

Th3a & 4a

A-4-MRA-19-0034 / 9-19-0918

California-American Water

SUPPORT LETTERS

Luster, Tom@Coastal

From: Alex Seid <admin@watersupplyproject.org>
Sent: Friday, August 21, 2020 1:48 PM
To: luke.gianni@amwater.com; ExecutiveStaff@Coastal; ExParte, Commissioner@Coastal; Padilla, Stephen@Coastal; Brownsey, Donne@Coastal; Turnbull-Sanders, Effie@Coastal; Aminzadeh, Sara@Coastal; Hart, Caryl@Coastal; Howell, Erik@Coastal; Uranga, Roberto@Coastal; Groom, Carole@Coastal; ccc@daynabochco.com; Wilson, Mike@Coastal; Rice, Katie@Coastal; Escalante, Linda@Coastal; catherine.stedman@amwater.com; info@watersupplyproject.org; Energy@Coastal
Subject: Re: - Alex Seid Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

Comment in Support of the Monterey Peninsula Water Supply Project Case Number: 9-19-0918

Dear Commissioners,

I support the Monterey Water Supply Project to create a desalination plant as a clean, sustainable solution to the water supply crisis in the Monterey Peninsula.

This desalination project is the only viable option to supply our community with a long-term sustainable water source that is capable of supporting affordable housing, economic recovery and restoring the Carmel River and the Seaside basin.

The Monterey Peninsula is a leader in conservation, and for 25 years has been working with federal, state and local agencies to develop an alternate water supply for our community. It is imperative that the water supply needs of the Monterey Peninsula and the environmental issues facing the Carmel River are resolved as quickly as possible.

Please support this desalination project to ensure our water future. Thank you for your consideration.

Sincerely,

Alex Seid

Street Address: 3067 Sloat Road
City: Pebble Beach
State: CA
Zip Code: 93953

(831) 6554417
alexloyseid@alum.mit.edu

71.198.76.234

Luster, Tom@Coastal

From: Sandy <admin@watersupplyproject.org>
Sent: Thursday, August 20, 2020 10:19 PM
To: luke.gianni@amwater.com; ExecutiveStaff@Coastal; ExParte, Commissioner@Coastal; Padilla, Stephen@Coastal; Brownsey, Donne@Coastal; Turnbull-Sanders, Effie@Coastal; Aminzadeh, Sara@Coastal; Hart, Caryl@Coastal; Howell, Erik@Coastal; Uranga, Roberto@Coastal; Groom, Carole@Coastal; ccc@daynabochco.com; Wilson, Mike@Coastal; Rice, Katie@Coastal; Escalante, Linda@Coastal; catherine.stedman@amwater.com; info@watersupplyproject.org
Subject: Re: - Sandy Comment in Support of Monterey Peninsula Water Supply Project [# 9-19-0918] Sent to staff

Comment in Support of the Monterey Peninsula Water Supply Project
Case Number: 9-19-0918

Dear Commissioners,

I support the Monterey Water Supply Project to create a desalination plant as a clean, sustainable solution to the water supply crisis in the Monterey Peninsula.

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Please support this desalination project to ensure our water future. Thank you for your consideration.

Sincerely,

Sandy

Street Address: 558 Ingman ct
City: Marina
State: Ca
Zip Code: 93933

carrasco.sandy@yahoo.com

107.206.193.216

Luster, Tom@Coastal

From: cornelius wigg <admin@watersupplyproject.org>
Sent: Thursday, August 20, 2020 6:01 PM
To: luke.gianni@amwater.com; ExecutiveStaff@Coastal; ExParte, Commissioner@Coastal; Padilla, Stephen@Coastal; Brownsey, Donne@Coastal; Turnbull-Sanders, Effie@Coastal; Aminzadeh, Sara@Coastal; Hart, Caryl@Coastal; Howell, Erik@Coastal; Uranga, Roberto@Coastal; Groom, Carole@Coastal; ccc@daynabochco.com; Wilson, Mike@Coastal; Rice, Katie@Coastal; Escalante, Linda@Coastal; catherine.stedman@amwater.com; info@watersupplyproject.org
Subject: Re: - cornelius wigg Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff

Comment in Support of the Monterey Peninsula Water Supply Project
Case Number: 9-19-0918

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Please support this desalination project to ensure our water future. Thank you for your consideration.

