



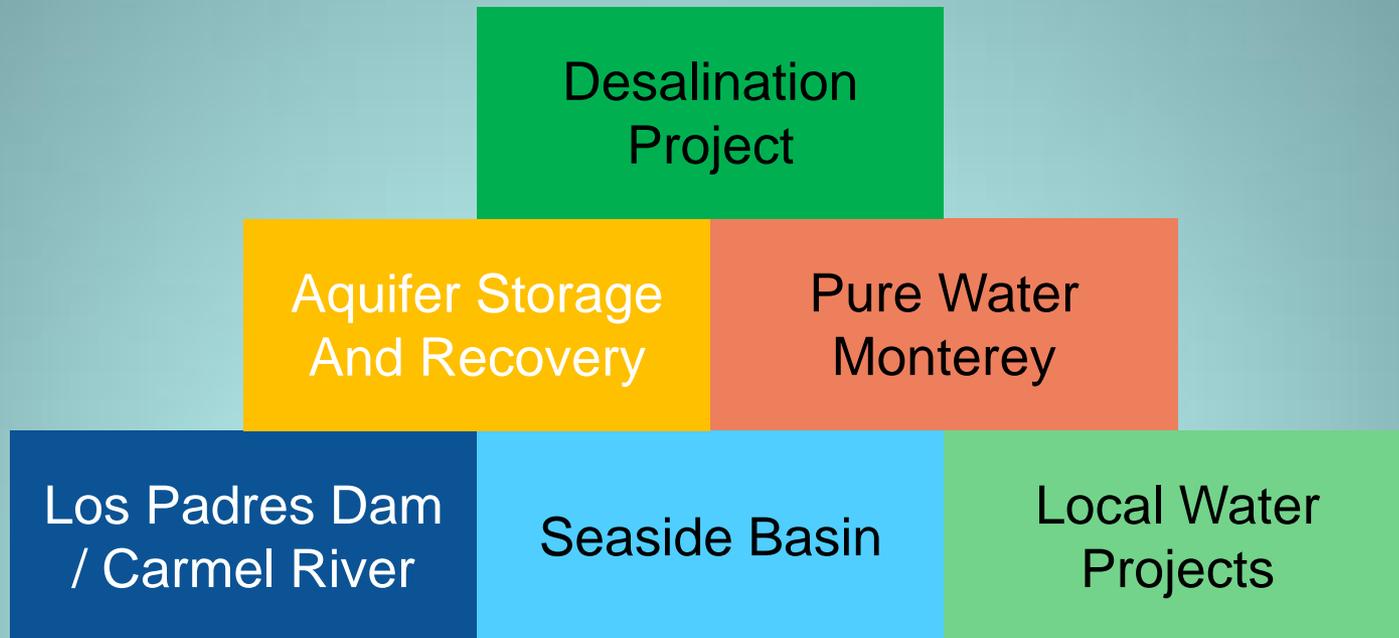
Water Supply for the Monterey Peninsula...

Update on Development of Water Supply Projects

November 14, 2016
Agenda Item 8



The Water Supply Portfolio



Project Sizing

Demand	Supply
13,290 AF 5-year customer demand	3,376 AF legally from Carmel River (2017)
500 AF for economic recovery	1,474 AF legally from Seaside Basin (2021)
325 AF for Pebble Beach buildout	(700) AF Cal-Am intends to leave in the Seaside Basin for recharge for 25 years
1,181 AF for legal lots of record	94 AF available from Sand City long term
-----	1,300 AF assumed available from ASR
15,296 AF total demand	3,500 AF from Pure Water Monterey
	6,252 AF from Desalination Plant

	15,296 AF total supply

Pure Water Monterey

Progress to Date

- CPUC Approved Water Purchase Agreement September 15th
- Salinas Produce Wash Water and Storm Water Connection Completed
- Blanco Drain and Reclamation Ditch Water Rights Approved; Design at 95%
- Advanced Treatment Equipment bids secured; Construction out to bid Dec/Jan
- NMFS and SRF staff tour on September 22nd
- State Revolving Fund (and Grants) Available beginning March
- Draft USFWS Biological Opinion soon
- Working on 12 remaining of 26 Permits
- Go, Go, Go....



