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Th7a8a

Appeal A-3-MRA-19-0034
Coastal Permit Application 9-20-0603
(California American Water Co.)

November 17, 2022

PRIOR CORRESPONDENCE FROM

SEPTEMBER 17, 2020 HEARING

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Th3a & 4a

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

California-American Water

CORRESPONDENCE

FROM THE AGENCIES

Monterey One Water
Providing Cooperative Water Solutions
ADMINISTRATION OFFICE: 5 Harris Court, Bldg D, Monterey, CA 93940
MAIN: (831) 372-3367 or (831) 422-1001 FAX: (831) 372-6178
WEBSITE: www.montereyonewater.org

Copy by e-mail to: Tom.Luster@coastal.ca.gov

August 20, 2020

Mr. Tom Luster
California Coastal Commission
Energy and Ocean Resources Unit
455 Market Street, Suite 228
San Francisco, CA 94105

Re: Response to Requests for Clarification regarding Latham & Watkins, LLP letter dated August 13 regarding Monterey Peninsula Water Supply Project CDP Application No. 9-19-0918 and Appeal No. A-3-MRA-19-0034

Dear Mr. Luster:

With this letter, Monterey One Water ("M1W") hereby responds to your inquiry dated August 13, 2020 regarding the above-referenced letter from Latham and Watkins LLC.

Water Supply and Demand and Exhibit 2 (Hazen & Sawyer Letter)

Declining Wastewater Flows

The Latham and Watkins letter and Exhibit 2 appears to contain inaccurate analyses and conclusions regarding sources of supply and yields for the PWM Project and the possible PWM Expansion, as proposed by others. In Exhibit 2, Figure 3, Hazen & Sawyer showed a decline in influent wastewater flow volumes from 2000 to 2013, and using that historic and incomplete influent data, they project 2014 through 2020 volumes using a trend line (linear extrapolation). The incorrect resultant wastewater flows in 2020 of 17,016 acre-feet per year (AFY) permeates into analysis throughout the remainder of the report. Figures on pages 12, 14, and 20 and associated text in Exhibit 2 are based on multiple inaccuracies (see also Surface Water Limitation which further falsify these charts). Actual flows since 2013 are shown below.

Regional Treatment Plant Influent Wastewater Flows	
Year	**Volume (in AFY)**
2014	21,695
2015	19,739
2016	20,474
2017	19,860
2018	18,810
2019	18,875
Six-Year Average	**19,909**

The inaccurate trend line result is then incorrectly reduced further using an erroneous correlative relationship. Hazen and Sawyer apply a wastewater volume reduction factor of 15.3% based on a trend of CalAm service area water demands. Wastewater flows to the Regional Treatment Plant (RTP) do not correlate to CalAm water demands for the following reasons:

1) the Monterey Peninsula, including the Marina Coast Water District (MCWD) water supply service area, comprises only approximately 46% of the influent flow to the M1W RTP;

2) CalAm's service area contains Pebble Beach, Carmel and vicinity, Carmel Valley none of which are included in M1W's service area; and

3) a substantial portion of the decline in Monterey Peninsula/CalAm demands are due to reduced outdoor irrigation which have no effect on wastewater flows.

The combined errors underestimate wastewater flows at the RTP by approximately 3,000 AFY.

Source Waters for PWM Expansion

Notwithstanding the above, the future amount of additional Agricultural Wash Water, Blanco Drain, and Reclamation Ditch available to the Pure Water Monterey Project depends on the satisfaction of conditions precedent contained in Section 16.15 of the *Amended and Restated Water Recycling Agreement* ["Water Recycling Agreement"] that would enable M1W to use those waters for agricultural irrigation in Salinas Valley.

The source water discussion for the possible PWM Expansion is complex due to the number of variables in the system. However, the document "Approved Pure Water Monterey Project and Proposed Modifications to Expand the PWM Project – Source Water Operational Plan" in Appendix M - Supplemental Environmental Impact Report (SEIR) provides a detailed analysis of source water to meet the possible PWM Expansion yield in all scenarios using the following:

- secondary effluent otherwise discharged to the ocean,
- one half of wastewater from outside the 2001 service area,
- waters committed in the Water Recycling Agreement (section 4.01 1(d)), and
- operating reserve (in a drought year if conditions precedent in Water Recycling Agreement Section 16.15 are not met).

There is disagreement from the M1W Board regarding adequacy of source waters for the PWM Expansion.

PWM Project (Ian Crooks Letter)

Delays

For the last six months, the PWM Project has been producing purified recycled water and recharging the Seaside Basin. As originally intended, the PWM Project is delivering the first new drinking water supply for North Monterey County in over a decade.

The Latham and Watkins letter to the Coastal Commission criticizes M1W for having scheduling delays on the PWM Project, as if the Cal-Am Monterey Peninsula Water Supply Project has not experienced any delays. Implementing a $100+ million public works infrastructure projects in under seven years from conception to operation is a monumental success that should be celebrated by all local, regional, and State-level stakeholders, including Cal-Am.

Injection Well Operational Problems and Solutions to Meet Yield Requirements

The PWM Project planning, CEQA certification, permitting, and the Water Purchase Agreement (WPA) consisted of four deep wells and four shallow wells. Currently, there are two deep wells and two shallow wells, which was intended as a potential cost-saving measure for rate payers. Unfortunately, Mother Nature and the uncertainties of the local hydrogeology did not cooperate, such that the shallow wells have underperformed. It is anticipated the two existing deep wells, currently going through final commissioning, will eventually approach and possibly exceed their planned injection capacity. To ensure adequate long-term recharge capacity, a third deep well is being designed and is scheduled for operation by the end of 2021.

The PWM Project will complete delivery of its first 1,000 acre-feet to the Seaside Basin this week to meet the WPA operational reserve. The PWM Project water deliveries will then be used by CalAm to reduce Carmel River diversions. The original objective of an average of 3,500 AFY of groundwater injections for water supply is achievable with current plans to complete the third deep injection well. Upon completion of the next injection well, the Project is expected to achieve the 3,700 AFY injection yield pursuant to the WPA. An implementation schedule detailing the timelines for existing well improvements and the third injection well is attached as **Exhibit A**.

Potential PWM Expansion Status

The SEIR for a possible PWM Expansion was not certified by the M1W Board on April 27, 2020. Staff was directed to suspend work on any aspect of the PWM Expansion.

Agricultural Source Water Issues

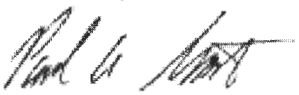
The comment regarding the treatability of the Salinas industrial wastewater (SIWW) or "Agricultural Wash Water" in Latham and Watkins letter (page 4, last bullet) is incorrect. The SIWW has been successfully treated at the RTP and advanced water purification demonstration facility since 2013 and recently through the Advanced Water Purification Facility. M1W has met all regulatory water quality standards while treating SIWW.

The SIWW is a safe source water for the PWM Project. The Division of Drinking Water approved the use of SIWW as additional RTP influent after extensive review of its water quality and PWM pilot testing results, and with independent expert input from a National Water Research Institute Independent Advisory Panel. The SIWW flows presently are not needed to meet the PWM Project production goals or agricultural irrigation recycled water demands. Source water diversion volumes are not included in the monthly and quarterly reports, but they will be reported in the annual reports.

There is nothing controversial about the safety of the SIWW; its treatment challenges are conventional and manageable. Typical constituents are total organic carbon, biological oxygen demand and phosphate. Should satisfaction of conditions precedent contained in Section 16.15 of the Water Recycling Agreement not occur, Monterey County Water Resources Agency shall retain the right to utilize 100% of the SIWW.

Please contact me if you have any further questions or require additional information.

Sincerely,



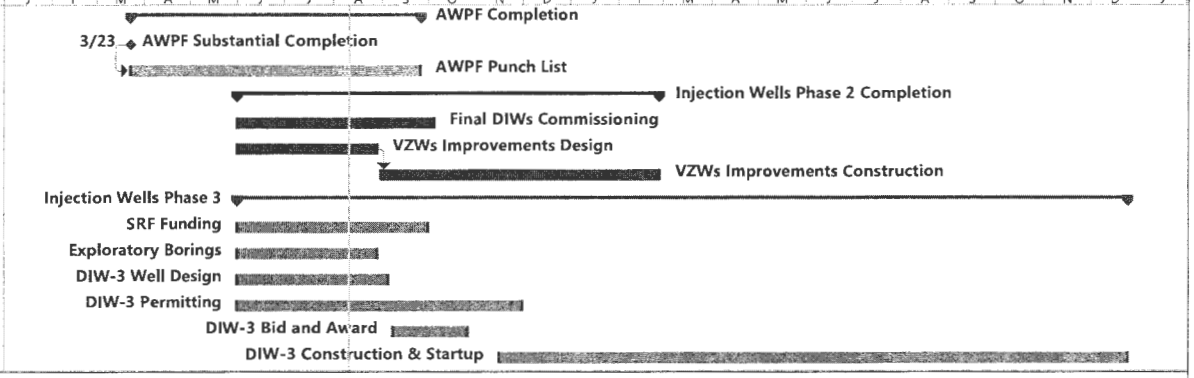
Paul A. Sciuto
General Manager

Enclosure: Exhibit A. Pure Water Monterey Executive Schedule

Exhibit A

Pure Water Monterey Executive Schedule for 8-20-20 RWC Meeting

ID	Task Name	Duration	Start	Finish
1	**AWPF Completion**	**133 days**	**Mon 3/23/20**	**Fri 9/25/20**
2	AWPF Substantial Completion	1 day	Mon 3/23/20	Mon 3/23/20
3	AWPF Punch List	133 days	Mon 3/23/20	Fri 9/25/20
4	**Injection Wells Phase 2 Completion**	**191 days**	**Mon 6/1/20**	**Fri 2/26/21**
5	Final DIWs Commissioning	89 days	Mon 6/1/20	Sun 10/4/20
6	VZWs Improvements Design	65 days	Mon 6/1/20	Fri 8/28/20
7	VZWs Improvements Construction	126 days	Mon 8/31/20	Fri 2/26/21
8	**Injection Wells Phase 3**	**404 days**	**Mon 6/1/20**	**Fri 12/24/21**
9	SRF Funding	87 days	Mon 6/1/20	Wed 9/30/20
10	Exploratory Borings	65 days	Mon 6/1/20	Fri 8/28/20
11	DIW-3 Well Design	70 days	Mon 6/1/20	Fri 9/4/20
12	DIW-3 Permitting	130 days	Mon 6/1/20	Mon 11/30/20
13	DIW-3 Bid and Award	35 days	Tue 9/8/20	Mon 10/26/20
14	DIW-3 Construction & Startup	285 days	Mon 11/16/20	Fri 12/24/21



Project: PWM GWR Summary
Date: Tue 8/11/20

AWPF
Injection Well Ph 2
Injection Well Ph 3

AWPF Summary
Injection Well Ph 2 Summary
Injection Well Ph 3 Summary

AWPF Milestones

Coastal Commission Testimony – Secretary for Environmental Protection, Jared Blumenfeld – August 12, 2020

Background

- Good morning, Chair Padilla and members of the Commission. Thank you for providing this opportunity to talk with you this morning.

- I asked for the time with you this morning in order to provide background and context related to the State Water Resources Control Board's efforts to protect the Carmel River and its threatened native fisheries from decades of unlawful diversions.

- Historically over 10,000 steelhead spawned in the Carmel River and over 1,700 returned to spawn in the 1970s.

- Due to development and unlawful diversions, only 129 steelhead were observed at Los Padres Dam in 2019.

- During the last drought, zero spawning steelhead were observed in the river for all of 2014, 2015, and 2016.

- The steelhead fishery in the Carmel River continues to be threatened.

- The lower 9.5 miles of river are seasonally dry in most years, in part due to the ongoing illegal diversions.

- While significant investments and improvements in habitat and removal of fish passage barriers (San Clemente Dam was removed in 2015) have helped create better conditions, there are still significant concerns for the fishery.

- In March of 2020, the Branch Chief for the National Marine Fisheries Science Central Coast Branch testified before this Commission that

overutilization of freshwater from the Carmel River continues to constrain steelhead habitat and migration.

- The main local water supplier, California American Water (Cal-Am) provides retail water supply to around 97,000 people in the Monterey Peninsula.

- Approximately 70% of Cal-Am's water supply comes from a series of wells drilled into the subterranean stream of the Carmel River.

- Cal-Am's water rights to Carmel River were approximately 3,400 acre-feet per year in 1995.

- At the time, Cal-Am was illegally diverting roughly 10,500 acre feet each year on top of their authorized diversions.

- Cal-Am has since obtained additional rights, but in 2019, Cal-Am still diverted about 2,700 acre feet a year without a valid right.

- The illegal diversions directly contribute to seasonal dewatering of more than 9 miles of river, which has contributed to the collapse of the native steelhead fishery on the river.

State Water Board Actions

- Over 25 years ago, in 1995, the State Water Board issued its first Water Right Order (WR 95-10) against Cal-Am for the illegal diversion of water from the Carmel River.

- Though Cal-Am and Monterey Peninsula communities have reduced per capita water consumption over time, significant unlawful diversion and use of water have continued, and continue today.

- When Cal-Am failed to stop its unlawful diversions, the Board issued a Cease and Desist Order in 2009 that provided a clear timeline to cease the illegal diversions.

- The Cease and Desist Order addresses the ongoing public trust impacts and lack of progress in finding an alternative source of water supply for the Monterey Peninsula sufficient to eliminate the illegal diversions from the Carmel River.

- The State Water Board's Order is focused on one goal: to cease the illegal diversions from the Carmel River for the protection of native fish, including steelhead, and other public trust resources.

- The Order called on Cal-Am, in coordination and cooperation with local stakeholders and agencies, to identify and develop a new alternative source of water supply.

- The Order also left the choice of what type of alternative supply project to Cal-Am and local stakeholders, recognizing that the local water supplier and community were best positioned to understand the needs, costs, and local conditions.

- The timelines in the 2009 Order (to cease all unlawful diversions by 2016) were not met.

- In 2016, the Board issued another order that extended the timeline for ceasing illegal diversions to the end of 2021.

- This provided Cal-Am and the local community another five years to develop a local solution and alternative source of water.

- In doing so, the Board recognized that clear milestones and targets were needed and that failure to meet those milestones could not forestall protection of the Carmel River and its public trust resources.

- The cease and desist order has also had the effect of limiting new housing development in the region as there is a moratorium on new water service connections.

- The Monterey Peninsula has maintained significant water conservation in light of ongoing unauthorized diversions.

- The terms and conditions of the cease and desist order will continue to apply until rescinded.

- The Water Board has signaled that future timeline extensions to cease the unlawful diversions from the River are unlikely to be granted.

- Cal-Am faces significant accrued and continuing penalties if it fails to comply.

The Water Supply Alternatives

- By 2015, stakeholders had focused on two water supply projects: a recycled water project and a desalination project.

- The recycled water project, or Pure Water Monterey, which recently started production, received significant support and resources from the state.

- The State Water Board provided the following funding (all values rounded):
    - $110 million from the Clean Water State Revolving Fund, at 1% interest.
    - $15 million from the water recycling funding program construction grant (no repayment).
    - $2.5 in Proposition 1 Stormwater Grant Funding (no repayment).
    - Pure Water Monterey has recently requested an additional $6 million for construction of an injection well, which is currently under review.

- Pure Water Monterey is expected to produce up to 3,500 acre feet per year of water for Cal-Am, depending on how the project operates and performs. There have been reported issues with the performance capacity of the existing injection wells that reduces the expected yield.

- As you know, a desalination project has also been proposed, and its components within the Coastal Zone will be the subject of your hearing in September.

- That project would ultimately produce approximately 6,200 acre feet per year.

- But essential facilities, including intake and desalination plant structures, have yet to proceed beyond the design and permitting stage.

- In part that is because the Coastal Commission has not yet acted on Cal-Am's Coastal Development Permit application and appeal, which are before you next month.

- To date, the desalination project has not received funding from the Board but a funding application is pending.

- Based on what appeared at the time to be both strong support and agreement among Cal-Am and most local stakeholders and a feasible path to lawful water supplies by the end of 2021, the State Water Board's 2016 order set annual milestones based on completion of both of these projects.

- The California Public Utilities Commission has also issued necessary analyses, findings, and authorizations for Cal-Am to proceed with and obtain water supplies from these projects.

Further Delay Will Have Significant Impacts

- Due to permitting delays, however, it is already clear that Cal-Am will not meet some future milestones laid out in the 2016 Cease and Desist Order.

- The 2016 Order requires drilling activity for at least one source well and construction of building foundations and 25% of transmission pipelines for the desalination project by September 30, 2020.

- Cal-Am will likely be able to manage to avoid severe restrictions even though it will miss the 2020 milestone.

- However, the final deadline of December 31, 2021, at which point **all** further illegal diversions from the Carmel River must stop, will be difficult or impossible to meet without the development of further alternative supplies.

- It is clear at this point that neither the proposed desalination project nor the proposed Pure Water Monterey expansion will be constructed and operating by then.

- The State Water Board and CalEPA continue to urge Cal-Am, the Monterey Peninsula community, and other water users and suppliers in the region, to consider how this final compliance deadline can still be met and sustained until a sustainable and long-term replacement water supply is developed.

- The Monterey Peninsula simply can no longer operate and grow by relying on unauthorized water supplies from the Carmel River.

- Further delay in securing alternative water supplies and ceasing unlawful diversions will only continue to add uncertainty, cost, and cause additional public trust impacts that threaten the existence of the Carmel steelhead fishery.

- By providing clarity in the Commission's actions next month, you will set a clear milestone of your own that is critical for resolving the ongoing supply challenges and disputes in the region.

- In summary, I urge you to commit to acting on the desalination project application in September for the benefit of local water users and the public trust resources that we all have an obligation to preserve, restore, and enhance.

- I would also like to offer each of you the chance to have briefings from State Water Board staff if you would like any additional background or information on their efforts over the last 25 years to protect the Carmel River.

- Thank you very much for your time.

Additional Background on State Water Board Water Right Actions and Alternative Supply Projects

The State Water Board has issued three orders against Cal-Am over the last 25 years for illegally diverting from the Carmel River:

1. Order WR 95-10
    - Found Cal-Am was illegally diverting 10,730 AFA from the Carmel River, and ordered Cal-Am to obtain legal rights or find alternative water sources.
2. Order WR 2009-0060
    - Found Cal-Am was still diverting over 7,500 AFA; ordered Cal-Am to cease illegal diversions by the end of 2016.
    - Imposed a moratorium on new service connections and on increased water delivery to existing service connections that undergo significant changes.
3. Order WR 2016-0016
    - Found Cal-Am was still illegally diverting approximately 3,800 AFA
    - Extended Cal-Am's compliance deadline to the end of 2021.
    - Added milestones for the development of alternative water supplies, which included both a recycled water and desalination facility. To ensure that the *final* compliance deadline is met even if the water supply projects are not timely developed, the Order requires Cal-Am reduce its interim diversions by up to 1,000 acre-feet per year if the annual milestones are not met.

In general, the Orders require that Cal-Am cease all illegal diversions by the end of 2021, regardless of whether new water supply projects are built.

New Water Projects

Cal-Am has focused on the development of a recycled water project and a desalination project to replace the illegal diversions.

1. Pure Water Monterey: an indirect potable reuse groundwater replenishment project. Expected to begin delivery in mid-2020, will supply approximately 3,500 AFA and create an approximately 1,000 acre-foot drought reserve (banked groundwater).
2. Proposed Monterey Peninsula Water Supply Project Desalination Facility: a desalination facility that would provide approximately 6,250 AFA to Cal-Am through use of slant well technology drilled below the ocean floor.

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

June 15, 2020

Mr. John Ainsworth
Executive Director
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105

Via Email

RE: Application No. 9-19-0918 and Appeal No. A-3-MRA-19-0034 (California American Water Company)

Dear Mr. Ainsworth:

On behalf of the Monterey Peninsula Water Management District, we are writing to encourage the California Coastal Commission to deny the Coastal Development Permit for California American Water Company's proposed desalination facility.

- Pure Water Monterey (PWM) expansion is a feasible alternative to the desalination facility. PWM is an advanced water purification facility that is already producing water for potable supply. The expansion could be constructed in approximately 20 months.

- PWM expansion has less adverse environmental impact than the proposed desalination facility, and no new construction in the coastal zone.

- PWM expansion is more than sufficient to lift the Cease and Desist Order in our community. Based on the most recent pumping and demand history, only approximately 800 acre-feet per year (afy) of new supply is required to do so – at 2,250 afy PWM expansion is more than sufficient.

- Based on the report titled "*Supply and Demand for Water on the Monterey Peninsula*" adopted by the District on May 18, 2020, PWM expansion provides a new water supply sufficient to meet the future needs of the Peninsula for the next 20 to 30 years.

- While both proposed water supply projects meet the current and future needs of the Peninsula, PWM expansion will save the ratepayers approximately $1 billion compared to desalination over a 30-year lifecycle.

Desalination can be looked at for providing the next increment of water needed on the Peninsula, and perhaps regionally, somewhere down the road when additional supplies appear to be required.

Thank you for your consideration of the District's position.

Sincerely,

The Board of Directors
Monterey Peninsula Water Management District

Luster, Tom@Coastal

From:	MWChrislock <mwchrislock@redshift.com>
Sent:	Friday, June 12, 2020 8:25 AM
To:	Padilla, Stephen@Coastal; Bochco, Dayna@Coastal; Turnbull-Sanders, Effie@Coastal; Hart, Caryl@Coastal; Aminzadeh, Sara@Coastal; Brownsey, Donne@Coastal; Escalante, Linda@Coastal; Wilson, Mike@Coastal; Groom, Carole@Coastal; Rice, Katie@Coastal; Howell, Erik@Coastal; Uranga, Roberto@Coastal
Cc:	Luster, Tom@Coastal; Ainsworth, John@Coastal; CalAmMonterey@coastal
Subject:	Monterey Co. Electeds Letter referred to in Ms. Chrislock's public comment
Attachments:	SWRCB letter.docx

Since this cannot be handed out, attached is the letter from Monterey County Elected officials referred to in Melodie Chrislock's public comment June 12th.

Letter from Monterey County Elected Leaders to the State Water Resources Control Board
June 11, 2020
Signed by the following:

Senator Bill Monning, California State Senate, District 17
Assemblymember Mark Stone, California State Assembly, District 29
Jane Parker, Monterey County Supervisor District 4
Clyde Roberson, Mayor of Monterey
Ian N. Oglesby, Mayor of Seaside
Bruce Delgado, Mayor of Marina
Alison Kerr, Mayor of Del Rey Oaks
Jason Campbell, Seaside City Council
Jon Wizard, Seaside City Council
Jenny McAdams, Pacific Grove City Council
Tyller Williamson, Monterey City Council
Alan Haffa, Monterey City Council
Jeff Baron, Carmel City Council
Tom Moore, Marina Coast Water District Board, President
Jan Shriner, Marina Coast Water District Board, Vice President
Matthew Zefferman, Marina Coast Water District Board
Lisa A. Berkley, Marina City Council
Gail Morton, Marina City Council, Mayor Pro Tem
Regina Gage, Salinas Valley Memorial Hospital Board, Vice President

Letter from Monterey County Elected Leaders to the State Water Resources Control Board

June 11, 2020

Joaquin Esquivel, Chair
Board of Directors
State Water Resources Control Board

Dear Chair Esquivel and Board Members:

As elected leaders in Monterey County, it is our responsibility to advocate for the economic and environmental well-being of our citizens. We were concerned to read the letter from your Executive Directo Eileen Sobeck, to the California Coastal Commission that made several statements that need correction in regard to California American Water's proposed desalination plant.

We write to express our concerns about why this desalination plant is not the right solution for our region ar should be set aside in favor of our Pure Water Monterey facility.

We support timely compliance with the SWRCB's Cease and Desist Order (CDO) on the Carmel River. Expansion of the Pure Water Monterey (PWM) recycling plant is the fastest way to meet the CDO. Cal-Am's desalination plant is not needed to meet the Peninsula's water demand and is rife with legal and environmental complications that will only further delay compliance.

Our PWM plant has now been celebrated by both the Newsom Administration and the Environmental Protection Agency for its innovative treatment of agricultural and municipal wastewater and its use of on-sit landfill gas. PWM also comports with the SWRCB's policy to maximize water recycling in California.

The Pure Water Monterey is easily capable of meeting water demand on the Monterey Peninsula.

The CPUC's 2018 decision to approve Cal-Am's desalination plant was based on antiquated data from 2007 t 2016 that assumed a demand of 14,000 acre-feet per year for the Monterey Peninsula.

Yet three recent studies and reports by local public agencies show the Monterey Peninsula's real water demand over the last five years is 9,825 AFY. These reports confirm that expanding Pure Water Monterey's current yield of 3,500 AFY by 2,250 acre feet would provide ample water to eliminate illegal diversions from the Carmel River and meet demand for at least 30 years.

In order to justify building a desalination plant that would yield an additional 6,200 AFY and over $100 millio in corporate profits, Cal-Am has disputed the 9,825 AFY demand figure. Yet in Cal-Am's current General Rate Case before the CPUC, Cal-Am's David Mitchell testified that our demand would be 9,338 AF in 2021, 9,478 A in 2022, and 9,610 AF in 2023.

Despite the overwhelming evidence that the 14,000 AFY estimate is grossly inaccurate, Ms. Sobeck wrote,

"Even though actual water use within Cal-Am's Monterey District service area in recent years has been lowe

than the Public Utilities Commission's estimated current demand, State Water Board staff does not have a basis for concluding that the Public Utilities Commission's prior analysis and determinations regarding the water demand, sizing, reliability, or diversity of supply were unreasonable, invalid, or outdated."

Such a conclusion suggests an unfortunate bias in favor of a project that our constituents do not need and cannot afford. After the Coastal Commission staff recommended denial of Cal-Am's desalination permit last November, Cal-Am and its allies launched a sabotage campaign to derail the expansion of Pure Water Monterey.

Unfortunately, Ms. Sobeck's letter was recently used by Cal-Am and its allies on the Monterey One Water board as arguable rationale for their ongoing effort to deny approval of the final SEIR for the PWM expansion Despite their efforts, we remain confident that the PWM Expansion will be approved.

We urge the Board to seriously consider the devastating consequences that an unnecessary desalination plan would have on the people and the environment of the Monterey Peninsula.

Environmentally, Cal-Am's desal plant would destroy 7 acres of Marina's beautiful coastal dunes. This desal plant would use a massive 38,000-megawatt hours of power from PG&E and become the region's largest emitter of greenhouse gases on the coast at a time when climate change is getting worse. The plant also creates gross environmental injustice for the lower-income, predominantly minority communities of Marina and Seaside.

Groundwater rights issues have not been addressed. Cal-Am's desalination plant would draw up to 17,300 AF from the already overdrafted Salinas Valley Groundwater Basin. Under the SGMA definition of groundwater, most of the desal's source water is groundwater. Cal Am has no legal right to this water and the Agency Act prohibits exportation of groundwater from the Basin. Moreover, the project will - by design - exacerbate seawater intrusion, which endangers Marina's long-term water supply. It will also lower groundwater levels in the Dune Sand Aquifer, adversely impacting groundwater dependent ecosystems in the project area, including Coastal wetlands.

Economically, Cal-Am's desal would cost $1.2 billion over 30 years compared to $190 million for the Pure Water Monterey Expansion. Constructing and financing the desalination plant would double water bills when our constituents already pay some of the highest water bills in the nation. This increase would make the cost of living and doing business here unaffordable and would undoubtedly force residents and small businesses to leave our region. And this would make economic recovery from Covid-19 even more difficult.

Because of all these potential obstacles our local public agencies, despite Cal-Am, have worked together to solve our water supply problem with the Pure Water Monterey project and its proposed Expansion.

As it currently stands, Cal-Am only needs an additional 800 AFY to fully comply with the Cease and Desist order and the Seaside Basin overdraft payback. The additional 2,250 AFY from the Pure Water Monterey Expansion can easily provide this. Spending $1.2 billion for a desal plant is not warranted.

All that stands in the way of the Expansion of Pure Water Monterey is Cal Am's refusal to sign a Water Purchase Agreement. The CPUC has the power to move this solution forward by requiring Cal-Am to purchas the necessary replacement water from the Pure Water Monterey Expansion. Problem solved.

We urge your agency to support this solution.

Respectfully,

Senator Bill Monning, California State Senate, District 17
Assemblymember Mark Stone, California State Assembly, District 29
Jane Parker, Monterey County Supervisor District 4
Clyde Roberson, Mayor of Monterey
Ian N. Oglesby, Mayor of Seaside
Bruce Delgado, Mayor of Marina
Alison Kerr, Mayor of Del Rey Oaks
Jason Campbell, Seaside City Council
Jon Wizard, Seaside City Council
Jenny McAdams, Pacific Grove City Council
Tyller Williamson, Monterey City Council
Alan Haffa, Monterey City Council
Jeff Baron, Carmel City Council
Tom Moore, Marina Coast Water District Board, President
Jan Shriner, Marina Coast Water District Board, Vice President
Matthew Zefferman, Marina Coast Water District Board
Lisa A. Berkley, Marina City Council
Gail Morton, Marina City Council, Mayor Pro Tem
Regina Gage, Salinas Valley Memorial Hospital Board, Vice President

Cc:
Eileen Sobeck, California Water Boards
Jennifer Epp, California Water Boards
Michael Lauffer, California Water Boards
Steven Westhoff, California Water Boards
John Ainsworth, Coastal Commission
Tom Luster, Coastal Commission
California Coastal Commission
California Public Utilities Commission
Wade Crowfoot, California Natural Resources Agency
Mark Gold, California Natural Resources Agency
Thomas Gibson, California Natural Resources Agency
Scott Morgan, Department of Water Resources
David Sandino, Department of Water Resources
Mathew Dumloa, Office of Lieutenant Governor Eleni Kounalakis
Jennifer Lucchesi, State Lands Commission
Jared Blumenfeld, California Environmental Protection Agency

UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE
West Coast Region
777 Sonoma Avenue, Room 325
Santa Rosa, California 95404-4731

May 22, 2020 **Refer to NMFS No:** WCRO-2017-7369

John Ainsworth
Executive Director
California Coastal Commission
45 Fremont Street #2000
San Francisco, California 94105
John.Ainsworth@coastal.ca.gov

Re: NMFS' Comments on the Issuance of a Coastal Development Permit to California American Water Company to Construct and Operate a Desalination Facility Located Inland of the Coastal Zone (Application No. 9-19-0918, Appeal No. A-3-MRA-19-0034)

Dear Mr. Ainsworth:

This letter is in reference to the California Coastal Commission's (Commission) pending decision on the issuance of a Coastal Development Permit to California American Water Company (Cal-Am) for the construction and operation of the Monterey Peninsula Water Supply Project (MPWSP). NOAA's National Marine Fisheries Service (NMFS) is particularly concerned with the Commission's recent Staff Report that recommended denial of permits to Cal-Am for the MPWSP, and how the potential denial may affect streamflow and fisheries recovery in the Carmel River basin. NMFS is the federal agency responsible for managing, conserving, and protecting living marine resources in inland, coastal, and offshore waters of the United States. We derive our mandates from numerous statutes, including the Federal Endangered Species Act (ESA). The Carmel River supports a population of the federally threatened South-Central California Coast (S-CCC) steelhead (*Oncorhynchus mykiss*) Distinct Population Segment (DPS). NMFS identified the Carmel River as a Core 1 population (highest priority) for the recovery of the S-CCC DPS because of its size, location along the coast, and for its ability to serve as a source population for smaller, neighboring populations of the DPS (NMFS 2013).

For the past 100 years, the primary source of freshwater for the Monterey Peninsula region has been the Carmel River. Overutilization of freshwater in the Carmel River basin from groundwater extraction and surface water diversions contributed to the substantial decline of steelhead in the watershed and their listing under the ESA in 2006. Freshwater overutilization in the Carmel River Basin continues to be a very high threat to the recovery of the Carmel River steelhead population (NMFS 2013). This prompted the State Water Resources Control Board (SWRCB) to issue a Cease and Desist Order (CDO) to Cal-Am in 1995, which was updated in 2016 (SWRCB 2016). Currently, Cal-Am may withdraw up to 8,310-acre feet per year from the Carmel River with certain exceptions and adjustments as outlined in the CDO. By December 31, 2021, under full compliance of the CDO, Cal-Am's diversions from the Carmel River basin would be reduced to 3,376 acre-feet per year.

The overutilization of freshwater from the Carmel River constrains steelhead migration and suitable habitat in the Carmel River. In most years, as a result of freshwater extractions, up to 9.5 miles of the lower river dries by the summer/fall, thereby eliminating considerable portions of juvenile steelhead rearing habitat. Consequently, juvenile steelhead must be rescued from these drying reaches and reared at the Sleepy Hollow Rearing Facility until water conditions are suitable for steelhead to be relocated back to the river. Impaired groundwater elevations and drying of the lower river also curtails steelhead adult and smolt migrations by restricting their ability to transit through a critical migration corridor in late spring and early summer. Finally, reduced flow durations in the lower river have restricted access to and impaired habitat conditions within the lagoon. Reducing Cal-Am's diversions from the Carmel River to 3,376 acre-feet per year, per the CDO, is expected to alleviate these impacts and significantly aid in the recovery of the population.

Reducing water extractions from the basin through the development of a diverse and sustainable water supply portfolio is paramount to recovering steelhead in the Carmel River. To this end, NMFS has supported several regional projects aimed at meeting the terms of the CDO and improving instream flows of the Carmel River. These projects include Aquifer Storage and Recovery, the Pure Water Monterey, and Cal-Am's MPWSP (desalination project). We are concerned that the Commission's recommended denial of permits for Cal-Am's MPWSP and Commission staff's indicated desire for Cal-Am to withdraw its application fails to consider the implications to steelhead recovery if the project was not allowed to proceed at its projected timeline. The MPWSP was identified in the CDO as a critical step towards Cal-Am reliably reducing their extractions from the Carmel River, and thus a critical step in recovering steelhead in the watershed. We question whether the alternative supply options alone (i.e., without the MPWSP) could provide a reliable and sustainable water supply within a similar timeline as the MPWSP that will meet future municipal demands and protections for steelhead and their habitat.

In consideration of the dire consequences to steelhead recovery if a reliable and sustainable water supply alternative is not implemented in the near future, we request that the Commission rely on the best available information to make a final decision in August 2020.

We are available to meet with the Commission to discuss this important issue. If you have questions regarding this letter, please contact Mandy Ingham at (831) 460-7580 or at Mandy.Ingham@noaa.gov.

Sincerely,



Alecia Van Atta
Assistant Regional Administrator
California Coastal Office

cc: [via email only]
Alison Dettmer, Coastal Commission, Alison.Dettmer@coastal.ca.gov
Kate Huckelbridge, Coastal Commission, Kate.Huckelbridge@coastal.ca.gov
Tom Luster, Coastal Commission, Tom.Luster@coastal.ca.gov
Eileen Sobeck, State Water Resources Control Board, Eileen.Sobeck@waterboards.ca.gov
Julie Vance, Ca Department of Fish and Wildlife, Reg4assistant@wildlife.ca.gov
Matthew T. Keeling, Central Coast Regional Water Quality Control Board, Matt.Keeling@waterboards.ca.gov
Richard Svindland, California American Water Company, Richard.Svindland@amwater.com
Copy to ARN File # 151422WCR2017SR00186

Th3a & 4a

A-3-MRA-19-0034 / 9-19-0918

California-American Water

CORRESPONDENCE

FROM AGENCIES

Packet II

Posted Sept. 16, 2020

M1W Staff Comments
California Coastal Commission Hearing Date September 17, 2020 (App. No, 9-19-0198) **[file name: "CCC Th3a&4a Staff Report"]**

SUMMARY OF STAFF RECOMMENDATION

Subheading: "Feasibility Concerns and Uncertainties" *[page 8, 1st paragraph]*

M1W notes a clarification to the number and status of the injection wells:

- 2 deep and 2 shallow (vadose) wells constructed (original design of 4 deep and 4 shallow wells)
- 2 shallow wells are scheduled to be stabilized
- 2 deep wells are completing commissioning which will increase injection rates
- A third deep well is scheduled to be added by end of 2021 (currently out for design)
- A fourth deep may also be added, which is consistent with the number of deep wells in the original design for Pure Water Monterey
- For PWM Expansion, an addition deep well may be built (totaling up to 5 deep wells)

II. FINDINGS AND DECLARATIONS

A. PROJECT DESCRIPTION, LOCATION, AND OBJECTIVES

Subheading: "Outfall Modifications"

- *[Page 17, 1st paragraph under bullet]* 129 open diffusers with duck-bill valves (plus, an open gate at the end of the outfall) out of 171 total ports. The technical analysis assumed M1W would keep the same number opened.

- *[page 17 last paragraph]* Although M1W has not yet committed to install liner; M1W and California American Water Company (Cal-Am) have begun negotiating a long-term lease agreement for such a project that would enable M1W to be reimbursed for costs associated with the liner project and other outfall improvements.

- *[page 18, 1st paragraph]* 95% design plans for the outfall lining project were completed and provided to Cal-Am in May 2019 (Note: 60% design plans were provided in November 2018). There is a very thorough description available.

C. JURISDICTION AND CONSOLIDATED PERMIT REVIEW

Subheading "Other Agency Approvals & Consultation":

- *[page 26, 1st bullet]* Please note that M1W will need to issue approvals of discharge permits for brine and plant wastewater, entering into a long-term lease agreement for use of the outfall, and potentially a potable water agreement for use of desalinated water supply to SVRP pond.

F. ENVIRONMENTALLY SENSITIVE HABITAT AREAS – TERRESTRIAL

Subheading "Additional Project Impacts":

- *[Page 44, 2nd paragraph]* Although M1W has not committed to install the liner to date, M1W and Cal-Am have started to negotiate the long-term lease agreement that would provide for mechanisms for Cal-Am to pay M1W to implement the project. The collaborative design process has progressed to 95% design as of May 2019; however, no permit applications to

implement the project have been submitted to resource agencies. The receipt of permits would enable bid documents to be finalized.

- *[Page 44, 3rd paragraph]* Although it appears that Cal-Am submitted the outfall lining info to the Coastal Commission, M1W does not know what information was submitted to confirm that those reflect the results of the collaborative design process.

- *[Page 45, 1st paragraph]* A spray on liner with internal bypass may not be feasible based on information provided by Cal-Am to Tom Luster. See M1W Technical Memorandum 9/10/2020 for more information.

I. PROTECTION OF COASTAL WATERS AND MARINE RESOURCES

Subheading "Effects of discharge on coastal water quality and marine biology,":

- *[Page 64, 2nd paragraph, 1st sentence]* The Brine Mixing Facility design progressed to 60% as of February 2019; however, it is currently on hold and at the time was proposed to undergo value engineering.

- *[Page 64, 2nd paragraph, 2nd- 4th sentences]* Technical analysis performed by M1W and their consultants, in collaboration with Cal-Am staff, found that brine flows will need to be ~13 MGD for compliance with the California Ocean Plan (COP), assuming diffuser port angles will be modified to extend upward from existing horizontal arrangement to 60 degrees upward.

- *[Page 64, 2nd para. (last sent.)]* MPWSP desalination brine would be less than ½ the daily volume in the wet seasons but may constitute more than ½ the volume during short periods (1-4 hrs.) of 13 MGD brine flow each day if the AWPF is operating at 5 MGD. Brine volumes will rarely, if ever, constitute 100% of the daily volume due to reverse osmosis concentrate discharge from PWM advanced water purification facility.

- *[Page 64, 3rd para. (1st sentence)]* M1W has not submitted a Report of Waste Discharge for accepting the brine into its outfall to the Regional Water Quality Control Board (RWQCB). The only document that has been submitted is the offshore monitoring and reporting plan (MRP).

- *[Page 64, 3rd para. (2nd to last sentence)]* The need for diffuser modifications is primarily related to the potential exceedances of COP limits for ammonia, not for salinity alone; to reiterate, brine would rarely, if ever, constitute 100% of the discharge.

- *[Page 65, 3rd para. (last sentence)]* Without diffuser modifications and intermittent high brine discharges of ~13 MGD or more, current information suggests that brine discharge to the M1W outfall may not comply with the COP.

- *[Page 65, 2nd para. (last sentence)]* The draft offshore MRP prepared to date and submitted to the RWQCB is only related to offshore monitoring of salinity and biological resources; it does not address other COP water quality limits.

O. ASSESSMENT OF ALTERNATIVES

1. Within this section, we have the following comments:
   - *[Page 107, 3rd paragraph, last sentence]* The sentence, "Additionally, the proposed retrofit of …" should be updated to 129 diffuser ports and that the end gate would need to be retrofitted with nozzles at a 60-degree angle from horizontal.

   - *[Page 131, 3rd paragraph]* Regarding the second sentence of 3rd paragraph: "*The Project Final EIR/EIS described concerns about whether even the first phase of the Pure Water project would provide sufficient water during multiple drought years, and it based the approved size and volume of the desalination facility, in part, with this concern in mind.*[135]" The text in the Final EIR/EIS referenced is not related to the Pure Water Monterey Project, but the MPWMD and Cal-Am's Aquifer Storage and Recovery Project.

   - *[Page 134, item 8]* It is not certain that if M1W does not use electricity from landfill gas, that the landfill gas would be released to the atmosphere. It is feasible that the Monterey Regional Waste Management District would generate electricity for contributing to the PG&E grid (albeit with additional transmission losses and costs to the public).

     M1W staff does not agree that the Expansion may use more energy per unit of water.

   - *[Page 138, criterion 8]* M1W staff does not agree with the last sentence, that stakeholders could be litigious toward M1W or others that might pursue a project involving increased purified recycled water production and delivery.

   - *[Page 141, 1st bullet, 2nd sentence]* M1W, with its partner agency MPWMD, is currently conducting final commissioning (referred to as "swabbing") of *both* deep injection wells.

   - *[Page 141, 1st bullet, 5th sentence]* M1W will exceed 1,000 AFY during its first year of injection. The first 1,000 AF of injection occurred in approximately 5 months.

   - *[Page 141, 1st bullet, last sentence]* M1W staff understands that Cal-Am must comply with the terms of the Cease and Desist Order related to Carmel River diversions this water year (ending Sept. 30th) and next water year Oct. 1 – Sept. 30) and is able to do so, as evidenced elsewhere in the staff report.

   - *[Page 141, 2nd bullet, 1st sentence]* M1W has successfully treated agricultural runoff water. Because it is lower in total organic carbon, biological oxygen demand, and during most times of the year suspended and dissolved solids, it is <u>less</u> difficult to treat than typical wastewater. Constituents of concern, such as pesticides, in comments from members of the public are effectively removed by the M1W's multiple treatment processes. Out treatment process meets all water quality standards and permit limits for subsurface groundwater application, irrigation with tertiary treated water, and discharge to the ocean.

- *[Page 145, first partial paragraph]* As previously discussed, M1W collaborated with Cal-Am and has 95% design plans for the outfall sliplining project. The project description for that component of the MPWSP is very well defined.

- *[Page 145, first full paragraph]* M1W staff prepared a technical memorandum that provides comments on the Cal-Am proposal to do their spray in place lining of M1W's outfall that was sent to the Coastal Commission in August 2020. M1W received that proposal on August 18, 2020 from Mr. Tom Luster, but not directly receive it from Cal-Am. With information presented to date, M1W cannot confirm the proposal is feasible, environmentally benign, and safe for M1W staff and work crews.

Monterey One Water
Providing Cooperative Water Solutions

Technical Memorandum

From: M1W Engineering Department
Prepared by Alison Imamura, PE, AICP
Reviewed by Jennifer Gonzalez, PE

To: Paul Sciuto, PE, General Manager

Date: September 10, 2020

RE: Response to Email dated 8/18/2020 from Tom Luster, California Coastal Commission and the attached Latham and Watkins letter, dated 8/1/2020, and Exhibit A, letter from Spray in Place

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In response to your request, we offer the following comments, information, and/or clarification related to the above-referenced correspondences. M1W had not previously received the Latham and Watkins letter, dated August 1, 2020 nor Exhibit A, the proposal submitted from "Spray in Place", prior to the above-referenced email.

BACKGROUND

The land portion of Monterey One Water's (M1W) 60-inch outfall pipeline does not require preventative or routine maintenance and has an expected 48-year life. This would change after high salinity, brine resulting from seawater desalination operations is introduced into the outfall. High salinity brine is anticipated to reduce the life of the outfall by approximately 85% due to severe corrosion. Acceleration of corrosion could lead to the requirement for replacement of the outfall pipeline, the construction of which would have significant costs and environmental impact. Therefore, the California Public Utilities Commission required MPWSP to complete an outfall protection solution prior to discharge desalination brine into M1W's outfall.