Sincerely,

cornelius wigg

Street Address: 8 Greenock Place
City: Del Rey Oaks
State: CALIFORNIA
Zip Code: 93940
Country: United States

(831) 3942858
wwiggwam@aol.com

98.207.192.55

Luster, Tom@Coastal

From: Staben, Jeff@Coastal
Sent: Tuesday, August 11, 2020 6:10 PM
To: Luster, Tom@Coastal
Subject: Fw: - Sam Teel Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff

fyi

From: Sam Teel <admin@watersupplyproject.org>
Sent: Tuesday, August 11, 2020 9:30 AM
To: luke.gianni@amwater.com <luke.gianni@amwater.com>; ExecutiveStaff@Coastal <ExecutiveStaff@coastal.ca.gov>; ExParte, Commissioner@Coastal <CommissionerExParte@coastal.ca.gov>; Padilla, Stephen@Coastal <Stephen.Padilla@coastal.ca.gov>; Brownsey, Donne@Coastal <donne.brownsey@coastal.ca.gov>; Turnbull-Sanders, Effie@Coastal <effie.turnbull-sanders@coastal.ca.gov>; Aminzadeh, Sara@Coastal <sara.aminzadeh@coastal.ca.gov>; Hart, Caryl@Coastal <caryl.hart@coastal.ca.gov>; Howell, Erik@Coastal <erik.howell@coastal.ca.gov>; Uranga, Roberto@Coastal <roberto.uranga@coastal.ca.gov>; Groom, Carole@Coastal <carole.groom@coastal.ca.gov>; ccc@daynabochco.com <ccc@daynabochco.com>; Wilson, Mike@Coastal <mike.wilson@coastal.ca.gov>; Rice, Katie@Coastal <katie.rice@coastal.ca.gov>; Escalante, Linda@Coastal <linda.escalante@coastal.ca.gov>; catherine.stedman@amwater.com <catherine.stedman@amwater.com>; info@watersupplyproject.org <info@watersupplyproject.org>
Subject: Re: - Sam Teel Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff

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Case Number: 9-19-0918

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Please support this desalination project to ensure our water future. Thank you for your consideration.

Sincerely,

Sam Teel

Street Address: 543 Asilomar Blvd.
City: Pacific Grove
State: Ca.
Zip Code: 93950

(831) 5219565
samteel@comcast.net
71.202.8.46

Luster, Tom@Coastal

From: Staben, Jeff@Coastal
Sent: Monday, August 03, 2020 8:42 PM
To: Luster, Tom@Coastal
Subject: Fw: - Myles Flores Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff

From: Myles Flores <admin@watersupplyproject.org>

Sent: Sunday, August 2, 2020 8:33 PM

To: luke.gianni@amwater.com <luke.gianni@amwater.com>; ExecutiveStaff@Coastal <ExecutiveStaff@coastal.ca.gov>; ExParte, Commissioner@Coastal <CommissionerExParte@coastal.ca.gov>; Padilla, Stephen@Coastal <Stephen.Padilla@coastal.ca.gov>; Brownsey, Donne@Coastal <donne.brownsey@coastal.ca.gov>; Turnbull-Sanders, Effie@Coastal <effie.turnbull-sanders@coastal.ca.gov>; Aminzadeh, Sara@Coastal <sara.aminzadeh@coastal.ca.gov>; Hart, Caryl@Coastal <caryl.hart@coastal.ca.gov>; Howell, Erik@Coastal <erik.howell@coastal.ca.gov>; Uranga, Roberto@Coastal <roberto.uranga@coastal.ca.gov>; Groom, Carole@Coastal <carole.groom@coastal.ca.gov>; ccc@daynabochco.com <ccc@daynabochco.com>; Wilson, Mike@Coastal <mike.wilson@coastal.ca.gov>; Rice, Katie@Coastal <katie.rice@coastal.ca.gov>; Escalante, Linda@Coastal <linda.escalante@coastal.ca.gov>; catherine.stedman@amwater.com <catherine.stedman@amwater.com>; info@watersupplyproject.org <info@watersupplyproject.org>

Subject: Re: - Myles Flores Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff

Comment in Support of the Monterey Peninsula Water Supply Project
Case Number: 9-19-0918

Dear Commissioners,

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Please support this desalination project to ensure our water future. Thank you for your consideration.