Pure Water Monterey
A Groundwater Replenishment Project

Pure Water Monterey Signing Ceremony October 17th



Desalination Plant

Progress to Date

- CPUC Approved Monterey Pipeline September 15th
- All Contracts (Except Brine Discharge) Have Been Awarded
- Return Water Settlement Agreement
- Brine Discharge Settlement Agreement
- Test Slant Well Back On-Line; 92% sea water
- Costs and Expenditures to Date (9-30-16):

Intake System and Return Facilities: \$79M (24% spent)

Desalination Plant: \$115M (14% spent)

Pipeline Facilities: \$128M (13% spent)

Pre-Construction Cost*: \$8M (100% spent)

NOTE: These figures are based on a 6.4 MGD desalination facility.

Pre-construction costs are included in the \$322-million project total.



Desalination Plant

- Recent determination to eliminate Terminal Reservoir
- Increase storage at desal plant
- Should save approx \$8 million

Cal-Am Monterey Pipeline

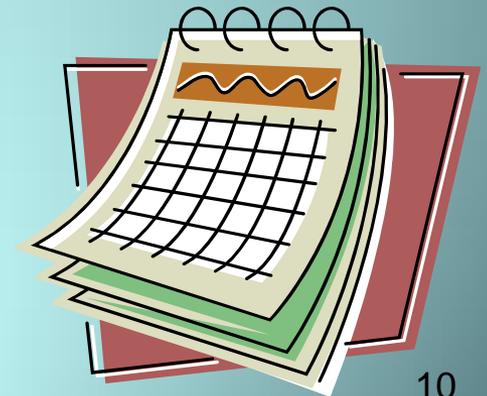


Monterey Pipeline Groundbreaking October 17th



Project Schedule

	Desalination Project	Pure Water Monterey
September 2016	Pipeline Decision	WPA Decision
November 2016	Start Construction on Pipeline	
December 2016	Draft EIR/EIS	
February 2017		Start Construction
November 2017	Final EIR/EIS and CPUC Approval	
March 2018	Coastal Commission Hearing for Permit	Project Complete - Delivery of Water
April 2018	Start Construction on Desal	
March 2020	Project Complete – Delivery of Water	



Aquifer Storage and Recovery

Update

- Ground Lease set aside by City of Seaside
- Letters to FORA approved by Seaside City Council November 3rd
- Will pave the way for FORA to issue right-of-entry to complete project
- New signage installed
- Diversion was 699 AF last season
- New season starts December 1st
- Total to date = 5,684 AF



Aquifer Storage and Recovery



MONTEREY PENINSULA
WATER
MANAGEMENT DISTRICT

**AQUIFER
STORAGE and RECOVERY
(ASR)
FACILITY**

Cease and Desist Order

**Condition 2
Guidance**

**Motions for
Reconsideration**

**Meeting the
Milestones**

**Staying w/in the
Diversion Limit**



Petitions for Reconsideration get Filed

Water Ratepayers Association of the Monterey Peninsula (“WRAMP” or “Water Plus”) and Public Trust Alliance (“PTA”) sought reconsideration of the July 19th Order claiming:

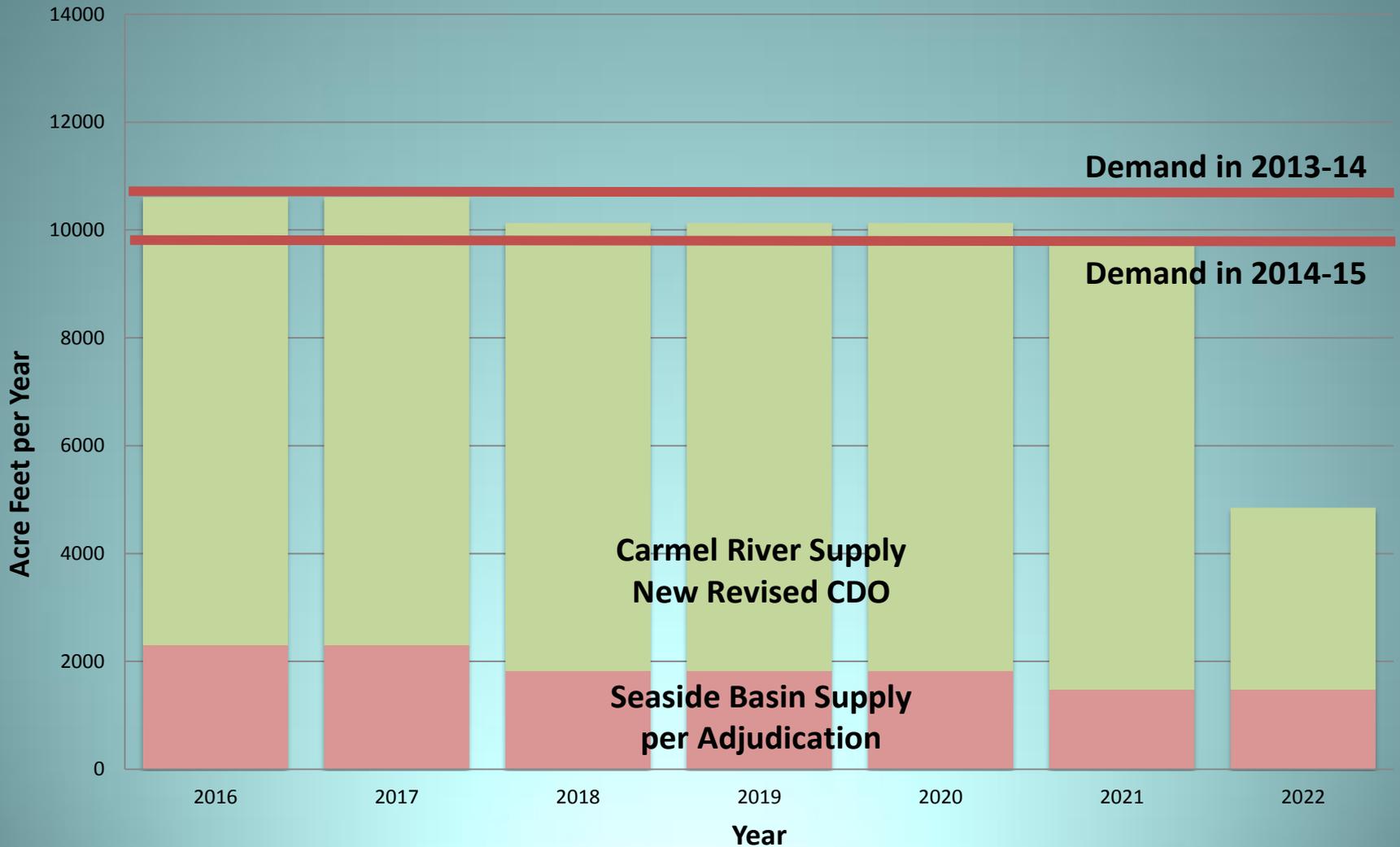
- Lack of a fair hearing
- That the *SWRCB* itself violated the CDO and failed to make a determination about the amount of water needed for public health and safety
- That Cal-Am failed to diligently implement feasible projects
- And that modification of the CDO violated of the public trust doctrine.

Petition denied by SWRCB on November 1st

Legally Available Water Supply in MPWMD Territory

Compared to

Consumer Water Demand in MPWMD Territory



Condition 2 Guidance

Cal-Am shall not divert water from the Carmel River for new service connections or for any increased use of water at existing service addresses resulting from a change in zoning or use.