The intentions were that improvement(s) to the outfall would be the responsibility of M1W with CalAm consulting, approving and reimbursing associated costs. M1W and CalAm collaborated for five years to design an "Outfall Protection Project", which included evaluating several alternatives to identify the optimal, feasible, and cost-effective lining method. Based on our consensus, 95% design plans and specifications were developed for the Outfall Protection Project. There were two options for sliplining; 1) spiral wound, and 2) HDPE pipe insertion, to prevent the reduction of the outfall lifespan. Note: Neither option required shutdown of RTP flows to the outfall, except for several, short-duration project activities.

CalAm requested information on flows during a virtual meeting in May of 2020. Specifically, if and how long the flows could be held back while they were considering a spray on lining option. M1W shared that RTP flows are infrequently stopped and only for a short duration for critical maintenance operation(s).

This is completed during low flows from approximately 1:00 a.m. to 7:30 a.m., with 6 hours being the maximum time frame. If multiple shutdowns are required, a "recovery period" of three days between shutdowns is necessary for the RTP operational processes to return to steady-state conditions. Prior discharge shutdowns required 2 to 3 hours for the flow to slow down within the western portions of the outfall likely due to vertical profile low points in the outfall. Therefore, this would need to be considered for a "dry" pipe.

COMMENTS ON THE LATHAM & WATKINS LETTER AND EXHIBIT A

1. Latham & Watkins claims their proposed spray lining option would be as effective as the previously developed (95% design) liner projects. Exhibit A describes a single excavation pit located 100 feet east of Del Monte Boulevard with a bypass that would capture and divert flows from this point into a bypass "discharge" pipeline. The proposed bypass pipeline from that point to "the tidal zone" (see Latham & Watkins letter, page 2) would extend over 6,500 linear feet to the west and would be attached to the interior crown (top) of the outfall.

   M1W is unable to confirm whether this option will be structurally stable and/or provide adequate longevity for corrosion protection, for the following reasons:

   - Exhibit A provides a conceptual description, without details of the proposed spray liner solution, which are normally included in plans and specifications and which outline materials, means, methods, and schedules.
   - Attaching and detaching the bypass pipeline to the crown of the outfall pipe is unclear; more information is needed for M1W to determine whether it could safely occur with flow in the outfall (prior to operation of the bypass) or if an M1W shutdown is required.
   - With an 8 to 12-week duration, this project would need to be performed during the summer. There are many reasons (e.g. power failures, rain, and other) that cause the AWPF and SVRP to be inoperable during the summer. The proposed bypass system should be capable of pumping and conveying 15 to 20 MGD over the length of the lining project. Actual bypass pipe diameter should be 20 to 24-inches which may not fit in the outfall with the required lining bundle.
   - The method of attaching the bypass pipeline could potentially compromise the integrity of the outfall during installation, lining activity, and/or upon or after removal. Exposing the reinforcing members in concrete can accelerate corrosion. See also liner "bundle" comment below.

2. The M1W Beach Junction Structure provides a drop of 30-feet from the invert of the land portion of the outfall to the invert of the ocean portion of the outfall and is located outside the tidal zone. It is unclear whether the bypass would discharge into the Beach Junction Structure or be routed through that structure to the ocean portion of the outfall, which is within the tidal zone.

3. The Outfall Protection Project includes WEKO seals being replaced in the portion of the outfall to the west, not east of the Beach Junction Structure, as described in Exhibit A.

4. The letter does not address the remainder of the lining project (i.e., areas outside the Coastal Zone). Additional information is needed to describe how the spray-lined portion of the outfall

would transition to the slip-lined portion as M1W assumes the portions of the outfall outside the Coastal Zone would be built consistent with the previous design(s).

5. A separate mitigation for California Ocean Plan compliance requires the diffuser ports, along the last 1,350 feet of the outfall, be modified to extend at 60-degree angle from horizontal. The letter and associated exhibit do not address this work, located west of the outfall Beach Junction Structure.

6. Exhibit A assumes that all work can occur within the M1W existing 20-ft wide easement; however, a detailed site plan would need to confirm adequate space to accommodate referenced activities, including those items mentioned:
    - excavating for the bypass and access (Top of Outfall pipe is approximately 8 feet deep),
    - staging and movement of worker vehicles, safety, and communication equipment,
    - providing related pumps and generator,
    - ensuring a spill guard system,
    - providing sound entry enclosure,
    - vacuuming and storing debris waste and,
    - providing plural component pumping station (delivery of resin, resin hardener, hot water, air and vacuuming debris and water).

7. Exhibit A states that the spray on liner would require a custom-built "lining bundle" which includes five conduit lines (resin, resin hardener, hot water supply, hot water return line, and air) pulled into the outfall. The lining bundle needs to be over 6,500 feet long to reach the access point where the plural component pumping station would be located. The lining bundle would need to be pliable and well-protected to be pulled through the outfall without flow.

    There are various vertical and horizontal bends and potential debris in the outfall that may compromise the lining bundle as it is fed into the outfall or removed from the outfall. The process may result in collision with the bypass discharge pipe attached to the interior crown of the outfall. It is unknown whether the bundle can remain in the outfall between work shifts and/or overnight to avoid removing the bundle daily. Frequent movement would increase risks of damaging the lining bundle, bypass discharge pipe, and/or outfall.

8. The distance from the proposed access point to the farthest portion of the outfall exceeds 6,500 feet. This distance raises significant safety concerns for the work crew. M1W's highest priority is personnel safety; therefore, a thorough and complete safety plan must be developed and implemented. Continuous air flow and/or self-contained breathing apparatus may be required to ensure worker safety.

Th3a & 4a

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

California-American Water

CORRESPONDENCE

FROM THE APPLICANT

Luster, Tom@Coastal

From: DJ.Moore@lw.com
Sent: Monday, August 24, 2020 8:59 AM
To: Luster, Tom@Coastal
Cc: Dettmer, Alison@Coastal; Ian.Crooks@amwater.com
Subject: CalAm: Hazen response to M1W Letter from Friday
Attachments: CalAm - Hazen Response to M1W and CalAm - 08242020 Final.pdf

Importance: High

Good morning, Tom.

Attached for your review is a response from Hazen & Sawyer to the letter you received on Friday from M1W concerning source waters for the Pure Water Monterey Expansion Project. Hazen's analysis has been updated to include the new wastewater flow data that M1W released for the first time on Friday. Even accounting for this newly released data, Hazen's analysis demonstrates that the conclusions from Hazen's August 11, 2020 memorandum previously submitted to you remain accurate. Specifically, there are significant concerns with available source waters for both the Pure Water Monterey Phase One project and for the Expansion project, particularly during drought years, given flow data and existing commitments for those source waters. Hazen continues to conclude that based on its analysis it does not appear that the Expansion project can treat and deliver the amount of water it has promised.

Please let us know if you have any questions.

Thanks,
DJ

DJ Moore

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California American Water

Peer Review of August 20, 2020 Letter from M1W to CCC

Prepared By: Kevin Alexander, P.E.
Hazen and Sawyer - August 23, 2020

This memorandum addresses Monterey One Water's (M1W) August 20, 2020 letter to Tom Luster of the California Coastal Commission, which responds to Hazen and Sawyer's August 11, 2020 Peer Review of Supply and Demand for the Monterey Peninsula. Hazen has reviewed M1W's response and offers the following comments:

- As an initial matter, Hazen notes its concern with M1W's tone and use of terms like "inaccuracies" and "falsify" to describe Hazen's analysis. All of the assumptions that are used in Hazen's analysis are explained clearly and directly. While M1W may dispute the basis for those assumptions, none of them amount to either inaccuracies or falsification of information.

- M1W and the Monterey Peninsula Water Management District (MPWMD), as the proponents of the Pure Water Monterey Expansion project (PWM Expansion), have the burden to demonstrate the PWM Expansion will have sufficient water supply to meet demand. We do not agree that they have provided adequate information regarding the availability and reliability of source waters for the PWM Expansion to be considered a resilient sustainable supply source for the Peninsula.

- M1W misrepresents that the August 11 Hazen and Sawyer Memorandum contains inaccurate analyses and conclusions. Hazen's analysis was based on the information provided in the SEIR for the PWM Expansion by M1W and MPMWD. To the extent that information is inaccurate, such inaccuracies are that of M1W and MPMWD. For example, Hazen's memorandum did not (and could not) include the new wastewater flow information provided by M1W in its August 20 letter because M1W has not made these numbers publicly available until now. Despite providing wastewater flow information for 2014 to 2019 for the first time, M1W still has not provided evidence supporting these numbers and instead requests that the Coastal Commission take the numbers at face value.

    - Nevertheless, the new wastewater flow numbers support Hazen's analysis and further demonstrate that there are insufficient source waters for the PWM Expansion.

    - Further, if this flow information was readily available to M1W, why did M1W not evaluate it in the SEIR for the PWM Expansion? The flow information represents significant new information that should have been made available to the public, subject to review and analyzed by M1W in the SEIR.

- By M1W's own admission, M1W states that the wastewater influent data in the SEIR was incomplete. Hazen did a thorough review and found multiple discrepancies and

inaccuracies in the wastewater flows used throughout the SEIR. Hazen's review and analysis clearly shows that the accurate wastewater flows were either not provided or updated in a transparent manner to the community.

- Wastewater flow data after 2013 was not used in M1W's analysis of the PWM Expansion and was never considered in the SEIR, despite the apparent availability of this information to M1W. Rather than rely solely on old data, Hazen's peer review of M1W's analysis utilized data for 2018 from Appendix E of the PWM Expansion Draft SEIR that demonstrated flows had been reduced to 18,810 AF, and additional data presented by M1W to its Ad-Hoc JPA Revision Committee on July 20, 2020, which indicated that since the beginning of 2020 wastewater flows have been reduced to 17,980 AF (which is a decrease of 2,110 AF from the 2013 drought year flow of 20,090 AF utilized in the SEIR). The reduction of wastewater flows to 17,980 AF is not disputed by M1W. Absent additional information from M1W, the 17,980 AF number presented to M1W's Ad-Hoc JPA Revision Committee is the most current flow information available.

    - Hazen's analysis utilized the 17,980 AF number for non-drought conditions, and the 17,016 AF number for drought conditions. Hazen did not solely rely on the 17,016 AF number as M1W claims. Nonetheless, the consideration of flow at 17,016 AF is important because, as explained in Hazen's prior memo, prolonged drought conditions are likely if not certain to occur.

    - The SEIR for the PWM Expansion has never been updated to account for either the 2018 flow of 18,810 AF, or the 2020 flow of 17,980 AF, much less the new flow data that M1W has just provided. When accounting for the new flow information, the slope of the decreased flows since 2013 is very similar to the declining trend that Hazen previously projected (see Updated Figure 3). In fact, M1W's new flow information is confirmation of the trend that Hazen presented and further demonstrates that source water for the PWM Expansion is inadequate.

- When M1W's wastewater flow information for 2018 to 2020 is evaluated on a three year basis, the three year average is 18,555 AF, which is only 500 AF above Hazen's prior projection of 17,980 AF for 2020, rather than the 3,000 AF difference that M1W claims.

- Even using M1W's own numbers and ignoring the 17,980 AF number that M1W previously presented, Hazen's conclusions remain accurate. Hazen's approach throughout used actual information provided to the public by M1W in the SEIR for the PWM Expansion and did not use assumptions as was done by MPMWD and M1W.

    - Any extrapolations, interpretations, calculations and projections made by Hazen are based upon similar mathematical approaches used throughout the SEIR to be consistent. Figures 3, 4 and 5 and Tables 1 and 2 from Hazen and

Sawyer's August 11 Memorandum have been updated below to account for the revised average flow of 18,555 AFY using the last 3 years of data. Even based on this updated information, Hazen's prior conclusions remain valid and it is evident that there is not enough wastewater flow to support the PWM Phase One and the PWM Expansion as a reliable source of water supply for the Peninsula. In particular, there will be deficits over the summer months – particularly in dry years – given the existing commitments of source waters that are proposed for PWM Phase One and PWM Expansion. M1W has not provided any evidence to counter these real deficits or explain how they can be avoided.

- The deficits that Hazen has demonstrated – using M1W's own updated numbers – show that there is not sufficient source water for PWM Phase One and PWM Expansion to produce their promised product water to CalAm's customers of 3,500 AFY and 2,250 AFY, respectively.

- In addition, M1W has provided no evidence that Hazen's projections of reduced Reclamation Ditch flows are incorrect. Even though Hazen has serious concerns with the amount of other surface water flows from other sources purportedly available to the PWM Expansion, Hazen conservatively only made reductions as to Reclamation Ditch flows because there was publicly available evidence from USGS that Reclamation Ditch flows were lower than presented in the SEIR.

Updated Figure 3:
Reduced Demand = Reduced WWTP Flow
(=Reduced Recycled Water Supply)

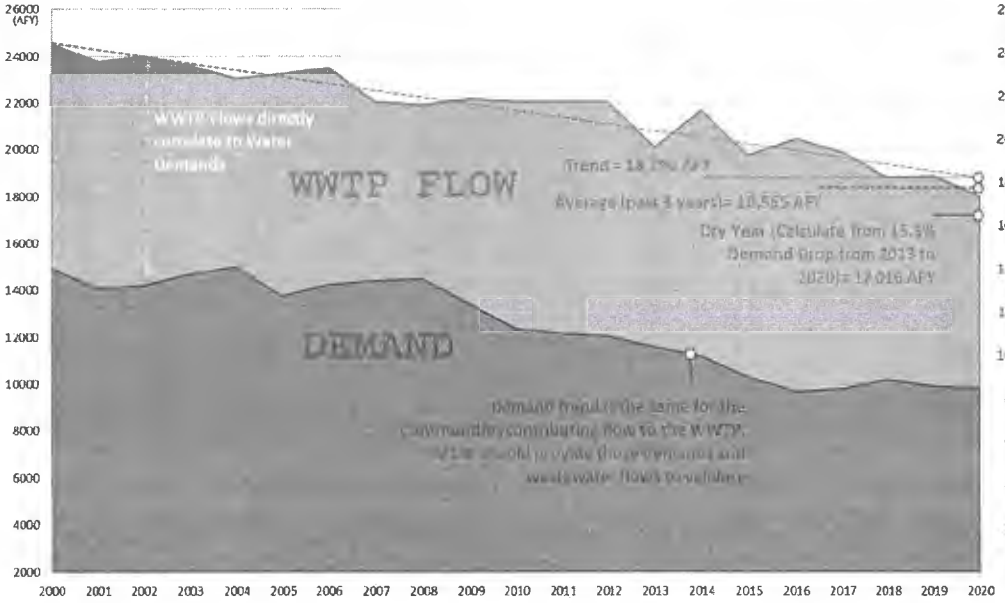
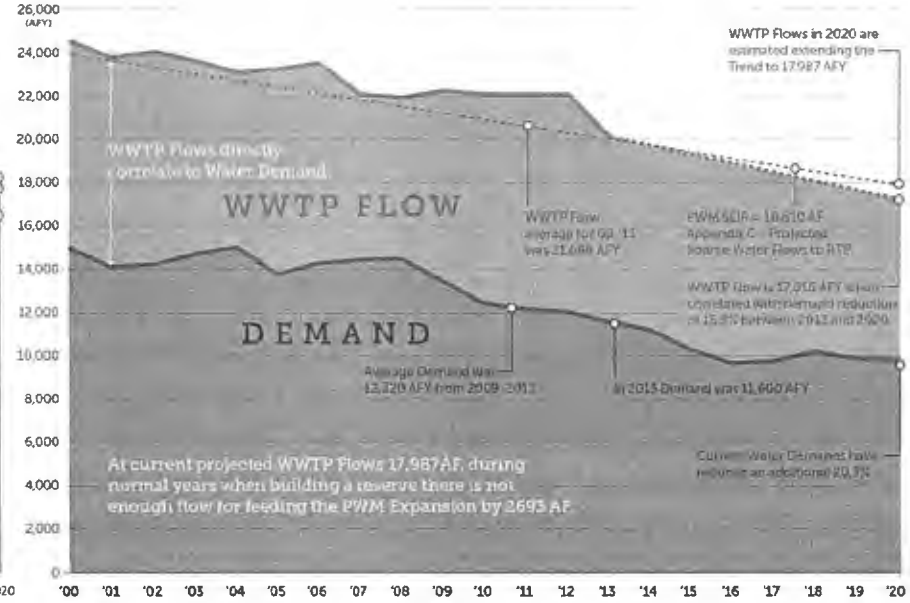


Figure 3:
Reduced Demand = Reduced WWTP Flow
(=Reduced Recycled Water Supply)



Updated TABLE 1 – IMPACTS OF REDUCED WWTP FLOW ON TABLES 8 – 11 FROM SEIR APPX. I

	Original SEIR Appx. I Data				Updated Appx. I Data			
Supply and Demand *in Acre-Ft*	**Table 8**	**Table 9**	**Table10**	**Table11**	**Table 8** Updated	**Table 9** Updated	**Table10** Updated	**Table11** Updated
SUPPLY								
WWTP Flow[a]	21764	21764	21764	20090	18555	18555	18555	17016
Domestic Flows	82	82	82	82	82	82	82	82
New Sources[b]	2579	2579	2579	2430	2579	2579	2579	2430
Surface Water[c]	3721	2052	2041	2840	3641	1972	1961	2304
TOTAL	**28146**	**26477**	**26466**	**25442**	**24857**	**23188**	**23177**	**21832**
DEMAND								
CSIP and CSIP Well	17227	17227	17227	22619	17227	17227	17227	22619
PWM	4320	4320	4320	2963	4320	4320	4320	2963
PWM drought	248	248	0	0	248	248	0	0
PWM Expansion	2778	2778	2778	2778	2778	2778	2778	2778
RUWAP	741	741	741	741	741	741	741	741
TOTAL	**25314**	**25314**	**25066**	**29101**	**25314**	**25314**	**25066**	**29101**
Annual Supply Excess[d]	**2833**	**1164**	**1400**	**-3659**	**-457**	**-2126**	**-1889**	**-7269**

TABLE 1 – IMPACTS OF REDUCED WWTP FLOW ON TABLES 8 – 11 FROM SEIR APPX. I

	Original SEIR Appx. I Data				Updated Appx. I Data			
Supply and Demand *in Acre-Ft*	**Table 8**	**Table 9**	**Table10**	**Table11**	**Table 8** Updated	**Table 9** Updated	**Table10** Updated	**Table11** Updated
SUPPLY								
WWTP Flow[a]	21764	21764	21764	20090	17987	17987	17987	17016
Domestic Flows	82	82	82	82	82	82	82	82
New Sources[b]	2579	2579	2579	2430	2579	2579	2579	2430
Surface Water[c]	3721	2052	2041	2840	3641	1972	1961	2304
TOTAL	**28146**	**26477**	**26466**	**25442**	**24289**	**22620**	**22609**	**21832**
DEMAND								
CSIP and CSIP Well	17227	17227	17227	22619	17227	17227	17227	22619
PWM	4320	4320	4320	2963	4320	4320	4320	2963
PWM drought	248	248	0	0	248	248	0	0
PWM Expansion	2778	2778	2778	2778	2778	2778	2778	2778
RUWAP	741	741	741	741	741	741	741	741
TOTAL	**25314**	**25314**	**25066**	**29101**	**25314**	**25314**	**25066**	**29102**
Annual Supply Excess[d]	**2833**	**1164**	**1400**	**-3659**	**-1025**	**-2693**	**-2457**	**-7270**

Updated TABLE 2 – IMPACTS OF REDUCED WWTP FLOW ON SUPPLY FLOW BALANCE

Flow Balance *– in Acre-Ft*	**Table 8**	**Table 9**	**Table 10**	**Table 11**	**Table 8** Update	**Table 9** Update	**Table 10** Update	**Table 11** Update
Flow to CSIP + CSIP Well Pumping	17227	17227	17227	22619	17227	17227	17227	21091[e]
Flow to PWM[f]	4320	4320	4320	2963	4320	4320	4320	0
Flow to PWM Drought	248	248	0	0	248	248	0	0
Flow to PWME[g]	2778	2778	2778	2778	1753	84	321	0
Flow to RUWAP	741	741	741	741	741	741	741	741
Actual Use Flows[h]	**25314**	**25314**	**25066**	**29101**	**24289**	**22620**	**22609**	**21832**
Flow to ASR[i]	5950	5950	5750	4650	5120	3768	3759	0
Concentrate Flow to Outfall	1536	1536	1489	1232	1342	1025	1023	141
Deficit To ASR	**0**	**0**	**0**	**-1100**	**-370**	**-1722**	**-1530**	**-4650**

TABLE 2 – IMPACTS OF REDUCED WWTP FLOW ON SUPPLY FLOW BALANCE

Flow Balance *– in Acre-Ft*	**Table 8**	**Table 9**	**Table 10**	**Table 11**	**Table 8** Update	**Table 9** Update	**Table 10** Update	**Table 11** Update
Flow to CSIP + CSIP Well Pumping	17227	17227	17227	22619	17227	17227	17227	21091[e]
Flow to PWM[f]	4320	4320	4320	2963	4320	4320	4320	0
Flow to PWM Drought	248	248	0	0	248	248	0	0
Flow to PWME[g]	2778	2778	2778	2778	1753	84	321	0
Flow to RUWAP	741	741	741	741	741	741	741	741
Actual Use Flows[h]	**25314**	**25314**	**25066**	**29101**	**24289**	**22620**	**22609**	**21832**
Flow to ASR[i]	5950	5950	5750	4650	5120	3768	3759	0
Concentrate Flow to Outfall	1536	1536	1489	1232	1342	1025	1023	141
Deficit To ASR	**0**	**0**	**0**	**-1100**	**-830**	**-2182**	**-1991**	**-4651**

Updated Figure 4: Impacts of Demands Exceeding Limited Supplies

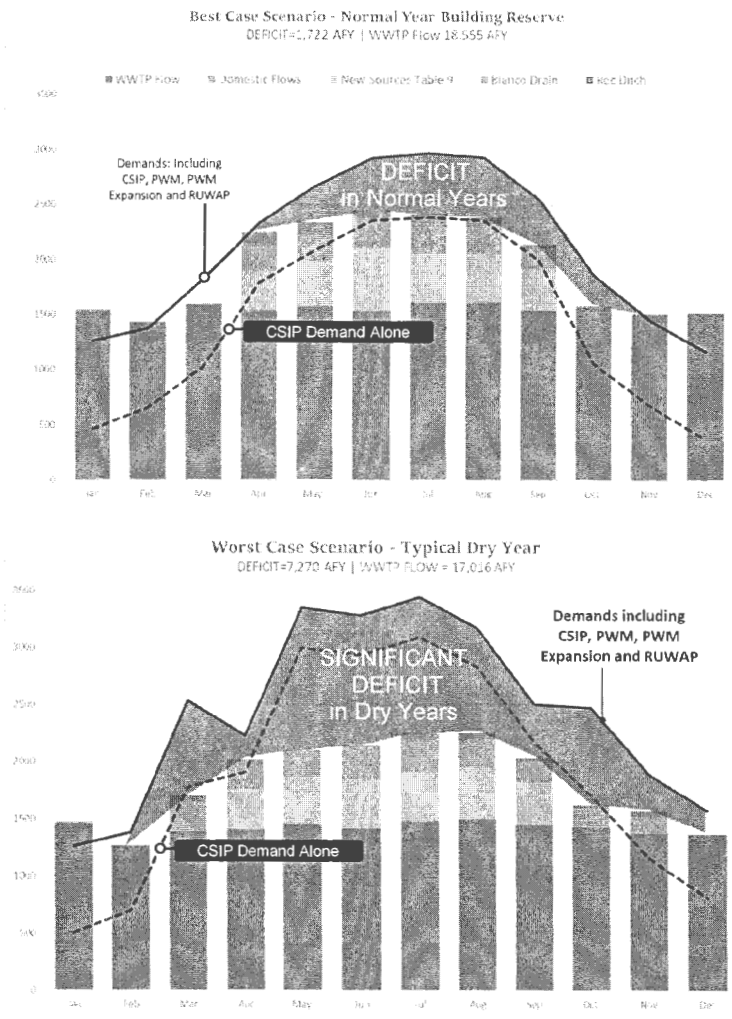
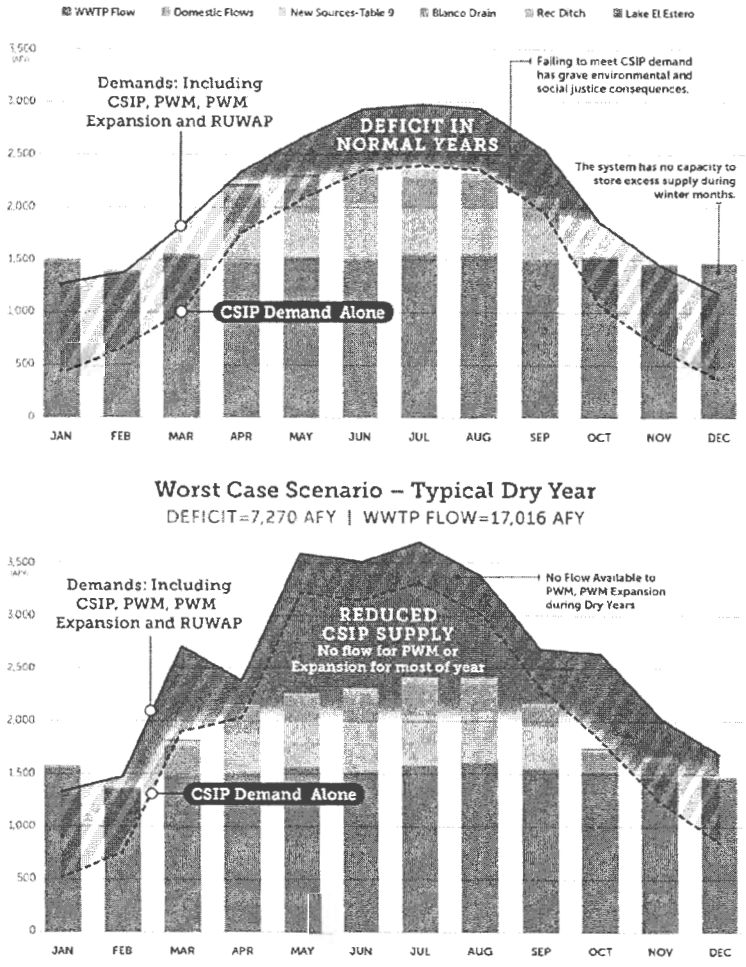


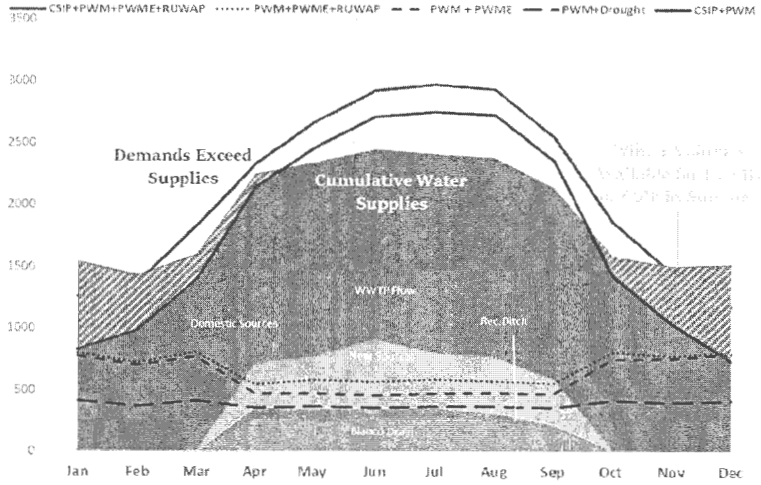
Figure 4: Impacts of Demands Exceeding Limited Supplies



Updated Figure 5: Supply Available for PWM Expansion or CSIP (Not Both)

Best Case Scenario -Normal Year Building Reserve

DEFICIT=1,722 AFY | WWTP Flow 18,555AFY



Worst Case Scenario - Typical Dry Year

DEFICIT = 7,270 AFY | WWTP Flow 17,016AFY

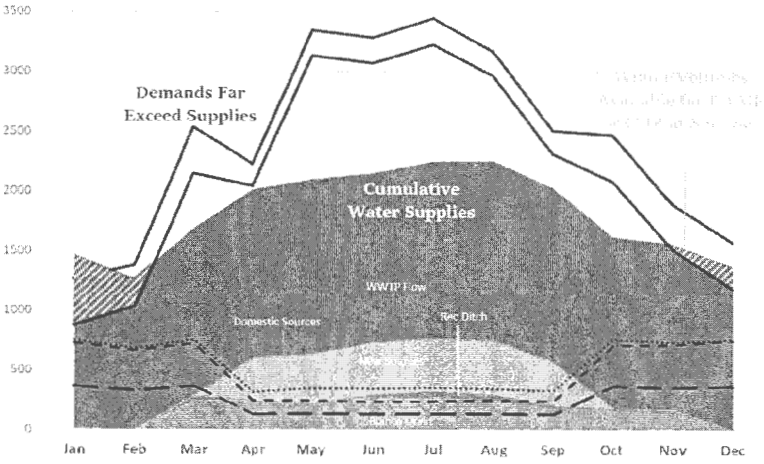
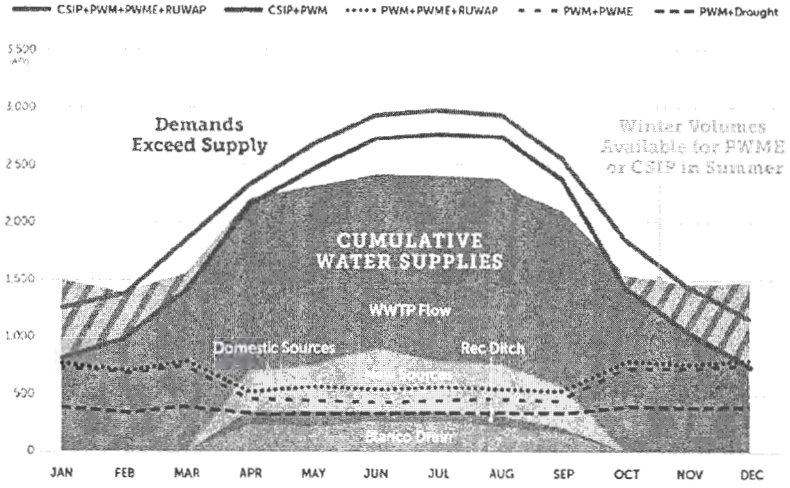


Figure 5: Supply Available for PWM Expansion or CSIP (Not Both)

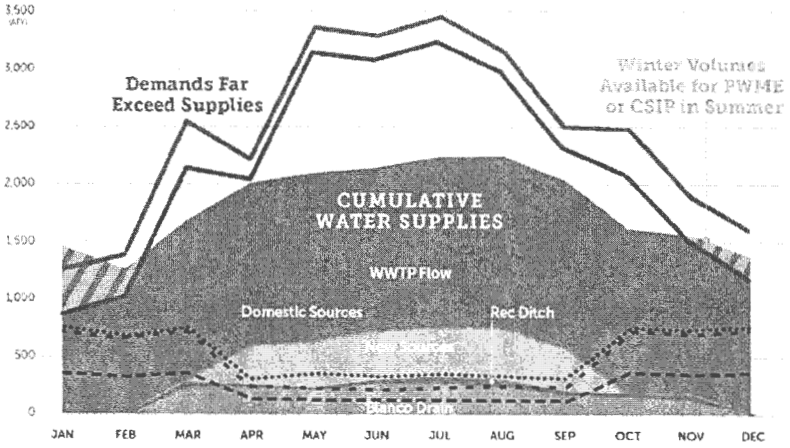
Best Case Scenario – Normal Year Building Reserve

DEFICIT=2,693 AFY | WWTP FLOW=17,987 AFY



Worst Case Scenario – Typical Dry Year

DEFICIT=7,270 AFY | WWTP FLOW=17,016 AFY



Luster, Tom@Coastal

From: DJ.Moore@lw.com
Sent: Monday, August 17, 2020 9:22 PM
To: Luster, Tom@Coastal
Cc: Ian.Crooks@amwater.com
Subject: CalAm: Outfall Liner Information
Attachments: 08.17.2020 Letter to T. Luster.pdf

Good evening, Tom. As we discussed, please see the attached for additional information on the outfall liner that CalAm proposes to pursue. Please let us know if you have any questions.

Thanks,
DJ

DJ Moore

LATHAM & WATKINS LLP
355 South Grand Avenue, Suite 100
Los Angeles, CA 90071-1560
Direct Dial: +1.213.891.7758
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https://www.lw.com

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August 17, 2020

VIA EMAIL

Mr. Tom Luster
California Coastal Commission
Energy and Ocean Resources Unit
455 Market Street, Suite 228
San Francisco, CA 94105

Re: Monterey Peninsula Water Supply Project, CDP Application No. 9-19-0918 and Appeal No. A-3-MRA-19-0034 – Outfall Lining Proposal

Dear Mr. Luster:

On behalf of California-American Water Company ("Cal-Am"), we write regarding proposed future maintenance work to Monterey One Water's ("M1W") ocean outfall pipeline. Mitigation Measure 4.13-5b in the Final Environmental Impact Report/Environmental Impact Statement ("EIR/EIS") for the Monterey Peninsula Water Supply Project ("Project"), previously certified by the California Public Utilities Commission, requires Cal-Am to excavate, open, and install a new physical liner in the pipeline at ten locations along the M1W right-of-way. (See EIR/EIS, p. 4.13-29.) To comply with Mitigation Measure 4.13-5b and in response to concerns from Commission staff and others, Cal-Am proposes an alternative approach that is both as effective and far less impactful to coastal resources and environmentally sensitive habitat areas than the approach for the outfall pipeline evaluated in the EIR/EIS. Specifically, Cal-Am proposes to maintain the existing M1W outfall pipeline by excavating a single access point to the pipeline outside of the Coastal Zone and manually applying a protective spray liner throughout the pipeline's interior from the access point to the beach junction box.

Enclosed as **Exhibit A** is the proposal for the lining work, which Cal-Am would undertake in coordination with M1W. As detailed in Exhibit A and discussed below, because this minor work would maintain the functionality of M1W's existing outfall pipeline, it does not constitute "development"—or at a minimum is exempt from Coastal Development Permit ("CDP") requirements—under the Coastal Act, the City of Marina's Local Coastal Program ("LCP"), and the County of Monterey's North County LCP.

As the proposal describes, the contractor would enter the pipeline from an access point outside the Coastal Zone—100 feet east of Del Monte Blvd. on the RAMCO Property—and within M1W's existing sewer utility easement. (See Attachment 1 to **Exhibit A**; see also Grant Deed to Monterey Regional Water Pollution Control Agency for a 20-Foot Wide Sanitary Sewer Easement, attached hereto as **Exhibit B**.) This would be the only location of aboveground

disturbance, as limited excavation is needed to access the pipe through that entry point. All other lining work would be undertaken by workers physically inside the pipeline and with no groundbreaking activities.

Once the contractor has accessed the pipe, the contractor would install a bypass system to allow M1W to operate the outfall while providing the workers a safe environment to clean and line the pipeline. This bypass system includes fitting the existing pipe with two ports with discharge pumps—one which would serve as a backup. A hose would then be connected to the operating pump that allows discharges to bypass the pipeline and flow into the tidal zone temporarily while work is performed.

Before spray-lining the pipe, the contractor would remove the existing WEKO seals[1] located along the pipeline from the access point to the beach junction box. The contractor would then clean the joint areas and fill them with high-strength concrete. Once the joints are sealed, the contractor would use high-pressure water to remove calcium and brine deposits in the pipe's interior that could affect the consistent application of the lining. Any debris would be vacuumed from the pipe. Then, the contractor would spray a resin and resin hardener along the pipeline's interior from the access point to the beach junction box. Once the resin cures, the result is a solid liner equivalent to PVC that is impervious to moisture. No residue or waste would result. The lining process is anticipated to take approximately 8 to 12 weeks, as the workers expect to line about 200 feet of pipeline per day.

Because Cal-Am must line the entire length of the pipeline from the M1W wastewater treatment plant to the ocean outfall, crewmembers will pass through the Coastal Zone in unincorporated Monterey County and Marina on their way west to the beach junction box. However, the proposed work is not "development" as contemplated by the Coastal Act or the County's and Marina's LCPs. The Coastal Act defines "development" as including

> [T]he placement or erection of any solid material or structure; discharge or disposal of any dredged material or of any gaseous, liquid, solid, or thermal waste; grading, removing, dredging, mining, or extraction of any materials; change in the density or intensity of use of land . . . ; change in the intensity of use of water, or of access thereto; construction, reconstruction, demolition, or alteration of the size of any structure . . . ; and the removal or harvesting of major vegetation other than for agricultural purposes, kelp harvesting, and timber operations . . .

(Pub. Resources Code, § 30106.)

---

[1] The replacement of the existing WEKO seals located at joints west of the beach junction box in the nearshore portion of the outfall pipeline with corrosion-resistant clamps is part of Cal-Am's local CDP application, which is currently pending before the Commission in Appeal No. A-3-MRA-19-0034.

Here, Cal-Am would not build or expand any existing structure related to the outfall pipeline, but simply would apply a coating to the outfall pipeline's interior to protect against future corrosion. Any groundbreaking activities would occur in the unincorporated County, outside of the Coastal Zone. Further, the work would not involve the discharge or disposal of waste through the outfall. Indeed, spray lining is much less disruptive than installing a physical liner throughout the pipe, which would require a series of excavations along the pipeline route approximately every 500 feet. For the spray lining work, the contractor need only excavate one entry point outside of the Coastal Zone and within the existing M1W sewer utility easement; all other work would be performed belowground and inside the existing pipeline. The proposed work is no different from painting the interior of a house, which too would be exempt from CDP requirements.

Even if this work constituted "development" under the Coastal Act, the work is exempt from CDP requirements as a repair or maintenance activity. Coastal Act Section 30610 exempts "[r]epair or maintenance activities that do not result in an addition to, or enlargement or expansion of, the object of those repair or maintenance activities," so long as there is no risk of substantial adverse environmental impact. (See Pub. Resources Code, § 30610, subd. (d).) The Coastal Act also exempts work for "any necessary utility connection." (Pub. Resources Code, § 30610, subd. (f).) Similarly, both Marina's Coastal Zoning Ordinance and the County Code exempt "[r]epair or maintenance activities," including for "any necessary utility connection." (See Marina LCP Implementation Plan, pp. 27-28; Marina Municipal Code, § 17.43.070(D), (F); Monterey County Code, § 20.70.120(E), (G).) Together, these exemptions allow utilities to perform work and make repairs on existing, permitted infrastructure without the need to obtain a separate CDP for the maintenance. (See Coastal Commission, Repair, Maintenance and Utility Hook-Up Exclusions from Permit Requirements, adopted Sept. 5, 1978.)[2] "No permit is required for repair or maintenance of existing facilities that do not alter the service capacity." (*Ibid.*)

Since the outfall pipeline belongs to M1W, Cal-Am still will need to coordinate with M1W to move forward with the proposed alternative maintenance activities for the pipeline, including obtaining local approvals for the work as necessary. However, because this approach is feasible and minimizes impacts to Coastal resources in compliance with Coastal Act Section 30001.5 and the policies of Chapter 3, Cal-Am proposes the following updated special condition to cover the proposed outfall pipeline maintenance work:[3]

1. **Outfall Lining.** PRIOR TO THE COMMENCEMENT OF PROJECT OPERATION, Permittee shall demonstrate that it has obtained all approvals authorizing Project-related repair and maintenance work on the Monterey One Water outfall, including, but not limited to, excavation permits from the County

---

[2] This guidance is available online at: https://documents.coastal.ca.gov/assets/legal/exclusions-1978.pdf.

[3] In its June 30, 2020, submittal to Coastal Commission staff, Cal-Am proposed a Special Condition that would require approval of the outfall work prior to the commencement of Project operations. The proposed Special Condition in this letter supersedes the proposed Special Condition included with the June 30 letter.

of Monterey, if necessary, and has performed such repair and maintenance work pursuant to the approvals.

We appreciate staff's ongoing efforts and request that staff review the enclosed proposal and alert us to any remaining questions. Thank you for your consideration in this matter.

Very truly yours,

Duncan Joseph Moore
of LATHAM & WATKINS LLP

Attachments

cc: Rich Svindland, California-American Water Company
Ian Crooks, California-American Water Company
Kathryn Horning, Esq., California-American Water Company
Tony Lombardo, Esq., Lombardo & Associates
Susan McCabe, McCabe & Company
Alison Dettmer, California Coastal Commission
Eileen Sobeck, State Water Resources Control Board
Drew Simpkin, California State Lands Commission
John Forsythe, California Public Utilities Commission

EXHIBIT A

SPRAY IN PLACE

45-1 KNICKERBOCKER AVE.
BOHEMIA, NY 11716

(631) 256-6046

Mr. Tim O'Halloran
Engineering Manager
California American Water

Re: Monterey Bay Outfall Pipe Restoration 8/7/20

Dear Tim:

We are proposing the following restoration solution for the Monterey Bay Outfall Pipe, which includes consideration of concerns regarding isolation time periods for the discharge of the outfall system.

Considerable engineering has been undertaken related to designing a solution for this restoration project.

A succinct snapshot of our proposed bypass pumping system is as follows. A comprehensive detailed plan would follow if our conceptual estimates and plans are approved by California American Water and Monterey One Water to move forward.

We would first mobilize at the Access Point approximately 100 feet east of Del Monte Blvd. In this work zone, the work necessary for installation of a bypass pipeline would be undertaken so that the restoration work and installation of the spray liner can be performed in the existing Outfall Pipe. The work would be performed throughout the Outfall Pipe, from the Access Point to the beach junction box.

The subject 60" Reinforced Concrete Pipe (Outfall Pipe) will be fitted in this location with a custom internal sealer with a 36" threaded pipe fitting. A section of 36" pipe then would be installed with 2 - 6" suction ports with gate valves as well as a 36" gate valve. The two 6" ports would be fitted to discharge pumps; only one would be required to operate the bypass system, the second would be a backup. The 36" gate valve opening would be fitted with a hose to allow for the outfall system to operate without any pumps running. While we are working, this hose would be deflated thus would not interfere with our work zone access.

Related pumps and generator would be staged on a spill guard system, which would be designed to contain all the fluids in related machines. A sound sentry enclosure would be erected to control noise levels. The installation of this bypass system provides our team a safe work environment to expedite the cleaning and lining restoration of the subject Outfall Pipe.

A preliminary submittal package is attached which provides details on tools we would intend on using to expedite the bypass system required for the restoration of the subject Outfall Pipe. **Attachment 1** includes diagrams of the proposed internal bypass and Outfall Pipe restoration, and **Attachment 2** provides the Outfall Pipe specifications. We have the technology, methods, and materials to complete the restoration of the Outfall Pipe from the Access Point to the beach junction box.

SPRAY IN PLACE

45-1 KNICKERBOCKER AVE.
BOHEMIA, NY 11716

(631) 256-6046

A succinct summary of the Outfall Pipe restoration after the bypass system is installed is as follows:

1) Our crew would physically enter the Outfall Pipe and remove the existing Weko seals located along the Outfall Pipe from the Access Point to the beach junction box. The joint area would be cleaned and filled with high tensile concrete, which we will line over. While inside the Pipe, our crew will utilize self-contained breathing apparatuses and follow all confined space entry protocols.

2) Our crew would manually clean the Outfall Pipe with high-pressure water to remove the calcium and brine deposits. Our crew would vacuum up any resulting debris from the deposit removal, such that no debris would be discharged from the Outfall Pipe.

3) Our lining process would proceed as follows. A plural component pumping station with a computerized control system will be staged in the Access Point work area. From this station, a custom-built lining bundle would be pulled into the subject pipe. This lining bundle has 5 internal lines: #1 for resin, #2 for resin hardener, #3 a hot water supply line, #4 a hot water return line, and #5 an airline. We will attach a hand spray gun to this bundle and spray the pipe surface with the resin and resin hardener. We would spray around the 4" aluminum Victaulic discharge pipe. When the project is 95% complete, we would start to remove sections of the Victaulic pipe and epoxy grout and seal the pipe hanger locations. At this time, high-pressure hoses would be fitted onto the mounted pipe and placed on the lined bottom of the subject Outfall Pipe.