Sincerely,

Myles Flores

Street Address: 6603 Shenandoah Ave
City: Los Angeles
State: CA
Zip Code: 90056

(310) 3391108
mylesflores12@gmail.com
172.58.16.78

Luster, Tom@Coastal

From: Staben, Jeff@Coastal
Sent: Monday, August 03, 2020 8:19 PM
To: Luster, Tom@Coastal
Subject: Fw: - Scott Sweeney Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff

From: Scott Sweeney <admin@watersupplyproject.org>
Sent: Sunday, August 2, 2020 5:41 PM
To: luke.gianni@amwater.com <luke.gianni@amwater.com>; ExecutiveStaff@Coastal <ExecutiveStaff@coastal.ca.gov>; ExParte, Commissioner@Coastal <CommissionerExParte@coastal.ca.gov>; Padilla, Stephen@Coastal <Stephen.Padilla@coastal.ca.gov>; Brownsey, Donne@Coastal <donne.brownsey@coastal.ca.gov>; Turnbull-Sanders, Effie@Coastal <effie.turnbull-sanders@coastal.ca.gov>; Aminzadeh, Sara@Coastal <sara.aminzadeh@coastal.ca.gov>; Hart, Caryl@Coastal <caryl.hart@coastal.ca.gov>; Howell, Erik@Coastal <erik.howell@coastal.ca.gov>; Uranga, Roberto@Coastal <roberto.uranga@coastal.ca.gov>; Groom, Carole@Coastal <carole.groom@coastal.ca.gov>; ccc@daynabochco.com <ccc@daynabochco.com>; Wilson, Mike@Coastal <mike.wilson@coastal.ca.gov>; Rice, Katie@Coastal <katie.rice@coastal.ca.gov>; Escalante, Linda@Coastal <linda.escalante@coastal.ca.gov>; catherine.stedman@amwater.com <catherine.stedman@amwater.com>; info@watersupplyproject.org <info@watersupplyproject.org>
Subject: Re: - Scott Sweeney Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff

Comment in Support of the Monterey Peninsula Water Supply Project
Case Number: 9-19-0918

Dear Commissioners,

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Please support this desalination project to ensure our water future. Thank you for your consideration.

Sincerely,

Scott Sweeney

Street Address: 17915 Old Barn Ln
City: Salinas
State: Calif.
Zip Code: 93907

(831) 2406414
goscotty@msn.com
104.176.50.59

Luster, Tom@Coastal

From: Diana Jimenez <dmj95012@yahoo.com>
Sent: Monday, July 27, 2020 2:48 PM
To: Schwartz, Noaki@Coastal; richard coffelt; Luster, Tom@Coastal; Selvaraj, Sumi@Coastal; Eric Tynan
Cc: 'John Phillips'; Cosme Padilla; Adriana Melgoza; Ron
Subject: Re: Castroville for social Justice

Good Afternoon Eric and Coastal Commissioners,

I am very concerned about the impact and limits of the Castroville's water source and the continued high density development, over development, and high concentration of low income housing in spite of our lack of much needed infrastructure and traffic mitigation issues.

As I shared previously with Eric, I believe there are many inequities in policies that have and continue to impact Castroville such as being designated as a high density area which allows for development of high density apartments and concentrates low income housing in Castroville (like the East side of Salinas), regardless of the lack of safe water, high traffic/congestion, lack of infrastructure to support existing development, lack of sidewalks in many areas, lack of parking, lack of open recreational space for our children/families, lack of safe bike/walk trails to connect us to the nearby sloughs and beaches, and deteriorating buildings and streets to name just a few issues impacting our disenfranchised town.

I don't understand why we are not under the protection of the Coastal Commission to protect/prevent Castroville from being designated as a high density area considering we are only 3 miles from the ocean, while other communities that are further from the ocean are protected by the Coastal Commission from high density development. The end result has been a concentration of low income, high density apartments built or being built in our small town that add to the existing inequities, lack of infrastructure and lack of resources, which also keep our home values down in comparison to surrounding communities where property values are almost twice (and much more depending on the area) the value of Castroville property/homes.

I will review and share the information provided by Eric with other Castroville residents and the NMC LULAC Council. We plan to prepare and submit a letter with our concerns related to; high density housing /development in Castroville, need to have a long term water supply plan due to over pumping of our under ground water source that has led to sea water intrusion and shutting down of some of our water wells, and the need for Castroville to be protected under the Coastal Commission's rules and regulations due to Castroville being only 3 miles from the ocean.

Thanking you in advance for the opportunity to submit these comments.

Diana Jimenez
Castroville Resident
NMC LULAC President

On Tuesday, July 7, 2020, 05:43:39 PM PDT, Eric Tynan <eric@castrovillecsd.org> wrote:

Good to hear from you Noaki,

Hope you are well and happy and sorry for the delay.