August 31st meeting seeking clarification was postponed due to Motions for Reconsideration

Meeting now set for December 13th

Milestones for Potential 1,000 AF Reduction in Limit



2016. CPUC Approves Pure Water Monterey



2017. Start Construction of Cal-Am Pipeline

2018. CPUC Approves Desalination Plant

2019. Start Construction of Desalination Plant

2020. Drill Source Wells

2021. Substantial Completion

Local Water Projects

Project	Status
Pacific Grove \$200,000	First \$100,000 spent; Anticipate construction start this fall; Will save 88 AFY
Old Del Monte Golf Course \$80,000	Two wells completed; Awaiting CEQA review of pond; Expect pond construction by February; Will save 40-50 AFY
Monterey Regional Airport \$30,000	Completed study; Identified 104 AFY of non-potable supply; Will attempt to find users in FY 2016-17
City of Monterey \$85,000	Storm water capture study; No expenditures to date; Trying to obtain state grant moneys
City of Seaside \$106,900	Laguna Grande non-potable well; No expenditures to date
Monterey County Fairgrounds \$75,000	Replumb bathrooms to well water; No expenditures to date; Almost 50% reduction in water due to retrofits; Suggest canceling grant

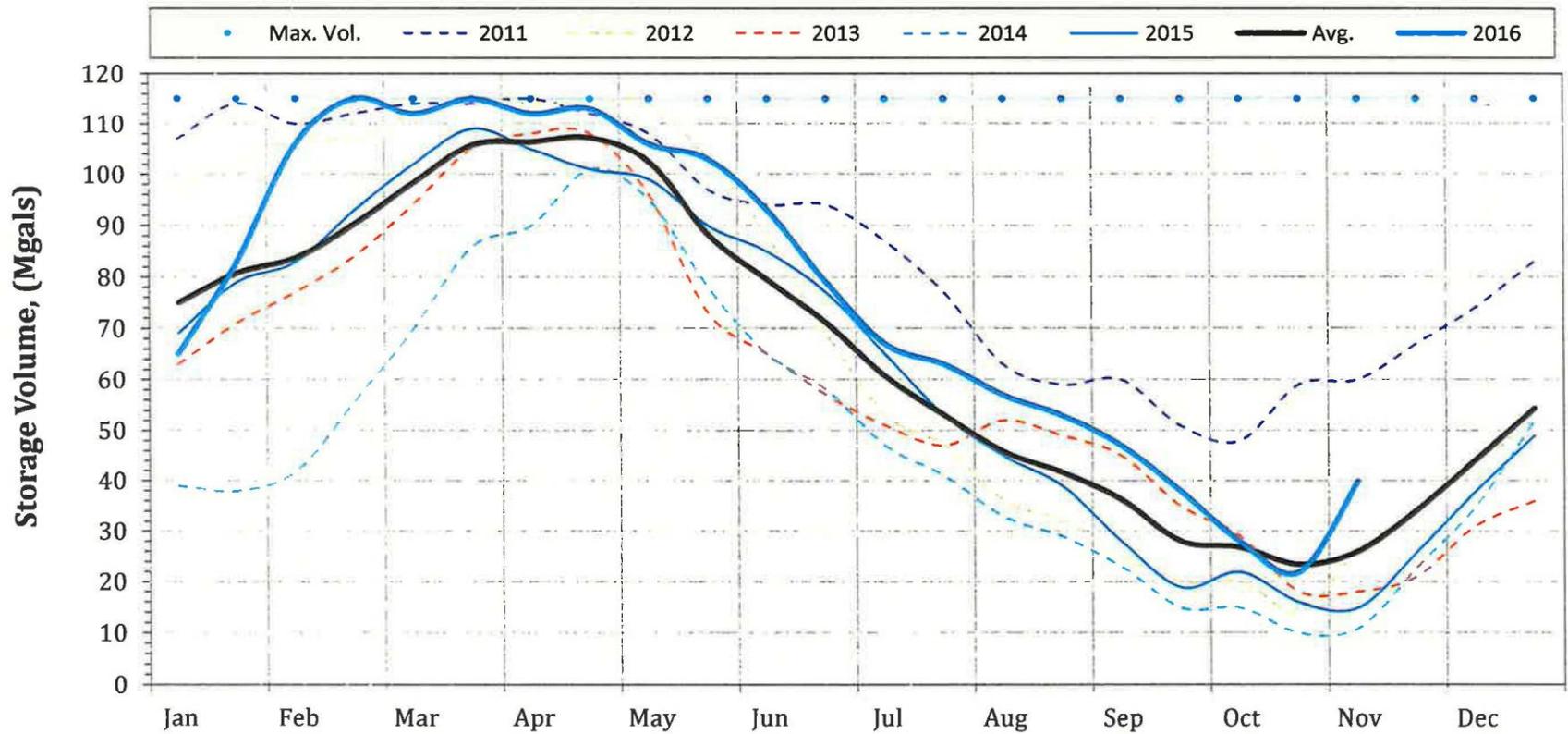
Malpaso (Odello) Water

- 80 AF available
- 16.18 AF sold to date / 82 separate purchases
- Only half have come in to MPWMD for permits

Reclamation Project

Forest Lake Reservoir Storage Volume Current vs Historic

Current Volume: 40

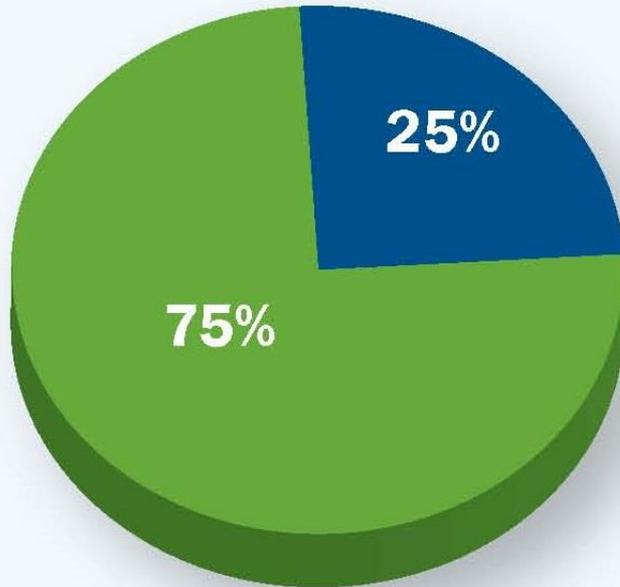


Reclamation Project – Recycled Water Deliveries

2016 Calendar Year (Thru 11-3)	5 Year Average	21 Year Average
918 AF	944 AF	949 AF

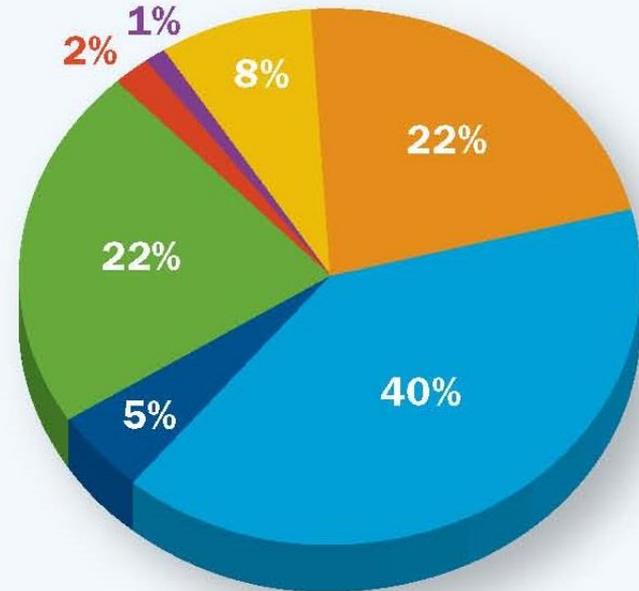
Changing Sources of Supply on the Monterey Peninsula

Traditional Sources



- Seaside Basin
- Carmel River

Proposed Water Sources



- Groundwater Replenishment
- Desalination
- Seaside Basin
- Carmel River
- Sand City
- Pacific Grove
- Aquifer Storage Recovery

The Water Supply Project will diversify the Monterey Peninsula's water supply portfolio. These new sources of water will be sustainable and help protect against drought while also protecting the natural resources of the Carmel River.