   Throughout this process, our crew would travel along the inside of the Outfall Pipe using electric carts, which would allow consistent application of the liner throughout the pipeline interior. We anticipate lining approximately 200 feet/day, for a total construction timeline of approximately 8 to 12 weeks. The process leaves no residue behind after the material has cured. After this process, the final product would be equivalent to a PVC liner and would be impervious to moisture. Our lining process is also much less invasive than installing a physical liner, which could require physical excavations of the Outfall Pipeline every 500 feet.

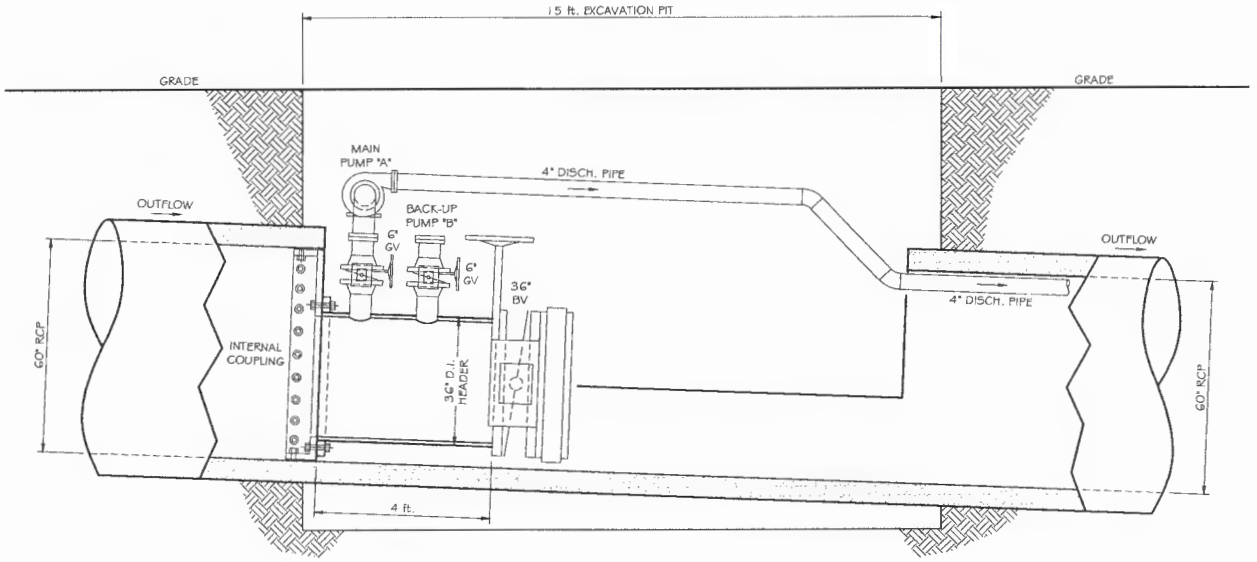
4) Video inspections and recordings are included in our scope of work.

Our team has a combined 100 year plus project history designing and completing complex infrastructure restoration projects. For this project full time certified safety and environmental experts would be on site. We take great pride in our professional work ethics and project solutions.

While there are additional submittals and issues to discuss further, we are confident in our team's ability to attend to your restoration requirements and that our proposal is feasible to ensure restoration of the existing Outfall Pipe consistent with California Public Utilities Commission requirements. We look forward to moving forward to working with your team on this restoration solution.

Mark F. Boylan
Director of Infrastructure Rehabilitation

EXHIBIT A - ATTACHMENT 1



ELEVATION VIEW-EXCAVATION PIT

NO SCALE

PROCEDURE NOTES:

We would mobilize at the proposed excavation site adjacent to Del Monte Blvd. In this work zone, the subject 60" RCP would be fitted with a custom high-pressure internal clamping system with a 36" threaded pipe fitting. A section of 36" pipe would be installed with 2 - 6" suction ports with gate valves as well as a 36" gate valve. The two 6" ports would be fitted to discharge pumps, only one would be required to operate the bypass system, the second would be a backup. The 36" gate valve opening would be fitted for a hose to allow for the outfall system to operate with out any pumps running.
The installation of this bypass system provides our team a safe work environment to expedite the cleaning and lining restoration of the subject pipe.



DEL MONTE BLVD
EXCAVATION SITE #SP -1
LOOKING NORTH

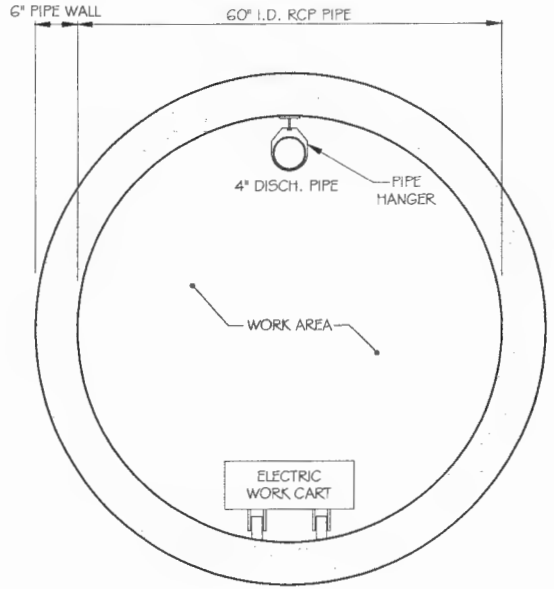
REV	DESCRIPTION	DATE	APPROVED
1	GENERAL REVISION PER COMMENTS	8/6/20	STG
0	ISSUED FOR SUBMITTAL	7/30/20	STG
A	PRELIM ISSUE FOR APPROVAL/COMMENTS	7/28/20	STG

SPRAY IN PLACE
45-1 KNICKERBOCKER AVE.
BOHEMIA, NY 11716

MONTEREY BAY OUTFALL PIPE RESTORATION
60" RCP-PROPOSED INTERNAL BYPASS

MONTEREY REGIONAL WATER POLLUTION CONTROL AGENCY (MRWPCA)
MONTEREY, CA 93940

DWN. BY-	SIZE	PSCM NO.	DWG NO.	REV
SHAUN T.	C		S-001	1
DATE- 7/28/20	SCALE NOTED		SHEET	1 of 1



SECTION THRU 60" RCP SHOWING WORK AREA

NO SCALE



DEL MONTE BLVD
EXCAVATION SITE # SP-1
LOOKING NORTH

REV	DESCRIPTION	DATE	APPROVED
0	DRAWING ADDED 8/6/2020	8/6/20	STG

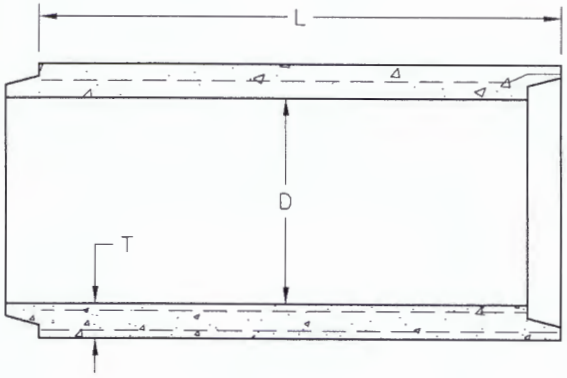
SPRAY IN PLACE
45-1 KNICKERBOCKER AVE.
BOHEMIA, NY 11716

MONTEREY BAY OUTFALL PIPE RESTORATION
60" RCP-SECTION THRU WORK AREA

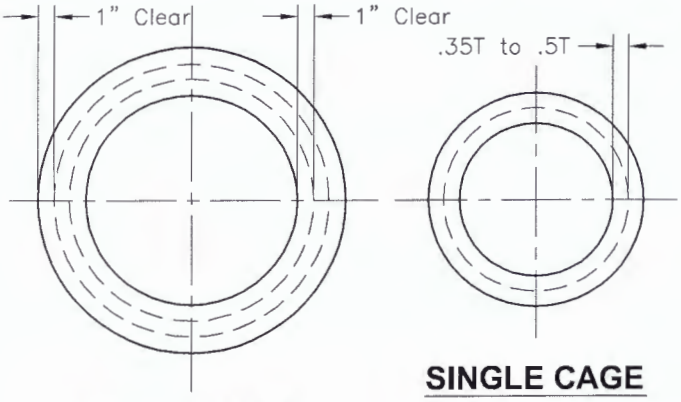
MONTEREY REGIONAL WATER POLLUTION CONTROL AGENCY (MRWPCA)
MONTEREY, CA 93940

DWN. BY-	SIZE	FSCM NO.	DWG. NO.	REV
SHAUN T.	C		S-002	0
DATE- 7/28/20	SCALE NOTED		SHEET 1 of 1	

EXHIBIT A - ATTACHMENT 2

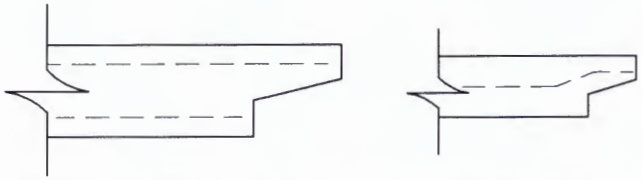


Upper Half Shows Single Cage
Lower Half Shows Double Cage



DOUBLE CAGE

SINGLE CAGE



REINFORCEMENT AT BELL ENDS OF PIPES

ROUND PIPE

PIPE DIAMETER D	LAYING LENGTHS L	WATER AREA	WALL THICKNESS T	ASTM WALL	OUTSIDE DIAMETER	WEIGHT PER FOOT
inches	feet	sq.ft.	inches		inches	lbs
12	6.5	0.79	2	B	16	93
15	8	1.23	2.1/4	B	19.1/2	128
18	8	1.77	2.1/2	B	23	169
21	8	2.40	2.3/4	B	26.1/2	216
24	8	3.14	3	B	30	268
27	8	4.0	3.1/4	B	33.1/2	325
30	8	4.91	3.1/2	B	37	388
36	8	7.1	4	B	44	530
42	8	9.62	5.1/4	C	52.1/2	811
48	8	12.6	5	B	58	875
54	8	15.90	5.1/2	B	65	1075
60	8	19.63	6	B	72	1295
66	8	23.8	6.1/2	B	79	1550
72	8	28.3	7	B	86	1820

PIPE MEETS ASTM C-76

Oldcastle Precast® Vanguard

5230 N.W. 17th Street, Topeka, KS 66618
Phone: 785.232.2982 Fax: 785.232.5842

PIPEDATA

FILE NAME: 120DPCROUNDDATA_DET
ISSUE DATE: January 2007
www.vanguardprecast.com

Round Pipe Data Sheet

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EXHIBIT B

RECORDING REQUESTED BY

Harold H. Seyforth

AND WHEN RECORDED MAIL THIS DEED AND, UNLESS OTHERWISE SHOWN BELOW, MAIL TAX STATEMENTS TO:

NAME Harold H. Seyforth
ADDRESS 1015 Cass Street
CITY & STATE ZIP Monterey, CA 93940

Title Order No. G 16280 Escrow No.

REEL 1670 PAGE 1016
~~REEL 1626 PAGE 1241~~
RECORDED AT REQUEST OF
SAFECO TITLE INSURANCE COMPANY
APR 19 8 11 AM '83
OFFICE OF RECORDER
COUNTY OF MONTEREY
SALINAS, CALIFORNIA
NO FEE

SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT DEED

The undersigned declares that the documentary transfer tax is $ No Taxable Consideration and is
☐ computed on the full value of the interest or property conveyed, or is
☐ computed on the full value less the value of liens or encumbrances remaining thereon at the time of sale. The land, tenements or realty is located in
☐ unincorporated area ☐ city of and Monterey County

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, LOIS JOHNSON, JOHN A. ARMSTRONG II; JAMES IRVINE ARMSTRONG, SUSANNE IRVINE ARMSTRONG and ANDREW CHURCH, Trustees of Trust B under the Will of IRVINE ARMSTRONG, Deceased; MAITLAND ARMSTRONG; SANDRA ARMSTRONG MURRAY and JAY MAX ARMSTRONG

hereby GRANT(S) to Monterey Regional Water Pollution Control Agency

SAFECO TITLE INSURANCE COMPANY
SEP 28 8 13 AM '83
OFFICE OF RECORDER
COUNTY OF MONTEREY
SALINAS, CALIFORNIA
NO FEE
G 43702

the following described real property in the county of Monterey, Marina state of California:

SEE ATTACHED EXHIBITS

APN: 203-011-21
203-011-08
203-011-03
203-021-01

THIS DEED IS BEING RE-RECORDED TO INCLUDE THE ATTACHED EXHIBITS WHICH WERE INADVERTENTLY OMITTED IN THE ORIGINAL RECORDING.

Dated March 29, 1983

Jay max armstrong by Andrew Church his attorney in fact
Lois Johnson by Andrew Church her attorney in fact
Andrew Church, Trustee

STATE OF CALIFORNIA } ss.
COUNTY OF Monterey
On this the 29th day of March 19 83, before me the undersigned, a Notary Public in and for said County and State, personally appeared Maitland Armstrong

personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same.

Signature of Notary

FOR NOTARY SEAL OR STAMP

My Commission Expires

Assessor's Parcel No.

MAIL TAX STATEMENTS TO PARTY SHOWN ON FOLLOWING LINE; IF NO PARTY SO SHOWN, MAIL AS DIRECTED ABOVE

Name Street Address City & State

CAL-1 (Rev. 8-82)

REEL 1626 PAGE 1241

State of California
County of Monterey
} ss.

On this the 31st day of March 1983, before me,
Marion R. I. Caminos
the undersigned Notary Public, personally appeared
James Irvin Armstrong

X personally known to me
proved to me on the basis of satisfactory evidence
to be the person(s) whose name(s) is subscribed to the within instrument, and acknowledged that he executed it.
WITNESS my hand and official seal.

Marion R. I. Caminos
Notary's Signature

OFFICIAL SEAL
MARION R. I. CAMINOS
NOTARY PUBLIC - CALIFORNIA
MONTEREY COUNTY
My Commission Expires June 4, 1984

GENERAL ACKNOWLEDGMENT FORM 7110052
NATIONAL NOTARY ASSOCIATION • 23012 Ventura Blvd. • Woodland Hills, CA 91364

State of California
County of Monterey
} ss.

On this the 31st day of March 1983, before me,
Marion R. I. Caminos
the undersigned Notary Public, personally appeared
John A. Armstrong II

X personally known to me
X proved to me on the basis of satisfactory evidence
to be the person(s) whose name(s) is subscribed to the within instrument, and acknowledged that he executed it
WITNESS my hand and official seal.

Marion R. I. Caminos
Notary's Signature

OFFICIAL SEAL
MARION R. I. CAMINOS
NOTARY PUBLIC - CALIFORNIA
MONTEREY COUNTY
My Commission Expires June 4, 1984

GENERAL ACKNOWLEDGMENT FORM 7110052
NATIONAL NOTARY ASSOCIATION • 23012 Ventura Blvd. • Woodland Hills, CA 91364

State of California
County of Monterey
} ss.

On this the 29th day of March 1983, before me,
Julie Crawford
the undersigned Notary Public, personally appeared
Andrew Church

X personally known to me
proved to me on the basis of satisfactory evidence
to be the person(s) whose name(s) is subscribed to the within instrument, and acknowledged that he executed it
WITNESS my hand and official seal.

Notary's Signature

OFFICIAL SEAL
JULIE CRAWFORD
NOTARY PUBLIC - CALIFORNIA
MONTEREY COUNTY
My Commission Expires [illegible]

GENERAL ACKNOWLEDGMENT FORM 7110052
NATIONAL NOTARY ASSOCIATION • 23012 Ventura Blvd. • Woodland Hills, CA 91364

REEL 1626 PAGE 1243
REEL 1670 PAGE 1018

STATE OF CALIFORNIA,
County of Monterey

On this 29th day of March in the year one thousand nine hundred and 83 before me, Julie Crawford a Notary Public, State of California, duly commissioned and sworn, personally appeared Maitland Armstrong known to me to be the person whose name is subscribed to the within instrument as the attorney in fact of Sandra Armstrong Murray and acknowledged to me that he subscribed the name of Sandra Armstrong Murray thereto as principal, and his own name as attorney in fact.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal in the County of Monterey the day and year in this certificate first above written.

Notary Public, State of California.
My Commission Expires August 7, 1984

Cowdery's Form No. 24 - Acknowledgment—Attorney in Fact
(Printed 1/15/70) 0171-0175

STATE OF CALIFORNIA,
County of Monterey } ss.

On this 29th day of March in the year one thousand nine hundred and 83 before me, Julie Crawford a Notary Public, State of California, duly commissioned and sworn, personally appeared Andrew Church known to me to be the person whose name is subscribed to the within instrument as the attorney in fact of Jay Max Armstrong and acknowledged to me that he subscribed the name of Jay Max Armstrong thereto as principal, and his own name as attorney in fact.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal in the County of Monterey the day and year in this certificate first above written.

Notary Public, State of California.
My Commission Expires August 7, 1984

Cowdery's Form No. 24 - Acknowledgment—Attorney in Fact
(Printed 1/15/70) 0171-0175

STATE OF CALIFORNIA,
County of Monterey } ss.

On this 29th day of March in the year one thousand nine hundred and 83 before me, Julie Crowford a Notary Public, State of California, duly commissioned and sworn, personally appeared Andrew Church known to me to be the person whose name is subscribed to the within instrument as the attorney in fact of Lois Johnson and acknowledged to me that he subscribed the name of Lois Johnson thereto as principal, and his own name as attorney in fact.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal in the County of Monterey the day and year in this certificate first above written.

Notary Public, State of California.
My Commission Expires 8-7-84

Cowdery's Form No. 24 - Acknowledgment—Attorney in Fact

State of California } SS.
County of Yolo

On this the 4th day of April 1983, before me,
Gina Lafreniere
the undersigned Notary Public personally appeared
Susanne Irvine Armstrong
personally known to me
X proved to me on the basis of satisfactory evidence
to be the person(s) whose name(s) is subscribed to the within instrument, and acknowledged that she executed it.
WITNESS my hand and official seal.

OFFICIAL SEAL
GINA LAFRENIERE
NOTARY PUBLIC - CALIFORNIA
YOLO COUNTY
My comm. expires JUN 6, 1986
304 "F" Street, Davis, CA 95617

Notary's Signature

GENERAL ACKNOWLEDGMENT FORM 7110052

NATIONAL NOTARY ASSOCIATION • 23012 Ventura Blvd. • Woodland Hills, CA 91364

REEL 1670 PAGE 1019

This is to certify that the interest in real property conveyed by the deed or grant deed dated March 29 1983 from LOIS JOHNSON ETAL to the Monterey Regional Water Pollution Control Agency is hereby accepted by the undersigned Agency Manager and Secretary on behalf of the Monterey Regional Water Pollution Control Agency pursuant to authority conferred by Resolution No. 81-2 of the Monterey Regional Water Pollution Control Agency adopted on February 26, 1981, and the grantee Agency hereby consents to recordation thereof by its duly authorized officer.

REEL 1626 PAGE 1244

Dated: 4-18- 1983.

Agency Manager and Secretary

PASSED AND ADOPTED by the Board of Directors of the Monterey Regional Water Pollution Control Agency at a regular meeting duly held on February 26, 1981, by the following vote:

AYES: BOARD MEMBERS: Moore, Wherritt, Williams, Dunsford, Olea Pendergrass, Hooker, Benson, Perkins

NOES: BOARD MEMBERS: None

ABSENT: BOARD MEMBERS: None

Michal Moore, Chairman

ATTEST:

Harold J. Boudreau, Secretary

END OF DOCUMENT

EXHIBIT A

REEL 1670 PAGE 1020

Description of Centerline
of 20 Foot Wide Sanitary Sewer Easement
in Monterey City Lands Tract No. 1 (A.P. 203-011-21)
for Monterey Regional County Sanitation District

CERTAIN real property situated in Monterey City Lands Tract No. 1, County of Monterey, State of California, particularly described as follows:

BEGINNING at a point on the northeasterly boundary of that certain 308.924 acre parcel described as Parcel "B" on that certain Record of Survey Map filed 27 October 1965 in Volume 7 of Surveys at Page 102, Records of Monterey County, California, said point bears S 19° 08' 48" E., 367.22 feet distant from the northwesterly terminus of that certain Course No. 17 of Parcel "B" as said course and parcel are shown on said map, thence leaving said boundary

(1) S 69° 04' 26" W., 473.94 feet to a point on the northwesterly boundary of said Parcel "B", said point lies 483.13 feet distant along the arc of a non-tangent curve to the left (center bears N 43° 22' 46" W., 1196.01 feet), through a central angle of 23° 08' 41", from the southwesterly terminus of Course No. 15 of said Parcel "B", as said course is also shown on said map

James A. Wurz

11 February 1983

W. O. 2871.14

James A Wurz
Registered Civil Engineer #33716
State of California

EXHIBIT A

REEL 1670 PAGE 1021

Description of Center'ine
of 20 Foot Wide Sanitary Sewer Easement
in Monterey City Land Tract No. 1 (A.P. 203-011-06)
for Monterey Regional County Sanitation District

CERTAIN real property situated in Monterey City Lands Tract No. 1, County of Monterey, State of California, particularly described as follows:

BEGINNING at a point on the northerly boundary of that certain 308.924 acre parcel described as Parcel "B" on that certain Record of Survey Map filed 27 October 1965 in Volume 7 of Surveys at Page 102, Records of Monterey County, California, said point lies 105.07 feet distant along the arc of a non-tangent curve to the right (center bears N 20° 14' 05" W., 1005.04 feet), through a central angle of 5° 59' 23" from the northeasterly terminus of Course No. 13 of Parcel "B" as said course and parcel are shown on said map; thence leaving said boundary

(1) S 69° 42' 55" W., 235.92 feet; thence

(2) Northwesterly, 280.00 feet along the arc of a tangent curve to the right having a radius of 454.67 feet, through a central angle of 35° 17' 05"; thence tangentially

(3) N 75° 00' 00" W., 395.80 feet; thence

(4) Northwesterly, 160.00 feet along the arc of a tangent curve to the right having a rad us of 473.76 feet, through a central angle of 19° 21' 00"; thence tangentially

(5) N 55° 39' 00" W., 17.87 feet to a point on said boundary of said Parcel "B", said point bears S 34° 35' 45" E., 52.84 feet distant from the northwesterly terminus of Course No. 10 of said Parcel "B", as said course is also shown on said map

James A. Wurz

James A. Wurz
Registered Civil Engineer #33716
State of California

Revised 24 February 1982

W. O. 2871.14

EXHIBIT A

REEL 1670 PAGE 1022

Description of Sanitary Sewer Easement
in Monterey City Lands Tract No. 1 (A.P. 203-021-01)
for Monterey Regional County Sanitation District

CERTAIN real property situated in Monterey City Lands Tract No. 1, County of Monterey, State of California, particularly described as follows:

A strip of land 25 feet wide; lying 15 feet northeasterly of and 10 feet southwesterly of the following described line

BEGINNING at a point on the northeasterly boundary of that certain 1656.148 acre parcel described as Parcel "A" on that certain Record of Survey Map filed 27 October 1965 in Volume 7 of Surveys at Page 102, Records of Monterey County, California, said point bears N 50° 03' 44" E , 35.24 feet distant from southwesterly terminus of that certain Course No. 25 of Parcel "A" as said course and parcel are shown on said map, thence leaving said boundary

(1) Northwesterly 212.50 feet along arc of a non-tangent curve to the right (center bears N 19° 18' 42" E., 1817.52 feet), through a central angle of 6° 41' 56"; thence tangentially

(2) N 63° 59' 22" W., 2921.75 feet; thence

(3) Northwesterly 173.25 feet along the arc of a tangent curve to the left, having a radius of 460.00 feet, through a central angle of 21° 34' 44"; thence

(4) N 85° 34' 06" W., 172.10 feet to a point on the westerly boundary of said Parcel "A", said point bears S 05° 05' 55" W., 227.66 feet distant from the northeasterly terminus of Course number 14 of said Parcel "A", as said boundary and course are also shown on said map

James A. Wurz

14 February 1983

W. O. 2871.14

James A. Wurz
Registered Civil Engineer #33716
State of California

EXHIBIT A

REEL 1670 PAGE 1023

Description of Centerline
of 20 Foot Wide Sanitary Sewer Easement
in Monterey City Lands Tract No. 1 (A.P. 203-011-03)
for Monterey Regional County Sanitation District

CERTAIN real property situated in Monterey City Lands Tract No. 1, County of Monterey, State of California particularly described as follows:

BEGINNING at a point on the northeasterly boundary of that certain 72.129 acre parcel described as Parcel "D" on that certain Record of Survey map filed 27 October 1965 in Volume 7 of Surveys at Page 102, Records of Monterey County, California, said point bears N 04° 22' 55" E., 122.24 feet distant from the southwesterly terminus of that certain Course No. 8 of Parcel "D" as said course and parcel are shown on said map; thence leaving said boundary

(1) N 85° 34' 00" W., 396.38 feet; thence

(2) Southwesterly 203.59 feet along the arc of a tangent curve to the left, having a radius of 460.00 feet, through a central angle of 25° 21' 28"; thence

(3) S 69° 04' 28" W., 392.16 feet to a point on the southwesterly boundary of said Parcel "D" said point bears S 19° 08' 48" E., 362.25 feet distant from the northeasterly terminus of Course No. 19 of said Parcel "D", as said course is also shown on said map.

James A. Wurz

14 February 1983

W. O. 2071.14

James A. Wurz
Registered Civil Engineer #33716
State of California

EXHIBIT A

REEL 1670 PAGE 1024

Description of Sanitary Sewer Easement
in a Portion of Land Known as Armstrong Ranch
for Monterey Regional County Sanitation District

CERTAIN real property situated in Rancho Las Salinas, County of Monterey State of California, particularly described as follows:

A strip of land 30 feet-wide for sanitary sewer purposes, lying 20 feet northwesterly and 10 feet southeasterly of the following described line:

BEGINNING at a point on the northeasterly boundary of that certain 1656.148 acre parcel described as Parcel "A" on that certain Record of Survey map filed 27 October 1965 in Volume 7 of Surveys at Page 102, Records of Monterey County, California, said point bears S 29° 41' 54" E., 50.00 feet distant from the northwesterly terminus of that certain Course No. 26 of Parcel "A" as said course and parcel are shown on said map; thence leaving said boundary

(1) S 60° 08' 44" W., 4210.37 feet to a point on the westerly boundary of said Parcel "A" said point lies 289.34 feet distant along the arc of a non-tangent curve to the left having a radius of 2065.0 (center beers N 77° 30' 24" W.,) through a central angle of 8° 01' 41" to the northerly terminus of that certain Course No. 6 of said Parcel "A" as said course is shown on last said map.

Revised - 3 December 1980

W.O. 2871.14

RAMON M. NIERVA
Registered Civil Engineer #21618
State of California

Bestor Engineers, Inc 400 Camino Aguajito Monterey, California 93940

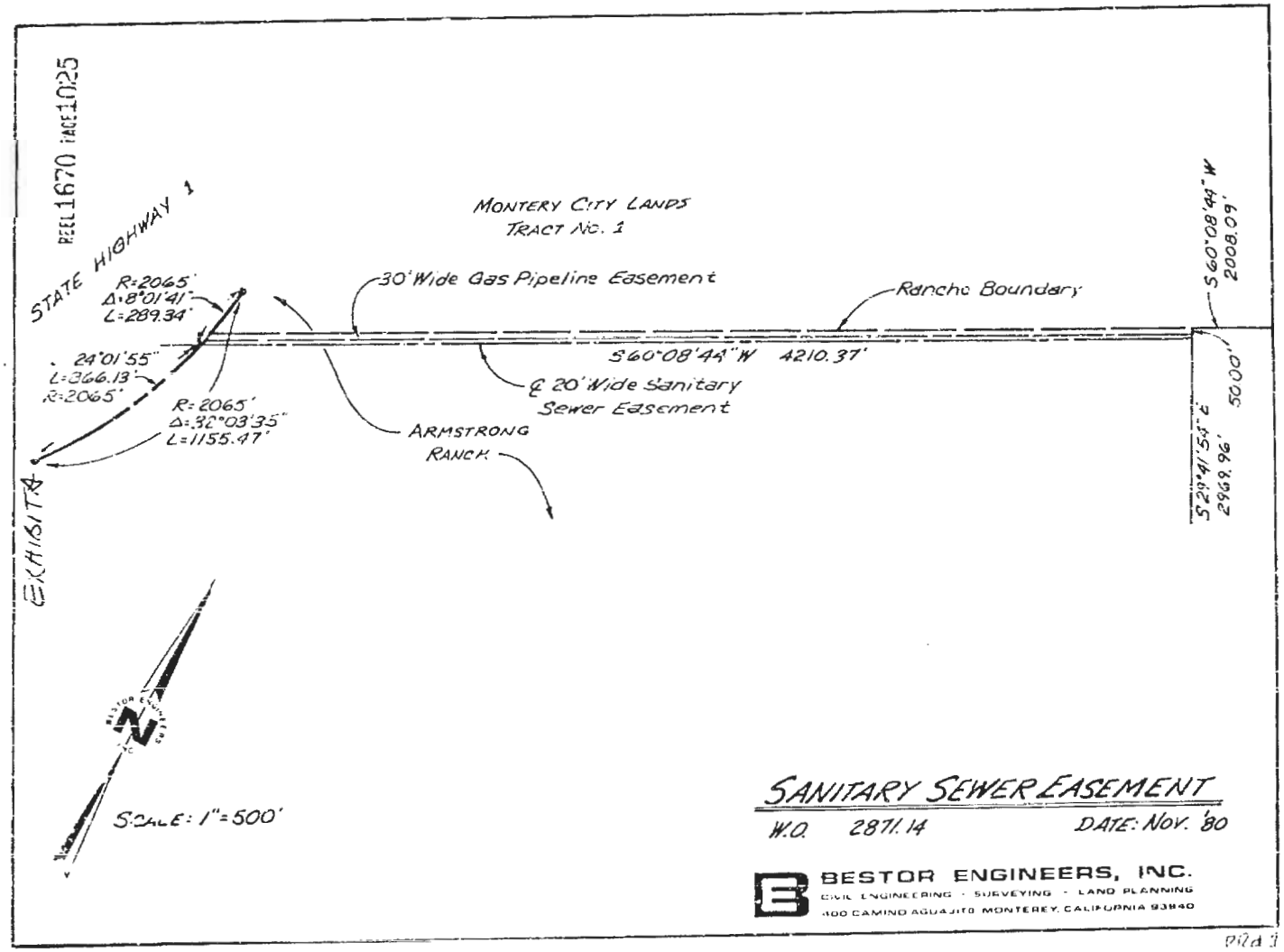
REEL 1670 IMAGE 1025
STATE HIGHWAY 1
EXHIBIT A
MONTERY CITY LANDS
TRACT No. 1
30' Wide Gas Pipeline Easement
Rancho Boundary
S 60°08'44" W 2008.09'
R=2065'
Δ=8°01'41"
L=289.34'
24°01'55"
L=366.13'
R=2065'
R=2065'
Δ=32°03'35"
L=1155.47'
S 60°08'44" W 4210.37'
℄ 20' Wide Sanitary Sewer Easement
ARMSTRONG RANCH
S 29°41'54" E 2969.96'
50.00'
SCALE: 1"=500'
SANITARY SEWER EASEMENT
W.O. 2871.14
DATE: NOV. '80
BESTOR ENGINEERS, INC.
CIVIL ENGINEERING · SURVEYING · LAND PLANNING
400 CAMINO AGUAJITO MONTEREY, CALIFORNIA 93940

EXHIBIT A'

REEL 1670 PAGE 1026

Description of Centerline of
20 Foot-Wide Sanitary Sewer Easement
in Rancho Las Salinas
for Monterey Regional County Sanitation District

CERTAIN real property situated in Rancho Las Salinas, County of Monterey, State of California, particularly described as follows:

BEGINNING at a point on the southeasterly boundary of that certain 1656.148 acre parcel described as Parcel "A" on that certain Record of Survey map filed 27 October 1965 in Volume 7 of Survey at Page 102, Records of Monterey County, California, as said boundary also being common to the northwesterly boundary of Fort Ord Military Reservation, said point bears along said boundary S 68° 12' 24" W, 117.17 feet distant from that certain point shown and designated as "A.P. 40" in said map; thence leaving common boundary

1) Northwesterly 108.13 feet along the arc of a curve to the left (center bears S 89° 29' 46" W, 2000.0 feet distant) through a central angle of 3° 05' 51" thence tangentially

2) N 03° 36' 05" W, 2134.05 feet to a point which bears N 81° 46' 38" W 25.68 feet distant from the southeasterly terminus of that certain Course No. 27 of Parcel "A" as said course and parcel are so shown on last said map.

31 October 1980

J.O. 2871.14

Ramon M. Nierva
Registered Civil Engineer #21618
State of California

SL 10

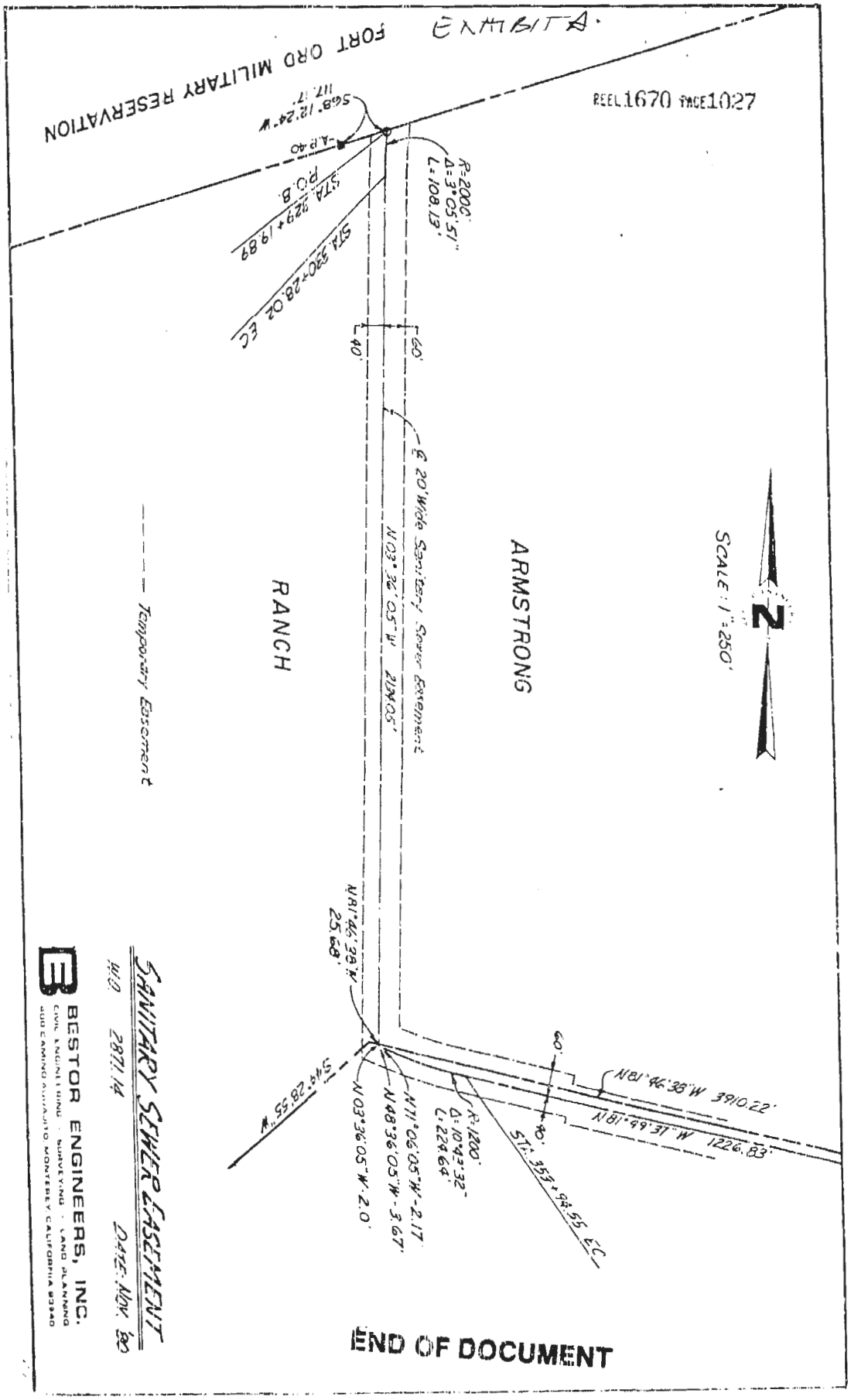
EXHIBIT A.
FORT ORD MILITARY RESERVATION
REEL 1670 PAGE 1027
S68°12'24"W 117.17'
A.P. 40
R=2000'
Δ=3°05'51"
L=108.13'
STA. 329+19.89 P.O.B.
STA. 330+28.02 EC
40'
60'
℄ 20' Wide Sanitary Sewer Easement
N03°36'05"W 2134.05'
ARMSTRONG
RANCH
Temporary Easement
SCALE: 1"=250'
N
N81°46'38"W 25.68'
S44°28'55"W
N03°36'05"W-2.0'
N48°36'05"W-3.67'
N71°06'05"W-2.17'
R=1200'
Δ=10°43'32"
L=224.64'
STA. 353+94.55 EC
60'
40'
N81°46'38"W 3910.22'
N81°49'31"W 1226.83'
SANITARY SEWER EASEMENT
W.O. 2871.14
DATE: NOV. '80
BESTOR ENGINEERS, INC.
CIVIL ENGINEERING · SURVEYING · LAND PLANNING
400 CAMINO AGUAJITO, MONTEREY, CALIFORNIA 93940
END OF DOCUMENT

AECOM

Date: August 19, 2020

To: Tom Luster, California Coastal Commission

cc: Ian Crooks, California-American Water Company

From: George Strnad, J , RLA, RA, CERP; John Chamberlain, Sr. Planner, AECOM Technical Services

Subject: Monterey Peninsula Water Supply Project: CEMEX North Dunes - Agricultural Runoff Drainage System Observations and Options

AECOM prepared a Habitat Mitigation and Monitoring Plan for the Monterey Peninsula Water Supply Project Part One – Coastal Zone dated June 2020 (HMMP). The HMMP proposes to mitigate for permanent impacts from the Monterey Peninsula Water Supply Project (MPWSP) through restoration and conservation of selected areas within an approximately 190-acre region of coastal dune habitat located in the northern portion of the CEMEX property (CNMA). In identifying locations at the CNMA for restoration, AECOM identified a sizeable area of upland dune and scrub habitat severely degraded by pumping of agricultural runoff and drainage containing substantial amounts of clayey sediment. The resulting thick layer of highly conductive fine soils serves as a supporting reservoir for numerous invasive exotic vegetation species (including significant amounts of iceplant). The HMMP proposes that the agricultural runoff drainage into the dunes be discontinued, that all the invasive vegetation associated with the agricultural runoff be removed, and the entire dune area impacted by the agricultural runoff be restored with coastal dune habitat.[1] Discontinuation or alternative management strategies for the agricultural runoff would occur as part of implementation of the HMMP. Additional details regarding the existing conditions of the agricultural runoff drainage system are provided below.

Figure 1 shows the location of an existing farm field drainage system that has been constructed in the past partially on the CNMA and partially in the large adjacent agricultural field. The system is pumping substantial amounts of water containing clayey sediment into a drainage pond much higher up in the sand dunes on the east side of the CNMA. This water then sometimes continues to flow into a much larger 'overflow' valley to the west of the drainage pond where it percolates into the sand leaving clay sediment behind on the surface.

[1] The HMMP also proposes restoration activities on two other adjacent areas degraded by historic sand mining and excessive iceplant infestation. These other areas are not discussed herein.



Figure 1: A vicinity map showing the location of the CEMEX Lapis Plant, Highway 1, the Monterey Bay shore, the pump, pond and overflow valley. The pump is near a larger white spot (arrow) adjacent to the farm road in the top portion of the aerial photograph at the boundary between the agricultural fields and the dunes. The drainage pond is the green spot to the northwest of the pump.

Figure 2 shows an enlarged aerial photo of the pump, the pond and the eastern portion of the overflow valley. It appears that the main source of the drainage water is irrigation runoff from the agricultural fields (that are irrigated daily) and possibly sub-drainage from the entire agricultural field between Highway 1 and the dunes.



Figure 2: Close-up aerial of the pump (lower right corner, short orange arrow), the drainage pond (long orange arrow) with bright green, invasive vegetation around it and the east tip of a large overflow valley (black arrow) covered with iceplant mat to the west of the drainage pond. The ephemeral stream (blue arrow) bed directing water to the west of the overflow pond is visible despite the dense iceplant cover. The entire impacted area is included in the proposed 6.6-acre ESHA restoration depicted in Appendix C (Restoration Plans) of the HMMP.

The pump (Figure 3) has been installed over a shallow well at a low point at the edge of the agricultural field drainage system. Even during the dry summer weather, the pump turns on and pushes water into the drainage pond approximately every 10 minutes for a duration of about 3-5 minutes.



Figure 3: Agricultural field drainage system pump on the farm side of the fence viewed from the top of the adjacent dune on the CEMEX property. The power pole to the north of the pump supplies electric power.

Figure 4 shows the drainage pond where the agricultural runoff is being pumped viewed from the same high dune as the pump (that is much lower). The agricultural fields are behind the photographer, Monterey Bay can be seen in the background to the west.



Figure 4: Agricultural runoff drainage pond in CEMEX dunes.

When the pump (that is triggered by the rising water level in the well below the pump) turns on water gushes out from a perforated corrugated plastic pipe that was placed in the middle of the drainage pond (Figure 5).

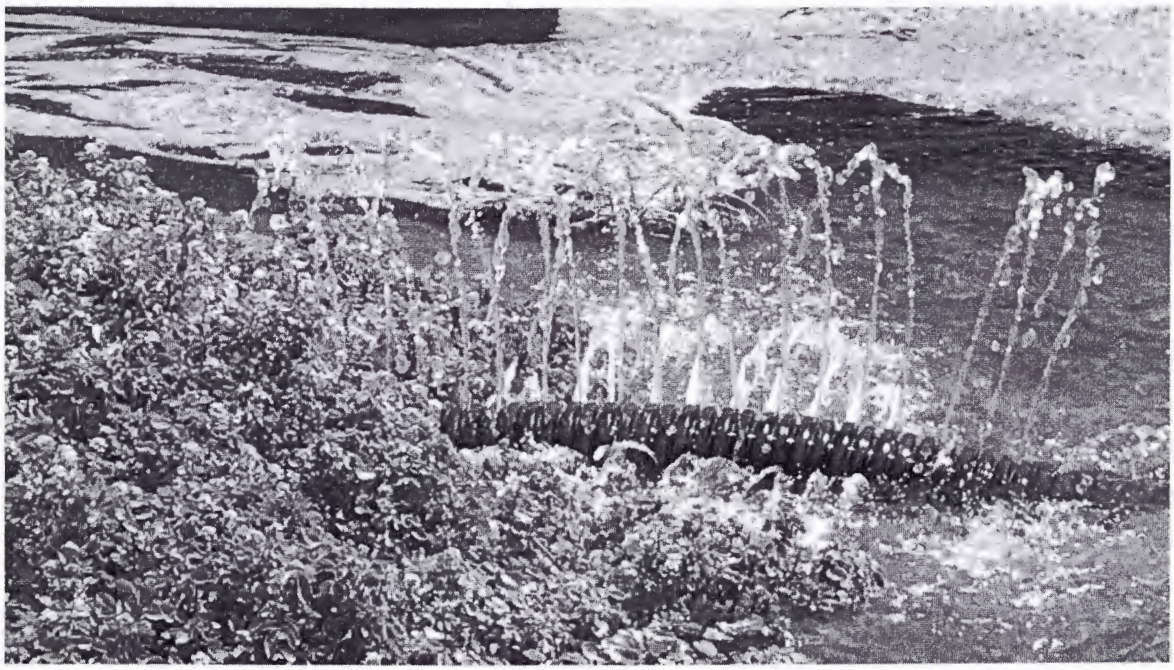

Figure 5: Drainage pond water discharge pipe.

It appears that either initially when the agricultural fields were drained or during heavy winter storms, large amounts of pumped clayey sediment laden water have been overflowing for extended periods (perhaps decades) from the small drainage pond and spilled through a narrow ephemeral streambed into a large landlocked valley further west of and lower than the drainage pond (Figures 6-8).



Figure 6: East end of the overflow valley. The drainage pond can be seen in the upper right part of the photo. The ephemeral streambed mostly covered up by iceplant mat is the faint line in the vegetation from the middle to the lower left of the photo.