I've reached out to several folks and am waiting to hear back from the ones that don't have a phone # attached to their name

- Adriana Melgoza- Social Activist, Legal Aid, member of Water Center, CCSD Board President and Active in Social Justice issues in our Community- **831.214.5053**
- Cosme Padilla- Former Planning Commissioner and CCSD Director and former president, LULAC and social justice Advocate- **831.905.3540**
- Ron Stefani- SVGWB Chair, M1W Chair, Artichoke Festival President, CCSD Director and former fire fighter- **831.595.1431**
- Diane Jimenez- Former LULAC President, and very active Social Activist for equidible Justice
- Pastor Rich- Food Bank, Chair Neighborhood watch and pastor at local house of worship
- M.C. Supervisor John Phillips- Founder of Rancho Cielo (second chance for at risk youth), County Supervisor, M.C. Superior Judge and M1W Director

Thanks for reaching out, I/WE really appreciate it

I'm also working on the number and percentage of Affordable/low income housing in my District for Tom

So far I have 333 confirmed units just from Moro Cojo CHISPA ,the MC Housing Authority & Midpen housing projects. This does not count the 50+ unpermitted garages turned into living quarters.

And there are currently low income and senior housing projects underway that will provide 90 homes and 126 apartments at CHISPA's Castroville Oaks and another 63 units at the Driscoll's Farm worker housing project

In addition, we have 100 single wide trailers in Moss Landing ,of primarily low income Field workers, 311 trailers at the Monte Del Lago Trailer park and 10 more shabby trailer single wide units at the north end of Castroville. Our total residential housing units is 1738

All told, I'm guessing we have **at least 60%** very low income housing (but probably much higher) .

In addition, we had RCAC do a Median Household Income study (MHI)and despite a low response from Field workers, due the current political climate, Castroville was still rated at a Severely Disadvantage Community (SDAC) with an MHI of only \$35,000.

I'm willing to bet that tiny ol' Castroville has more permitted Low Income Housing than the entire peninsula.

Because of Landwatch, Public Water Now and others that continue denying any water solution on the peninsula to keep low income folks like the ones from Castroville living in their community. One example is the Father Serra school that is closing after 80 years because of a lack of student, low numbers caused by keeping affordable housing for young families with children unreachable

Finally, while the MPWSP offers some hope and equitable justice to Castroville and North County, PWMx does nothing but take water from a seriously over-drafted basin and send it to solve water problems on the peninsula that no-growth groups have blocked for decades.

Sorry for the long message, we have a lot to cover.

I look forward to your next trip down, I'll try to line up some of our famous Artichoke

All the best and please stay well

Eric

J Eric Tynan

General Manager

Castroville CSD

11499 Geil Street

Castroville, CA. 95012

Off. 831.633.2560

Cell 831.235.0155

Fax 831.633.3103

Eric@castrovillecsd.org

From: Schwartz, Noaki@Coastal <Noaki.Schwartz@coastal.ca.gov>
Sent: Tuesday, July 7, 2020 2:14 PM
To: Eric Tynan <eric@castrovillecsd.org>
Subject: Castroville

Hi Eric,

Hope you're well. Can you resend those contacts you had suggested we reach out to on EJ issues?

Thanks,

Noaki

Noaki Schwartz

Public Information Officer

California Coastal Commission

Noaki.Schwartz@Coastal.ca.gov

c (562) 833-5487

Coalition of Peninsula Businesses

A coalition to resolve the Peninsula water challenge to
comply with the CDO at a reasonable cost

*Members Include: Monterey County Hospitality Association, Monterey Commercial Property Owners' Association,
Monterey Peninsula Chamber of Commerce, Carmel Chamber of Commerce, Pacific Grove Chamber of Commerce,
Monterey County Association of Realtors, Associated General Contractors-Monterey Division,
Pebble Beach Co., Community Hospital of the Monterey Peninsula*

June 18, 2020

John Ainsworth, Executive Director
Tom Luster, Senior Environmental Scientist
California Coastal Commission
45 Fremont Street, Ste. 2000
San Francisco, California 94105

Transmitted by fax to 415-904-5400, email to John.Ainsworth@coastal.ca.gov and
Tom.Luster@coastal.ca.gov

Re: Application No. 9-19-0918 and Appeal No. A-3-MRA-19-0034(Monterey Peninsula Water
Supply Project - MPWSP)

Dear Messrs. Ainsworth and Luster:

The Coalition of Peninsula Businesses submits this letter and additional information as a follow-up to our letter you of June 17, 2020. Our June 17th letter detailed 1) the inadequacy of the Monterey Peninsula water supply figures in the Monterey Peninsula Water Management District *Demand and Supply of Water for the Monterey Peninsula* report and 2) the Coastal Commission staffs' incorrect characterization of the Pure Water Monterey Expansion as a 'fully developed, viable' alternative to the desal portion of the Monterey Peninsula Water Supply Project.

