” above. However, the Parties will have the right to purchase water from each other at a rate (charge) to be determined at such time.
- Permits: The Parties agree to cooperate in acquisition of all regulatory permits and approvals required to undertake this agreement, including CEQA.
- Planning and Construction: The Parties may cooperate and share costs of planning and construction of any additional facilities.
- Term: 20 years
- Events of Default: TBD
- Assignment: TBD
- Arbitration: TBD

## **WATER SUPPLY PLANNING COMMITTEE**

**ITEM:      DISCUSSION ITEM**

### **3.      UPDATE ON CALIFORNIA PUBLIC UTILITIES COMMISSION A.21-11-024 PHASE 2 (SUPPLY AND DEMAND) PROCEEDING**

**Meeting Date:      July 7, 2025                      Budgeted:              N/A**

**From:                  David J. Stoldt                      Program/  
                                General Manager                      Line Item No.:      N/A**

**Prepared By:      David J. Stoldt                      Cost Estimate:      N/A**

**General Counsel Approval: N/A**

**Committee Recommendation: N/A**

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

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**SUMMARY:** Please see the memorandum attached as **Exhibit 3-A**.

#### **EXHIBITS**

**3-A      A.21-11-024 Phase 2 Status Memorandum**

## **EXHIBIT 3-A**



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

**Paul R. De Lay**  
**(1919 – 2018)**

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

June 27, 2025

TO: MPWMD Board of Directors

FROM: Dave Laredo, Fran Farina

RE: A.21-11-024 Phase 2 Status

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This memo provides a status update on Phase 2 of California-American Water Company's (Cal-Am) Application 21-11-024 to "address the most recent supply and demand data" Cal-Am has available as directed by the Commissioner's Scoping Memo and Ruling of February 9, 2022.

### **Background**

California-American Water Company (Cal-Am) filed an application with the Commission in November of 2021 seeking authorization to enter into the Amended and Restated Water Purchase Agreement (Amended WPA) for the Pure Water Monterey (PWM) Project Expansion. The proceeding was divided into two phases. The first phase authorized Cal-Am to enter into the Amended WPA together with construction of certain facilities and rate recovery pursuant to Decision (D.) 22-12-001. Once constructed and online, the PWM Expansion Project will increase Cal-Am's water supply by an additional 2,250 acre-feet per year (AFY).

Phase 2 of the proceeding enabled the CPUC to revisit long-term water supply and demand estimates previously made in the Commission's 2018 decision that approved the Monterey Peninsula Water Supply Project (MPWSP).<sup>1</sup> A Phase 2 evidentiary hearing took place from March 11 to March 15, 2024. Opening and reply briefs were filed and the record was submitted on May 28, 2024.

The Proposed Decision (PD) was served on May 9, 2025. The parties were allowed twenty (20) days to file comments and an additional five (5) days thereafter to file reply comments. Cal-Am and others began scheduling ex parte meetings with the Commissioners' staff advisors.

The PD supports the full 5,750 acre-feet per year (AFY) supply from PWM and PWM Expansion and 1,210 AFY from ASR. The PD underestimates other available supplies from Cal-Am's legal rights in

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<sup>1</sup> In 2012, Cal-Am filed Application 12-04-019 for approval of the Monterey Peninsula Water Supply Project (MPWSP). This project has three components: groundwater replenishment (GWR) now referred to as the Pure Water Monterey (PWM) Project, Aquifer Storage and Recovery (ASR), and a 6.4 million gallons per day (MGD) desalination facility. Commission approval was granted in Decision (D.) 18-09-017.

the Seaside Groundwater Basin, Sand City's desalination plant, and other water rights or entitlement project water available to Cal-Am. On the demand side of the equation, the PD continues to support Cal-Am's overestimated demand forecast that would have its service area population increase by 40,000 to 50,000 people in the next 25 years contrary to forecasts from the public agency parties and the independent Association of Monterey Bay Area Governments (AMBAG).

### Recent Commission Activity

MPWMD, Marina Coast Water District (MCWD), the City of Marina, and Public Water Now scheduled additional ex parte meetings objecting to aspects of the PD while Cal-Am's meetings argued for even more support. The assigned Commissioner in this proceeding, Darcie Houck, held an All-Party meeting on June 5 after which the PD appeared on the Commission's June 12, 2025 meeting agenda as a *consent* item. This meant the PD would be adopted as written. Fortunately, the item appeared on the "Hold List" on June 10<sup>th</sup> by Commissioner Houck "for further review" and was rescheduled to the June 26<sup>th</sup> meeting date. Nevertheless, we organized many speakers who participated in the June 12<sup>th</sup> public comment portion of the meeting via telephone.

Prior to the June 26<sup>th</sup> meeting, Cal-Am, MCWD, and the City of Marina scheduled additional ex parte meetings. When this meeting agenda was published, it again showed the PD as a consent item. No revision had been circulated, which indicated there were no changes.

The Hold List was published on June 16<sup>th</sup>, but the PD was not on it. On Tuesday, June 17<sup>th</sup>, a letter from Senator Laird was distributed requesting the PD be removed from the calendar so that revisions could be made "including a more reasonable demand estimate for 2050." By late afternoon when the Hold List was published, the PD appeared as held "for further review" by Commissioner Houck to the July 24<sup>th</sup> meeting in San Francisco.

At the June 26<sup>th</sup> meeting, our supporters participated once again during public comment but this time Cal-Am had speakers in person and by phone urging approval of the PD and supporting the need for the desalination plant.