Based on the presence of the power line and the look of the pump, the drainage system has been set up permanently and may continue pumping agricultural runoff into the dunes for years. The HMMP proposes that the agricultural runoff drainage into the dunes be discontinued, that the invasive vegetation be removed, and the dune area be restored with coastal dune habitat to mitigate for any permanent losses of ESHA resulting from the MPWSP implementation.



Figure 7: The narrow connection between the drainage pond and the overflow valley. The ephemeral streambed can be distinguished under a very dense layer of iceplant mat. The right side of this photo directly ties into the left side of Figure 6 photo and the left side into the right side of Figure 8 photo.



Figure 8: The west side of the overflow valley continues all the way to the oceanfront foredune that closes it off and prevents drainage to flow out.

The original sandy subsoil in this entire valley is covered by about 6-9" of very dark clayey soil that is in turn colonized by a dense layer of iceplant mat (Figure 9) and other invasive species such as ripgut brome (*Bromus diandrus*) and brome fescue (*Festuca bromoides*). A compound sample of the topsoil was taken and send to a soil laboratory (Figure 10).

It was determined that the soil texture is clay. It contains 0.9% sand, 9.2% silt and 89.9% clay. Gravel is not present. Phosphorus, potassium, iron, manganese, zinc, copper, nickel and magnesium are high. Magnesium is higher than desired. Since native plant dune species are adapted to coarse, alkaline, sandy soils with very low conductivity that are typically present in the coastal dune habitats and would not be able to survive in the clayey, nutrient rich sediment, as part of the HMMP proposed mitigation, this soil layer would be either removed, or buried under several feet of sand in order to restore the edaphic conditions suitable for native dune species.



Figure 9: Dark clayey soil layer has been deposited by agricultural runoff on top of sand in the overflow valley at CNMA.

AECOM

WALLACE LABS 365 Coral Circle El Segundo, CA 90245 (310) 615-0116	SOILS REPORT	Print Date	Jul. 24, 2020
	Location	CEMEX North Mitigation Area	
	Requester	AECOM	
	graphic interpretation: * very low, ** low, *** moderate		
ammonium bicarbonate/DTPA		**** high, ***** very high	
extractable - mg/kg soil	Sample ID Number	20-206-07	
	Sample Description	Northwest Area Valley, Spillover of West Agricultural Drainage Pond, 0-8"	
Interpretation of data low medium high	elements		graphic
0 - 7 8-15 over 15	phosphorus	19.60	*****
0-60 60 -120 121-180	potassium	424.08	*****
0 - 4 4 - 10 over 10	iron	14.83	****
0- 0.5 0.6- 1 over 1	manganese	4.65	****
0 - 1 1 - 1.5 over 1.5	zinc	3.91	****
0- 0.2 0.3- 0.5 over 0.5	copper	7.31	*****
0- 0.2 0.2- 0.5 over 1	boron	0.26	***
	calcium	408.05	****
	magnesium	1,521.62	*****
	sodium	517.24	*****
	sulfur	6.45	*
	molybdenum	0.08	***
	nickel	14.45	****
The following trace elements may be toxic	aluminum	n d	*
	arsenic	0.16	*
The degree of toxicity	barium	0.54	*
depends upon the pH of	cadmium	0.90	*
the soil, soil texture,	chromium	n d	*
organic matter, and the	cobalt	0.09	*
concentrations of the	lead	2.00	**
individual elements as	lithium	0.43	*
well as to their interactions.	mercury	n d	*
	selenium	n d	*
The pH optimum depends	silver	n d	*
upon soil organic	strontium	2.73	*
matter and clay content-	tin	n d	*
for clay and loam soils:	vanadium	0.98	*
under 5.2 is too acidic			
6.5 to 7 is ideal	Saturation Extract		
over 9 is too alkaline	pH value	6.70	***
The ECe is a measure of	ECe (milli-mho/cm)	0.23	*
the soil salinity:			millieq/l
1-2 affects a few plants	calcium	9.2	0.5
2-4 affects some plants,	magnesium	4.3	0.4
> 4 affects many plants.	sodium	38.1	1.7
	potassium	3.1	0.1
	cation sum		2.5
problems over 150 ppm	chloride	22	0.6
	nitrate as N	1	0.0
	phosphorus as P	2.4	0.1
toxic over 800	sulfate as S	3.8	0.2
	anion sum		1.0
toxic over 1 for many plants	boron as B	0.15	*
increasing problems above 3	SAR	2.6	**
est. gypsum requirement-lbs./per 1,000 square feet		508	
infiltration rate-inches/hour		0.31	
soil texture		clay	gravel > 2 mm
sand		0.9%	0.0%
silt		9.2%	gravel > 1/4 inch
clay		89.9%	0.0%
lime (calcium carbonate)		no	gravel > 1/2 inch
organic matter		low/fair	0.0%
moisture content of soil		12.4%	
half saturation percentage		66.4%	

Elements are expressed as mg/kg dry soil or mg/l for saturation extract.
pH and ECe are measured in a saturation paste extract. nd means not detected.
Analytical data determined on soil fraction passing a 2 mm sieve.

Figure 10: Overflow valley clay soil deposit laboratory analysis.

Luster, Tom@Coastal

From: DJ.Moore@lw.com
Sent: Thursday, August 13, 2020 10:32 AM
To: Luster, Tom@Coastal
Cc: Ian.Crooks@amwater.com
Subject: CalAm: Further Responses to Technical Issues
Attachments: 2020.08.13 Cal-Am ltr to CCC.pdf

Good morning, Tom.

In advance of our call this morning, please see the attached response to various technical issues involving the MPWSP, including supply and demand, environmental justice, Pure Water Monterey, and sea level rise. We'll briefly explain these documents when we speak.

Best regards,
DJ

DJ Moore

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August 13, 2020

VIA EMAIL AND FEDEX

Mr. Tom Luster
California Coastal Commission
Energy and Ocean Resources Unit
455 Market Street, Suite 228
San Francisco, CA 94105

Re: Monterey Peninsula Water Supply Project, CDP Application No. 9-19-0918 and Appeal No. A-3-MRA-19-0034 – Supplemental Technical Reports

Dear Mr. Luster:

On behalf of California-American Water Company ("Cal-Am"), this letter supplements Cal-Am's June 30, 2020, Response to the Coastal Commission's ("Commission") October 28, 2019, Staff Report ("2019 Staff Report") regarding the coastal development permit ("CDP") application for and appeal regarding the Monterey Peninsula Water Supply Project ("Project"). The enclosed technical reports provide additional responses to Staff's concerns regarding environmental justice (**Exhibit 1**), water supply and demand (**Exhibit 2**), the Pure Water Monterey Groundwater Replenishment Project ("Phase 1 PWM") and proposed expansion ("PWM Expansion") (**Exhibit 3**), and the recently adopted State of California sea level rise principle setting a minimum target for planning of 3.5 feet of sea level rise by 2050 (**Exhibit 4**).

Environmental Justice (Exhibit 1)

With respect to environmental justice, attached as Exhibit 1 is a memorandum from Dudek that evaluates the Project's potential environmental justice impacts, including Project benefits, and clarifies the Project's potential impacts to water costs. Exhibit 1 also analyzes the PWM Expansion's environmental justice impacts, which staff did not consider in its 2019 Staff Report. The following is a summary of Dudek's principal conclusions:

- **Water Costs.** Based on currently available information, the average monthly water bill for single-family residences following Project implementation would increase only an estimated $37 to $40, for a total yearly cost between $1,536 and $1,572—not $2,400 as the 2019 Staff Report asserts. Further, Cal-Am has a robust Low Income Ratepayer Assistance Program that provides a 30% discount to qualified customers that must be considered when evaluating the economic effects of Project implementation on individuals residing in Cal-Am's service territory.

- For comparison, just last year, the Commission approved the Morro Bay Water Reclamation Facility, which would result in a $41 monthly increase in Morro Bay residents' water bills. (See Staff Report for Agenda Item #13a, CDP App. No. 3-19-0463 (July 11, 2019), pp. 63-64.) The Commission determined that the increase was necessary to provide a secure and sufficient water supply to Morro Bay residents.

- **Benefits to Castroville.** The Project will benefit the severely disadvantaged community of Castroville, which critically needs—and would receive from the Project—a reliable source of potable water at a reduced rate. Castroville's primary source of water, the Salinas Valley Groundwater Basin, has become contaminated from seawater intrusion. The Project would reduce Castroville's need to pump water from the Basin and would prevent further seawater intrusion inland.

- **Public Access.** The Project will have a limited footprint and minimal impacts on public access. Once built, the Project's slant well network and associated aboveground infrastructure would occupy less than one-acre of the 400-acre CEMEX site and would be located behind an existing dune system. As a result, the Project would not impact public access to or along the beach.

- **Procedural Concerns.** Marina residents, ratepayers, and other members of the public have had ample and meaningful opportunities to participate in the Project's development since Cal-Am first proposed the Project in 2012. The CPUC held multiple hearings at which Marina and its residents actively participated, including by submitting hundreds of pages of comments and briefing on the Project.

- **Pure Water Monterey Expansion.** The 2019 Staff Report asserted that the PWM Expansion would be a feasible alternative to the Project, but did not consider the PWM Expansion's own environmental justice impacts. Not only is the PWM Expansion infeasible, but that project also would not provide sufficient water to lift the existing moratorium on new service connections or promote existing and future growth on the Monterey Peninsula. This would prevent the development of new affordable housing on the Peninsula, and would continue to force individuals working in the Peninsula's service industry to live further inland and commute far distances to their Peninsula jobs. Further, the PWM Expansion would not provide a sufficient and reliable water supply to support the Monterey Peninsula's agricultural activities—one of the region's economic pillars.

Water Supply and Demand (Exhibit 2)

Regarding water supply and demand on the Monterey Peninsula, Exhibit 2 to this letter is a memorandum from Hazen and Sawyer that provides a peer review of water supply and demand as evaluated in the Final Supplemental EIR for the PWM Expansion and in separate reports prepared by David J. Stoldt, General Manager of Monterey Peninsula Water Management District ("MPWMD"), and WaterDM on behalf of Marina Coast Water District. As explained in Exhibit 2, the technical analyses provided by proponents of the PWM Expansion fail to

demonstrate that the PWM Expansion has reliable sources of water necessary to meet demand on the Monterey Peninsula under multiple probable adverse scenarios, including reasonably foreseeable drought conditions. The following is a summary of Hazen and Sawyer's conclusions:

- **Adequate Water Supply to Meet Demand.** The Project is the only proposed water supply solution capable of providing the Peninsula with reliable water supplies across reasonable and probable scenarios such as prolonged drought conditions, limited wastewater flows, limited Phase 1 PWM injection, limited agricultural drain flows, flows from the Sand City Desal and possible limited flows from Aquifer Storage and Recovery ("ASR").

- **Declining Wastewater Flows Are Inadequate to Provide Necessary Source Waters for the Phase 1 PWM and PWM Expansion.** There are significant limitations on wastewater flows and data gaps within the analyses in the Supplemental EIR and offered by Stoldt and WaterDM that do not account for the continuing decrease in wastewater flows in the region over the past decade. When data and wastewater trends are taken into account, the Phase 1 PWM and PWM Expansion would not have sufficient source water to provide the Peninsula with an adequate water supply in both normal and dry years.

- **Surface Water Limitations.** The Supplemental EIR for the PWM Expansion overstates the availability of surface water flows, such as the Reclamation Ditch, as source water available for the Phase 1 PWM and the PWM Expansion. Analysis of current flow data available from United States Geological Survey for the Reclamation Ditch reveals that the Supplemental EIR significantly overstated the availability of Reclamation Ditch flows in critical summer months by up to 67 percent. As a result, the reliability of the Phase 1 PWM and the PWM Expansion, which rely on these flows, are in serious doubt.

- **Supply Deficits.** When updated wastewater flow and Reclamation Ditch flow data is accounted for, demand on the Peninsula exceeds supplies in both normal and dry year scenarios. Without an adequate supply of source water, the Peninsula would be forced to choose—either supply source water to the PWM Expansion or the Castroville Seawater Intrusion Project ("CSIP"). Moreover, potential adverse impacts of a CSIP deficit, including additional seawater intrusion, have not been evaluated.

- **Compliance with Governor Newsom's 2020 Water Resilience Portfolio.** Governor Newsom's 2020 Water Resilience Portfolio specifies that water suppliers need to plan for prolonged droughts and "[d]evelop strategies to protect communities and fish and wildlife in the event of a drought lasting at least six

years."[1] The PWM Expansion will have inadequate source waters during a drought, and that project does not achieve Governor's goal. Only Cal-Am's Project proposes a drought-proof water supply for the region.

Phase 1 PWM and PWM Expansion Status Update (Exhibit 3)

Exhibit 3 to this letter is a memorandum from Cal-Am, which provides a detailed report regarding the status of the Phase 1 PWM and PWM Expansion. As detailed in Exhibit 3, the status of the Phase 1 PWM and PWM Expansion raise significant concerns regarding Monterey One Water's ("M1W") ability to provide sufficient water for both the Phase 1 PWM and PWM Expansion further supporting that without the Project the Peninsula will not have an adequate, reliable, drought-proof, and permanent water supply that would be sufficient to allow the State Water Resources Control Board to lift its Cease and Desist Order and moratorium on new service connections. The following is a summary of Cal-Am's memorandum:

- **Delays and Cost Overruns**. The Phase 1 PWM has been plagued by delays and significant cost overruns. The Phase 1 PWM is currently eight months behind schedule. It is expected that the PWM Expansion would face similar timing and cost challenges.

- **Injection Well Operational Problems**. The Phase 1 PWM is experiencing substantial operational problems related to the injection capability of the shallow and deep injection wells. As a result, M1W estimates that the current annual injection volume for the Phase 1 PWM is only 2,030 afy—this equates to less than 58% of the 3,500 afy allocated to Cal-Am. It is unclear whether such delivery amount will ever be achieved. The PWM Expansion would utilize the same injection technology, calling into question whether the PWM Expansion could ever provide the claimed 2,250 afy.

- **PWM Expansion Status.** M1W denied certification of the Supplemental EIR for the PWM Expansion and did not approve the PWM Expansion. M1W does not have the funds to address the significant deficiencies identified in the Supplemental EIR. Thus, PWM Expansion is infeasible.

- **PWM Expansion Source Water Concerns.** There are significant questions regarding whether the PWM Expansion has adequate and sufficient source water because many of the water rights claimed for the PWM Expansion are in dispute.

- **Agricultural Source Water Issues.** There are also significant questions regarding whether agricultural wash water, one of the source waters for the Phase 1 PWM and the PWM Expansion, is capable of being treated. If the water is not

[1] 2020 Water Resilience Portfolio (July 2020), p. 26, available at https://waterresilience.ca.gov/wp-content/uploads/2020/07/Final_California-Water-Resilience-Portfolio-2020_ADA3_v2_ay11-opt.pdf.

treatable it would impact the Phase 1 PWM and the PWM Expansion's ability to meet water deliverables.

Sea Level Rise (Exhibit 4)

Regarding sea level rise, attached as Exhibit 4 is a memorandum from AECOM which confirms that the prior AECOM sea level rise analysis that was submitted to the Commission is consistent with the recently adopted State of California document, *Making California's Coast Resilient to Sea Level Rise: Principles for Aligned State Action*. Specifically, the previously completely sea level rise analysis is consistent with Principle 1, which directs state agencies to use a minimum target for planning of 3.5 feet of sea level rise by 2050. AECOM's previous sea level rise analysis evaluated the H++ scenario for 2060, which considered 3.8 feet of sea level rise. This prior analysis satisfies Principle 1 and no adverse impacts to the test slant well or the proposed slant well field would occur based on 3.5 feet of sea level rise at 2050. Therefore, no new analysis or revisions to AECOM's previous analysis is required.

****

Cal-Am appreciates staff's ongoing efforts in review of the Project, and hopes that the information provided in these supplemental technical memorandums will assist in staff's preparation of a new Staff Report for the upcoming September 17 hearing. We request that staff review the enclosed technical reports and alert us to any remaining questions. Thank you for your consideration in this matter.

Very truly yours,



Duncan Joseph Moore
of LATHAM & WATKINS LLP

Attachments

cc: Rich Svindland, California-American Water Company
Ian Crooks, California-American Water Company
Kathryn Horning, Esq., California-American Water Company
Tony Lombardo, Esq., Lombardo & Associates
Susan McCabe, McCabe & Company
Alison Dettmer, California Coastal Commission
Eileen Sobeck, State Water Resources Control Board
Drew Simpkin, California State Lands Commission
John Forsythe, California Public Utilities Commission

EXHIBIT 1

621 CHAPALA STREET
SANTA BARBARA, CALIFORNIA 93101
T 805 963 0651 F 805 963 2074

MEMORANDUM

To:	Ian Crooks, California American Water Company
From:	Carolyn Groves and Sarah Richmond, Dudek
Subject:	Environmental Justice Analysis for the Monterey Peninsula Water Supply Project
Date:	August 10, 2020

Background and Summary

Environmental justice is defined by state law as "the fair treatment and meaningful involvement of all people regardless of race, culture, national origin, or income with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations and policies."[1] In 2016, AB 2616 amended the California Coastal Act and provided the California Coastal Commission (CCC) with new authority to consider environmental justice when making permit decisions.

On March 8, 2019, the CCC adopted its Environmental Justice Policy (Policy), implementing its authority under AB 2616. The Policy is intended to integrate the principles of environmental justice, equality, and social equity into the CCC's decision-making and operations. The Policy includes a statement of principles emphasizing the importance of issues such as meaningful engagement with environmental justice groups and underserved communities, coastal access, procedural participation, and climate change.

As part of Appeal No. A-3-MRA-19-0034 and CDP No. 9-19-0918 related to the California-American Water Company (Cal-Am) Monterey Peninsula Water Supply Project (MPWSP), CCC staff released a staff report on October 28, 2019 that includes an analysis of potential environmental justice impacts associated with the MPWSP.[2] However, the staff report's evaluation of the MPWSP's potential environmental justice-related impacts does not provide a comprehensive view of the MPWSP, including its potential benefits. The purpose of this memo is to identify and expound upon several of the assertions included in staff's environmental justice analysis, namely concerning water costs, public access, water

[1] Government Code, § 65040.12(e).

[2] Staff Report: Recommendation on Appeal Substantial Issue & De Novo Hearing and Consolidated Coastal Development Permit. Appeal No. A-3-MRA-19-0034, Application No. 9-19-0918. California Coastal Commission, Oct. 28, 2019. https://documents.coastal.ca.gov/reports/2019/11/Th8a_9a/Th8a_9a-11-2019 staff report.pdf. Accessed May 20, 2020.

supply impacts, procedural concerns, and feasible alternatives, and also to demonstrate that revised findings are needed to reflect a more accurate environmental justice discussion.

First, the increases in water rates resulting from implementation of the MPWSP are not as severe as portrayed in the staff report, and the report failed to mention several measures that Cal-Am has implemented to address water costs for communities of concern. Second, regarding public access in the City of Marina, the MPWSP's impacts are limited to a very small area, and are not significant when viewed in context. Third, the MPWSP will benefit the region's water supplies, and this reliable water source will allow for continued economic growth and much-needed residential development, including the provision of affordable housing. Fourth, in pursuit of meaningful engagement with communities of concern, Cal-Am followed all the permitting procedures required by local and state government agencies, and conducted extensive public outreach throughout development of the MPWSP. Finally, the proposed expansion of the Pure Water Monterey Groundwater Replenishment project (PWME) that staff relies on as a less-damaging alternative is currently not feasible and would not be able to meet the region's water supply demand within the necessary timeframe. The PWME project also presents a number of its own environmental justice concerns, including that it would not provide sufficient water to meet Regional Housing Needs Assessment (RHNA) housing or affordable housing goals. Thus, staff's continued claim that the PWME project would provide sufficient water for the region is incorrect; the PWME project will further burden disadvantaged communities that need a reliable water supply to not only support their existing community needs, but also to grow their regional economies and housing markets.

Water Costs

The CCC staff report claims that the increase in water rates resulting from the MPWSP could potentially affect the cost of living in the Monterey Peninsula region so much as to push low-income ratepayers out of the area completely. This claim is theoretical and based on anecdotal evidence rather than actual data or scientifically-defensible studies.

The California Public Utilities Commission (CPUC), the state agency charged with ensuring that all public utility water rates are just and reasonable, performed an extensive, six-year-long analysis of the MPWSP, including its costs and feasibility, its potential socioeconomic and environmental justice impacts, and the current and future water supply and demand for the region. As part of the CPUC's proceedings, the CPUC received evidence and testimony submitted under oath from various members of stakeholder groups. This process resulted in a proposed Comprehensive Settlement Agreement submitted to the CPUC by a diverse group of ratepayer advocates, environmental groups, public water agencies, and the applicant. After conducting this exhaustive evaluation, the CPUC adopted the rate-setting framework set out in the Comprehensive Settlement Agreement with additional ratepayer

protections.[3] Therefore, the interests of the State of California regarding fairness and equity in rate setting have been properly discharged, and there is no basis for the CCC to now contradict the CPUC's determination, especially on an issue which is not within the CCC's jurisdictional purview, and for which it has not undertaken the same rigorous fact-finding effort.

Moreover, in implementing its Environmental Justice Policy, the CCC has not previously extended its analysis to issues such as water costs or overall cost of living in coastal communities, which go beyond the realm of coastal resource protection. Coastal Act § 30213, which encourages the development of lower cost visitor and recreational facilities, previously included language that allowed the CCC to consider "housing opportunities for persons of low and moderate income." However, that housing provision was repealed by the California State Legislature in 1981 when it adopted the current version of § 30213. Therefore, Coastal Act § 30213, as currently enacted, provides that "[l]ower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided," but does not include consideration of housing opportunities. Additionally, Coastal Act § 30500.1 specifically prohibits the CCC from requiring housing policies or programs within Local Coastal Programs, and an effort to reinstate this authority (SB 663) failed in the Legislature in February 2018. Given these considerations, it is inappropriate for the CCC to use its Environmental Justice Policy to attempt to assert jurisdiction over cost of living considerations such as water rates.

The CCC staff report also incorrectly indicates that Cal-Am's water prices are among the highest in the country based on the flawed assumption that the average single-family residence in the region uses approximately 60,000 gallons per year and pays approximately $1,202 annually. In reality, the average single-family residence in the region currently uses about 45,600 gallons per year and pays approximately $1,092 annually. Based on current information, the average yearly cost for water for a single-family residence would increase after MPWSP implementation to between approximately $1,536 and $1,572 – not to over $2,400 as the CCC staff report incorrectly states. This amounts to an average monthly water bill increase of approximately $37 - $40 once the MPWSP comes online and begins producing desalinated water.[4] A final determination of rates will be made by the CPUC when the MPWSP goes into service.

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[3] CPUC Decision D.18-09-017, Decision Approving a Modified Monterey Peninsula Water Supply Project, Adopting Settlement Agreements, Issuing Certificate of Public Convenience and Necessity and Certifying Combined Environmental Report, issued September 20, 2018, at pp. 124-125, available at: https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M229/K424/229424336.PDF.

[4] See Attachment C-1 to Advice Letter No. 1220-A from California-American Water Company to CPUC, dated September 10, 2019, attached hereto as Exhibit A (rate increase is WSP Base Bill plus SRF Surcharge). The complete advice letter is available on the CPUC's website. This $37 to $40 per month increase in water bills is no different from the Morro Bay Water Reclamation Facility project that the CCC approved in July 2019. The CCC acknowledged that although the Morro Bay project would result in a $41 increase in water bills for Morro Bay residents, the project was necessary to provide sufficient water to Morro Bay residents. See Staff Report, CDP App. No. 3-19-0463, at pp. 63-64, available at: https://documents.coastal.ca.gov/reports/2019/7/Th13a/TH13a-7-2019-report.pdf.

Further, the staff report does not mention the fact that Cal-Am has a tiered water rate structure, with higher prices for customers using above-average levels of water and lower prices for customers who conserve water.[5] While the tiered rate structure is intended to promote water conservation by placing the highest costs on the largest users of water, the structure nonetheless helps keep utility bills affordable for lower-income residents by reallocating costs between users. This tiered rate structure allows residents who use less water to pay less than they otherwise would under a flat rate structure. Based on Cal-Am's water consumption estimates, the average single-family and multi-family residences would fall in Tier 2 of the five-tiered rate structure, with estimated monthly bills of $93 and $67, respectively.[6]

In addition, in its analysis of potential water costs, the CCC staff report does not consider the discounted rates provided through Cal-Am's Low Income Ratepayer Assistance (LIRA) Program[7]. Under the LIRA Program, Cal-Am offers a 30% discount to any customers who meet specified income guidelines or are enrolled in a qualified public assistance program.[8] Under this Program, the current cost for water for an average single-family residence comes down to approximately $764 annually – approximately $63 a month. After implementation of the MPWSP, that average cost would be between approximately $1,075 and $1,100 annually, representing a monthly increase of about $26 - $28. Again, this is a far lower increase than the inaccurate projection in the staff report, which assumes without evidentiary support that implementation of the MPWSP would cause average residential ratepayers' annual water bill to double. The discounted rates used in the LIRA Program are reviewed by the CPUC annually, so they can be adaptively managed in future years to respond to changing conditions in the service area.

As of June 30, 2020, Cal-Am reported to us that the LIRA Program is currently used by approximately 18% of residential customers in the City of Seaside and 6% of all customers in its overall service area. Based on demographic information from CalEnviroScreen and EPA EJSCREEN, the numbers of residents who are currently eligible for the LIRA Program are higher: approximately 43% of residential customers in Seaside, 16% in Carmel-by-the-Sea, 20% in Del Monte, 16% in Pacific Grove, 20% in Monterey, and 60% in Castroville. Thus there exists an opportunity to expand participation in the Program and provide assistance to a greater number of residents. However, many units within Cal-Am's service district are multi-family dwellings, which are typically master-metered for water by the entire building, as opposed to by individual units. In these situations, water service is often included as a component of rent, and the landlord makes the payment to the water utility. Thus, individual customers

[5] https://amwater.com/caaw/customer-service-billing/billing-payment-info/water-rates/monterey-district/rate-design.

[6] *Ibid.*

[7] https://amwater.com/caaw/customer-service-billing/customer-assistance-programs.

[8] See Cal-Am's LIRA Rate Schedule (January 1, 2020) attached as Exhibit 15 to Cal-Am's June 30, 2020, response to the CCC staff report. The total combined annual incomes eligible for the LIRA Program range from $34,480 (1-2 person household) to $88,240 (8 person household). (*Ibid.*)

or households that otherwise would be eligible for a LIRA Program discount on an individual basis cannot utilize the Program because their multifamily residential units are not separately metered.[9]

Cal-Am publicizes the LIRA Program by sending physical mailers, bill inserts, and email notices to all of its customers. Cal-Am also reported to us that the program is advertised on Cal-Am's website and customer web portal "myWater."[10] Additionally, notice of the program is provided to customers who have bill payments 30 days or more outstanding. Customers can opt into the LIRA Program by filling out an application, and enrollment lasts for two years. Prior to expiration, customers receive a renewal letter informing them that they need to reenroll if they are still eligible for participation.

In addition, a CPUC order requires that Pacific Gas & Electric (PG&E) share data with Cal-Am every six months regarding customers enrolled in PG&E's corresponding LIRA program for electrical service.[11] Cal-Am uses this data to determine whether customers within its service district would qualify for Cal-Am's LIRA Program. Cal-Am automatically enrolls customers who match or likely match the PG&E data in Cal-Am's LIRA Program, sending those customers opt-out letters. For matches that are not complete, Cal-Am provides the customers the ability to opt-in to the LIRA Program.

Thus, Cal-Am already conducts extensive outreach efforts to inform customers of the LIRA Program. Participation in this program by eligible customers could greatly offset any increased water rates of the MPWSP. In fact, if an average family that is eligible but not already enrolled in the LIRA Program were to enroll after the MPWSP is implemented, their annual bill could potentially *decrease* (e.g., from $1,092 to $1,075, assuming the same amount of water used). In other words, after MPWSP implementation, enrolled families could pay $461 less per year than projected regular rates and nearly $1,400 less per year than the costs relied upon by staff. In addition to the LIRA Program, Cal-Am also offers Payment Arrangements and Hardship Benefit Program, both of which help customers who are facing difficulties in paying their water bills.[12] The Hardship Benefit Program is a partnership between Cal-Am and United Way Monterey County that helps qualifying customers cover outstanding water balances on their water bills. Moreover, the LIRA Program is extended to Migrant Farm Worker Housing Centers and Nonprofit Group Living Centers (such as shelters and group living facilities).

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[9] As part of the CPUC evaluation of climate resiliency in low-income and disadvantaged communities, the CPUC is exploring the issue of low-income programs for multi-family buildings. (See CPUC Proposed Decision and Order Instituting Rulemaking Evaluating the Commission's 2010 Water Action Plan Objective, Rulemaking 17-06-024, issued July 3, 2020, at pp. 2, 64-65, 86, 88, available at: https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M342/K153/342153142.PDF.) Specifically, the CPUC may consider the development of pilot programs by water utilities that provide discounts for water users in low-income multifamily dwelling units that do not pay water bills directly to the utilities. (See *ibid.*)

[10] See www.amwater.com/caaw.

[11] See CPUC Decision D.09-12-017 (issued May 10, 2011).

[12] https://amwater.com/caaw/customer-service-billing/customer-assistance-programs.

Finally, the CCC staff report does not take into account the substantial benefits the MPWSP would create for residents of the Castroville community that are already facing serious water shortages and increasing water costs that threaten their ability to continue the agricultural operations that are vital to the region's economy. In fact, the staff report erroneously claims that communities of concern in Castroville would be adversely affected by the proposed MPWSP, despite a contradictory statement that states, "Castroville would not be burdened by Cal-Am's project, but would benefit from Cal-Am providing water to it at a reduced rate."[13] The Castroville community, much like the Cities of Seaside and Marina, has a large proportion of non-white (94%), low-income (60%), and linguistically isolated populations (45%). According to data from the US Census Bureau, approximately 29.4% of employed residents in Castroville work in the agriculture industry, which is much higher than both the state average (2.3%) and the national average (1.8%).[14] This large community investment in agriculture means that water supply reliability and cost are incredibly important to the overall economic health of Castroville and its residents. The MPWSP will provide Castroville residents with a reliable water supply at a greatly discounted rate of $110 per acre-foot.

Specifically, the Castroville Community Services District (CCSD) serves nearly 2,000 water connections in Castroville. CCSD relies on approximately 780 acre-feet per year (afy) of groundwater from the Salinas Valley Groundwater Basin (SVGB) to meet its water demands.[15] Because CCSD pumps groundwater from aquifers directly in the path of existing seawater intrusion, CCSD's water supply has become contaminated and CCSD has experienced increasing water supply challenges as a result.[16] The MPWSP would reduce CCSD's need to pump water from the SVGB and also would provide a regional benefit by reducing seawater intrusion into the SVGB and further contamination of the Basin's aquifers by creating a barrier that prevents seawater from migrating inland. Moreover, by an agreement between Cal-Am and CCSD approved by the CPUC, Cal-Am would replace any non-contaminated groundwater extracted by the MPWSP by delivering up to 800 afy of desalinated water.[17] "This water would be piped to the CCSD and . . . provided to water customers instead of their pumping an equal amount from the ground."[18] Therefore, the MPWSP will help to prevent further seawater intrusion in the SVGB and alleviate CCSD's water supply challenges.

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[13] Staff Report: Recommendation on Appeal Substantial Issue & De Novo Hearing and Consolidated Coastal Development Permit. Appeal No. A-3-MRA-19-0034, Application No. 9-19-0918. California Coastal Commission, Oct. 28, 2019.

[14] Industry by Occupation for the Civilian Employed Population 16 Years and Over, ACS 5-Year Estimates. Retrieved from data.census.gov on July 29, 2020.

[15] See CalAm Monterey Peninsula Water Supply Project Final EIR/EIS, March 2018, at p. 4.20-18.

[16] *Ibid.*

[17] See CPUC Decision D.18-09-017, at pp. 103-112; Final EIR/EIS, at p. 4.4-56.

[18] *Id.*, at p. 4.4-56.

To that end, in September 2019, J. Eric Tynan, the General Manager of the CCSD, testified in a declaration taken under oath to the much-needed benefits that Castroville will receive from the MPWSP:

> CCSD … increasingly has experienced water supply challenges due to water quality degradation of its water supplies. This is because groundwater wells in the 400-Foot Aquifer in and around the Castroville and Marina area, including CCSD's wells, are becoming intruded with seawater. If the groundwater in the vicinity of these wells becomes further degraded due to seawater intrusion, CCSD will lose most of its water supply and will be forced to drill an expensive new well in the 900-Foot (or "Deep") Aquifer and begin additional pumping from that aquifer, which is 99 degrees (e.g., a hot well), requires expensive cooling and treatment for arsenic, and is a non-renewable water supply.
>
> Long-term reliance on the Deep Aquifer would permanently ruin this supply and CCSD is very worried about depending on this aquifer as a last resort if the Monterey Peninsula Water Supply Project ("MPWSP") desalination plant does not move forward and CCSD's current wells become further intruded with seawater.
>
> CCSD is a party to a Return Water Purchase Agreement ("Agreement") with California-American Water Company ("Cal-Am"), which is incorporated into the MPWSP and the California Public Utilities Commission's Decision to approve the MPWSP. The Agreement was a collaborative effort from multiple entities that gives the community of Castroville access to a sustainable source of potable water, while protecting the SVGB.
>
> Pursuant to the Agreement, as part of the MPWSP Cal-Am will return desalinated product water into the SVGB in the amount of freshwater that originated in the SVGB that is included in the withdrawn brackish water. Such return of SVGB freshwater would be accomplished by supplying return water to CCSD for municipal water supply (in lieu of groundwater pumping from the SVGB). CCSD anticipates receiving at least 690 afy of return water under the Agreement.
>
> The Agreement provides significant benefits to CCSD, its customers, and the SVGB. Through the Agreement, groundwater currently being pumped by CCSD from wells in the 400-Foot Aquifer, which are directly in the path of seawater intrusion, would be replaced by desalinated water from the MPWSP. Thus, the MPWSP would provide much-needed recharge benefits to the SVGB while helping to slow further contamination of the 400-Foot Aquifer in and around Marina and Castroville. The return water would also prevent CCSD from needing to pump water from the Deep Aquifer.

> The MPWSP is an essential element of CCSD's long-term water supply. Halting construction of the MPWSP will severely prejudice CCSD and the disadvantaged community of Castroville that desperately needs a new, reliable long-term water supply.[19]

Thus, the MPWSP is crucial for providing a much-needed water source for residents and agricultural operations in Castroville. Having a water source that is both reliable and provided at a reduced cost will increase the long-term sustainability of this community of concern.

In sum, while the MPWSP will result in slightly increased water costs for some ratepayers, those increases are not as severe as stated in the CCC staff report. Not only will Castroville residents greatly benefit from receiving water at a reduced rate, Cal-Am has also implemented programs such as the LIRA Program and a tiered rate structure to address water costs for low-income and disadvantaged customers in the region.

Public Access

The CCC staff report raised concerns that the MPWSP could negatively impact public access to the shoreline in the area near the proposed well field. Specifically, the CCC staff report states that the MPWSP will have significant impacts to "up to several dozen" acres of beach and dune habitat, which is misleading.

The slant well field for the MPWSP will have an extremely small aboveground footprint within an easement held by Cal-Am on part of the approximately 400-acre CEMEX property, which is within the City of Marina and has historically been used for sand mining. As part of CEMEX's agreement to close the existing sand mining facility by 2022, a Consent Settlement was approved by the CCC, California State Lands Commission, and the City of Marina that directed the 400-acre property be used for both the future development of public access, as well as for use by Cal-Am within their existing easement.[20] Cal-Am currently maintains one test slant well on the CEMEX property, and the proposed MPWSP involves constructing six new slant wells in an already disturbed area that is separated from the shore by dunes (see maps attached hereto as Exhibit C).

The CCC staff report acknowledges that construction-related impacts to coastal access would be minimal: (p. 63):

> Coastal access at the site is primarily available as lateral access along the beach from access points to the north and south. During construction, work the develop the well field

[19] See Declaration of Eric Tynan, *Marina Coast Water District v. County of Monterey*, Superior Court Case No. 19CV003305 (Sept. 2019), attached hereto as Exhibit B.

[20] Consent Settlement Agreement and Cease and Desist Order CCC-17-CD-02.

> and the project's Source Water Pipeline would occur several hundred feet from the shoreline and would not be expected to affect access to or along the beach and would have little, if any, effect on public access or recreational use.[21]

Once constructed, the slant wells and all associated above-ground infrastructure would occupy a total area of less than one acre.[22] Cal-Am would also need to perform routine maintenance to these facilities, which would involve using heavy equipment over an area totaling 0.25 acres during maintenance activities. However, this maintenance would only be scheduled in the late fall/winter to avoid impacts to nesting birds and public access during the peak summer season. Mitigation measures applicable to MPWSP construction would also be required during maintenance.[23] Thus, out of the 400-acre CEMEX property and Cal-Am's easement within it, less than one acre of potential public access space would be permanently impacted by the MPWSP.

Moreover, this combined one-acre area would be located behind an existing dune system and would not affect access to the shoreline at all. Unrestricted public access is currently available along the shore at the CEMEX property, and would continue to be available after MPWSP construction. In other words, the MPWSP will have no impact whatsoever on lateral beach access. There are also no existing vertical access points on the property, and CEMEX is not required to provide any new public access within the property upon the closure of its mine on December 31, 2020. Further, before a new public access area could be created on the CEMEX property, a government agency or non-profit entity must purchase the land at 80% of fair market value, which has not yet occurred.[24] If the land is purchased in the future, the existence of the MPWSP would not preclude the development of a vertical public accessway. It is entirely feasible to dedicate the majority of the CEMEX property to public access, habitat restoration, and passive recreational use, while still allowing the operation of Cal-Am's slant wells within their minimal physical footprint.

The CCC staff report also cites concerns from nearby residents that Cal-Am may impose limitations around its well field that would impede public access. There is no basis for these concerns other than speculation on the part of nearby residents, because Cal-Am has never proposed any such limitations. In addition, Cal-Am cannot and does not control access, including public access, to or from the CEMEX site. As noted above, the fenced, aboveground MPWSP footprint that would be controlled by Cal-Am would be less than one acre. In fact, it is stated in the CCC staff report (p. 64): "While Cal-Am's limited

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[21] Staff Report: Recommendation on Appeal Substantial Issue & De Novo Hearing and Consolidated Coastal Development Permit. Appeal No. A-3-MRA-19-0034, Application No. 9-19-0918. California Coastal Commission, Oct. 28, 2019.

[22] See Proposed Fence Perimeters, (January 25, 2019) attached as Exhibit 6 to Cal-Am's application for local CDP to City of Marina.

[23] Final EIR/EIS, pp. 3-59; see also *id.*, pp. 4.6-249, 4.6-254 to 4.6-257 (listing twelve mitigation measures for maintenance related impacts).

[24] Consent Settlement Agreement and Cease and Desist Order CCC-17-CD-02, § 6.1.

project footprint would represent some diminishment of the potential recreational use, there are other recreational opportunities that are provided and/or would be provided elsewhere on the CEMEX site and along this stretch of shoreline."

In summary, the slant well field associated with the MPWSP would not preclude use of the CEMEX property for public access, habitat restoration, and passive recreational use, and would not affect lateral access along the shoreline. Any impacts to public access and recreation from the MPWSP would be minimal, and could easily be mitigated by imposing special conditions on the permit. Indeed, the CCC staff report raised the possibility that "the Commission could require special conditions requiring Cal-Am to implement measures needed to ensure its proposed project would be consistent with the . . . Coastal Act and LCP provisions related to public access and recreation." Accordingly, Cal-Am submitted a proposed special condition with its response to the CCC staff report, requiring preparation and submittal of a Public Access Plan that would resolve any perceived impacts to public access or recreation.

Procedural Concerns

The CCC staff report alleges that there was a lack of transparency during the decision-making process surrounding the MPWSP, and that Cal-Am did not engage adequately with communities of concern near the project site. According to the U.S. Environmental Protection Agency's (EPA) definition of environmental justice, "meaningful involvement" means: people have an opportunity to participate in decisions about activities that may affect their environment and/or health; the public's contribution can influence the regulatory agency's decision; community concerns will be considered in the decision making process; and decision makers will seek out and facilitate the involvement of those potentially affected.[25] All of these criteria were met during the development and permitting process of the MPWSP.

The CPUC's evaluation of the MPWSP included a robust public process in which the City of Marina and its residents, as well as many other organizations and individuals, participated – including ratepayer advocacy groups. The CPUC issued a public Notice of Preparation (NOP) for the MPWSP on October 10, 2012, at which point Marina and its residents began participating in the CPUC's administrative process.[26]

Marina and its residents, including as members of the organizations Citizens for Just Water, Water Plus, and Public Water Now, submitted hundreds of pages of comment letters on the Draft EIR/EIS,[27] and actively participated in CPUC hearings on the MPWSP. The CPUC's hearings were accessible to Marina residents, as the CPUC held public meetings in a variety of locations to hear concerns from the

[25] https://www.epa.gov/environmentaljustice/learn-about-environmental-justice

[26] See CPUC Decision, D.18-09-017, pp. 72-74, and Appendix C, Exhibit A, for a detailed chronology of the level of public involvement, including Marina's in the CPUC's review of the MPWSP.

[27] See Final EIR/EIS, §§ 8.6-8.8.

public on topics such as the "needs of low income ratepayers, . . . [the] role of the [CPUC] in protecting ratepayers, . . . high rates" and other matters.[28] After the CPUC released the Final EIR/EIS, the City of Marina, Citizens for Just Water, Water Plus, Public Water Now, and others submitted hundreds of pages of briefing, comments, and other materials to the CPUC before the CPUC issued its decision approving the MPWSP. The City of Marina then petitioned for review of the CPUC's decision before the California Supreme Court, which denied the petition after extensive briefing on the adequacy of the CPUC's review and decision. Therefore, although Marina residents are not ratepayers, Cal-Am and the CPUC conducted significant outreach to Marina residents throughout the CPUC's administrative process, and Marina was a party to the CPUC's ratemaking process. Far from ignoring Marina residents, the CPUC gave "great weight to the City of Marina's community values."[29]

The CPUC also considered the community values expressed by other interested parties and groups, such as The Latino Water Coalition, Latino Seaside Merchants, and Comunidad en Acción, Coalition for Peninsula Businesses, Cal-Am ratepayers, Salinas Valley Water Coalition, the County of Monterey, and others.[30] In addition to the CPUC hearing process, public meetings and hearings concerning the MPWSP have been held before a variety of public agencies, including the City of Monterey, the Monterey Peninsula Water Management District, Monterey Regional Water Pollution Control Agency, and the Monterey County Board of Supervisors, among others, thereby increasing opportunities for public involvement.

In addition, as part of the CPUC's review process, a settlement agreement was reached in 2013 between key stakeholders including California American Water, Monterey Peninsula Regional Water Authority, Monterey Peninsula Water Management District, Monterey Regional Water Pollution Control Agency, Monterey County Board of Supervisors, Monterey County Water Resources Agency, City of Pacific Grove, CPUC Division of Ratepayer Advocates, Salinas Valley Water Coalition, Monterey County Farm Bureau, Coalition of Peninsula Businesses, LandWatch Monterey County, Sierra Club, Surfrider Foundation, and the Planning and Conservation League. The settlement concerns issues such as intake technology, project financing and governance and was used as the central framework for CPUC's ratemaking determination.

During the CPUC's environmental review process, Cal-Am and the CPUC also conducted extensive engagement with ratepayers and local groups and organizations who would be directly affected by the MPWSP, and maintained a dedicated project website with information and updates for the public.[31] For instance, Cal-Am sent bill inserts and direct mail pieces to customers regarding the MPWSP and its

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[28] CPUC Decision D.18-09-017, Appx. A, p. 14.

[29] CPUC Decision, D.18-09-017, p. 158.

[30] CPUC Decision, D.18-09-017, p. 158.

[31] www.watersupplyproject.com; see also www.mpwsp.com (directing to same project website).

progress and engaged in a social media awareness campaign to increase the project's public visibility. In addition, since 2013, a quarterly newsletter has been published which discusses the project status and need, permitting process, financing, and schedule. The newsletter, which is archived on the updates page of the MPWSP website, is advertised in local print media and sent via email to interested stakeholders.[32] The MPWSP also receives regular local media coverage from print and broadcast media outlets, and Cal-Am has contributed guest editorials to help inform the public on issues of concern and interest.