The proposed Pure Water Monterey Expansion project was never intended to be a substitute or alternative for the desal plant. We attach Monterey One Water Resolution 2019-19 that addresses this point directly and unequivocally.

The Pure Water Monterey Expansion project Supplemental Environmental Impact Report was not certified by Monterey One Water because a number of deficiencies were identified. No further work to correct deficiencies in the SEIR is contemplated and no further work on the proposed project is planned. We attach the May 21st M1W General Manager-prepared staff report to the M1W Board that confirms these facts and outlines these conclusions.

As you saw in the chart accompanying our June 17th letter (which we include again with this letter), even if the Pure Water Monterey Expansion project were to be built, the resulting supply of water would not meet the Peninsula's water needs now or in the future.

As you can see, the Pure Water Monterey Expansion is neither 'fully developed' or 'viable.' It would be highly detrimental to solving the Peninsula's water supply needs for the Commission to tie the Peninsula's water future to this project.

The only way for the Peninsula to meet its water needs is with the desal project portion of the portfolio of projects you are asked to approve in Application No. 9-19-0918.

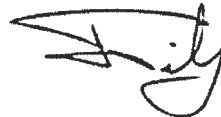
Please help the Peninsula solve its critical water supply shortage by approving Monterey Peninsula Water Supply Project. After over 40 years, it is time to help us achieve a sustainable and sufficient water supply that offers the added benefit of letting us stop, forever, illegal diversions from the Carmel River.

Please recommend and approve Application No. 9-19-0918.

Sincerely,



Jeff Davi, Co-chair



John Tilley, Co-chair

cc: Monterey Bay National Marine Sanctuary
National Marine Fisheries Service
State Water Resources Control Board
Monterey One Water
Monterey Peninsula Water Management District
Monterey County Water Management Agency
Monterey County Board of Supervisors
City Councils of Peninsula Cities

RESOLUTION NO. 2019-19**A RESOLUTION OF THE BOARD OF DIRECTORS OF
MONTEREY ONE WATER STATING THAT ITS PRIOR APPROVAL
TO PROCEED WITH THE POTENTIAL EXPANSION OF THE PURE
WATER MONTEREY PROJECT WAS DONE ONLY AS A BACK-
UP PLAN FOR, AND NOT AS AN ALTERNATIVE TO, CAL-AM'S
DESALINATION PROJECT**

WHEREAS, on March 25, 2019, at a regular M1W board meeting, this Board considered an agenda item of proceeding with the approval of the funding of preparation for environmental, permitting and detailed design work for the potential expansion of the Pure Water Monterey (PWM) Project, and pursuant to agreement M1W was and is to be reimbursed by the MPWMD and Cal-Am for their apportioned shares associated with all the potential expansion environmental, permitting and design costs; and

WHEREAS, the staff report on this matter, and the discussion of the Board Members regarding it, made it clear that the proposed PWM Expansion was to be "only a backup water supply to the Cal Am desalination plant . . . In the event that the Cal Am plant becomes delayed" with regard to meeting the Cease and Desist Order deadline of December 31, 2021, and not as a replacement to Cal-Am's desalination project; and

WHEREAS, contrary to the purpose and intent of this Board in proceeding with working on the potential expansion of the PWM Project, as stated above, there is currently substantial confusion in the community about this Board's intent; and

WHEREAS, at all times herein M1W remains in a contractual and working relationship with Cal-Am to sell 3500 acre feet of recycled/purified water to Cal-Am when the PWM Project begins production, to modify the M1W outfall, to construct a brine mixing structure, etc.; and