Further, two local agencies have been formed to increase public participation in the future of the Monterey Peninsula's water supply and, specifically, in the execution of planning and construction for the MPWSP desalination component. The first – the Monterey Peninsula Regional Water Authority – is a joint-powers authority made up of the six cities within Cal-Am's service territory, which holds monthly public meetings for its Board of Directors and its Technical Advisory Committee, represented by various community stakeholders, to discuss issues concerning the project and the area's future water supply. The second – a Governance Committee – was formed with representatives from the Monterey County Board of Supervisors, Monterey Peninsula Water Management District and Monterey Peninsula Regional Water Authority, specifically to review contracts and bidding related to project construction.[33] The Governance Committee meetings are also open to the public.

In sum, there is a substantial record demonstrating that Cal-Am and the CPUC took public input into account in designing the Project. The CCC staff report ignores the extensive outreach that Cal-Am and the CPUC performed during the CPUC's administrative process. Nor does staff identify any specific outreach measures that could have been taken but were not.

Pure Water Monterey Expansion

Cal-Am partnered with Monterey One Water in developing Phase 1 of Pure Water Monterey as a way to satisfy some of the Monterey Peninsula's water supply needs. In 2019, Monterey One Water proposed expanding the Pure Water Monterey project (PWME) to provide an additional 2,250 acre-feet per year of water as a back-up to the MPWSP. The CCC staff report relies heavily on the PWME as a feasible alternative that staff claims is preferable to the MPWSP. However, the staff report does not address the serious flaws associated with assumptions regarding the PWME's performance capabilities. Throughout the development of both Phase 1 of Pure Water Monterey and the PWME, there have been numerous uncertainties about these projects' ability to perform at cost and meet water supply goals. These uncertainties have not been resolved, and at this time the PWME is not feasible. Moreover, Monterey One Water does not possess the rights to many of the water sources that are critical to the PWME's operation. The unreliable quantity of water coming from the PWME would eliminate the community's

[32] https://www.watersupplyproject.org/update

[33] https://www.watersupplyproject.org/governance-committee

potential to expand affordable housing in the area, and the staff report does not address the numerous environmental justice impacts that would result if the PWME is implemented instead of the MPWSP.

Infeasibility of PWM

Phase 1 of PWM was originally scheduled to start on January 1, 2020, but was pushed back to August 10, 2020, with a possibility for more delays. There have also been serious operational issues associated with Phase 1, including sinkholes and subsidence near shallow wells, and injection refusal at deeper wells. As of June 2020, the total injection volume for the Phase 1 facility was 169 acre-feet per month, which equates to an annual injection volume of 2,030 acre-feet. This is approximately 58% of the 3,500 acre-feet per year that was promised to Cal-Am as part of their approved Water Purchase Agreement.

Given these various serious performance issues with Phase 1, it is extremely unlikely that the PWME will be completed successfully in the near future or will provide the volume or cost of water that was initially promised. This sentiment has been echoed by the State Water Board:

> The proposed schedule for implementing a 2,250 acre-foot-per-year Pure Water Monterey expansion has itself already been delayed well beyond December 31, 2021, and requires approvals and funding for which the details are uncertain and the timeline is indefinite. In practice, Pure Water Monterey expansion appears to be viewed by the Coastal Commission and others not merely as a "back-up" to, but rather as a potential full substitute for, the Project. It is uncertain whether or when the proposed Pure Water Monterey expansion project may proceed beyond its currently pending environmental review, but significant additional progress appears unlikely while the Project is still pending.[34]

Further, in April 2020, Monterey One Water denied certification of the PWME's Supplemental Environmental Impact Report, citing significant flaws in the environmental document. The chief concerns cited in denying the certification by members of the Monterey One Water Board included inadequate support for source water assumptions and water rights. Included among these concerns were potential impacts on available water for the agricultural industry in the Salinas Valley, due to overdraft conditions in the groundwater basin supporting agriculture.

In fact, the CPUC considered the PWME as an alternative to MPWSP, among others, and found that:

> No alternative presented would replenish the water that Cal-Am previously pumped from the Seaside Basin in excess of Cal-Am's adjudicated right, none would establish water

[34] Sobeck, Eileen. "Application No. 9-19-0918 and Appeal No. A-3-MRA-19-0034 (California American Water Company)." Received by John Ainsworth, Executive Director of California Coastal Commission, May 8, 2020.

> supply reliability and enable the development of vacant legal lots of record or provide supply to meet demand resulting from economic recovery and rebound of the hospitality industry. The alternatives would not provide the same diversity in the sources of supply as would the desalination plant. The alternatives would not contribute to providing a portfolio of supply options in the same was as would the desalination plant. The alternatives would not provide the same drought-resistant or drought-proof supply source as would the desalination plant.[35]

Nothing presented in the staff report alters the CPUC's findings. Accordingly, the MPWSP is likely to alleviate environmental justice issues by providing much needed water supply reliability.

Environmental Justice Concerns Connected to PWME

If the MPWSP is not developed, and assuming the PWME were somehow to be approved in the future despite the identified issues with its EIR, the PWME would result in significant environmental justice impacts and severe consequences for the Monterey Peninsula. Most significantly, the failure to permit the MPWSP would result in substantial hardship faced by communities served by the MPWSP resulting from insufficient and unreliable water supplies. There is no doubt that the burden of consequences from insufficient and unreliable water supplies would be disproportionately borne by disadvantaged communities within Cal-Am's service area.

For instance, there would be direct effects in terms of a lack of supply of and access to a clean, reliable and affordable drinking water. Without the MPWSP and an adequate water supply, Monterey Peninsula residents could face potential severe rationing of and restrictions on water usage.[36] The State Water Resources Control Board also has imposed a moratorium on new service connections and certain increases in use until Cal-Am obtains sufficient alternative water supplies.[37]

These "extreme conservation and moratorium measures"[38] – which would persist if only the PWME is pursued instead of the MPWSP – prevent cities on the Monterey Peninsula from promoting and expanding their local economies and from building the affordable housing needed to meet State mandates. The Monterey Peninsula Waste Management District (MPWMD) estimates that, with the PWME, the Monterey Peninsula will have 9,994 afy of water supply for a water demand that MPWMD estimates to be 9,825 afy.[39] Using MPWMD's estimates, this leaves only 169 afy to meet the

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[35] CPUC Decision D.18-09-017, pp. 40-41.

[36] Final EIR/EIS, pp. 5.4-10 to 5.4-11.

[37] See State Water Resources Control Board Order WR 2016-0015, pp. 27, 59.

[38] CPUC Decision D.18-09-017, pp. 52-53.

[39] Cal-Am disputes these estimates, which conflict with the CPUC's supply and demand determinations. However, for purposes of this memorandum, Dudek provides MPWMD's assumptions as provided in the PWME's supplemental environmental impact report.

Peninsula's RHNA goals. However, this is less than the 190 afy that MPWMD has estimated is necessary to achieve those goals.

In fact, even 190 afy vastly understates the water needed to meet future State-mandated housing requirements. The City of Monterey recently estimated that its housing projection through 2030 requires an additional 1,700 housing units, which conservatively equates to 255 afy of water needed. This one city housing projection alone exceeds what MPWMD has projected for the future housing needs of the entire Peninsula.[40]

Further, a sufficient and reliable water supply is critical in supporting agricultural activities in Cal-Am's service area. Agriculture in the region is not only an important component of the job base for disadvantaged communities, but also serves as an important economic pillar in the region. Agricultural production requires investments that depend on water supply reliability. As reliability of water supplies becomes threatened, a diminishment in agricultural production will result, and will affect the overall economy. Those effects again will be disproportionately borne by disadvantaged communities. The worsening effects of climate change will only exacerbate these effects and pose additional threats to disadvantaged populations.

Local groups representing farmers and communities of concern have voiced significant concerns about the environmental justice issues related to the PWME, including its water sources and the intended uses for the water it would supply.

- The Monterey County Farm Bureau (MCFB), which represents farmers and agricultural operations in the Salinas Valley, expressed concern that the PWME would capture water that was originally discharged inside the Salinas Valley basin and reuse it outside the basin for the benefit of Monterey Peninsula water users.[41] This could seriously undermine the Castroville Seawater Intrusion Project (CSIP), in turn exacerbating Salinas Valley water issues. CSIP is a recycled water project which delivers recycled water to agricultural operations near Castroville and allows farmers to "safely irrigate their crops and reduce pumping of seawater-tainted groundwater."[42] The MCFB later noted that the project's EIR did not analyze the cumulative

[40] New RHNA figures for the Monterey Peninsula will be released in December 2023. It is expected that the new RHNA numbers substantially increase the required housing given the State's ongoing housing crisis. For example, the San Francisco Bay area's updated RHNA represents an increase of 135% from the previous period. (See Department of Housing and Community Development Letter to Association of Bay Area Governments (June 9, 2020), attached hereto as Exhibit D.)

[41] Groot, Norman C. "Pure Water Monterey Expansion Project." Received by Monterey One Water Board of Directors, Jan. 10, 2020.

[42] See, e.g., http://montereycfb.com/index.php?page=csip

effects of the project related to other water resource projects, such as CSIP, and reiterated that there were significant disputes about the water rights for many of the project's source waters.[43]

- The City of Salinas raised concerns that the PWME intended to utilize the City's agricultural produce wash water as a water source, which was not authorized as part of the City's 2015 Conveyance and Treatment Agreement with Monterey One Water.[44] The City took serious issue with the potential outcome that the PWME would provide water to Monterey Peninsula residents at the expense of the Salinas Valley agricultural community.[45] The City of Salinas qualifies as a community of concern – 87% of residents are non-white, 44% have less than a high school education, 49% are low income, and 23% are linguistically isolated.[46]

- The Monterey County Water Resources Agency (MCWRA) also voiced concern that Monterey One Water does not hold permanent water rights for many of the water sources identified for the PWME, and thus there were substantial discrepancies in the true amount of water available to the project as described in the EIR.[47,48] MCWRA also noted that the EIR stated that the PWME would result in approximately 700-800 afy less water available for agricultural irrigation in the Salinas Valley, thereby impairing the CSIP and depleting groundwater levels and groundwater quality in the SVGB.

- Castroville Community Services District took issue with the PWME's proposal to claim water originating within the over-drafted Salinas Valley Groundwater Basin for use in the Monterey Peninsula, with no benefit to the Basin.[49] Importantly, the CCSD noted, "While the MPWSP helps address regional water needs both in the Monterey Peninsula and the Salinas Valley, the PWME only benefits the Peninsula, and does so at the expense of the Salinas Valley Ground Water Basin."

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[43] Groot, Norman C. "Pure Water Monterey Expansion Project Certification of SEIR – OPPOSE." Received by Monterey One Water Board of Directors, April 20, 2020.

[44] Gunter, Joe. "Use of Agriculture Produce Wash Water for the Proposed Modifications to the Pure Water Monterey Groundwater Replenishment Project, Draft Supplemental Environmental Impact Report (Draft SEIR)." Received by Rachel Guadoin, Public Outreach Coordinator for Monterey One Water, Jan. 29, 2020.

[45] Gunter, Joe. "Use of Agriculture Produce Wash Water for the Proposed Modifications to the Pure Water Monterey Groundwater Replenishment Project, Final Supplemental Environmental Impact Report (Final SEIR)." Received by Monterey One Water Board of Directors, April 27, 2020.

[46] Based on U.S. Census Bureau American Community Survey data, accessed through EPA EJ Screen.

[47] Buche, Brent. "Comments on the Draft Supplemental Environmental Impact Report (DSEIR) for the Proposed Modifications to the Pure Water Monterey Groundwater Replenishment Project, SCH#2013051094." Received by Rachel Guadoin, Public Outreach Coordinator for Monterey One Water, Jan. 31, 2020.

[48] Buche, Brent. Untitled. Received by Monterey One Water Board of Directors, April 27, 2020.

[49] Tynan, J. Eric. "Pure Water Monterey Expansion Project Certification of SEIR – OPPOSE." Received by Monterey One Water Board of Directors, April 23, 2020.

The PWME has serious environmental justice issues that have not been addressed by Monterey One Water or CCC staff. Monterey One Water does not own the water rights for many of the proposed source waters and has not been able to confirm a certain quantity of product water. Thus, staff's assumption that the PWME will avoid environmental justice impacts does not consider the totality of circumstances surrounding the project and should be reevaluated.

Conclusion

The CCC staff analysis of the MPWSP raises environmental justice issues that are important to consider regarding the potential effects of the MPWSP on nearby communities of concern. However, the analysis does not accurately capture the many benefits that the MPWSP would provide for communities of concern in the region. Residents of the disadvantaged community of Castroville will receive water at a substantially reduced rate, while the MPWSP will actually improve local groundwater resources. The MPWSP will not significantly impact City of Marina residents, as any potential public access impacts are minimal. Further, relevant stakeholders and members of the public were engaged throughout the CPUC's review of the MPWSP. Finally, the Pure Water Monterey Expansion is not a reliable or viable alternative to the MPWSP and raises its own significant environmental justice concerns. The MPWSP is the most feasible option for securing a critically important water supply for a vulnerable area with extremely limited water supply options. As a critical public utility project that could provide a reliable water supply to thousands of coastal residents, we recommend that CCC staff evaluate environmental justice issues associated with the MPWSP as comprehensively as possible.

EXHIBIT A

Attachment C-1

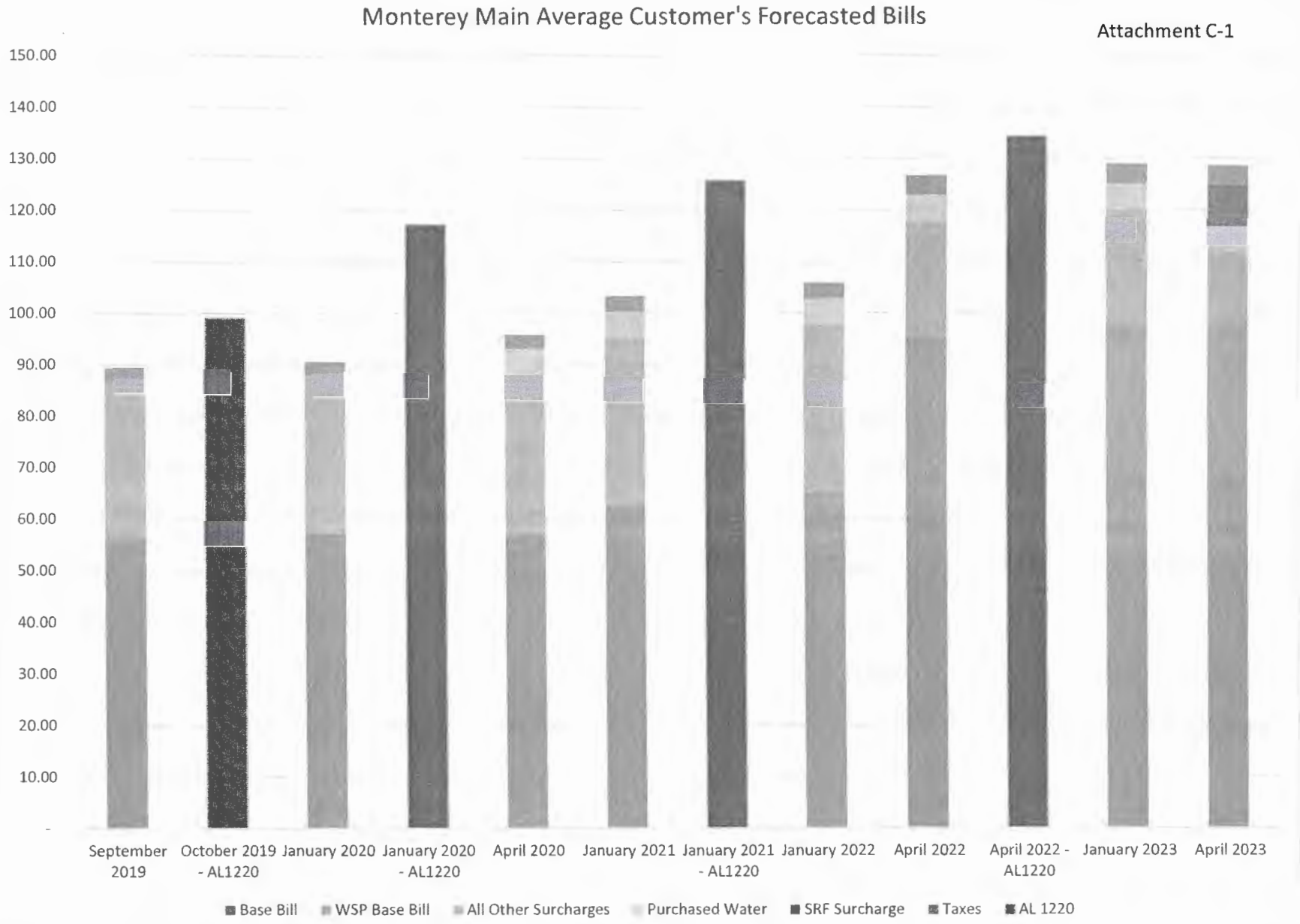

EXHIBIT B

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Attorneys for Real Party in Interest
California-American Water Company

ELECTRONICALLY FILED BY
Superior Court of California,
County of Monterey
On 9/23/2019 5:13 PM
By: Melanie Oliverez, Deputy

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF MONTEREY

MARINA COAST WATER DISTRICT, and DOES 1-100,

Petitioner and Plaintiff,

v.

COUNTY OF MONTEREY, MONTEREY COUNTY BOARD OF SUPERVISORS, and DOES 101-110,

Respondents and Defendants.

CALIFORNIA-AMERICAN WATER COMPANY, a California water corporation, and DOES 111-120,

Real Party in Interest.

CASE NO. 19CV003305

Assigned to: Hon. Lydia Villarreal

DECLARATION OF J. ERIC TYNAN IN SUPPORT OF REAL PARTY IN INTEREST CALIFORNIA-AMERICAN WATER COMPANY'S OPPOSITION TO PETITIONER MARINA COAST WATER DISTRICT'S REQUEST FOR STAY AND MOTION FOR PRELIMINARY INJUNCTION

Hearing re: Motion for Preliminary Injunction:
Date: October 4, 2019
Time: 10:00 a.m.
Dept.: 1

Action Filed: August 15, 2019

DECLARATION OF J. ERIC TYNAN

I, J. Eric Tynan, declare:

1. I am the General Manager of the Castroville Community Services District ("CCSD"). I have served in this role for 19 years. I have personal knowledge of the facts set forth in this Declaration and, if called as a witness, could and would testify competently to such facts under oath.

2. In my capacity as General Manager at CCSD, I am charged with the responsibility of running the day-to-day operations of CCSD. CCSD provides municipal and domestic water service to approximately 8,000 customers in Castroville, a 100% severely disadvantaged community in the north end of the Salinas Valley Groundwater Basin ("SVGB"), just north of the City of Marina.

3. As of 2015, Castroville had an unemployment rate of 13.4 percent. More than 96 percent its residents identify as minority populations. More than 21 percent of individuals have family incomes below the poverty threshold.

4. CCSD currently exclusively relies on approximately 780 acre-feet per year ("afy") of groundwater from one well in the Deep Aquifer and three wells in the SVGB's 400-Foot Aquifer to meet Castroville's water demand, and increasingly has experienced water supply challenges due to water quality degradation of its water supplies. This is because groundwater wells in the 400-Foot Aquifer in and around the Castroville and Marina area, including CCSD's wells, are becoming intruded with seawater. If the groundwater in the vicinity of these wells becomes further degraded due to seawater intrusion, CCSD will lose most of its water supply and will be forced to drill an expensive new well in the 900-Foot (or "Deep") Aquifer and begin additional pumping from that aquifer, which is 99 degrees (e.g., a hot well), requires expensive cooling and treatment for arsenic, and is a non-renewable water supply.

5. CCSD requires a reliable, long-term, drought-proof source of water to serve its customers. Recent years have seen a steady increase in pumping from the Deep Aquifer, diminishing its long-term capacity. The Deep Aquifer provides approximately seventy-percent (70%) of Marina Coast Water District's current water supply (up from thirty-percent (30%) in

2011) and recently multiple new wells have been drilled into the Deep Aquifer to accommodate new demand from farming uses north of Marina. These new Deep Aquifer wells, which are located on the border of Marina, are less than two miles from CCSD's wells, are pumping the equivalent of seven times the average annual demand of CCSD, and represent approximately two times MCWD's previous annual pumping.

6. Long-term reliance on the Deep Aquifer would permanently ruin this supply and CCSD is very worried about depending on this aquifer as a last resort if the Monterey Peninsula Water Supply Project ("MPWSP") desalination plant does not move forward and CCSD's current wells become further intruded with seawater.

7. CCSD is a party to a Return Water Purchase Agreement ("Agreement") with California-American Water Company ("Cal-Am"), which is incorporated into the MPWSP and the California Public Utilities Commission's Decision to approve the MPWSP. The Agreement was a collaborative effort from multiple entities that gives the community of Castroville access to a sustainable source of potable water, while protecting the SVGB.

8. Pursuant to the Agreement, as part of the MPWSP Cal-Am will return desalinated product water into the SVGB in the amount of freshwater that originated in the SVGB that is included in the withdrawn brackish water. Such return of SVGB freshwater would be accomplished by supplying return water to CCSD for municipal water supply (in lieu of groundwater pumping from the SVGB). CCSD anticipates receiving at least 690 afy of return water under the Agreement.

9. The Agreement provides significant benefits to CCSD, its customers, and the SVGB. Through the Agreement, groundwater currently being pumped by CCSD from wells in the 400-Foot Aquifer, which are directly in the path of seawater intrusion, would be replaced by desalinated water from the MPWSP. Thus, the MPWSP would provide much-needed recharge benefits to the SVGB while helping to slow further contamination of the 400-Foot Aquifer in and around Marina and Castroville. The return water would also prevent CCSD from needing to pump water from the Deep Aquifer.

10. Despite being a small, severely disadvantaged community with limited funding,

CCSD has committed $2.8 million to pay for a pipeline to connect the MPWSP into CCSD's system.

11. The MPWSP is an essential element of CCSD's long-term water supply. Halting construction of the MPWSP will severely prejudice CCSD and the disadvantaged community of Castroville that desperately needs a new, reliable long-term water supply.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 17th day of September, 2019, at 11499 Geil St Castroville CA.

J. Eric Tynan

EXHIBIT C

CEMEX Site Current Conditions



AECOM
January 24, 2019

Proposed Fence Perimeters
Intake Slant Wells at CEMEX Property

Slant Well Intake System Plans prepared by Michael Baker Intl. and dated November 2018

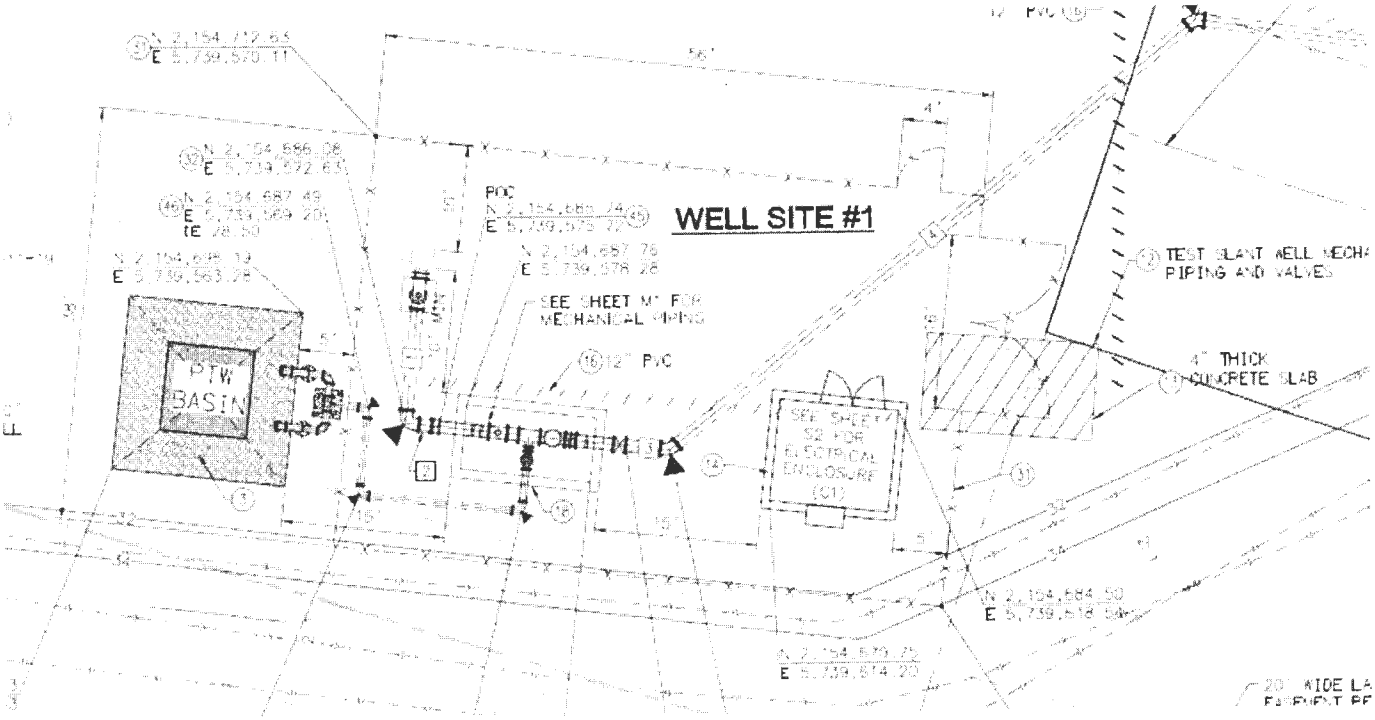
Fences are 8' tall, chain-link with PVC coating and tan (sand) colored privacy slats. Fence perimeters are:

Well Sites
#1: 56' by 38'
#2: 46' by 32'
#3: 44' by 35'
#4: 45' by 35'
#5: 46' by 32'

Surge Tank
#1: 32' by 23'
#2: 22' by 53'

Snapshots pasted below by AECOM for ease of reference:

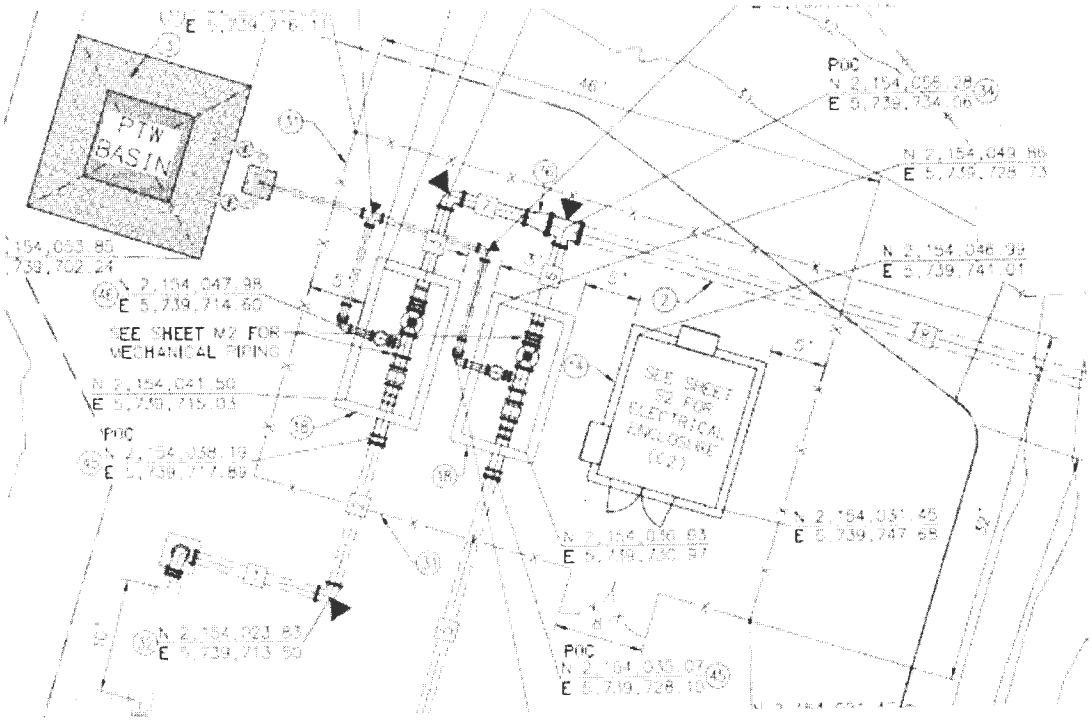
Well Site #1



AECOM
January 24, 2019

Proposed Fence Perimeters
Intake Slant Wells at CEMEX Property

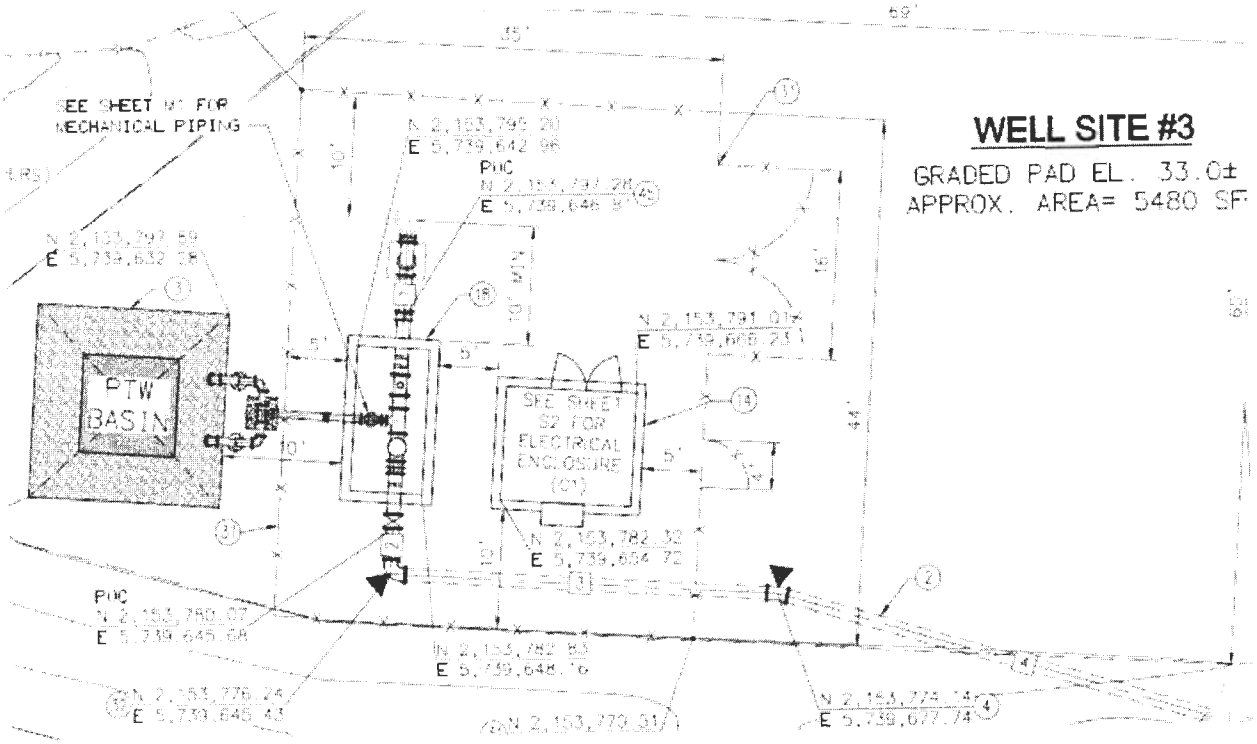
Well Site #2



AECOM
January 24, 2019

Proposed Fence Perimeters
Intake Slant Wells at CEMEX Property

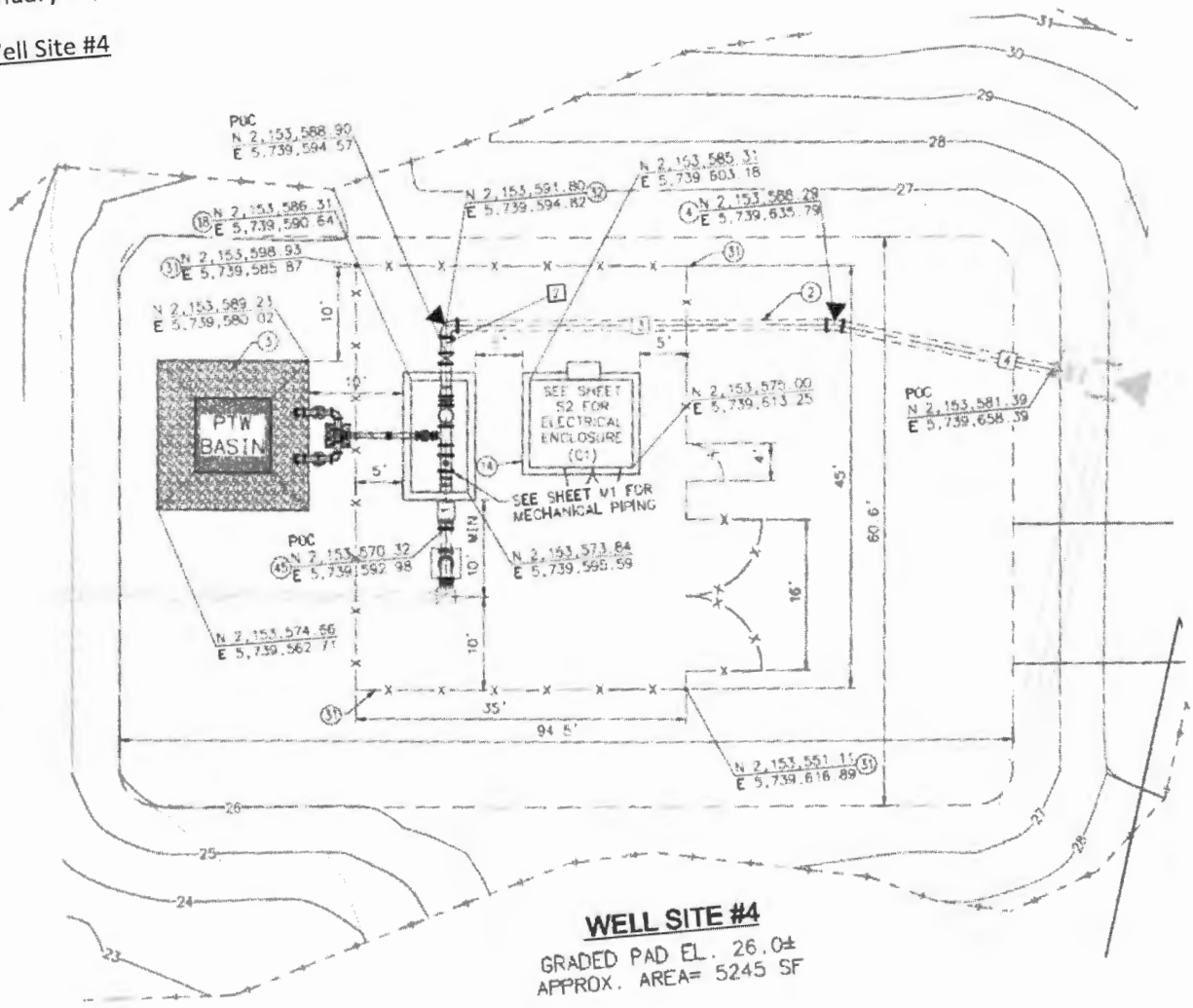
Well Site #3



Proposed Fence Perimeters
Intake Slant Wells at CEMEX Property

AECOM
January 24, 2019

Well Site #4

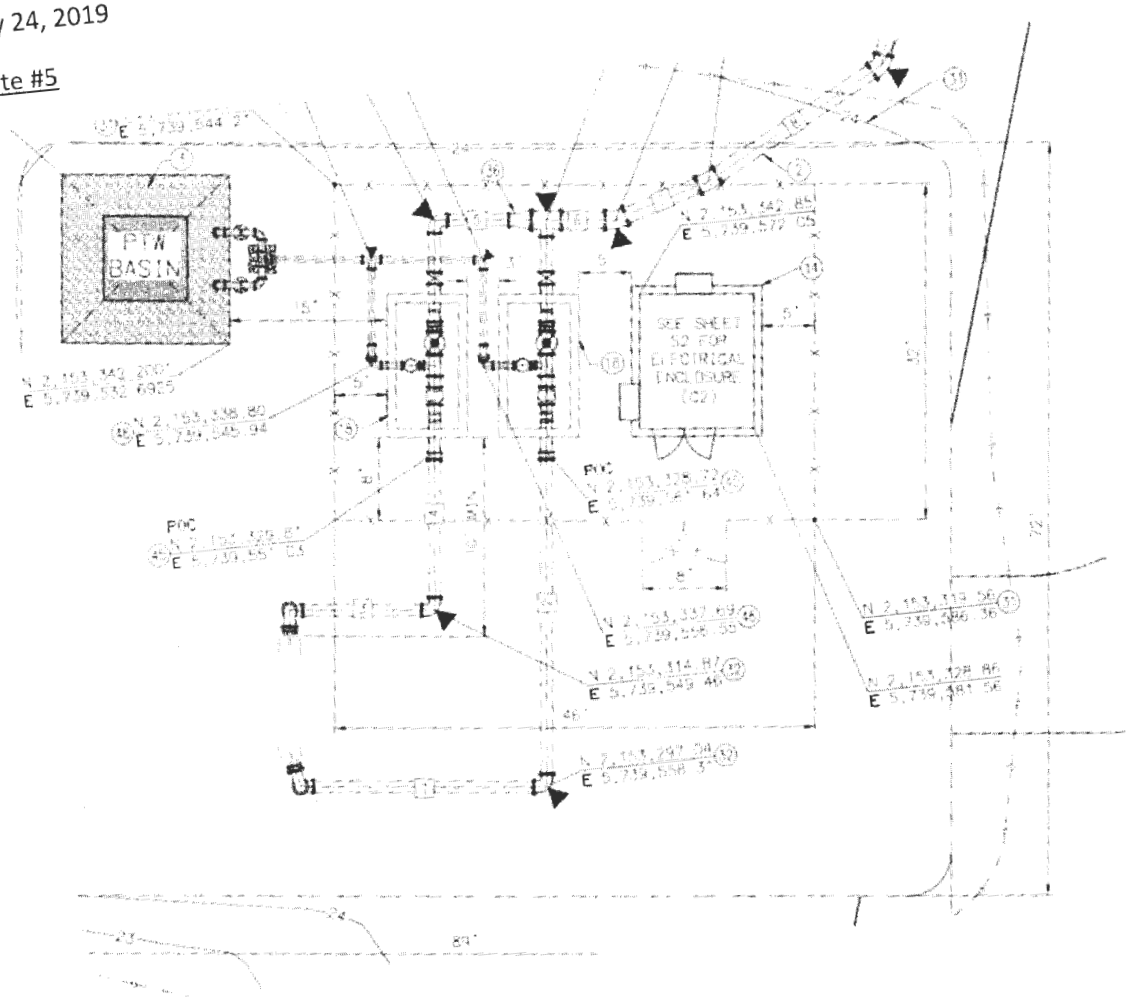


WELL SITE #4
GRADED PAD EL. 26.0±
APPROX. AREA= 5245 SF

Proposed Fence Perimeters
Intake Slant Wells at CEMEX Property

AECOM
January 24, 2019

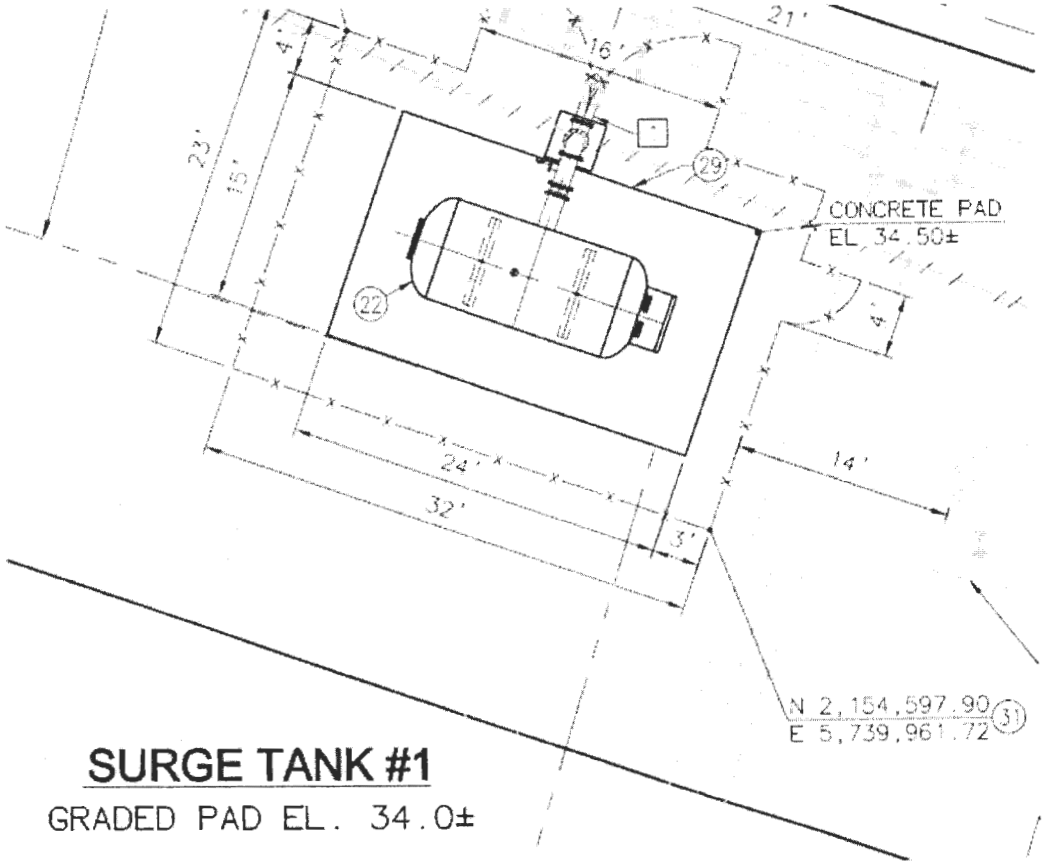
Well Site #5



AECOM
January 24, 2019

Proposed Fence Perimeters
Intake Slant Wells at CEMEX Property

Surge Tank #1



AECOM
January 24, 2019

Proposed Fence Perimeters
Intake Slant Wells at CEMEX Property

Surge Tank #2

SURGE TANK #2

GRADED PAD EL. 24.0±
APPROX. AREA= 1773 SF

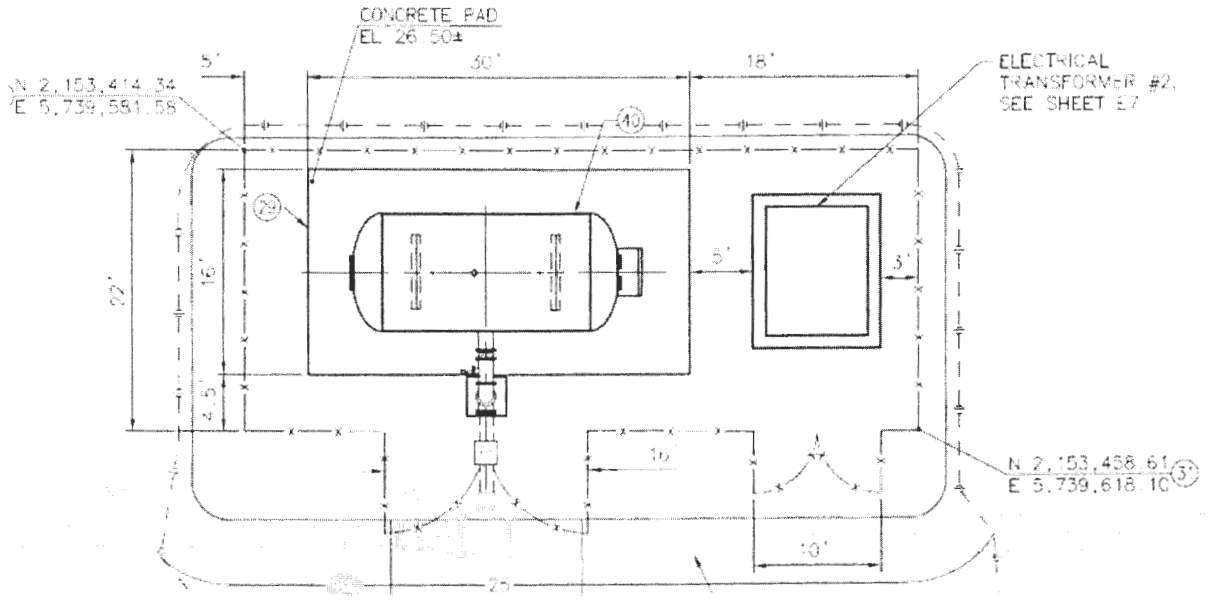


EXHIBIT D

STATE OF CALIFORNIA - BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY GAVIN NEWSOM, *Governor*

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT
2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov

June 9, 2020

Therese W. McMillan, Executive Director
Association of Bay Area Governments
375 Beale Street. Suite 700
San Francisco, CA 94105

Dear Therese W. McMillan,

RE: Final Regional Housing Need Determination

This letter provides the Association of Bay Area Governments (ABAG) its final Regional Housing Need Determination. Pursuant to state housing element law (Government Code section 65584, et seq.), the Department of Housing and Community Development (HCD) is required to provide the determination of ABAG's existing and projected housing need.

In assessing ABAG's regional housing need, HCD and ABAG staff completed an extensive consultation process from March 2019 through May 2020 covering the methodology, data sources, and timeline for HCD's determination of the Regional Housing Need. HCD also consulted with Walter Schwarm with the California Department of Finance (DOF) Demographic Research Unit.

Attachment 1 displays the minimum regional housing need determination of **441,176** total units among four income categories for ABAG to distribute among its local governments. Attachment 2 explains the methodology applied pursuant to Gov. Code section 65584.01. In determining ABAG's housing need, HCD considered all the information specified in state housing law (Gov. Code section 65584.01(c)).

As you know, ABAG is responsible for adopting a methodology for RHNA allocation and RHNA Plan for the projection period beginning June 30, 2022 and ending December 31, 2030. Pursuant to Gov. Code section 65584(d), the methodology to prepare ABAG's RHNA plan must further the following objectives:

(1) Increasing the housing supply and mix of housing types, tenure, and affordability
(2) Promoting infill development and socioeconomic equity, protecting environmental and agricultural resources, and encouraging efficient development patters
(3) Promoting an improved intraregional relationship between jobs and housing
(4) Balancing disproportionate household income distributions
(5) Affirmatively furthering fair housing

Pursuant to Gov. Code section 65584.04(d), to the extent data is available, ABAG shall include the factors listed in Gov. Code section 65584.04(d)(1-13) to develop its RHNA

plan, and pursuant to Gov. Code section 65584.04(f), ABAG must explain in writing how each of these factors was incorporated into the RHNA plan methodology and how the methodology furthers the statutory objectives described above. Pursuant to Gov. Code section 65584.04(h), ABAG must submit its draft methodology to HCD for review.

Increasing the availability of affordable homes, ending homelessness, and meeting other housing goals continues to be a priority for the State of California. To support these goals the 2019-20 Budget Act allocated $250 million for all regions and jurisdictions for planning activities through the Regional Early Action Planning (REAP) and Local Early Action Planning (LEAP) Grant programs. ABAG has $ 23,966,861 available through the REAP program and HCD applauds ABAG's efforts to engage early on how best to utilize these funds and HCD looks forward to continuing this collaboration. All ABAG jurisdictions are also eligible for LEAP grants and are encouraged to apply to support meeting and exceeding sixth cycle housing element goals. While the SB 2 Planning Grant deadline has passed, ongoing regionally tailored technical assistance is still available through that program.

In addition to these planning resources HCD encourages local governments to consider the many other affordable housing and community development resources available to local governments that can be found at *https://www.hcd.ca.gov/grants-funding/nofas.shtml*

HCD commends ABAG and its leadership in fulfilling its important role in advancing the state's housing, transportation, and environmental goals. ABAG is also recognized for its actions in proactively educating and engaging its board and committees on the RHNA process and the regional housing need, as well as creating tools to aid the public understanding in the process. HCD especially thanks Paul Fassinger, Gillian Adams, Aksel Olsen, Dave Vautin, Bobby Lu, Matt Maloney, and Elizabeth Bulgarin for their significant efforts and assistance. HCD looks forward to its continued partnership with ABAG and its member jurisdictions and assisting ABAG in its planning efforts to accommodate the region's share of housing need.

If HCD can provide any additional assistance, or if you, or your staff, have any questions, please contact Megan Kirkeby, Acting Deputy Director, at *megan.kirkeby@hcd.ca.gov* or Tom Brinkhuis, Housing Policy Specialist at (916) 263-6651 or *tom.brinkhuis@hcd.ca.gov*.

Sincerely,

Megan Kirkeby
Acting Deputy Director

Enclosures

ATTACHMENT 1

HCD REGIONAL HOUSING NEED DETERMINATION
ABAG: June 30, 2022 through December 31, 2030

Income Category	Percent	Housing Unit Need
Very-Low*	25.9%	114,442
Low	14.9%	65,892
Moderate	16.5%	72,712
Above-Moderate	42.6%	188,130
Total	**100.0%**	**441,176**
* Extremely-Low	15.5%	Included in Very-Low Category

Notes:

Income Distribution:

Income categories are prescribed by California Health and Safety Code (Section 50093, et. seq.). Percents are derived based on Census/ACS reported household income brackets and county median income, then adjusted based on the percent of cost-burdened households in the region compared with the percent of cost burdened households nationally.

ATTACHMENT 2

HCD REGIONAL HOUSING NEED DETERMINATION:
ABAG June 30, 2021 through December 31, 2030

Methodology

ABAG: PROJECTION PERIOD (8.5 years) HCD Determined Population, Households, & Housing Unit Need		
Reference No.	Step Taken to Calculate Regional Housing Need	Amount
1.	**Population: December 31 2030 (DOF June 30 2030 projection adjusted + 6 months to December 31 2030)**	8,273,975
2.	*- Group Quarters Population: December 31 2030 (DOF June 30 2030 projection adjusted + 6 months to December 31 2030)*	-169,755
3.	**Household (HH) Population**	8,159,280
4.	**Projected Households**	**3,023,735**
5.	+ Vacancy Adjustment (3.27%)	+98,799
6.	+ Overcrowding Adjustment (3.13%)	+94,605
7.	+ Replacement Adjustment (.50%)	+15,120
8.	*- Occupied Units (HHs) estimated June 30, 2022*	-2,800,185
9.	+ Cost-burden Adjustment	+9,102
Total	**6th Cycle Regional Housing Need Assessment (RHNA)**	**441,176**

Detailed background data for this chart is available upon request.

Explanation and Data Sources

1-4. Population, Group Quarters, Household Population, & Projected Households: Pursuant to Gov. Code Section 65584.01, projections were extrapolated from DOF projections. Population reflects total persons. Group Quarter Population reflects persons in a dormitory, group home, institute, military, etc. that do not require residential housing. Household Population reflects persons requiring residential housing. Projected Households reflect the propensity of persons within the Household Population to form households at different rates based on American Community Survey (ACS) trends.

5. Vacancy Adjustment: HCD applies a vacancy adjustment (standard 5% maximum to total projected housing stock) and adjusts the percentage based on the region's current vacancy percentage to provide healthy market vacancies to facilitate housing availability and resident mobility. The adjustment is the difference between standard 5% vacancy rate and regions current vacancy rate based **(1.73%)** on the 2014-2018 ACS data. For ABAG that difference is **3.27%**.

6. Overcrowding Adjustment: In regions where overcrowding is greater than the comparable region's overcrowding rate, or in the absence of comparable region the national overcrowding rate. HCD applies an adjustment based on the amount the regions overcrowding rate **(6.73%)** exceeds the comparable region's rate **(3.60%)**. For ABAG that difference is **3.13%**. Data is from the 2014-2018 ACS.

7. Replacement Adjustment: HCD applies a replacement adjustment between .5% and 5% to the total housing stock based on the current 10-year annual average percent of demolitions the region's local government annual reports to Department of Finance (DOF). For ABAG the 10-year annual average multiplied by the length of the projection period is .40%, and the minimum **.50%** adjustment is applied.

8. Occupied Units: This figure reflects DOF's estimate of occupied units at the start of the projection period (June 30, 2022).

9. Cost Burden Adjustment: HCD applies an adjustment to the projected need by comparing the difference in cost-burden by income group for the region to the cost-burden by income group for the comparable regions, as determined by ABAG. The very-low and low income RHNA is increased by the percent difference (66.64%-66.00%=.**64%**) between the region and the comparable region cost burden rate for households earning 80% of area median income and below, then this difference is applied to very low- and low-income RHNA proportionate to the share of the population these groups currently represent. The moderate and above-moderate income RHNA is increased by the percent difference (16.25%-13.10%=**3.15%**) between the region and the comparable region cost burden rate for households earning above 80% Area Median Income, then this difference is applied to moderate and above moderate income RHNA proportionate to the share of the population these groups currently represent. Data is from 2012-2016 CHAS.

REGIONAL HOUSING NEEDS ALLOCATION

Association of Bay Area Governments

TO: ABAG Executive Board DATE: June 18, 2020

FR: Executive Director

RE: Update on Regional Housing Need Determination (RHND)

Overview

On June 10, 2020, the California Department of Housing and Community Development (HCD) transmitted its proposed Regional Housing Needs Determination for the Bay Area's Cycle 6 RHNA process to the ABAG Executive Director. As shown in **Attachment B**, the determination is the state's estimation of the total housing need for the nine-county San Francisco Bay Area between 2022 and 2030. As discussed below, the needs determination followed a consultation process between ABAG/MTC staff and HCD staff on technical inputs. ABAG is required to use it as the "big number" to distribute to local jurisdictions through the allocation process in 2021.

Consultation Process

As part of the consultation process outlined in Government Code Section 65584.01(c), ABAG was required to provide a variety of information to HCD, which was submitted as a consultation letter on May 29, 2020. ABAG/MTC staff and HCD staff also held several meetings prior to the submission to discuss the data and mechanics of the RHND calculation. The meetings focused on the appropriate forecast to use as the basis of the calculation, as well as vacancy rates, the rates of over-crowding and cost-burden, and comparable regions to the Bay Area.

ABAG/MTC staff recommended that the DOF population forecast be used as the "baseline forecast" of the RHND. The Regional Growth Forecast used in Plan Bay Area 2050 integrates strategies and policies that cause it to be significantly higher than the DOF forecast. Use of the DOF forecast is also appropriate for the RHND as HCD is required to adjust (i.e., increase) the DOF forecast using a variety of calculation factors, which would result in double-counting if overlaid with Plan Bay Area 2050 strategy impacts.

In addition, ABAG/MTC staff provided the following input to HCD:

- **Target Vacancy Rate.** HCD interprets the government code to say that the minimum target vacancy rate for the overall housing stock, rental and ownership, is 5 percent. While the law is less clear on this point, staff did not dispute the issue given that 5 percent is a reasonable vacancy rate.
- **Comparable Regions.** The adjustments made for overcrowded and cost burdened households depend on the region to which the Bay Area is compared, and the statistical data source that is used. ABAG/MTC staff identified a group of seven large regions for comparison with the Bay Area:
    1. Washington-Baltimore-Arlington, DC-MD-VA-WV-PA
    2. Seattle-Tacoma, WA
    3. Boston-Worcester-Providence, MA-RI-NH-CT

4. Denver-Aurora, CO
5. Minneapolis-St. Paul, MN-WI
6. New York-Newark, NY-NJ-CT-PA
7. Chicago-Naperville, IL-IN-WI

The government code allows the Bay Area to identify comparable regions for calculating the adjustments for overcrowded and cost burdened households. Using comparable regions instead of national averages is more accurate and tends to reduce the size of the adjustment for these two problems. HCD agreed to accept this group of regions for the comparison.

- **Appropriate Federal Data Source.** ABAG/MTC staff asked HCD to only use data from the U.S. Census PUMS 2014-2018 dataset because it is the most recent source. In this case, HCD decided to use another census tabulation, known as the 2011-2015 CHAS dataset. While this data is not as recent, HCD prefers it because it has been able to use it consistently for all of the different regions in the state. Ultimately, the selection of data source and vintage had relatively minor impacts to the RHND calculation.

Needs Determination

The calculation of the RHND follows specific rules laid out in the government code. The baseline population growth during the RHND period is multiplied by factors known as headship rates to produce the number of housing units needed. Adjustment factors for vacancy rates, overpayment and overcrowding are added to calculate the number of housing units necessary for the end of the period. This number is subtracted from the estimated housing units at the beginning of the period, to produce the RHND.

HCD has determined that the total number of housing need, as measured in housing units, for the Cycle 6 RHNA period should be **441,176 units**. The total need is further divided by income level[1] in proportions generally consistent with Cycle 5:

- **114,442 units** affordable to very-low income households (25.9%)
- **65,892 units** affordable to low-income households (14.9%)
- **72,712 units** of moderate-income households (16.5%)
- **188,130 units** of above moderate households (42.6%)

While the total number of units assigned in this RHND cycle is 135% more than in Cycle 5, it is consistent with the low rates of construction in the Bay Area since 2011. It is still well below the number of units assigned to Southern California. SCAG was assigned 1,344,740 units in Cycle 6, a 229% increase from the 409,060 units it was assigned in Cycle 5.

[1] Income categories are determined by the Area Median Income (AMI) set by the Federal Government. Very low-income households make 50% of less of AMI. Low income households make between 80% and 50% of AMI. Moderate income households make between 120% and 80% of AMI, and above moderate or market rate households make over 120% of AMI.

Next Steps

The Executive Board can object to the determination within 30 days of receipt, in accordance with Government Code Section 65584.01(c). Under the statutory deadline, this would mean that HCD would have to receive an appeal prior to July 10, 2020. The objection can only be filed if the region disagrees with HCD population projection, or it believes that HCD has misapplied the RHND methodology.

As HCD have accepted most of the information provided as part of the RHND calculation, including the use of DOF forecast as the baseline population input, and no technical inaccuracies in the RHND calculation have been identified, staff recommends accepting the notice of determination.

The HMC will continue to work to identify a proposed RHNA methodology to distribute the RHND to individual jurisdictions by the fall of this year. The RHND will also play a role in assigning final subregion shares by December 2020. The RHNA process is anticipated to wrap up in late 2021, following the completion of an appeals process next year.

EXHIBIT 2

California American Water

Peer Review of Supply and Demand for Water on the Monterey Peninsula

Prepared By: Kevin Alexander, P.E.
Reviewed By: Cindy L. Miller, P.E.; Jack Kiefer, PhD, Greg Gates, P.E., Luke Wang, P.E.
Hazen and Sawyer - August 11, 2020

This memorandum is in response to the following:

- Monterey Peninsula Water Management District (MPWMD), Exhibit 4-A Supply and Demand for Water on the Monterey Peninsula dated March 13, 2020 prepared by David J. Stoldt, General Manager;
- Exhibit 4-B Marina Coast Water District Demand (MCWD) Study by WaterDM dated April 21, 2020;
- Final Supplemental EIR for the PWM Expansion dated April 2020; and
- WaterDM Supplemental Study dated June 24, 2020.

California American Water Company (CalAm) is responsible for ensuring the Monterey Peninsula's available water supply is adequate to meet demand not just under ideal circumstances, but particularly under any number of adverse conditions that have some probability of occurrence.

There is no dispute that the Monterey Peninsula Water Supply Project (MPWSP) will provide a supply required to meet the demand of the Monterey Peninsula. The MPWSP is the only solution that meets the stated goals of Governor Newsom's 2020 Water Resilience Portfolio of: diverse water supplies, protect and enhance natural ecosystems, build connections and be prepared[1].



PHOTOS: USGS (TOP), HAZEN AND SAWYER (ABOVE)



MPWMD's General Manager is asking CalAm to utilize recycled water with sources that are vulnerable to drought, climate change, and water quality challenges. CalAm is asking for consideration of the MPWSP as a means to address those concerns and to address vulnerable supply issues for the entire region.

Considering the Ocean as a safe, secure, reliable, and resilient source as part of the Monterey Peninsula water supply portfolio is critical to solving the region's water supply.

- Since 2001, 13 dry years and 4 critically dry years have affected the Peninsula's water supplies.
- Agricultural flows are diminished by a third when compared to past years.[2]
- Water demands are down and that is reducing municipal wastewater flows available for water recycling.[3]

The Pure Water Monterey(PWM) Expansion project as proposed by Monterey One Water (M1W) is intended to provide additional water supply, but fails to provide the reliability, resiliency and supply diversity needed to meet demand on the Monterey Peninsula under multiple probable adverse scenarios including demand variability, wastewater flow variability, and surface water supply limitations as discussed further in this memorandum.

In contrast, the resiliency and certainty of the MPWSP facility provides the ability to meet uncertain demands across multiple probable adverse scenarios, flexibility to manage supply to protect the environment, and enough water to support stated goals of safe, secure, reliable and resilient water for the Peninsula at all times.

Phase One of the Pure Water Monterey Groundwater Replenishment Project (PWM Phase One) is intended to provide up to 3,500 acre-feet per year of recycled water as a valuable part of the Peninsula's supply portfolio, but expanding the facility with the PWM Expansion means more reliance on an uncertain water source and creates an imbalance in the Peninsula's supply portfolio. Such heavy reliance on one source means more scrutiny must be placed on assessing the risks of the supply.

> **Only the Monterey Peninsula Water Supply Project provides a source that can meet the objectives of a reliable and adequate potable water supply for the Monterey Peninsula.**

Water Resource Management

CalAm is responsible for assessing the ability of water supplies to meet the demands of the community and the environment in Monterey. With that responsibility comes a need to identify potential risks to its customers' water supplies and the need to develop plans and supplies resilient to those risks. CalAm has developed the MPWSP to accomplish these objectives, ensuring the ability to protect public health and the environment on the Peninsula for the foreseeable future.

CalAm Considers Water Supplies Through Supply Reliability, Diversification, Data, and Dry Year Resiliency.

Supply Reliability – Water agencies throughout the world consider water supply reliability when developing water supply plans to account for known and unknown risks. California Water Code 10635(a) requires water suppliers to assess the reliability of supplies. Of the proposed supply projects for the Peninsula, only the MPWSP fully accounts for water supply reliability to protect the Peninsula from adverse supply conditions.

Diversification – Diversification is a foundational strategy for minimizing the risks to any kind of water supply portfolio. Even California Water Code section 10608(c) declares that diverse supply portfolios will increase supply reliability. Governor Newsom's 2020 Water Resilience Portfolio includes diversification as the first approach to address climate change in the state's water supply systems and explains that diversification "will strengthen water security and reduce pressure on river systems across the state." (Portfolio, at p. 5.) The Governor explains that local and regional entities "must reduce reliance on any one source and diversify supplies to enable flexibility as conditions change." (Portfolio, p. 17.) The MPWSP increases the diversity of the Peninsula's water portfolio by introducing a new source of raw water and reduces risk, as opposed to the PWM Phase One and the PWM Expansion, which rely on the availability of effluent treated at a centralized recycling facility to generate 51% of total supply available to CalAm's Customers.

Data – Analysis of proposed water sources and demands over the same time period is important to account for impacts such as financial downturns, drought, water restrictions, tiered rates, regulatory changes and population considerations. The MPWMD Supply and Demand Report fails to fully account for historical data and thus fails to tell a complete story by using only the past 3 or 5 years of demand data, while simultaneously using a different time range (2009-2013) for other sources. Informed decisions based on a complete picture of supply and demand and concrete data from the historic and available record can and should be made together and in the best Interest of the Peninsula.

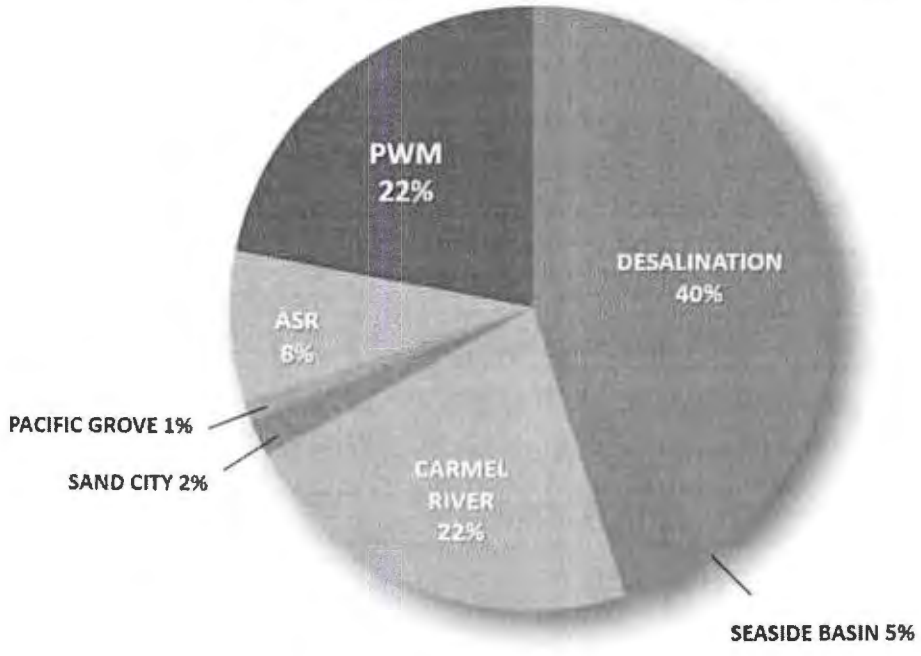
Dry Year Resiliency – Throughout an increasing percentage of the world, the western United States, and certainly California, planning for a very dry year (and a succession of dry years) is a key element to water supply planning as required by the California Water Code. The source water for the MPWSP, the Pacific Ocean, is not vulnerable to drought – and the regulatory conservation that often accompanies it – unlike the source water for PWM Phase One and the PWM Expansion. Governor Newsom's 2020 Water Resilience Portfolio specifically notes that water suppliers need to plan for deeper droughts and "develop strategies to protect communities and fish and wildlife in the event of a drought lasting at least six years. (p. 25) Only the MPWSP provides for such dry year resiliency. (Portfolio, pp. 25-26.)

Water Supply to Meet Demand

CalAm is responsible for meeting the requirements of the California Water Code for Urban Water Management Planning, which requires the assessment of the reliability of water service under multiple scenarios (normal, dry, and multiple dry years, including a repeat of the 5 consecutive historic driest years) and consideration of the reliability of water service given the combination of supplies available to it. (See Water Code §10635.) If PWM Phase One and the PWM Expansion are considered key sources of supply for the Peninsula, then the Peninsula is required to rely on production from PWM Phase One and PWM Expansion and ASR at all times to barely achieve normal year demands. Accepting the PWM Expansion as a key supply does not line up with informed and thorough engineering practices for water supply planning required by the California Water Code. (Water Code §§ 10610 *et seq.*) Figure 1 below illustrates why a diverse and balanced portfolio of water supplies is required for the Peninsula to meet the range of water demands including low optimistic demand values to the higher and more conservative demand values.

The only solution that addresses the water supply issue in a way that provides appropriate supply reliability on the Peninsula is the MPWSP. As depicted in Figure 1 below, coupled with the existing PWM Phase One and other existing sources, the MPWSP provides a robust and diversified portfolio of water supplies to address known and probable challenges such as prolonged drought conditions, limited wastewater flows, limited PWM Phase One injection, limited agricultural drain flows, flows from the Sand City Desal and possible limited flows from Aquifer Storage and Recovery (ASR).

Figure 1: Monterey Peninsula Water Supply Portfolio Diversification



ASR build-up in particular has not been successfully demonstrated throughout the development and use of the ASR system over a 15-year period. As shown in Figure 6, included in the Appendix hereto, only once in the past 15 years has ASR achieved 1,300 AFY. As explained in Hazen's prior memo, ASR water availability is reduced to 63% in a single dry year, and even further reduced to 4% following three dry years. Therefore, ASR does not meet Water Code reliability standards (5 consecutive historic driest years) or Governor Newsom's 2020 Water Resilience Portfolio that requires consideration of a drought lasting six years.

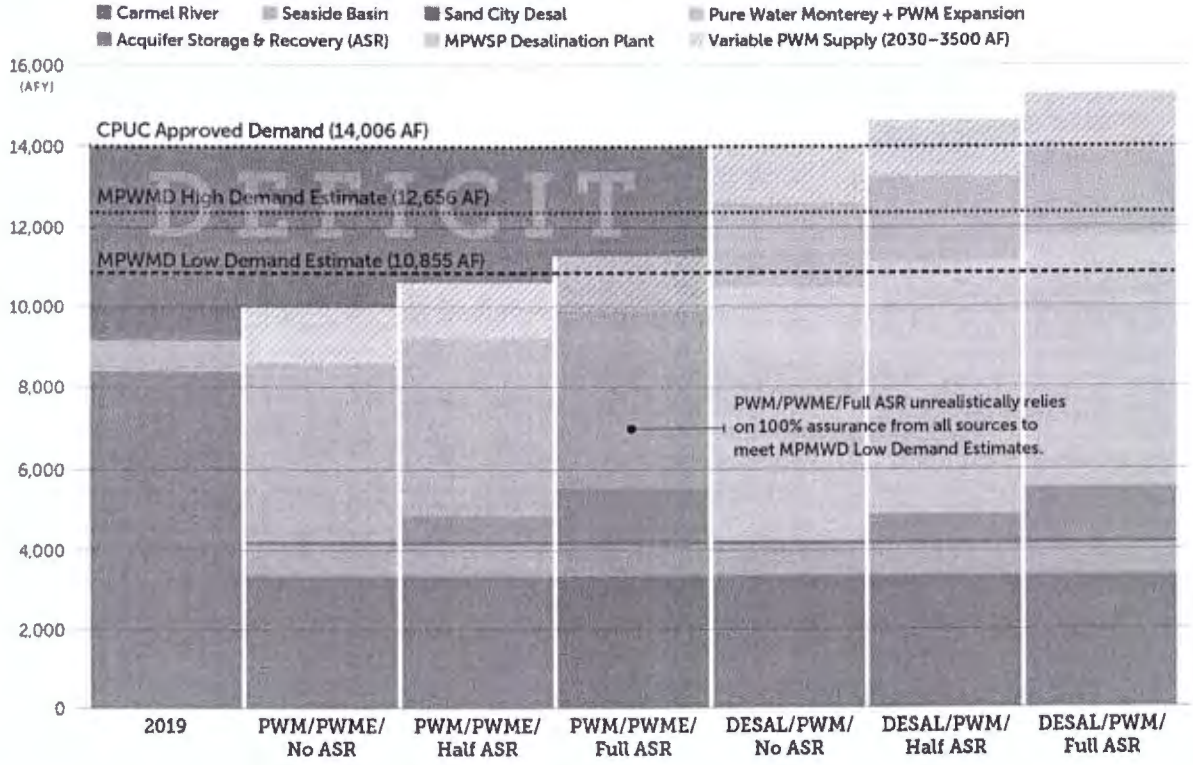
Further, over the past 15 years, the average availability of ASR is approximately 138 AFY, far less than the 1,300 AFY assumed by MPWMD General Manager David Stoldt and WaterDM as available to meet water demand on the Peninsula. Even over the last five years, the average availability of ASR is 352 AFY, which again is far less than the 1,300 AFY assumed available by Stoldt and WaterDM. Analysis offered by Stoldt in September 2019 to the Coastal Commission and WaterDM relied on the full availability of ASR in order for the PWM Expansion to meet existing demand on the Peninsula, however, such analysis is based on the unrealistic assumption that no drought will take place between now and 2034. Such an assumption is contradicted by plain history—there has been a multi-year drought in California in virtually every decade since 1917—and as discussed above is inconsistent with applicable water planning regulations and guidance.

In addition, counting on ASR storage at 100% with limited knowledge of losses to the ocean and other basins imparts uncertainty in that supply as a continuous resource and drought mitigation strategy. In Figure 2 below, ASR volume is shown under three distinct scenarios to account for the limited volume stored over the past 15 years and these other uncertainties—No ASR, Half ASR and Full ASR. Notably, even the Half ASR scenario requires 650 AFY, which is almost double the average ASR availability over the past five years, and over five times the 15-year ASR average. When the variability of ASR is considered, the PWM Phase One and PWM Expansion do not meet the Peninsula's minimum water demands. This is one of the reasons that the California Public Utilities Commission concluded that "only in conjunction with construction of a desalination plant of some size within five to fifteen years" would the PWM Expansion be capable of providing a "sufficient and reliable water supply" for the Peninsula. (See CPUC Decision D.18-09-017, Appx. C, p. C-71.)

Figure 2: Monterey Peninsula Water Supplies to Meet Demands

Comparison of PWM Expansion and MPWSP with Variable ASR

MPWSP opponents claim that the MPWSP is not currently needed to meet existing demand projections. However, meeting even the lowest demand projections without the MPWSP requires full capacity operation of two other supplies that have yet to prove reliable and are vulnerable to high-probability risks.



Wastewater as a Source for PWM Phase One and PWM Expansion

Stoldt's characterization of the PWM Expansion as a project that can replace CalAm's existing water supplies and meet the long-term needs of the Peninsula also does not accurately and transparently account for the risks of having wastewater as a primary water supply that varies with demand and drought.[4,5] As discussed below, publicly available evidence demonstrates that wastewater cannot be relied upon as a primary water source for the PWM Expansion, and additional reliable supplies would be needed to ensure that the PWM Phase One and PWM Expansion can supply water in the amounts those projects have promised/projected.

The MPMWD Supply and Demand Report and the Supplemental EIR for the PWM Expansion focus on demands being low and use the last 3, 5 and 10 years as the basis for revised demand assumptions in CalAm's service territory. (See MPWMD Supply and Demand Report page 8, Table 3 .) MPMWD had WaterDM evaluate demands with recent data in an attempt to explain the differences in demands between estimates by CalAm and what has been observed on the Peninsula in the past 5 years.[6]

In contrast to MPMWD's and WaterDM's attempt to focus only on the most recent years to support their positions, Appendix I to the Supplemental EIR for the PWM Expansion asserts that the average wastewater treatment plant (WWTP) flows should be based on the period from 2009 to 2013 where WWTP flows were 21,764 AF, or a worse case flow of 20,090 AF based on the 2013 drought year.[7] By failing to account for the most recent years since 2013, Appendix I substantially overstates the available wastewater flows that could potentially be used as source water for recycled water projects on the Peninsula.

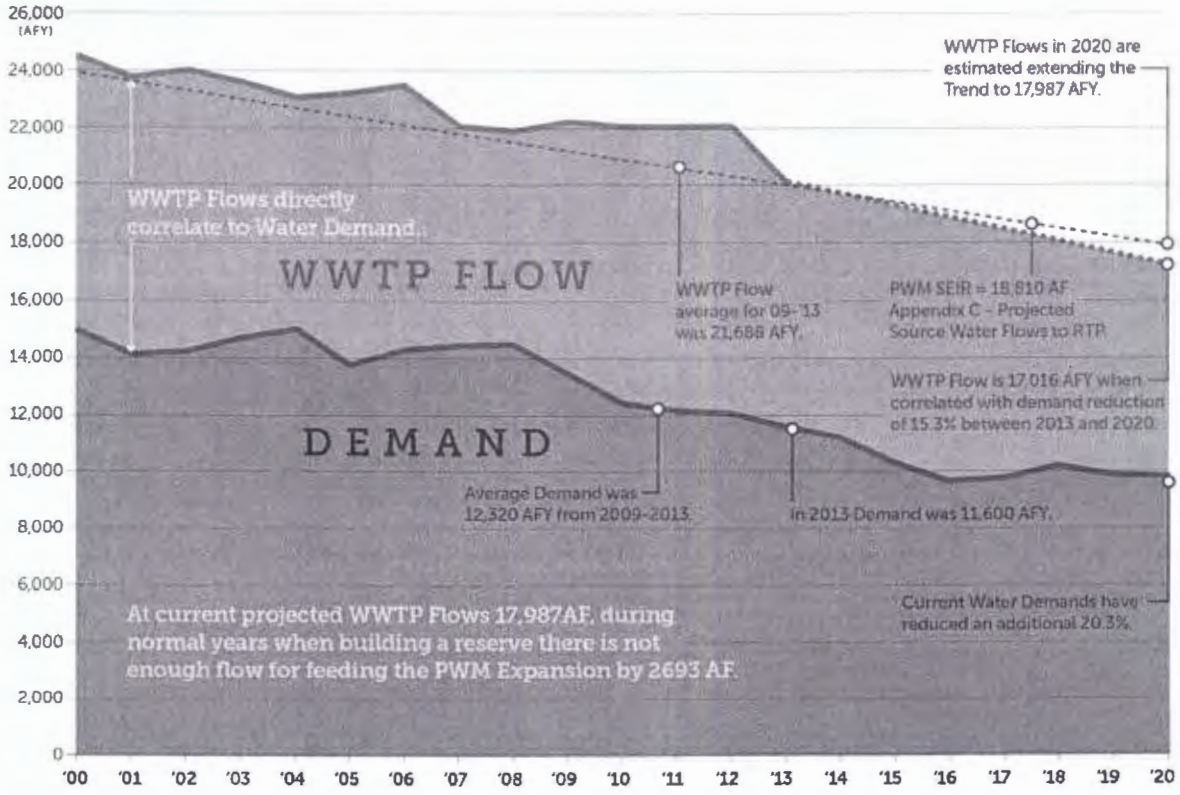
The approach taken in Appendix I ignores that WWTP flows correlate to water demand/use, which has continued to decrease on the Peninsula due to conservation and other factors. Based on available data, Figure 3 below depicts an overall downward trend in WWTP flows that is consistent with the observed decline in water demand on the Peninsula. The EIR from 2016 for PWM Phase One shows WWTP flows trending downward from approximately 25,000 AF in 2000 to approximately 20,000 AF in 2013.[8] A separate appendix to the Supplemental EIR (Appendix E) shows further reduced WWTP flows to 18,810 AF (16.79 MGD) .[9] However, this number was not utilized in the Supplemental EIR to calculate available WWTP flows as source water for either PWM Phase One or PWM Expansion, which is a significant error.

Moreover, additional data collected by M1W and presented to its Ad-Hoc JPA Revision Committee on July 20, 2020, indicates that since the beginning of 2020 WWTP flows are yet again further reduced to 17,980 AF or 16.05 mgd, as specified in Exhibit 5.[10]

Figure 3 shows that the WWTP Flows correlate with demand reductions on the Peninsula. For example, as shown in Figure 3, since 2013 demand has declined 20.3% when compared to the average demand from 2009 to 2013. Additionally, 2013 drought year demand compared to current demand, represents a 15.3% reduction.[11] Calculating the WWTP flows over these same time periods using these respective reduction percentages (20.3% and 15.3%), a conservative estimate of current average WWTP flows is 17,296 AF to as low as 17,016 AF, respectively. An alternative method of determining todays WWTP flows based on a linear trend of the existing flow data indicates that current flows are 17,987 AF, as shown in Figure 3. All of these WWTP flow estimates, which are based on a more complete picture of recent data, are much lower than those used in the SEIR Appendix I -Tables 8 to 11. As result the SEIR substantially overstates the availability of WWTP flows available as source water available to PWM Phase One and the PWM Expansion.

Figure 3: Reduced Demand = Reduced WWTP Flow (=Reduced Recycled Water Supply)

Monterey Wastewater Flows shown in the SEIR Appendix I-Table 8,9,10 (Normal Yr) and Table 11(Dry Yr) use data from 2009-2013 which does not represent the current WWTP Flows. The graph below estimates current WWTP flows in 2020 based on demand correlation from MPWMD Supply and Demand Report-Fig 1.



SEIR Appendix I -Tables 8 to 11 have been updated in Table 1 below to reflect more realistic estimates of WWTP flows, along with minor reductions to Reclamation Ditch flows in the Surface Waters category based on the analysis provided in the next section of this memorandum demonstrating these flows also are expected to be reduced compared to amounts claimed in the SEIR. When realistic estimates of WWTP flows are utilized, it becomes clear, the MPMWD Supply and Demand Study and the SEIR failed to assess how reduced WWTP flows would adversely affect production of the PWM Phase One or the PWM Expansion. The following Table 1 provides a comparison of Supply and Demand from SEIR Appendix I - Tables 8 to 11 with updated WWTP flows and Reclamation Ditch flows to show the impact of these expected reductions on the water available to use for the CSIP, PWM Phase One, PWM Expansion, and the Regional Urban Water Augmentation Project (RUWAP). In all conditions there is a supply deficit.

TABLE 1 – IMPACTS OF REDUCED WWTP FLOW ON TABLES 8 – 11 FROM SEIR APPX. I

	Original SEIR Appx. I Data				Updated Appx. I Data			
Supply and Demand *in Acre-Ft*	**Table 8**	**Table 9**	**Table10**	**Table11**	**Table 8** Updated	**Table 9** Updated	**Table10** Updated	**Table11** Updated
SUPPLY								
WWTP Flow[a]	21764	21764	21764	20090	17987	17987	17987	17016
Domestic Flows	82	82	82	82	82	82	82	82
New Sources[b]	2579	2579	2579	2430	2579	2579	2579	2430
Surface Water[c]	3721	2052	2041	2840	3641	1972	1961	2304
TOTAL	**28146**	**26477**	**26466**	**25442**	**24289**	**22620**	**22609**	**21832**
DEMAND								
CSIP and CSIP Well	17227	17227	17227	22619	17227	17227	17227	22619
PWM	4320	4320	4320	2963	4320	4320	4320	2963
PWM drought	248	248	0	0	248	248	0	0
PWM Expansion	2778	2778	2778	2778	2778	2778	2778	2778
RUWAP	741	741	741	741	741	741	741	741
TOTAL	**25314**	**25314**	**25066**	**29101**	**25314**	**25314**	**25066**	**29102**
Annual Supply Excess[d]	**2833**	**1164**	**1400**	**-3659**	**-1025**	**-2693**	**-2457**	**-7270**

Notes:

a Updated WWTP Flows based on Figure 2 Trends and calculated Dry Year from Demand Correlation

B New sources from Table 8-11

c Surface water updated by reducing Reclamation Ditch Values from USGS 10yr average.

d Annual supply excess calculated from Supply minus Demand. A negative value means a supply deficit.

Table 2 represents a flow balance to compare SEIR Appendix I Tables 8 to 11 compared to updated Table 8 to 11 with updated WWTP flow and Reclamation Ditch waters from Figure 3. Based on the flow balance for the updated Normal/Wet Year when building a reserve "Table 9 Updated column" would allow for 84 Acre-Ft to be fed to the PWM Expansion. The available supply for the Dry Year, as shown in the "Table 11 Updated" column, demonstrates that there is no flow available for PWM Phase One and PWM Expansion during a dry year, and flow for RUWAP would have to be taken as a water right to serve those flows. All scenarios analyzed demonstrate that there is little to no WWTP flow available to PWM Expansion. As a result, PWM Expansion would not have sufficient source water to produce the promised supply of 2,250 AFY.

TABLE 2 – IMPACTS OF REDUCED WWTP FLOW ON SUPPLY FLOW BALANCE

Flow Balance – *in Acre-Ft*	**Table 8**	**Table 9**	**Table 10**	**Table 11**	**Table 8** Update	**Table 9** Update	**Table 10** Update	**Table 11** Update
Flow to CSIP + CSIP Well Pumping	17227	17227	17227	22619	17227	17227	17227	21091[e]
Flow to PWM[f]	4320	4320	4320	2963	4320	4320	4320	0
Flow to PWM Drought	248	248	0	0	248	248	0	0
Flow to PWME[g]	2778	2778	2778	2778	1753	84	321	0
Flow to RUWAP	741	741	741	741	741	741	741	741
Actual Use Flows[h]	**25314**	**25314**	**25066**	**29101**	**24289**	**22620**	**22609**	**21832**
Flow to ASR[i]	5950	5950	5750	4650	5120	3768	3759	0
Concentrate Flow to Outfall[j]	1536	1536	1489	1232	1342	1025	1023	141
Deficit To ASR	**0**	**0**	**0**	**-1100**	**-830**	**-2182**	**-1991**	**-4651**

Notes:

e CSIP and CSIP Well Flows from Table 8-11 Demand. Reduced CSIP in "Table 11 Updated" by taking Water Right
f Revised flow to PWM down for Table 11 to match actual Use to supply
g Flow available to PWME is calculated based on maintaining flow to PWM and RUWAP and to Concentrate
h Actual Use is calculated to confirm balance with Supply
i ASR Flow is from the AWT product water flow without RUWAP
j Concentrate flow is 19% of Flow for PWM, PWM Drought, PWME, and RUWAP
k Deficit to ASR based on Flow to ASR minus the PWM AND PWME DEMAND from Table 1

The above analysis of the WWTP flows demonstrates the need for a very thorough and transparent analysis of the current WWTP flows and the impact to the reliability of PWM Phase One and PWM Expansion. At present, there appear to be significant limitations on the availability of source water from WWTP Flows for the PWM Expansion.

Surface Water Flow Analysis

As discussed above, another area that requires consideration is the flow available to the PWM Phase One and PWM Expansion from the proposed Surface Water supplies. The Reclamation Ditch flows were analyzed originally in the Schaaf & Wheeler Agricultural Ditch Yield Study, March 2015 based on 2006-2014 data, and were updated in the SEIR Appendix I Tables 8-11. A detailed analysis of the Reclamation Ditch flows using the most recent USGS data reveals that average flows are lower than indicated in Schaaf & Wheeler and the SEIR Appendix I. The following Table 3 below shows the average monthly flow according to USGS for the last 5 years, 10 years and 2013 as compared to the values in the SEIR Appendix I Tables 8 to 11.

Table 3: Reclamation Ditch Flows[12]

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Normal Years (Ac-ft)												
USGS 5 yr Avg minus Instream	>360	>360	>360	340	123	74	83	77	35	108	>360	>360
USGS 10 yr Avg minus Instream	>360	>360	>360	356	59	93	98	96	45	129	>360	>360
Table 8	70	66	70	106	79	99	113	109	72	65	89	76
Table 9	0	0	0	106	79	99	113	109	72	11	0	0
Table 10	0	0	0	106	79	99	113	109	72	0	0	0
Dry Years (Ac-ft)												
USGS 2013(Same Jan/Feb as Tbl11)	0	0	42	4	0	28	53	57	23	16	43	0
Table 11	0	0	70	106	79	99	113	109	72	65	89	0

Note: >360 is when diversion flows above 6 cubic feet per second (CFS) after subtraction of the instream of 2 CFS.

Table 3 shows that for the months of May through September there is a reduction of average flow per month of 16% between the Table 8, 9 and 10 compared to the USGS flows for a 10 year comparison. Table 3 also shows that for the months of June through September there is a reduction of average flow per month of 16% between the Table 8, 9 and 10 compared to the USGS flows for a 5 year comparison. In addition, using the USGS flows for 2013 with similar assumptions for December-February, there is a 67% reduction

in flow as compared to the predicted dry year in SEIR Table 11. As a result, the SEIR overstates the availability of Reclamation Ditch flow potentially available as source water for PWM Phase One and the PWM Expansion. Again, in this case the available flow to the PWM Phase One and the PWM Expansion should be reconsidered and revised accordingly.

The Schaaf & Wheeler report for the Reclamation Ditch indicates that agricultural flows are continuing to drop, and have dropped 1/3 in recent years. This would likely mean there are reductions in the monthly flows from Blanco Drain as well as the Agricultural Wash Water below what is projected in the SEIR. The flows for these two proposed sources were not updated beyond what was provided in the original Draft EIR for the PWM Phase One in 2016 in Appendix B – Source Water Assumptions Memorandum dated March 26, 2015. Both of those data sources in the SEIR Appendix I Tables 8 through 11 are based on similar dated information from 2014. If the flows from the Blanco Drain and Agricultural Wash Water are considered to have similar percentage reductions during the April to October period as Reclamation Ditch flows, then there are likely conditions where the actual flows available may not be able to supply the PWM Phase One let alone the PMW Expansion.