WHEREAS, the purpose and intent of this Resolution, therefore, is to clarify and restate, for the record, the understanding and basis upon which this Board has proceeded with looking into and working on the expansion of the PWM Project.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Monterey One Water that it hereby restates and reiterates that its prior approval

of proceeding with the initial environmental, permitting and design work for the potential expansion of the Pure Water Monterey Project was done specifically as a backup plan to, and not as an option in the place of, the Cal Am desalination project, and only to have a ready-to-go alternative plan in place in the event that the Cal Am desalination project is delayed beyond the Cease and Desist Order deadline of December 31, 2019.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Monterey One Water at a regular meeting duly held on October 28, 2019 by the following vote:

AYES:

NOES:

ABSENT:

Ron Stefani, Board Chair
M1W Board of Directors

ATTEST:

Paul A. Sciuto, General Manager
Secretary to Board of Directors



Monterey One Water

Providing Cooperative Water Solutions

Board of Directors Meeting Staff Report

TO: Board of Directors

FROM: Paul A. Sciuto, General Manager

MEETING DATE: May 21, 2020

AGENDA ITEM NO: 7 - B

SUBJECT: **Discuss and Consider Issues and any Options Relative to the PWM Expansion Project and the SEIR (not certified)**

BACKGROUND

On April 27, 2020, the MIW Board did not act to certify the Supplemental Environmental Impact Report (SEIR) for the Pure Water Monterey Expansion (Back-up) Project. Staff has received inquiries from Board Members about whether it might be appropriate for the Board to consider and discuss further any actions that might be suitable or opportune regarding the SEIR and the project. Also, on May 1, 2020 the MIW Board of Directors received the attached letter from the Monterey Peninsula Water Management District (MPWMD) requesting identification of specific deficiencies found in the SEIR. These matters were discussed in some detail by the Recycled Water Committee at its meeting on May 14th, 2020.

DISCUSSION

There are a number of options the Board may consider and discuss in regard to further action on the not certified SEIR and the PWM Expansion Project.

Staff has noted that the Agency does not have additional budget funds at this time for dealing with any additional deficiencies that have been identified by some Board Members or could be identified in the future. The Agency has suspended all of the remaining contracts on these matters to prevent further consultant expenditures. This includes related work that was being done specifically for Cal Am. At least one Board Member expressed at April's Board meeting an interest in seeing further work to address the questions and comments that were provided to the Board. It might be appropriate for the Board to consider providing further guidance in that regard.

At its meeting the Recycled Water Committee discussed whether, in light of other critical MIW priorities and the uncertain financial environment due to COVID 19 impacts to the economy, it might not be prudent to move forward with any work regarding PWM Expansion at this time.

Some of the other critical priorities include:

- Meeting PWM injection volumes as required by the Water Purchase Agreement with Cal Am and the Monterey Peninsula Water Management District (MPWMD).
- Deferred maintenance at the Agency's Regional Treatment plant, pump stations, and field facilities.

- Increasing rehabilitation and replacement of infrastructure assets.
- Increasing financial reserves to be more fiscally stable

Furthermore, the current financial situation will require a contraction of expenditures and potentially a decrease to levels of service provided by the Agency. The reduction of financial capacity may result in:

- Not filling needed vacant positions.
- Drastic budget cuts (about 12.5% to 15%) for 2020/2021 fiscal year.
- Furloughs and layoffs of employees.
- Opening and renegotiating of labor agreements.

In the Board's discussion, it could determine that it is appropriate for it to also consider in connection with this matter the draft list staff was directed to compile of deficiencies identified regarding the SEIR based on the statements made by Board members during the April 27, 2020 Board meeting. This list was directed to be prepared as a potential response to the letter received from the MPWMD, which requested that this Agency "identify specific deficiencies found in the SEIR," and is as follows:

1. Source Water. The SEIR does not adequately address the number of comments and concerns expressed that it cannot document the quantity and reliability of the source water available to the Expansion Project.
2. Water Supply and Demand. The SEIR fails to support its conclusion about long-term water supply and demand, and that conclusion is contrary to the CPUC demand determination and the estimates from the individual cities involved.
3. Agricultural Water Supplies. It fails to properly evaluate potential impacts to agricultural water supplies due to a significant reduction in available agricultural irrigation water because of the Expansion.
4. Cumulative Impact. The SEIR fails to evaluate the Expansion either as an alternative to or a cumulative project with the MPWSP desalination facility.

FISCAL IMPACT

None identified at this time.

RECOMMENDED ACTION:

That the Board of Directors consider and discuss these matters and make such decisions regarding same as it deems appropriate.

Attachment:

1. May 1, 2020 letter from MPWMD Board of Directors

Coalition of Peninsula Businesses
Comparative Estimates of Water Supply and Demand
June 15, 2020

Note: Only Desal or PWM Expansion would conceivably occur, but not both.

	AFA								
	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6	Scenario 7	Scenario 8	Scenario 9
Water Sources	Desal/ No Deal/ Full ASR	Desal/ No Deal/ Half ASR	Desal/ No Deal/ Full ASR	No Deal/ Full ASR	No Deal/ Half ASR	No Deal/ Full ASR	No Deal/ Full ASR	No Deal/ Half ASR	No Deal/ No ASR
MPWSP Desal	6,252	6,252	6,252	0	0	0	0	0	0
Pure Water Monterey, PWM (ground water recharge)	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
PWM Expansion, PWME ¹				2,250	2,250	2,250			
Carmel River	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376
Seaside Basin	774	774	774	774	774	774	774	774	774
Aquifer Storage & Recovery, ASR	1,300	650	0	1,300	650	0	1,300	650	0
Sand City Desal	94	94	94	94	94	94	94	94	94
Totals	15,296	14,646	13,996	11,294	10,644	9,994	9,044	8,394	7,744

Water Demand Estimates	% Scenarios Above Are Able to Meet Different Water Demand Projections				
	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5
CPUC Original Estimate (AFA) ^{2,3,4,6}	100%	96%	92%	74%	70%
MPWMD - Revised HIGH Estimate (AFA) ^{2,3,4,6}	124%	119%	114%	92%	87%
MPWMD - Revised LOW Estimate (AFA) ^{2,3,4,6}	141%	135%	129%	104%	98%

Major Observations:

- Even under the best MPWMD water source assumption without desal (Scenario 4), all water sources cannot meet the MPWMD high estimate of water demand, and continues to be the case even if the additional 406 AFA of "Other Available Supplies" is accessed as noted on MPWMD's Document Supply and Demand for Water on the Monterey Peninsula dated Dec. 3, 2019.
- Only one water source scenario without desal, Scenario 4, can meet projected water demand and only if the MPWMD's revised low water demand assumption consistently occurs, and assuming none of the footnotes below are taken into consideration.
- Scenario 7 is most reflective of current state -- no desal, no PWM Expansion or likely to occur given decision by MFW Board, and ASR 5-year historical average injection amount of 1,164 AF for water years 2016-2020. Note: ASR production can be adversely affected by low rainfall and drought years.
- Only with desal can CPUC's original or revised demand estimates, or MPWMD's revised high estimate, be satisfied.

¹ MFW Board already voted that PWM Expansion is only to be a back-up if Desal doesn't proceed, and also recently declined to certify the SEIR or pursue PWM Expansion further.
² CPUC estimate includes water allocations for legal lots of record of 1,181 AFA, tourism bounce-back of 500 AFA, and Pebble Beach buildout of 325 AFA, whereas MPWMD's estimates reflect lower amounts for its revised high and low projections of 1,614 and 864 for legal lots of record; 250 and 100 for tourism bounce-back; and 160 and 103 for the Pebble Beach buildout.
³ In Sept. 2018, the CPUC determined that CalAm's overall future water demand will be approximately 14,000 AFA, but for this comparative exercise, the original estimate is used as 14,000 AFA has no impact on the four Ms for Observations above.
⁴ CPUC estimates predated recent State mandatory new housing requirements, while MPWMD includes some minimal discussion and considerations for new housing needs as part of its revised high and low estimates for legal lots of record. The importance of ensuring an adequate housing supply warrants continued assessment and refinement of related water needs.
⁵ Some of the parties originally agreeing to the CPUC demand estimate are not in agreement with the lower revised high and low MPWMD-determined estimate.
⁶ None of the water demand estimates take into account the future water needs of the various Monterey Peninsula federal and military installations, a key potential factor in the next round of closures and realignments.

Luster, Tom@Coastal

From: Bob McKenzie <jrbobmck@gmail.com>
Sent: Tuesday, June 16, 2020 11:34 PM
To: Ainsworth, John@Coastal; Luster, Tom@Coastal
Subject: Coalition of Peninsula Businesses letter re Application No. 9-19-0034
Attachments: CPB to CCC wChart.pdf

Mr. Ainsworth and Mr. Luster:

Attached is a letter and chart from the Coalition of Peninsula Businesses concerning the Monterey Peninsula Water Supply Project and the inadequacy of the Supply and Demand for Water on the Monterey Peninsula sent to you by Monterey Peninsula Water Management District.