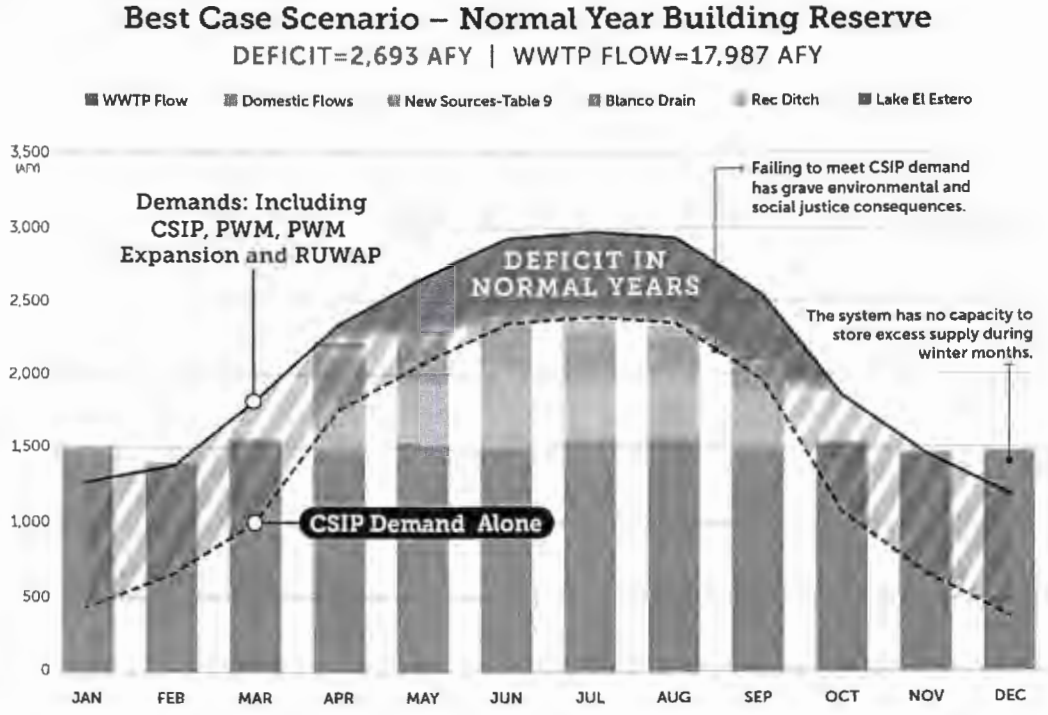
Supplies and Demands

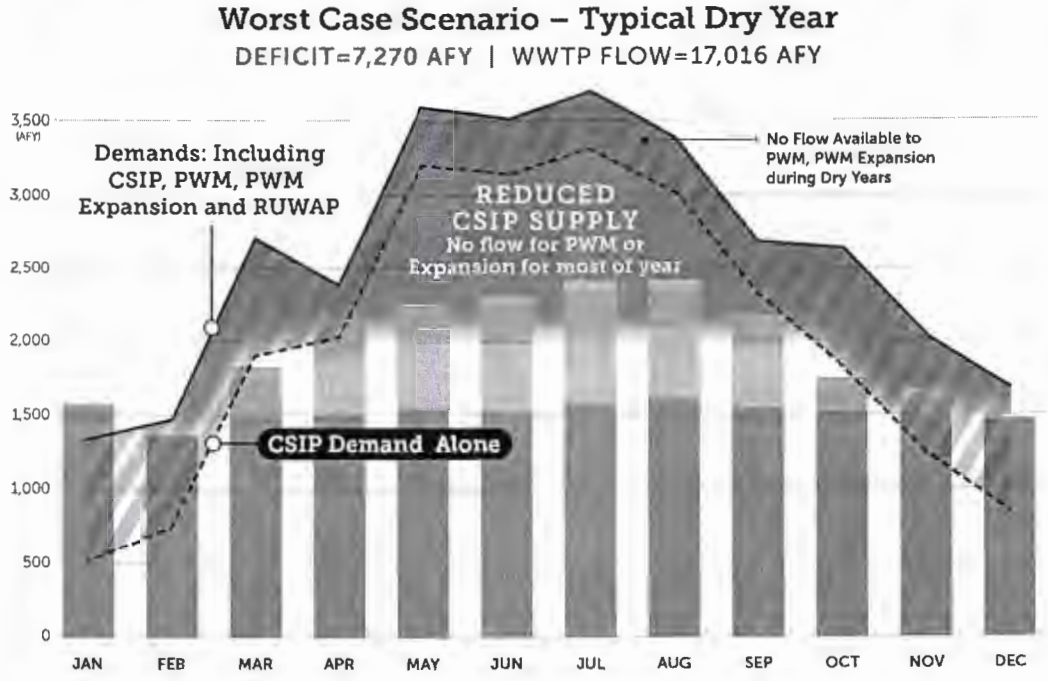
The combined analysis of supplies and demand illustrated in Figure 4 below (Normal/ Wet Year Building ASR) and (Dry Year) are based on monthly supply and demand from SEIR Appendix I-Tables 9 and 11 with data updated as noted in Table 1 above. Figure 4 shows that when lower WWTP Flow from Figure 3 and lower Reclamation Ditch flows from Table 3 and all other available sources are accounted for, that demand for those specific source waters far exceeds available supplies in Normal/Wet Years and in Dry Years.

Table 2 above shows that in Normal Years Building a Reserve (Table 9 Updated Column), there is potentially only 84 AF available from all of the available supplies for the PWM Expansion. Then in Dry Years, Table 2 shows there is actually no flow available from all of the supplies for the PWM Phase One or the PWM Expansion assuming water is still supplied to the CSIP with some flow taken from CSIP as a water right (as described in the Final Supplemental EIR-3.3 Master Response #3: Comments on Water Supply and Source Water Availability) to serve the Regional Urban Water Augmentation Project (RUWAP). Based on this analysis, PWM Phase One and PWM Expansion would not be able to provide their promised product water to the Peninsula during dry years, which are 3,500 AFY and 2,250 AFY, respectively.

Figure 4: Impacts of Demands Exceeding Limited Supplies

Best Case Scenario based upon SEIR Appendix I-Table 9 with revised WWTP Flows (Updated Table 9) shows a supply deficit such that 84 Acre-Ft is available to PWM Expansion. The Worst Case Scenario based upon SEIR Appendix I – Table 11 Dry Year with revised WWTP Flows (Updated Table 11) shows a deficit with Zero flow available to PWM, PWM Expansion and reduced flow to CSIP.





The demand assumptions in Figure 4 use the same values in SEIR Appendix I Tables 9 and 11 for CSIP, PWM Phase One, PWM Expansion and RUWAP which are the same values used in Table 1 above.

As shown in Figure 4 above there is a demonstrable water deficit. Monthly supply of water as compared to demand even when the additional proposed supplies of Agricultural Wash Water, Urban Runoff, Blanco Drain, and Reclamation Ditch are included does not satisfy the demand during a significant portion of the year – particularly during the summer months.

Water Supply Deficit for either PWM Expansion or CSIP

Without an adequate supply of source water, the Peninsula is placed in a difficult position of whether to supply water to the PWM Expansion or the CSIP system, which will impact the environment long term. Although there are water rights for the water that MWMWD proposes to use to supply the PWM Expansion, there are overstatements of the actual flows that need to be addressed. Protecting public health and the environment requires determining the true volumes available for the project and whether those flows can be counted on day in and day out for supply of water to the Peninsula.

Figure 5 closely correlates the cumulative water supplies to the respective cumulative demands. The water supplies are shown in the order of use with the PWM Phase One using Blanco Drain and Rec Ditch. Based on agreements, such as the Amended and Restated Water Recycling Agreement between the M1W and the Monterey County Water Resources Agency, those flows are unavailable to the PWM Expansion. Then New Sources are added to serve as the supplies for the PWM Expansion according to the priorities and water rights as defined in SEIR Appendix M. The supplies are cumulative by month. The graphs are based on SEIR Appendix I -Table 9 and 11 with the WWTP and Reclamation Ditch flows updated. These graphs include Lake El Estero and AWW, which are now not included in the water supply as noted in SEIR Appendix M as a best-case supply scenario (SEIR Appendix M-Page 5).

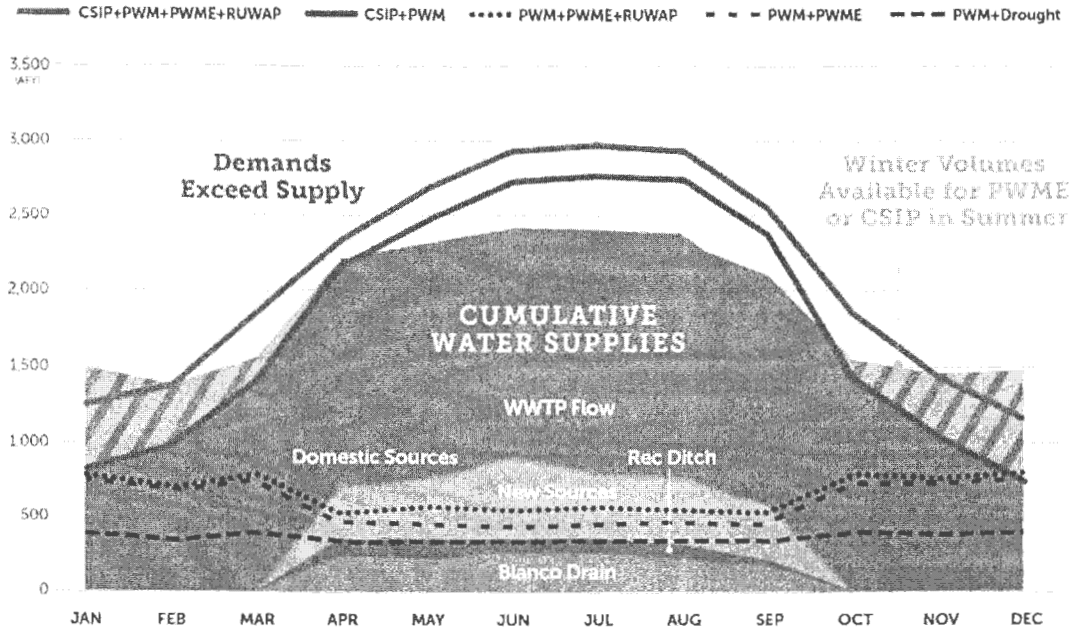
The demands in Figure 5 are each shown cumulatively for PWM, then PWM+PWME, then PWM+PWME+RUWAP, and ultimately PWM+PWM+RUWAP and CSIP. There is a separate blue line of PWM+CSIP to show a normal year today without the PWM Expansion. That line is necessary to determine available volume in the winter.

Figure 5: Supply Available for PWM Expansion or CSIP (Not Both)

Best Case Scenario based upon SEIR Appendix I-Table 9 with revised WWTP Flows (Updated Table 9) shows winter volume available for PWM Expansion or if injected could be used for CSIP in the summer. The Worst Case Scenario is based upon SEIR Appendix I – Table 11 Dry Year with revised WWTP Flows (Updated Table 11) shows there is near Zero flow available for the PWM Expansion in winter and significant reduced flow to CSIP.

Best Case Scenario – Normal Year Building Reserve

DEFICIT=2,693 AFY | WWTP FLOW=17,987 AFY



Worst Case Scenario – Typical Dry Year

DEFICIT=7,270 AFY | WWTP FLOW=17,016 AFY

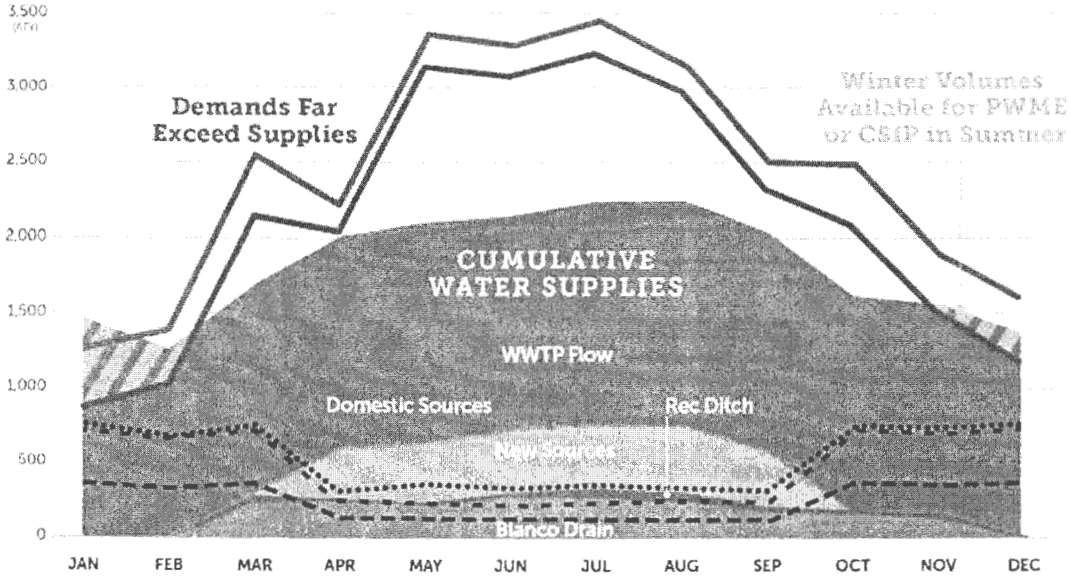


Figure 5 demonstrates that in normal years, excess winter effluent that would ultimately go to the Ocean can be used or it is otherwise wasted. However, with current CSIP demand the system will always be in a deficit. If CSIP could capture winter flow (such as the proposed but not implemented improvements to the Salinas Valley Reclamation Project (SVRP) (SEIR Master Response #3 p. 3-20, SEIR Appendix M- Page 5)) to run SVRP and CSIP at lower flows without using wells in conjunction with water storage or groundwater infiltration, then excess winter water could be available for use in the summer for CSIP. Implementing such a storage program would be a sizable new development project and would require a significant investment to secure and develop the necessary property where the storage program could be implemented (such as a reservoir). Further, for CSIP and CSIP well demands in SEIR Appendix I Tables 9-11 to be met, this would require all of the other New Water sources, Blanco Drain and Reclamation Ditch as well to meet the combined CSIP and CSIP well flows now and especially in dry years.

CSIP flows are shown in Figure 5 based on the SEIR Tables 8-11 including the CSIP well pumping. It should be noted that the improvements to SVRP have not been completed and therefore, the CSIP must rely on well pumping.

It should be highlighted that the flows shown in SEIR Appendix I for Tables 8-11 were not updated to match the assumptions in Final SEIR Appendix M. If the flows shown in Tables 8 to 11 were updated to account for the assumptions made in Final SEIR Appendix M, then the water supply deficit depicted in Figures 4 and 5 above would be even greater. For example, the Agricultural Wash Water and Lake El Estero were assumed to be unavailable in Final SEIR Appendix M. Moreover, Reclamation Ditch Flows were not reduced as noted in Table 3-B in the Final SEIR Master Response #3.

In addition, the SEIR Master Response #3 Table 3-A and SEIR Appendix M Table 2 both support the reduced flow of wastewater highlighted in Figure 3 above. One example is the use of 5,811 AFY as the Secondary Effluent available from the Outfall which is 3,000 AFY less than the estimated amount in Table 8, 9 and 10 of the SEIR Appendix I of 8,809 AFY. Assuming this is the updated Outfall flow, this would correlate to roughly 18,810 AFY of WWTP flow in 2018. Again, this was not highlighted in Source Water Availability, Use and Yield in SEIR Appendix I and as discussed earlier in this memorandum the regional wastewater flows have reduced since then. When these reductions are accounted for, the supply deficit will only increase. As a result, the technical analysis of the PWM Expansion has greatly overstated the reliability and availability of the source water. It is not feasible to achieve the PWM Expansion's projected water deliveries of 2,250 AFY based on the proposed water sources.

Responding to MPMWD and Water Demand Analysis

CalAm is responsible for assessing water demand on the Peninsula and continues to evaluate the impacts from climate change, regulatory drivers, growth in residential and commercial demands, impacts from water rates and restrictions imposed, and considers a future when the MPWSP is in place and how available water will shift demands. CalAm is contributing to conservation programs, participating in cutting edge research on leakage to apply the latest approaches to loss to their system.

All of this is done to ensure their customer demands are met, the environment is protected, and that water is not wasted. In performance of these duties, CalAm is continuing to assess the risks associated with meeting average demands, maximum day demand and peak hour demands. Hazen has participated in the studies with CalAm on system loss and is providing water resources planning services.

Hazen and Sawyer response to comments from MPMWD and WaterDM regarding prior memorandum:

Hazen and Sawyer is a national consulting engineering firm with a focus on all aspects of water supplies, planning, treatment and demands. We have local and national experts working on evaluation of water supplies and demands. It should be noted that WaterDM is a firm that collaborates with Hazen and Sawyer on large water supply projects and is currently a team partner for projects on the East Coast.

MPWMD and WaterDM reviewed Hazen's prior memorandum dated January 2020 and point to many areas that they consider deficient, in error or misleading. Hazen disagrees with this claim. The Hazen memorandum as written highlights the substantial concern with assuming lower water demands on the Peninsula with no discussion of range of uncertainty. We feel the higher demands are warranted to provide a buffer for uncertainty. WaterDM and MPMWD have been unwilling to address the risk of the potential demand increases on supply. For supply to the PWM Expansion, these entities have avoided updating the flow data with transparent information on the proposed supplies.

WaterDM does not address variability or uncertainty of supplies in their report to a level to assess the risk of the supplies to meeting the lowest projected demands that they developed.

Hazen asserts that supply and demand planning in an area like the Monterey Peninsula that is dependent on new sources of water must look at the risk and must apply an appropriate level of reliability and resiliency as good engineering principles. MPMWD has not addressed the current supply as required by the California CWC Section 10635 for normal, dry and multiple dry years to prove the resilience of that supply. Our analysis highlights the need for more analysis with recent data including consideration of historical impacts to supply. This also gets to the heart of our prior memorandum.

Current codes and regulations as well as their interpretation are important to establishing a reliable and resilient water supply across a range of likely supply and demand conditions. MPMWD focused on the interpretation of Maximum Day Demand and Peak Day Demand versus annual demand which is well understood, but avoided the topic of assessing the long-term historical data in determining future demands and not just picking data to fit a narrative.

In addition, interpreting the latest revisions to American Waterworks Association (AWWA) M50 Manual to say that MPWMD can use 3 or 5 years of data when there is over 20 years of data available is not in line with the intent and spirit of the latest version of that document which Hazen participated in developing.

Hazen and Sawyer had the MPMWD Supply and Demand Report reviewed independently by Hazen's nationally recognized demand expert, Dr. Jack Kiefer. He noted: *"There is not a standard or minimum amount of empirical rigor formally promulgated, which leads many to focus on simple averaging and story-telling instead of modeling cause and effect and then using official economic forecasts for evaluating and predicting growth. In addition, it is seldom when you see uncertainty explicitly accounted for or at least addressed which detracts from a higher-level objective of identifying, reducing and mitigating risks."*

Hazen's intentions with our comments on MPWMD's analysis are consistent with that objective – a desire to see the Water Supply Solutions for the Monterey Peninsula truly evaluated and the risks of the water supply mitigated.

(Continued next page)

The demand analysis performed by WaterDM assumes that existing water conservation measures will result in increased conservation without implementing more stringent measures, such as use moratoriums and water rationing. CalAm has invested heavily in Conservation Programs as well as paying for research into water loss and loss detection and mitigation strategies in an assertive effort to minimize the impact to the area in the absence of a water supply solution meeting the basic requirements noted herein. WaterDM and MPMWD do not acknowledge that the MPWSP was designed to avoid the need for further implementation of stringent measures, like moratoriums and water rationing. Those types of measures may be necessary to achieve the demands that WaterDM and MPWMD are projecting.

MPMWD's response to the Hazen memorandum regarding ASR, states that there is "no immediate present-day demands" for the PWM Expansion flow. If the PWM Expansion is the backup project to satisfy the CDO, as noted in the SEIR (Final SEIR Page 1-1), to supply water if MPWSP is not available then the water demand today would require all of that flow and flow from ASR that is not available.

MPMWD references multiple times the SEIR Appendix I-Tables 9 through 11 and states "the annual use of the new sources exceeds the annual AWPF demands." The SEIR documents however do not provide recent flow data as a basis for the claim that the multiple sources of water in the Appendix M of the SEIR actually available to the PWM Expansion. It highlights those flows are from assumptions and flow balance calculations. As noted herein, there is a need to assess the current water supplies with recent data from the water sources to fully validate that statement.

To assume that paper water is presently available without evaluating actual flow data is a significant error.

The WaterDM Supplemental Study maintains the same errors at the first WaterDM Study. The water projections in the WaterDM Supplemental Study remain unreasonable, including an over estimation of the availability of ASR and PWM Phase One. Likewise, the WaterDM Supplemental Study understates demand on the Peninsula and overlooks M1W's July 20, 2020 report that indicates since the beginning of 2020 WWTP flows were reduced to 17,980 AF or 16.05 mgd. Nonetheless, meeting even the lowest demand projection in the Supplemental Study is unrealistic without the MPWSP and would require full capacity operation of the PWM Phase One and the PWM Expansion, supplies that have yet to prove reliable and are vulnerable to high-probability risks.

Recommendations and Conclusions

This memorandum is based on extensive analysis and a thorough review of the MPWMD Supply and Demand Report, the WaterDM Study, the Supplemental EIR for the PWM Expansion as well as other supporting documents. The following recommendations and conclusions are offered to the California Coastal Commission to consider as it evaluates the MPWSP and considers the feasibility of the PWM Expansion:

1. MPWMD Supply and Demand Report and SEIR for the PWM Expansion put the Peninsula in jeopardy of not having water available for meeting current demands with no recognition and accommodation for future uncertainty within the supplies proposed. (Refer to Figure 2).

2. MPWSP is the only currently proposed and feasible solution that provides safe secure reliable and resilient supply for a diversified portfolio for the Peninsula. (Refer to Figure 2).

3. The water supplies proposed for the PWM Expansion need further analysis with recent flow data to assess that water is actually available. Even if it is assumed that MPWMD has sufficient water rights to the source water for the PWM Expansion, which we understand it does not, holding adequate water rights will not actually secure water for the PWM Expansion if there is not actual water available to treat. (Refer to Figure 3).

4. The complex water supply management strategy to prioritize water supplies with limited historical flow information is a risk that must be considered in evaluating flows used for ensuring potable water supplies.

5. There is a deficit in water that will be available to the PWM Expansion when considering todays wastewater flows and Reclamation Ditch flows based on the most recent available data. Figure 4 highlights the deficit in supplies available to meet demands of PWM Phase One , CSIP, RUWAP and PWM Expansion.

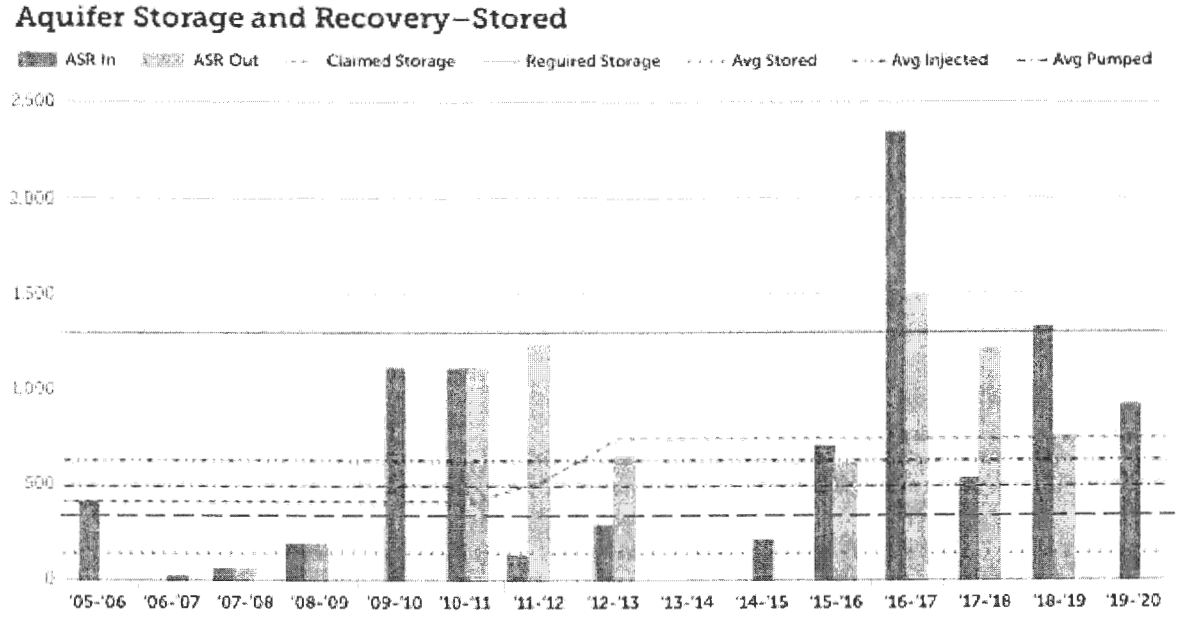
6. Assuming that there are adequate water rights for the water supplies that MPMWD proposes to supply the PWM Expansion, the SEIR and supporting studies overstate the actual flows available for the PWM Expansion. The true flow available to the PWM Expansion needs to be addressed to determine the true volumes available and to determine if those flows can be counted on day in and day out to supply the Peninsula. Based on the proposed supplies as studied to date, PWM Expansion appears infeasible.

7. The PWM Expansion should be reevaluated based on updated and accurate flow data and demands such as CSIP and PWM. Current flows even in best of water supply cases shows that CSIP will always be in a deficit. The impact of the CSIP deficit should be evaluated to avoid unintended environmental impacts if seawater intrusion is not mitigated by CSIP flows.

Appendix

Figure 6 represents the current Aquifer Storage and Recovery program over the past 15 years in operation. Figure 4 shows the average annual injected and annual average pumped volume. The average stored volume annually over 15 years is 138 acre-ft. Over 15 years there is only 700 acre-ft claimed as storage yet the MPMWD Supply and Demand Report indicates they can store 1,300 acre-ft per year. There are only two years the system has achieved more than 1,300 acre-ft into the aquifer. The limited average storage coupled with the injection limitations being experienced at PWM Phase One means these supplies are not yet reliable to be considered as a source that CalAm or any other public agency.

Figure 6: Aquifer Storage and Recovery



Figures 7 and 8 are provided as further information for Updated Tables 8 and 10 to highlight that in all conditions, there is a flow deficit with updated WWTP and Reclamation Ditch Flows. In the above document, Best Case and Worst Case were used to keep the discussion simple and direct. There is a flow deficit in all conditions and there is a need to update the relevant calculations with recent flow data to give an accurate assessment of supply and demand in a clear and transparent way.

Figure 7: Supply Deficit – SEIR Appendix I - Updated Table 8

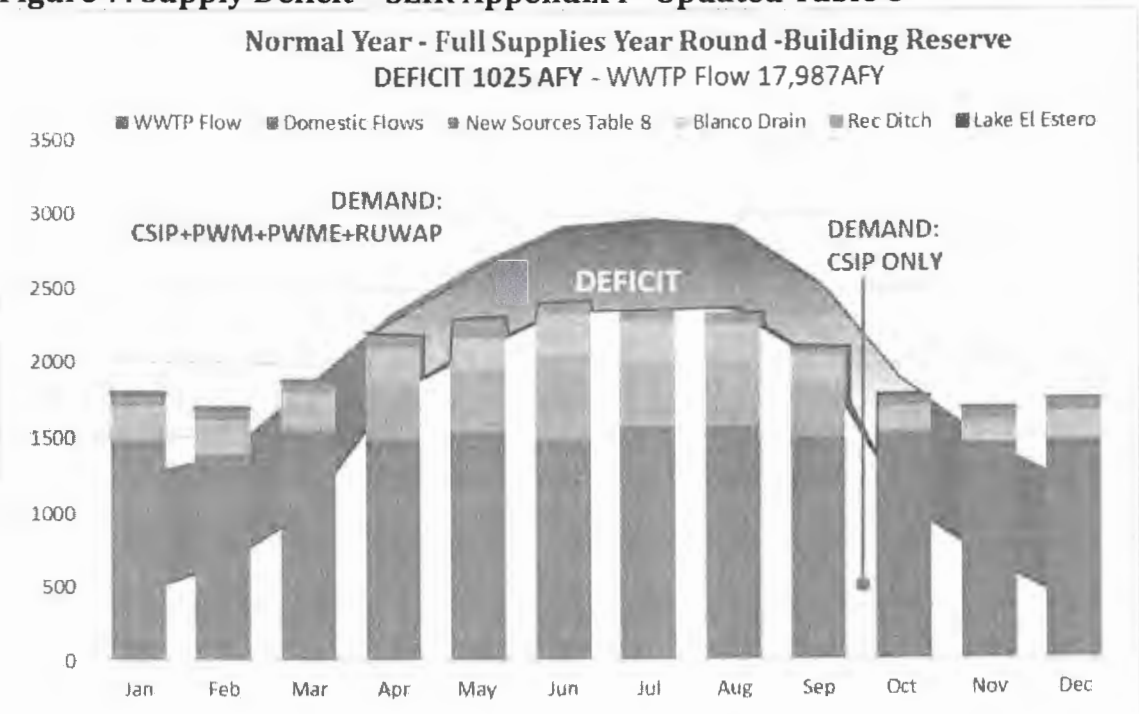
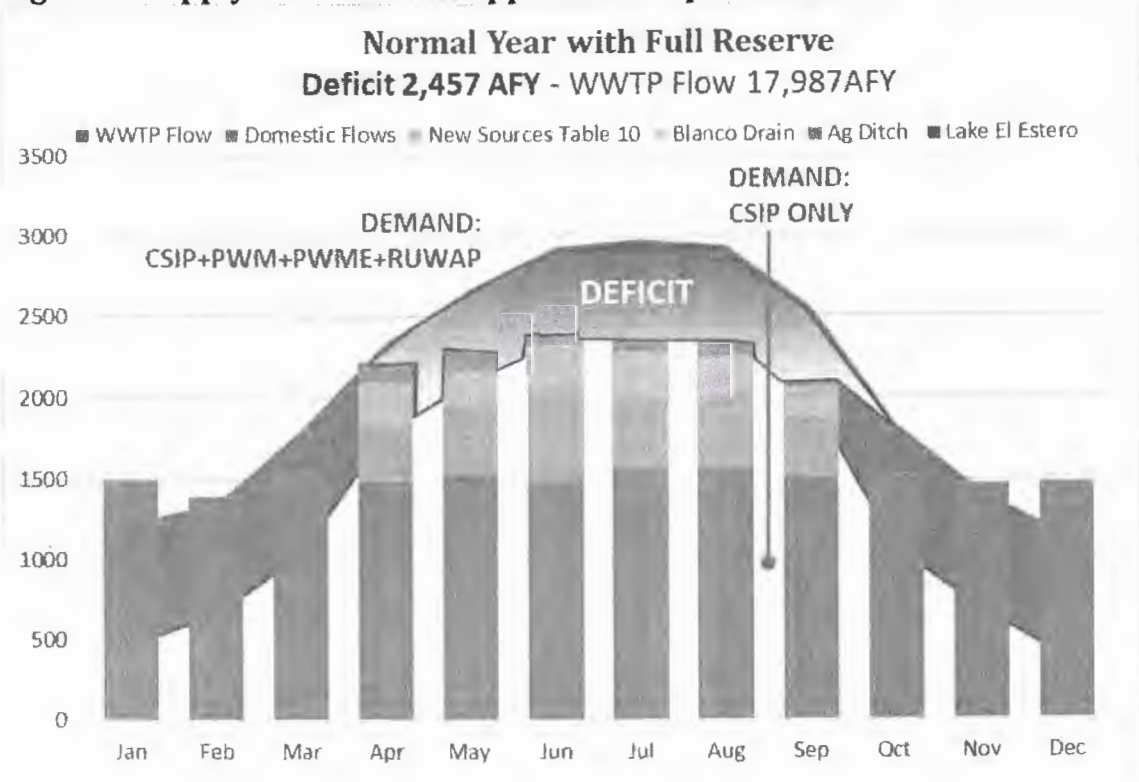


Figure 8: Supply Deficit – SEIR Appendix I – Updated Table 10



References

[1] Governor Gavin Newsome's 2020 Water Supply Portfolio – Executive Summary-Page 1

[2] PWM Phase One 2016 Draft EIR Appendix P-Reclamation Ditch Yield Study - Page 12

[3] PWM Expansion Supplemental EIR, April 2020 – Main Body, Page 3-1

[4] PWM Expansion Final Supplemental EIR, Appendix O, Supply and Demand for Water on the Monterey Peninsula, March 13, 2020. Page 20

[5] PWM Expansion Supplemental EIR, April 2020 – Main Body, Page S-1

[6] Exhibit 4-B Expert Report and Recommendations of Peter Mayer, P.E. Regarding Water Supply and Demand in the California American Water Company's Monterey Main System, prepared for The Marina Coast Water District, April 21, 2020 page 26

[7] PWM Expansion Supplemental EIR, April 2020, Appendix I – Source Water Availability, Yield, and Use Technical Memorandum, Tables 8-11.

[8] Final PWM Phase One 2016 EIR Consolidated – Jan 2016 - Volume I - Figure 2-9 Historic Regional Treatment Plant Flows

[9] Supplemental EIR, April 2020, Appendices to the M1W Draft Supplemental EIR 11-7-2019 -Appendix E - Water Quality and Statutory Compliance Report-Appendix C – Projected Monthly Flows of Source Waters to the Regional Treatment Plant Influent

[10] M1W Adhoc Committee Meeting, July 20, 2020 supporting documents.

[11] PWM Expansion Final Supplemental EIR, Appendix O, Supply and Demand for Water on the Monterey Peninsula, March 13, 2020, Page 7 [Figure 1 – Annual Water Production for Customer Service (Demand) Last 21 Years]

[12] USGS Website - https://waterdata.usgs.gov/nwis/uv?site_no=11152650

EXHIBIT 1

Jack Kiefer, PhD Resume

Hazen and Sawyer

Water Resources Expert



Jack C. Kiefer, PhD

Senior Associate

Dr. Kiefer is an economist and geographer specializing in multiple consulting areas of water resource economics and planning, econometrics, and integrated water demand and supply planning and management.

Education

PhD, Geography, Southern Illinois University

MA, Monetary and Development Economics, Southern Illinois University

BA, Economics, Southern Illinois University

Areas of Expertise

- Water Resources Planning
- Economic Analysis
- Econometrics
- Water Demand Forecasting
- Impact and Process Evaluation
- Risk and Uncertainty Analysis
- Water Supply Reliability Planning

Experience

- 30 total years
- 13 years with Hazen

Professional Activities

American Water Works Association

American Water Resources Association

Prior to joining Hazen and Sawyer, Dr. Kiefer led CDM's Water Economics group and was a Lead Practitioner in the area of Water Resources. Before joining CDM, Dr. Kiefer directed Planning and Management Consultants, Ltd.'s Water Resources Research program and its five business service lines of Integrated Water Demand and Supply Planning, Resource Economics and Quantitative Analysis, Navigation Analysis, Military Resources Planning and Environmental Planning.

Dr. Kiefer is an expert in forecasting the demand for potable water. He has performed numerous analyses of water demand, including the development of long term water demand forecasts for some of the largest water utilities in the United States, including the Metropolitan Water District of Southern California, Tampa Bay Water, and San Diego County Water Authority. Dr. Kiefer is also an expert in conducting empirical evaluations of demand management programs. He has led water conservation studies for large utilities in the Southwest and demand management plans for Tampa Bay Water, the City of Phoenix, and New York City. He has also served as principal investigator on several Water Research Foundation (WaterRF), projects where he has led evaluations of urban water demands as part of WaterRF's Strategic Climate Change initiative and Water Demand Forecasting focus area.

Dr. Kiefer has more than 15 years of consulting experience with the U.S. Army Corps of Engineers (Corps) for whom he directed economic and water resources planning studies. He has addressed the Corps' major Civil Works program functions, including Water Supply, Hydropower, Navigation, Recreation, Ecosystem Restoration, and Flood Damage Reduction. Dr. Kiefer has considerable expertise in the areas of risk analysis, multipurpose planning, and multi-criteria decision support techniques.

In 1997, he received the Commander's Award for Public Service from the Department of the Army for outstanding performance in support of the U.S. Army Corps of Engineers Cost Savings Task Force, which helped to identify and automate cost savings measures and to facilitate the analysis of those same measures nationwide.

Hazen

Technical Publications

Evaluation of Customer Information and Data Processing Needs for Water Demand Planning and Management. Kiefer, J. and L. Krentz. 2016. Denver, Colo.: Water Research Foundation.

"Differentiating the Impacts of the Economy, Efficiency, and Conservation on Water Demands." J. Kiefer. 2016. The Georgia Operator, Volume 53, No.3, Summer 2016.

Water Demand Forecasting in Uncertain Times: Isolating the Effects of the Great Recession. Kiefer, J., Johns, G., Snaith, S., and B. Dziegielewski. 2016. Denver, Colo.: Water Research Foundation.

Methodology for Evaluation Water Use in Commercial, Industrial, and Institutional Sectors. 2015. J. Kiefer, L. Krentz, and B. Dziegielewski. Water Research Foundation, Denver.

Analysis of Changes in Water Use under Regional Climate Change Scenarios. 2013. J. Kiefer, J. Clayton, B. Dziegielewski, and J. Henderson. Water Research Foundation, Denver.

U.S. Water Demand, Supply and Allocation: Trends and Outlook. 2007. B. Dziegielewski and J. Kiefer. IWR Report 2007-R-03, Institute for Water Resources, Alexandria, Virginia.

Literature Review of Computer-Aided Collaborative Decision Making. 2007. A. Imwiko and J. Kiefer. U.S. Army Corps of Engineers, Institute for Water Resources. Alexandria, Virginia.

"Prevailing Water Demand Forecasting Practices and Implications for Evaluating the Effects of Climate Change." 2006. J. Kiefer. Proceedings of American Water Works Association 2006 Water Sources Conference, Albuquerque, New Mexico.

Evaluation of Water Ratemaking Practices and Rate Structure Complexity in Illinois Water Systems. 2004. J. Kiefer. Doctoral dissertation. Copyright © 2004, Jack C. Kiefer.

"Water Supply Planning and Risk Management: Coping with the Costs of Uncertainty." 2004. J. Kiefer. Proceedings of North

Water Demand Planning and Management

Principal Investigator, Portfolio of Applied Research for the Water Research Foundation

- Uncertainty in Long Term Water Demand Forecasting (Project 4558)
- Water Use in the Multifamily Sector (Project 4554)
- Water Demand Forecasting in Uncertain Times: Isolating the Effects of the Great Recession (Project 4458)
- Methodology for Evaluating Water Use in Commercial, Institutional and Industrial Sectors (Project 4375) –
- Analysis of Changes in Water Use under Regional Climate Change Scenarios (Project 4263)
- Evaluation of Customer Information and Data Processing Needs for Water Demand Planning and Management (Project 4527)
- Principal Investigator, Water Research Foundation Project 4735, Methodology for Determining Baseline Commercial, Institutional and Industrial End Uses of Water

Long-Term Demand Forecasting System (LTDFS) Update, Tampa Bay Water, Tampa Bay, FL

Technical Director leading a team to redevelop all elements of LTDFS, including estimation of econometric and end use water efficiency models, focusing on exploratory data analysis of an expanded time-series and cross-sectional database of water demands in the Tampa Bay region.

Long-term Water Demand Forecasts, San Diego County Water Authority, San Diego, CA

Project Manager of development of five consecutive water demand forecasts and forecast updates for the San Diego County Water Authority, in support of the Agency's periodic development of its Urban Water Management Plan. Original efforts involved the development of econometric models of M&I water demands, which were followed by development of predictive models for agricultural demands. More recent support to the Authority has included the analysis of climate change impacts on water demand and the development and application of risk-based simulation procedures to support long-term supply reliability and capital improvement planning.

Modeler/Analyst, Water Research Foundation Project 4309, Residential End Uses of Water Update

Dr. Kiefer was responsible for developing models of key indoor and outdoor residential end uses of water, using end use logging data for a large sample of households across the US and Canada, relating end use water consumption to household demographic and economic characteristics, as well as the price for water and sewer services.

Carolina American Water Works Association/Water Environment Association 84th Annual Conference, November 14-17, 2004, Charlotte, NC.

"Development of Probabilistic Water Demand Forecast for the Tampa Bay Region: A Review of Methodological Features." 2003. J. Kiefer. Proceedings of American Water Works Association 2003 Annual Conference and Exposition, Anaheim, CA.

"Relating Demand and Supply Uncertainty to the Incremental Cost of Water Supply Reliability." 2003. J. Kiefer, D. Anderson, and A. Adams. Proceedings of Florida Section of American Water Works Association 2003 Annual Conference and Exposition.

"Risk-Based Water Demand Forecasting: Balancing Uncertainty and Sustainability in Water Supply Planning." 2003. J. Kiefer. Proceedings of American Institute of Hydrology 2003 Annual Conference, Atlanta, Georgia.

"Water Demand Forecasting in a Regulatory Environment." 2002. J. Kiefer and B. Dziegielewski. Proceedings of American Water Works Association 2002 Water Sources Conference. Denver, Colorado.

Commercial and Institutional End Uses of Water. 2000. B. Dzigielewski, J. Kiefer, E. M. Opitz, G. A. Porter, G. Lantz, P. Mayer, W. DeOreo and J. Nelson. American Water Works Association Research Foundation. Denver, Colorado.

Residential End Uses of Water. 1999. P. Mayer, W. DeOreo, E. M. Opitz, B. Dzigielewski, J. Kiefer, W. Y. Davis and J. Nelson. American Water Works Association Research Foundation. Denver, Colorado.

"The Search for Acceptable Water Rates: Research Needs and Possibilities." 1999, J. Kiefer. Journal of Contemporary Water Research and Education (formerly Water Resources Update), Vol. 114.

"Demand Uncertainty: Portraying and Quantifying the Risks for Planning." 1998. J. Kiefer. Proceedings of the American Water Works Association (AWWA) 1998 Annual Conference. AWWA. Denver, Colorado.

Technical Director, Water Conservation Planning Support, NYC-DEP, NY

Technical Director, of the development of NYC DEP's Water Demand Management Plan (WDMP) through a series of investigations involving pilot efficiency projects, water reuse at specific facilities, spatial demand profiling, and assessment of large users, drought management, and water pricing strategies. The objective of this project was to assist NYC DEP in the development of its WDMP through a series of investigations involving pilot efficiency projects, water reuse at specific facilities, spatial demand profiling, assessment of large users, drought management, and water pricing strategies.

Enhancements to New York City's Long-Term Water Demand Forecasting Model, NYCDEP, NY

Technical Director for this project. The objective was to make incremental improvements to NYCDEP's long-term water demand forecasting model to incorporate key future trends and uncertainties related to water efficiency and climate. The updated model included a water efficiency index, climatic variables, and residual variance factors at both annual and monthly time steps, which supports development of multiple forecast scenarios.

Other Relevant Experience

- Co-Principal Investigator, Water Reuse Research Foundation Project 09-04, The Value of Water Supply in the Commercial, Industrial, and Institutional (CII) Sector
- Principal Investigator, Water Conservation Metrics Study
- Water Demand Management Plan, Tampa Bay Water, FL
- Project Manager, Phoenix Water Demand Management Plan Support, AZ
- Technical Director, Long-Term Forecast Performance Monitoring, Tampa Bay Water, FL
- Principal Investigator, Long-Term Probabilistic Water Demand and Supply Reliability Forecast for Tampa Bay Water, FL
- Project Manager, Future Needs Analysis, Tampa Bay Water, FL
- Project Director, Development of Water Demand Forecasting Methodologies for the Delaware River Basin Commission, FL
- Principal Investigator, Phoenix Meter Accuracy Study, AZ
- Project Manager, Study of Institutional and Legal Environment of Texas Water Supply Allocation, TX
- Project Manager, Model Development and Long-Term Water Demand Forecasts for Metropolitan Water District of Southern California, CA

"Anticipating Nonresidential Flood Damages: A Report of Findings of a Survey of Businesses in the Wyoming Valley of Pennsylvania." 1998. J. Kiefer and S. Davis. Proceedings of the 22nd Annual Conference of the Association of State Floodplain Managers (ASFPM).

Incorporating Risk and Uncertainty into Forecasts of Waterborne Traffic Flows: A Reference Manual of Methodologies and Hypothetical Examples. 1997. J. Kiefer. U.S. Army Corps of Engineers, Institute for Water Resources. Alexandria, Virginia.

Analysis of Non-residential Content Value and Depth-Damage Data for Flood Damage Reduction Studies. 1996. J. Kiefer and S. Willett. U.S. Army Corps of Engineers, Institute for Water Resources. Alexandria, Virginia.

"Statistical Analyses of Water Conservation Issues: The Case of Phoenix, Arizona." 1996. J. Kiefer and J. DeWitt. Proceedings of CONSERV96. Conference hosted by the American Water Works Association in Orlando, Florida.

Guidebook for the Preparation and Use of Project Study Plans. 1996. J. Kiefer and J. Prather. U.S. Army Corps of Engineers, Institute for Water Resources. Alexandria, Virginia.

"Estimation of Single-Family Residential Irrigation Demands: A Model-Based Approach." In Water in the 21st Century: Conservation, Demand and Supply. J. Kiefer and J. DeWitt. April 23-26, 1995. Proceedings of AWRA Annual Spring Symposium. Salt Lake City, Utah.