If you have any questions, please contact me.

Thank you.

Bob McKenzie, Consultant
Coalition of Peninsula Businesses

Coalition of Peninsula Businesses

A coalition to resolve the Peninsula water challenge to
comply with the CDO at a reasonable cost

*Members Include: Monterey County Hospitality Association, Monterey Commercial Property Owners' Association,
Monterey Peninsula Chamber of Commerce, Carmel Chamber of Commerce, Pacific Grove Chamber of Commerce,
Monterey County Association of Realtors, Associated General Contractors-Monterey Division,
Pebble Beach Co., Community Hospital of the Monterey Peninsula*

June 17, 2020

John Ainsworth, Executive Director
Tom Luster, Senior Environmental Scientist
California Coastal Commission
45 Fremont Street, Ste. 2000
San Francisco, California 94105

Transmitted by fax to 415-904-5400, email to John.Ainsworth@coastal.ca.gov and
Tom.Luster@coastal.ca.gov

Re: Application No. 9-19-0918 and Appeal No. A-3-MRA-19-0034(Monterey Peninsula Water
Supply Project - MPWSP)

Dear Messrs. Ainsworth and Luster:

Coastal Commission staff recommended denial of the above captioned application and appeal based
in part on two erroneous assumptions.

The first assumption is that the desalination portion of the Monterey Peninsula Water Supply
Project portfolio could be replaced by expansion of another portion of the project's portfolio, Pure
Water Monterey, because that is a 'viable alternative.'

Another assumption is that the Supply and Demand for Water on the Monterey Peninsula report
provided to staff, which purports to show that either desal or expanded Pure Water Monterey is
sufficient to satisfy the Peninsulas water supply needs, is reflective of Peninsula water reality.

To deal with the second assumption, we enclose our recently created chart that shows that the
assumed water supply available to the Peninsula satisfies all water demand for the next 20 years or
more is seriously flawed and clearly shows that even if the production figures are met, and the Pure
Water Monterey Expansion were to be achieved, the supply is not adequate to current needs.

Importantly, there is nothing in the 20-year history of the Peninsula's Aquifer Storage and Recovery
project that indicates the project would yield anything approaching the assumed 1,300 afa.

You should also note that Pure Water Monterey is not yet operational and is in at least double-

default of the production guaranteed by the Water Purchase Agreement, so to assume it will produce the required 3,500 afa is not warranted without several years of operational experience to base that projection on.

As you can see on the chart, no water supply option except the option that includes the desal plant is adequate to the Peninsula's current or long-term water needs.

The first assumption is that the Pure Water Monterey Expansion is a "viable" alternative to the desal portion of the water supply portfolio. This is erroneous for at least two reasons: the Pure Water Expansion Project Supplemental Environmental Impact Report is not certified and, inexplicably, the necessary federal environmental work has not yet been started (a point shockingly dismissed by Monterey One Water staff and environmental consultants); even if the expansion were to be accomplished and perform to its standard, the amount of water supply available would not be sufficient to the Peninsula's water needs.

The theory of a portfolio approach to solving our decades-old water supply crisis is sound and was supported by almost all interested parties for years. That theory is that through a project portfolio approach, if a production glitch occurs in one part of the portfolio the other two could make up for a temporary lack of production by the affected part.

In addition to solving the decades-old water supply problem for those of us who live and work on the Peninsula, you have been reminded, recently and strongly, by the National Marine Fisheries Service and the State Water Resources Control Board, of the critical environmental need to solve the water supply problem and eliminate the illegal diversions of water from the Carmel River.

Please reconsider your recommendation and instead recommend approval of the Monterey Peninsula Water Supply Project.

Sincerely,



Jeff Davi, Co-chair



John Tilley, Co-chair

cc: Monterey Bay National Marine Sanctuary
National Marine Fisheries Service
State Water Resources Control Board
Monterey One Water
Monterey Peninsula Water Management District
Monterey County Water Management Agency
Monterey County Board of Supervisors
City Councils of Peninsula Cities

Coalition of Peninsula Businesses

Comparative Estimates of Water Supply and Demand

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Major Observations:

- I. Even under the best MPWMD water source assumption without desal (Scenario 4), all water sources cannot meet the MPWMD high estimate of water demand, and continues to be the case even if the additional 406 AFA of "Other Available Supplies" is accessed as noted on MPWMD's document *Supply and Demand for Water on the Monterey Peninsula* dated Dec. 3, 2019.
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