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Urban Water Conservation Programs Volume I: Annotated Bibliography. 1994. Opitz, E.M., B. Dziegielewski, N.A. Hanna-Somers, J. Kooik, J.R.M. Steinbeck, H.P. Garbharran, J.C. Kiefer and K.L. O'Grady. U.S. Army Corps of Engineers, Institute for Water Resources; U.S. Geological Survey; Metropolitan Water District of Southern California; Southern Nevada Water Authority; California Urban Water Agencies; Phoenix Water Services Department and American Water Works Association.

- Project Manager, IWR-MAIN Water Demand Management Suite
- Project Manager/Principal Investigator, City of Albuquerque Water Conservation Program, NM
- Coauthor and Principal Modeler, AWWARF Residential End Uses of Water and Commercial & Institutional Uses of Water Studies
- Project Manager/Principal Investigator, Cost-Effectiveness Evaluations of Pilot Water Conservation Projects for the Cities of Lacey, Olympia and Tumwater (LOTT Wastewater Partnership)

Water Resources Planning and Economics

- Principal Investigator, Civil Works Program Strategy Papers. USACE Institute for Water Resources
- Principal Investigator, Review of Computer-Aided Decision-Making in Water Resources Planning and Management. USACE Institute for Water Resources
- Project Manager, Expert Independent Reviews of Corps of Engineers Economics and Planning Studies, USACE Institute for Water Resources
- Economics Team Leader, National Economic Analysis of Water Use for the Republic of Ireland
- Principal Investigator, USACE New Orleans District, Economic Impact Analysis of Louisiana Coastal 2050 Restoration Initiative, LA
- Project Manager/Principal Investigator, Evaluation of National U.S. Army Corps Capital Stock Investments and Programmatic Benefits
- Project Manager, National Dredging Needs Study of U.S. Ports and Harbors
- Principal Investigator, Plan Formulation Training Course for the Corps of Engineers
- Project Manager, America's Water Resources Challenges for the 21st Century
- Project Manager, USACE/BPA Hydroelectric Investment Guide
- Project Manager/Principal Investigator, USACE Flood Damage Reduction Studies

EXHIBIT 2

SEIR Appendix I – Source Water Availability, Yield and Use Technical Memorandum-

Tables 8, 9, 10 and 11

Table 8: Source Water Analysis for the Pure Water Monterey Groundwater Replenishment Project

Full Surface Water Yields, Normal Water Year, Building a Drought Reserve

All facilities built [1] - average water year conditions - all flows in acre-feet — 10/14/2019

	SOURCES	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total
	Existing RTP Inflows (Average 2009 to 2013)	1,798	1,678	1,867	1,796	1,850	1,799	1,893	1,888	1,813	1,844	1,762	1,776	21,764
	Existing domestic flows to RTP (wells at RTP and MRWMD)	14	5	10	9	5	4	5	8	5	5	5	7	82
	New Source Water													
	City of Salinas													
1	Salinas Agricultural Wash Water [2]	156	158	201	307	311	391	435	444	367	410	329	223	3,732
	Agricultural Wash Water (AWW) to Ponds [3]	*156*	*158*	*201*	*0*	*0*	*0*	*0*	*0*	*0*	*410*	*329*	*223*	*1,477*
	AWW directly to RTP	*0*	*0*	*0*	*307*	*311*	*391*	*435*	*444*	*367*	*0*	*0*	*0*	*2,255*
2	Salinas Urban Storm Water Runoff [4]	52	41	34	16	2	0	0	0	2	8	23	47	225
	Urban runoff to ponds	*52*	*41*	*34*	*0*	*0*	*0*	*0*	*0*	*0*	*8*	*23*	*47*	*205*
	Urban runoff to RTP	*0*	*0*	*0*	*16*	*2*	*0*	*0*	*0*	*2*	*0*	*0*	*0*	*20*
3	Rainfall (on SIWTF, 121 acre pond area) [5]	26	24	21	11	3	1	0	0	2	6	14	24	132
4	Evaporation (from SIWTF, 121 acre pond area) [6]	(12)	(16)	(29)	(41)	(46)	(52)				(28)	(15)	(12)	(251)
5	Percolation [7]	(143)	(129)	(143)	(138)	(143)	(138)				(143)	(138)	(143)	(1,257)
6	SIWTF pond storage balance [8]	684	763	847	647	362	0	0	0	0	253	466	605	
7	Recovery of flow from SIWTF storage ponds to RTP	0	0	0	32	100	172	0	0	0	0	0	0	304
8	AWW and Salinas Runoff to RTP	0	0	0	355	413	563	435	444	369	0	0	0	2,579
	Water Rights Applications to SWRCB													
9	Blanco Drain [9]	209	221	246	252	225	274	277	244	184	168	133	185	2,620
10	Reclamation Ditch at Davis Road [10]	70	66	70	106	79	99	113	109	72	65	89	76	1,014
11	Tembladero Slough at Castroville [11]	0	0	0	0	0	0	0	0	0	0	0	0	0
12	City of Monterey - Diversion at Lake El Estero	24	15	14	5	1	0	0	0	1	4	10	13	87
13	**Subtotal New Waters Available**	303	304	330	718	718	936	825	797	626	237	232	274	6,299
	Total Projected Water Supply	2,115	1,987	2,207	2,523	2,574	2,739	2,723	2,692	2,443	2,085	1,999	2,057	28,145

	DEMANDS	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total
	Average SVRP deliveries to CSIP (2009-2013)	13	459	726	1,376	1,763	1,750	1,866	1,854	1,698	984	448	18	12,955
14	FIVE YEAR AVERAGE CSIP AREA WELL WATER USE (2009-2013)	448	195	304	412	324	606	519	504	300	75	233	352	4,272
	TOTAL CSIP Demand (excludes SRDF use)	461	654	1,030	1,788	2,087	2,356	2,385	2,358	1,998	1,059	681	370	17,227
15	FEEDWATER AMOUNT AT RTP TO PWM BASE PROJECT AWPF	367	331	367	355	367	355	367	367	355	367	355	367	4,320
16	FEEDWATER TO ESTABLISH CSIP AREA DROUGHT RESERVE (200 AFY AWTF PRODUCT WATER) [14]	42	38	42							42	41	42	248
	FEEDWATER FOR 2250 AFY EXPANSION	362	333	357	114	106	101	105	111	109	340	357	382	2,778
17	FEEDWATER TO AWPF FOR MCWD RUWAP [18]	28	19	33	70	108	110	113	94	85	51	21	9	741
18	TOTAL TO GWR ADVANCED WATER TREATMENT FACILITY	799	721	800	539	581	566	585	572	549	800	773	800	8,087
	Total Projected Water Demand	1,260	1,376	1,829	2,328	2,668	2,922	2,971	2,929	2,547	1,860	1,455	1,169	25,314

	Use of Source Water	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total
19	Secondary effluent to SVRP for CSIP [12]	461	654	1,030	1,735	1,747	1,693	1,785	1,802	1,733	1,059	681	370	14,750
20	New sources available to CSIP [13]	0	0	0	249	245	480	353	319	162	0	0	0	1,808
21	Total Supply to CSIP	461	654	1,030	1,984	1,993	2,173	2,138	2,121	1,894	1,059	681	370	16,558
	Net CSIP Increase													3,603
22	Surface waters at RTP to AWPF	303	304	330	114	106	101	105	111	109	237	232	274	2,325
23	Secondary effluent to AWPF	468	398	437	0	0	0	0	0	0	513	520	517	2,854
24	AWW and Salinas urban runoff to AWPF	0	0	0	355	367	355	367	367	355	0	0	0	2,166
25	Secondary effluent to AWPF for MCWD RUWAP	28	19	33	70	108	110	113	94	85	51	21	9	741
26	Feedwater to AWPF	799	721	800	539	581	566	585	572	549	800	773	800	8,086
	Subtotal- all waters (including secondary effluent)	1,260	1,376	1,829	2,523	2,574	2,739	2,723	2,692	2,443	1,860	1,455	1,169	24,644

27	FIVE YEAR AVERAGE WASTE WATER EFFLUENT TO OCEAN OUTFALL (2009-2013)[15]	1,785	1,219	1,141	420	88	49	27	34	114	859	1,314	1,759	8,809
28	WASTE WATER EFFLUENT TO OCEAN OUTFALL WITH PROPOSED DIVERSIONS TO CSIP/AWT/RUWAP [16]	854	611	377	0	0	0	0	0	0	226	545	887	3,501
29	NEW SUPPLIES IN EXCESS OF AWT DEMANDS FOR GWR [17]	(468)	(398)	(437)	249	245	480	353	319	162	(513)	(520)	(517)	(1,046)
30	AWT BRINE TO OCEAN OUTFALL	152	137	152	102	110	108	111	109	104	152	147	152	1,536

Notes

1 Presumes all facilities associated with diversions are completed, including SVRP modifications.

2 Table 2-1, p. 5, Groundwater Replenishment Project, Salinas River Inflow Impacts, Schaaf & Wheeler Consulting Engineers, August 2015.

3 Volume of effluent from City of Salinas agricultural wash water to be directed into ponds 1,2,3, and the aeration pond for storage.

4 Average monthly flow from Groundwater Replenishment Project, Salinas River Inflow Impacts, Schaaf & Wheeler, August 2015.

5 Rainfall from Groundwater Replenishment Project, Salinas River Inflow Impacts, Schaaf & Wheeler, August 2015. Pond area presumed to be Ponds 1,2, 3 + Aeration lagoon. No rainfall/evaporation or storage assigned to drying beds.

6 Table 3, Todd Groundwater, Memorandum, Pure Water Monterey Groundwater Replenishment Project: Impacts of Changes in Percolation at the Salinas Industrial Wastewater Treatment Facility on Groundwater and the Salinas River, February 11, 2015.

7 Table 4, Ibid.

8 Ponds 1,2,3 and aeration basin hold up to 1,065 acre-feet (one foot of freeboard). If flow to ponds would exceed the maximum volume, it is presumed that excess flow can be diverted to the RIBs or drying beds or flow can be diverted to the RTP. Presume that pond storage goes to zero sometime during the year (shown here starting in July).

9 Water right application 32263A. Max diversion = 6 cfs diversion. If SRDF is not operating (drought year), 2 cfs is bypassed to the Salians River. See final water right permit 21376

10 Water right application 32263B. Max. diversion = 6 cfs. See final water right permit 21377. Assumes 2 cfs instream bypass requirement Dec-May, 1 cfs bypass in June and 0.7 cfs instream bypass requirement for July-Nov. Also assumes diversion stopped when flows reach 30 cfs (migration window) and restart when flow declines to 20 cfs. See final water right permit 21377

11 Water right application 32263C. Max. diversion = 3 cfs. Removed from project portfolio during water rights process. See RECLAMATION DITCH YIELD STUDY, Schaaf and Wheeler, March 2015.

12 Includes secondary effluent wastewater currently used to produce recycled water at the Salinas Valley Reclamation Project (SVRP), and additional amounts which may be used during periods of low demand (<5 mgd) with the proposed improvements to the SVRP.

13 New source waters not used by AWPF will be available to SVRP for CSIP.

14 A drought reserve of up to 1,000 AF would be created over five years by producing 200 AFY additional product water from the GWR Project AWTF during winter months and storing the water in the Seaside Basin. This would establish a "water bank" that the CSIP can draw on in droughts. The drought reserve would allow flow at the RTP for the GWR Project to be temporarily reduced during critically dry periods, thus freeing up more of the newly available inflows to the RTP to be sent to the CSIP area. Extraction from the Seaside Basin would continue at the average rate to supply the Monterey Peninsula.

15 Average monthly RTP discharge, 2009-2013 (reported by M1W).

16 Secondary treated municipal effluent not used for SVRP or the AWPF.

17 Excess is calculated as Line 13 minus Lines 15 & 16

18 RUWAP supply comes from existing RTP inflows of municipal wastewater. Demands reflect existing urban irrigation customers along trunk main.

Table 9: Source Water Analysis for the Pure Water Monterey Groundwater Replenishment Project
Diversion Pattern for a Normal Water Year, Building a Drought Reserve

All facilities built [1] - average water year conditions - all flows in acre-feet — 10/14/2019

	SOURCES	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total
	Existing RTP Inflows (Average 2009 to 2013)	1,798	1,678	1,867	1,796	1,850	1,799	1,893	1,888	1,813	1,844	1,762	1,776	21,764
	Existing domestic flows to RTP (wells at RTP and MRWMD)	14	5	10	9	5	4	5	8	5	5	5	7	82
	New Source Water													
	City of Salinas													
1	Salinas Agricultural Wash Water [2]	156	158	201	307	311	391	435	444	367	410	329	223	3,732
	Agricultural Wash Water (AWW) to Ponds [3]	*156*	*158*	*201*	*0*	*0*	*0*	*0*	*0*	*0*	*410*	*329*	*223*	*1,477*
	AWW directly to RTP	*0*	*0*	*0*	*307*	*311*	*391*	*435*	*444*	*367*	*0*	*0*	*0*	*2,255*
2	Salinas Urban Storm Water Runoff [4]	52	41	34	16	2	0	0	0	2	8	23	47	225
	Urban runoff to ponds	*52*	*41*	*34*	*0*	*0*	*0*	*0*	*0*	*0*	*8*	*23*	*47*	*205*
	Urban runoff to RTP	*0*	*0*	*0*	*16*	*2*	*0*	*0*	*0*	*2*	*0*	*0*	*0*	*20*
3	Rainfall (on SIWTF, 121 acre pond area) [5]	26	24	21	11	3	1	0	0	2	6	14	24	132
4	Evaporation (from SIWTF, 121 acre pond area) [6]	(12)	(16)	(29)	(41)	(46)	(52)				(28)	(15)	(12)	(251)
5	Percolation [7]	(143)	(129)	(143)	(138)	(143)	(138)				(143)	(138)	(143)	(1,257)
6	SIWTF pond storage balance [8]	684	763	847	647	362	0	0	0	0	253	466	605	
7	Recovery of flow from SIWTF storage ponds to RTP	0	0	0	32	100	172	0	0	0	0	0	0	304
8	AWW and Salinas Runoff to RTP	0	0	0	355	413	563	435	444	369	0	0	0	2,579
	Water Rights Applications to SWRCB													
9	Blanco Drain [9]	0	0	0	252	225	274	277	244	184	0	0	0	1,456
10	Reclamation Ditch at Davis Road [10]	0	0	0	106	79	99	113	109	72	11	0	0	589
11	Tembladero Slough at Castroville [11]	0	0	0	0	0	0	0	0	0	0	0	0	0
12	City of Monterey - Diversion at Lake El Estero	0	0	0	5	1	0	0	0	1	0	0	0	7
13	Subtotal New Waters Available	0	0	0	718	718	936	825	797	626	11	0	0	4,631
	Total Projected Water Supply	1,812	1,683	1,877	2,523	2,574	2,739	2,723	2,692	2,443	1,860	1,767	1,783	26,477

	DEMANDS	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total
	Average SVRP deliveries to CSIP (2009-2013)	13	459	726	1,376	1,763	1,750	1,866	1,854	1,698	984	448	18	12,955
14	FIVE YEAR AVERAGE CSIP AREA WELL WATER USE (2009-2013)	448	195	304	412	324	606	519	504	300	75	233	352	4,272
	TOTAL CSIP Demand (excludes SRDF use)	461	654	1,030	1,788	2,087	2,356	2,385	2,358	1,998	1,059	681	370	17,227
15	FEEDWATER AMOUNT AT RTP TO PWM BASE PROJECT AWPF	367	331	367	355	367	355	367	367	355	367	355	367	4,320
16	FEEDWATER TO ESTABLISH CSIP AREA DROUGHT RESERVE (200 AFY AWTF PRODUCT WATER) [14]	42	38	42							42	41	42	248
	FEEDWATER FOR 2250 AFY EXPANSION	362	333	357	114	106	101	105	111	109	340	357	382	2,778
17	FEEDWATER TO AWPF FOR MCWD RUWAP [18]	28	19	33	70	108	110	113	94	85	51	21	9	741
18	TOTAL TO GWR ADVANCED WATER TREATMENT FACILITY	799	721	800	539	581	566	585	572	549	800	773	800	8,087
	Total Projected Water Demand	1,260	1,376	1,829	2,328	2,668	2,922	2,971	2,929	2,547	1,860	1,455	1,169	25,314

	Use of Source Water	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total
19	Secondary effluent to SVRP for CSIP [12]	461	654	1,030	1,735	1,747	1,693	1,785	1,802	1,733	1,059	681	370	14,750
20	New sources available to CSIP [13]	0	0	0	249	245	480	353	319	162	0	0	0	1,808
21	Total Supply to CSIP	461	654	1,030	1,984	1,993	2,173	2,138	2,121	1,894	1,059	681	370	16,558
	Net CSIP Increase													3,603
22	Surface waters at RTP to AWPF	0	0	0	114	106	101	105	111	109	11	0	0	657
23	Secondary effluent to AWPF	771	702	767	0	0	0	0	0	0	738	752	791	4,522
24	AWW and Salinas urban runoff to AWPF	0	0	0	355	367	355	367	367	355	0	0	0	2,166
25	Secondary effluent to AWPF for MCWD RUWAP	28	19	33	70	108	110	113	94	85	51	21	9	741
26	Feedwater to AWPF	799	721	800	539	581	566	585	572	549	800	773	800	8,086
	Subtotal- all waters (including secondary effluent)	1,260	1,376	1,829	2,523	2,574	2,739	2,723	2,692	2,443	1,860	1,455	1,169	24,644

27	FIVE YEAR AVERAGE WASTE WATER EFFLUENT TO OCEAN OUTFALL (2009-2013) [15]	1,785	1,219	1,141	420	88	49	27	34	114	859	1,314	1,759	8,809
28	WASTE WATER EFFLUENT TO OCEAN OUTFALL WITH PROPOSED DIVERSIONS TO CSIP/AWT/RUWAP [16]	552	308	47	0	0	0	0	0	0	0	313	614	1,833
29	NEW SUPPLIES IN EXCESS OF AWT DEMANDS FOR GWR [17]	(771)	(702)	(767)	249	245	480	353	319	162	(738)	(752)	(791)	(2,714)
30	AWT BRINE TO OCEAN OUTFALL	152	137	152	102	110	108	111	109	104	152	147	152	1,536

Notes

1 Presumes all facilities associated with diversions are completed, including SVRP modifications.

2 Table 2-1, p. 5, Groundwater Replenishment Project, Salinas River Inflow Impacts, Schaaf & Wheeler Consulting Engineers, August 2015.

3 Volume of effluent from City of Salinas agricultural wash water to be directed into ponds 1,2,3, and the aeration pond for storage.

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9 Water right application 32263A. Max diversion = 6 cfs diversion. If SRDF is not operating (drought year), 2 cfs is bypassed to the Salians River. See final water right permit 21376

10 Water right application 32263B. Max. diversion = 6 cfs. See final water right permit 21377. Assumes 2 cfs instream bypass requirement Dec-May, 1 cfs bypass in June and 0.7 cfs instream bypass requirement for July-Nov. Also assumes diversion stopped when flows reach 30 cfs (migration window) and restart when flow declines to 20 cfs. See final water right permit 21377

11 Water right application 32263C. Max. diversion = 3 cfs. Removed from project portfolio during water rights process. See RECLAMATION DITCH YIELD STUDY, Schaaf and Wheeler, March 2015.

12 Includes secondary effluent wastewater currently used to produce recycled water at the Salinas Valley Reclamation Project (SVRP), and additional amounts which may be used during periods of low demand (<5 mgd) with the proposed improvements to the SVRP.

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14 A drought reserve of up to 1,000 AF would be created over five years by producing 200 AFY additional product water from the GWR Project AWTF during winter months and storing the water in the Seaside Basin. This would establish a "water bank" that the CSIP can draw on in droughts. The drought reserve would allow flow at the RTP for the GWR Project to be temporarily reduced during critically dry periods, thus freeing up more of the newly available inflows to the RTP to be sent to the CSIP area. Extraction from the Seaside Basin would continue at the average rate to supply the Monterey Peninsula.

15 Average monthly RTP discharge, 2009-2013 (reported by M1W).

16 Secondary treated municipal effluent not used for SVRP or the AWPF.

17 Excess is calculated as Line 13 minus Lines 15 & 16

18 RUWAP supply comes from existing RTP inflows of municipal wastewater. Demands reflect existing urban irrigation customers along trunk main.

Table 10: Source Water Analysis for the Pure Water Monterey Groundwater Replenishment Project

Diversion Pattern for a Normal Water Year with a Full Reserve

All facilities built [1] - average water year conditions - all flows in acre-feet — 10/14/2019

	SOURCES	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total
	Existing RTP Inflows (Average 2009 to 2013)	1,798	1,678	1,867	1,796	1,850	1,799	1,893	1,888	1,813	1,844	1,762	1,776	21,764
	Existing domestic flows to RTP (wells at RTP and MRWMD)	14	5	10	9	5	4	5	8	5	5	5	7	82
	New Source Water													
	City of Salinas													
1	Salinas Agricultural Wash Water [2]	156	158	201	307	311	391	435	444	367	410	329	223	3,732
	Agricultural Wash Water (AWW) to Ponds [3]	*156*	*158*	*201*	*0*	*0*	*0*	*0*	*0*	*0*	*410*	*329*	*223*	*1,477*
	AWW directly to RTP	*0*	*0*	*0*	*307*	*311*	*391*	*435*	*444*	*367*	*0*	*0*	*0*	*2,255*
2	Salinas Urban Storm Water Runoff [4]	52	41	34	16	2	0	0	0	2	8	23	47	225
	Urban runoff to ponds	*52*	*41*	*34*	*0*	*0*	*0*	*0*	*0*	*0*	*8*	*23*	*47*	*205*
	Urban runoff to RTP	*0*	*0*	*0*	*16*	*2*	*0*	*0*	*0*	*2*	*0*	*0*	*0*	*20*
3	Rainfall (on SIWTF, 121 acre pond area) [5]	26	24	21	11	3	1	0	0	2	6	14	24	132
4	Evaporation (from SIWTF, 121 acre pond area) [6]	(12)	(16)	(29)	(41)	(46)	(52)				(28)	(15)	(12)	(251)
5	Percolation [7]	(143)	(129)	(143)	(138)	(143)	(138)				(143)	(138)	(143)	(1,257)
6	SIWTF pond storage balance [8]	684	763	847	647	362	0	0	0	0	253	466	605	
7	Recovery of flow from SIWTF storage ponds to RTP	0	0	0	32	100	172	0	0	0	0	0	0	304
8	AWW and Salinas Runoff to RTP	0	0	0	355	413	563	435	444	369	0	0	0	2,579
	Water Rights Applications to SWRCB													
9	Blanco Drain [9]	0	0	0	252	225	274	277	244	184	0	0	0	1,456
10	Reclamation Ditch at Davis Road [10]	0	0	0	106	79	99	113	109	72	0	0	0	578
11	Tembladero Slough at Castroville [11]	0	0	0	0	0	0	0	0	0	0	0	0	0
12	City of Monterey - Diversion at Lake El Estero	0	0	0	5	1	0	0	0	1	0	0	0	7
13	**Subtotal New Waters Available**	0	0	0	718	718	936	825	797	626	0	0	0	4,620
	Total Projected Water Supply	1,812	1,683	1,877	2,523	2,574	2,739	2,723	2,692	2,443	1,849	1,767	1,783	26,466
	DEMANDS	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total
	Average SVRP deliveries to CSIP (2009-2013)	13	459	726	1,376	1,763	1,750	1,866	1,854	1,698	984	448	18	12,955
14	FIVE YEAR AVERAGE CSIP AREA WELL WATER USE (2009-2013)	448	195	304	412	324	606	519	504	300	75	233	352	4,272
	TOTAL CSIP Demand (excludes SRDF use)	461	654	1,030	1,788	2,087	2,356	2,385	2,358	1,998	1,059	681	370	17,227
15	FEEDWATER AMOUNT AT RTP TO PWM BASE PROJECT AWPF	367	331	367	355	367	355	367	367	355	367	355	367	4,320
16	FEEDWATER TO ESTABLISH CSIP AREA DROUGHT RESERVE (200 AFY AWTF PRODUCT WATER) [14]	0	0	0							0	0	0	0
	FEEDWATER FOR 2250 AFY EXPANSION	362	333	357	114	106	101	105	111	109	340	357	382	2,778
17	FEEDWATER TO AWPF FOR MCWD RUWAP [18]	28	19	33	70	108	110	113	94	85	51	21	9	741
18	TOTAL TO GWR ADVANCED WATER TREATMENT FACILITY	757	683	757	539	581	566	585	572	549	758	733	758	7,839
	Total Projected Water Demand	1,218	1,338	1,787	2,328	2,668	2,922	2,971	2,929	2,547	1,818	1,414	1,127	25,066
	Use of Source Water	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total
19	Secondary effluent to SVRP for CSIP [12]	461	654	1,030	1,735	1,747	1,693	1,785	1,802	1,733	1,059	681	370	14,750
20	New sources available to CSIP [13]	0	0	0	249	245	480	353	319	162	0	0	0	1,808
21	Total Supply to CSIP	461	654	1,030	1,984	1,993	2,173	2,138	2,121	1,894	1,059	681	370	16,558
	Net CSIP Increase													3,603
22	Surface waters at RTP to AWPF	0	0	0	114	106	101	105	111	109	0	0	0	646
23	Secondary effluent to AWPF	729	664	724	0	0	0	0	0	0	707	712	749	4,285
24	AWW and Salinas urban runoff to AWPF	0	0	0	355	367	355	367	367	355	0	0	0	2,166
25	Secondary effluent to AWPF for MCWD RUWAP	28	19	33	70	108	110	113	94	85	51	21	9	741
26	Feedwater to AWPF	757	683	757	539	581	566	585	572	549	758	733	758	7,839
	Subtotal- all waters (including secondary effluent)	1,218	1,338	1,787	2,523	2,574	2,739	2,723	2,692	2,443	1,818	1,414	1,127	24,397
27	FIVE YEAR AVERAGE WASTE WATER EFFLUENT TO OCEAN OUTFALL (2009-2013) [15]	1,785	1,219	1,141	420	88	49	27	34	114	859	1,314	1,759	8,809
28	WASTE WATER EFFLUENT TO OCEAN OUTFALL WITH PROPOSED DIVERSIONS TO CSIP/AWT/RUWAP [16]	594	346	90	0	0	0	0	0	0	31	354	656	2,070
29	NEW SUPPLIES IN EXCESS OF AWT DEMANDS FOR GWR [17]	(729)	(664)	(724)	249	245	480	353	319	162	(707)	(712)	(749)	(2,477)
30	AWT BRINE TO OCEAN OUTFALL	144	130	144	102	110	108	111	109	104	144	139	144	1,489

Notes

1 Presumes all facilities associated with diversions are completed, including SVRP modifications.

2 Table 2-1, p. 5, Groundwater Replenishment Project, Salinas River Inflow Impacts, Schaaf & Wheeler Consulting Engineers, August 2015.

3 Volume of effluent from City of Salinas agricultural wash water to be directed into ponds 1,2,3, and the aeration pond for storage.

4 Average monthly flow from Groundwater Replenishment Project, Salinas River Inflow Impacts, Schaaf & Wheeler, August 2015.

5 Rainfall from Groundwater Replenishment Project, Salinas River Inflow Impacts, Schaaf & Wheeler, August 2015. Pond area presumed to be Ponds 1,2, 3 + Aeration lagoon. No rainfall/evaporation or storage assigned to drying beds.

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7 Table 4, ibid.

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9 Water right application 32263A. Max diversion = 6 cfs diversion. If SRDF is not operating (drought year), 2 cfs is bypassed to the Salians River. See final water right permit 21376

10 Water right application 32263B. Max. diversion = 6 cfs. See final water right permit 21377. Assumes 2 cfs instream bypass requirement Dec-May, 1 cfs bypass in June and 0.7 cfs instream bypass requirement for July-Nov. Also assumes diversion stopped when flows reach 30 cfs (migration window) and restart when flow declines to 20 cfs. See final water right permit 21377

11 Water right application 32263C. Max. diversion = 3 cfs. Removed from project portfolio during water rights process. See RECLAMATION DITCH YIELD STUDY, Schaaf and Wheeler, March 2015.

12 Includes secondary effluent wastewater currently used to produce recycled water at the Salinas Valley Reclamation Project (SVRP), and additional amounts which may be used during periods of low demand (<5 mgd) with the proposed improvements to the SVRP.

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15 Average monthly RTP discharge, 2009-2013 (reported by M1W).

16 Secondary treated municipal effluent not used for SVRP or the AWPF.

17 Excess is calculated as Line 13 minus Lines 15 & 16

18 RUWAP supply comes from existing RTP inflows of municipal wastewater. Demands reflect existing urban irrigation customers along trunk main.

Table 11: Source Water Analysis for the Pure Water Monterey Groundwater Replenishment Project

Diversion Pattern for a Drought Year, Starting with a Full Reserve

All facilities built [1] - average water year conditions - all flows in acre-feet — 10/14/2019

	SOURCES	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total
	Minimum Year RTP Inflows (2013)	*1,725*	*1,494*	*1,645*	*1,657*	*1,722*	*1,675*	*1,748*	*1,773*	*1,715*	*1,690*	*1,634*	*1,612*	20,090
	Existing domestic flows to RTP (wells at RTP and MRWMD)	14	5	10	9	5	4	5	8	5	5	5	7	82
	New Source Water													
	City of Salinas													
1	Salinas Agricultural Wash Water [2]	156	158	201	307	311	391	435	444	367	410	329	223	3,732
	Agricultural Wash Water (AWW) to Ponds [3]	*156*	*158*	*201*	*0*	*0*	*0*	*0*	*0*	*0*	*410*	*329*	*223*	*1,477*
	AWW directly to RTP	*0*	*0*	*0*	*307*	*311*	*391*	*435*	*444*	*367*	*0*	*0*	*0*	*2,255*
2	Salinas Urban Storm Water Runoff [4]	17	14	11	5	1	0	0	0	1	3	8	16	76
	Urban runoff to ponds	*17*	*14*	*11*	*0*	*0*	*0*	*0*	*0*	*0*	*3*	*8*	*16*	*69*
	Urban runoff to RTP	*0*	*0*	*0*	*5*	*1*	*0*	*0*	*0*	*1*	*0*	*0*	*0*	*7*
3	Rainfall (on SIWTF, 121 acre pond area) [5]	26	24	21	11	3	1	0	0	2	6	14	24	132
4	Evaporation (from SIWTF, 121 acre pond area) [6]	(12)	(16)	(29)	(41)	(46)	(52)				(28)	(15)	(12)	(251)
5	Percolation [7]	(143)	(129)	(143)	(138)	(143)	(138)				(143)	(138)	(143)	(1,257)
6	SIWTF pond storage balance [8]	598	650	711	511	226	0	0	0	0	248	446	554	
7	Recovery of flow from SIWTF storage ponds to RTP	0	0	0	32	100	36	0	0	0	0	0	0	168
8	AWW and Salinas Runoff to RTP	0	0	0	344	412	427	435	444	368	0	0	0	2,430
	Water Rights Applications to SWRCB													
9	Blanco Drain [9]	0	0	246	252	225	274	277	244	184	168	133	0	2,003
10	Reclamation Ditch at Davis Road [10]	0	0	70	106	79	99	113	109	72	65	89	0	802
11	Tembladero Slough at Castroville [11]	0	0	0	0	0	0	0	0	0	0	0	0	0
12	City of Monterey - Diversion at Lake El Estero	0	0	14	5	1	0	0	0	1	4	10	0	35
13	Subtotal New Waters Available	0	0	330	707	717	800	825	797	625	237	232	0	5,270
	Total Projected Water Supply	1,739	1,499	1,985	2,373	2,444	2,479	2,578	2,578	2,345	1,931	1,871	1,619	25,442
	DEMANDS	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total
	Max Year SVRP deliveries to CSIP (2013)	*0*	*692*	*1,558*	*1,669*	*1,799*	*1,675*	*1,786*	*1,803*	*1,725*	*1,548*	*1,127*	*88*	15,469
14	PEAK CSIP AREA WELL WATER USE (10/2013-09/2014)	*509*	*9*	*221*	*242*	*1,197*	*1,261*	*1,303*	*1,025*	*453*	*165*	*35*	*730*	7,150
	TOTAL CSIP Demand (excludes SRDF use)	509	701	1,779	1,911	2,996	2,936	3,089	2,828	2,178	1,713	1,162	818	22,619
15	FEEDWATER AMOUNT AT RTP TO PWM BASE PROJECT AWPF	367	331	367	133	137	133	137	137	133	367	355	367	2,963
16	FEEDWATER TO ESTABLISH CSIP AREA DROUGHT RESERVE (200 AFY AWTF PRODUCT WATER) [14]	0	0	0							0	0	0	0
	FEEDWATER FOR 2250 AFY EXPANSION	362	333	357	114	106	101	105	111	109	340	357	382	2,778
17	FEEDWATER TO AWPF FOR MCWD RUWAP [18]	28	19	33	70	108	110	113	94	85	51	21	9	741
18	TOTAL TO GWR ADVANCED WATER TREATMENT FACILITY	757	683	757	317	351	344	355	342	327	758	733	758	6,482
	Total Projected Water Demand	1,266	1,384	2,537	2,228	3,348	3,280	3,444	3,170	2,505	2,471	1,894	1,575	29,102
	Use of Source Water	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total
19	Secondary effluent to SVRP for CSIP [12]	509	701	1,227	1,596	1,619	1,569	1,640	1,687	1,635	1,173	1,138	818	15,312
20	New sources available to CSIP [13]	0	0	0	460	474	567	583	549	383	0	0	0	3,015
21	Total Supply to CSIP	509	701	1,227	2,056	2,093	2,136	2,223	2,236	2,018	1,173	1,138	818	18,328
	Net CSIP Increase													2,858
22	Surface waters at RTP to AWPF	0	0	330	114	106	101	105	111	109	237	232	0	1,445
23	Secondary effluent to AWPF	729	664	394	0	0	0	0	0	0	471	480	749	3,487
24	AWW and Salinas urban runoff to AWPF	0	0	0	133	137	133	137	137	133	0	0	0	809
25	Secondary effluent to AWPF for MCWD RUWAP	28	19	33	70	108	110	113	94	85	51	21	9	741
26	Feedwater to AWPF	757	683	757	317	351	344	355	342	327	758	733	758	6,482
	Subtotal- all waters (including secondary effluent)	1,266	1,384	1,985	2,373	2,444	2,479	2,578	2,578	2,345	1,931	1,871	1,575	24,810
27	*DRY YEAR WASTEWATER EFFLUENT TO OCEAN OUTFALL (2013)* [15]	*1,725*	*802*	*87*	*0*	*0*	*0*	*0*	*0*	*0*	*142*	*507*	*1,607*	4,870
28	WASTE WATER EFFLUENT TO OCEAN OUTFALL WITH PROPOSED DIVERSIONS TO CSIP/AWT/RUWAP [16]	473	115	0	0	0	0	0	0	0	0	0	43	632
29	NEW SUPPLIES IN EXCESS OF AWT DEMANDS FOR GWR [17]	(729)	(664)	(394)	460	474	567	583	549	383	(471)	(480)	(749)	(471)
30	AWT BRINE TO OCEAN OUTFALL	144	130	144	60	67	65	68	65	62	144	139	144	1,232

Notes

1 Presumes all facilities associated with diversions are completed, including SVRP modifications.

2 Table 2-1, p. 5, Groundwater Replenishment Project, Salinas River Inflow Impacts, Schaaf & Wheeler Consulting Engineers, August 2015.

3 Volume of effluent from City of Salinas agricultural wash water to be directed into ponds 1,2,3, and the aeration pond for storage.

4 Average monthly flow from Groundwater Replenishment Project, Salinas River Inflow Impacts, Schaaf & Wheeler, August 2015.

5 Rainfall from Groundwater Replenishment Project, Salinas River Inflow Impacts, Schaaf & Wheeler, August 2015. Pond area presumed to be Ponds 1,2, 3 + Aeration lagoon. No rainfall/evaporation or storage assigned to drying beds.

6 Table 3, Todd Groundwater, Memorandum, Pure Water Monterey Groundwater Replenishment Project: Impacts of Changes in Percolation at the Salinas Industrial Wastewater Treatment Facility on Groundwater and the Salinas River, February 11, 2015.

7 Table 4, Ibid.

8 Ponds 1,2,3 and aeration basin hold up to 1,065 acre-feet (one foot of freeboard). If flow to ponds would exceed the maximum volume, it is presumed that excess flow can be diverted to the RIBs or drying beds or flow can be diverted to the RTP. Presume that pond storage goes to zero sometime during the year (shown here starting in July).

9 Water right application 32263A. Max diversion = 6 cfs diversion. If SRDF is not operating (drought year), 2 cfs is bypassed to the Salians River. See final water right permit 21376

10 Water right application 32263B. Max. diversion = 6 cfs. See final water right permit 21377. Assumes 2 cfs instream bypass requirement Dec-May, 1 cfs bypass in June and 0.7 cfs instream bypass requirement for July-Nov. Also assumes diversion stopped when flows reach 30 cfs (migration window) and restart when flow declines to 20 cfs. See final water right permit 21377

11 Water right application 32263C. Max. diversion = 3 cfs. Removed from project portfolio during water rights process. See RECLAMATION DITCH YIELD STUDY, Schaaf and Wheeler, March 2015.

12 Includes secondary effluent wastewater currently used to produce recycled water at the Salinas Valley Reclamation Project (SVRP), and additional amounts which may be used during periods of low demand (<5 mgd) with the proposed improvements to the SVRP.

13 New source waters not used by AWPF will be available to SVRP for CSIP.

14 A drought reserve of up to 1,000 AF would be created over five years by producing 200 AFY additional product water from the GWR Project AWTF during winter months and storing the water in the Seaside Basin. This would establish a "water bank" that the CSIP can draw on in droughts. The drought reserve would allow flow at the RTP for the GWR Project to be temporarily reduced during critically dry periods, thus freeing up more of the newly available inflows to the RTP to be sent to the CSIP area. Extraction from the Seaside Basin would continue at the average rate to supply the Monterey Peninsula.

15 Average monthly RTP discharge, 2009-2013 (reported by M1W).

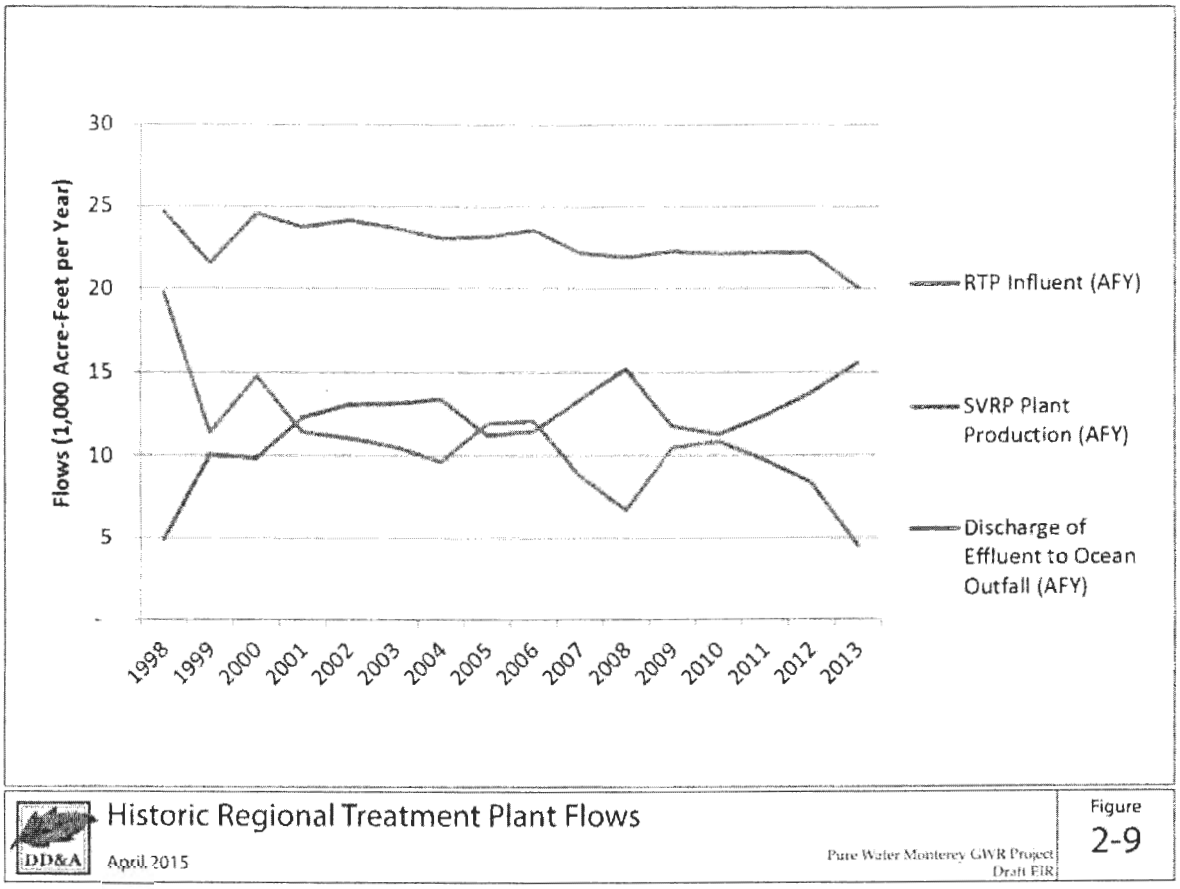
16 Secondary treated municipal effluent not used for SVRP or the AWPF.

17 Excess is calculated as Line 13 minus Lines 15 & 16

18 RUWAP supply comes from existing RTP inflows of municipal wastewater. Demands reflect existing urban irrigation customers along trunk main.

EXHIBIT 3

Volume I – Consolidated Final PWM EIR, January 2016 - Figure 2-9
Historic Regional Treatment Plant Flows



DD&A

Historic Regional Treatment Plant Flows

April 2015

Pure Water Monterey GWR Project Draft EIR

Figure 2-9

EXHIBIT 4

SEIR Appendices to the M1WS Draft Supplemental EIR 11-7-2019

Appendix E - Water Quality and Statutory Compliance Report-
Appendix C – Projected Monthly Flows of Source Waters to the Regional Treatment Plant Influent

10/24/19

Appendix C - Projected Source Water Flows to the RTP

RTP Source Water Flow Blends by Scenario and Month (flows in ac-ft per month)

	Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Maximum Raw Source Waters	Municipal WW	1,578	1,387	1,643	1,598	1,601	1,563	1,609	1,610	1,541	1,563	1,551	1,567	18810
	Agricultural Wash Water	0	0	0	309	407	477	318	319	307	0	0	0	2137
	Blanco Drain	209	223	246	252	225	274	277	244	184	168	133	185	2620
	El Estero	0	0	0	0	0	0	0	0	0	0	0	0	0
	Tembladero Slough	0	0	0	0	0	0	0	0	0	0	0	0	0
	Reclamation Ditch	70	66	70	106	79	99	113	109	72	65	89	76	1014
Winter Pooling Operation	Municipal WW	1,578	1,387	1,643	1,598	1,601	1,563	1,609	1,610	1,541	1,563	1,551	1,567	18810
	Ag Wash	0	0	0	309	407	477	318	319	307	0	0	0	2137
	Blanco Drain	0	0	246	252	225	274	277	244	184	168	0	0	1870
	El Estero	0	0	0	0	0	0	0	0	0	0	0	0	0
	Tembladero Slough	0	0	0	0	0	0	0	0	0	0	0	0	0
	Rec Ditch	0	0	70	106	79	99	113	109	72	65	5	0	718

EXHIBIT 5

Monterey One Water

July 20, 2020 Special Meeting of the Ad-Hoc JPA Revision Committee

Attachment 3: Table 1 Member Entity Population Revenue and Account Data

Table 1 - Monterey One Water Member Entity Data

Member Entity	Population	Population Percentage	Avg. Dry Weather Flows (MGD)	Flow Percentage	Revenue Contribution			Revenue Percentage	Accounts			Accounts Percentage
					Residential (Monthly)	Commercial (Monthly)	Annual Total		Residential	Commercial	Total	
Boronda CSD	1,325	0.49%		#	$ 8,925.20	$ 2,527.65	$ 137,434.20	0.51%	424	65	489	0.48%
Castroville/Moss Landing	7,097	2.63%	0.64	3.99%	$ 50,625.25	$ 10,690.60	$ 735,790.20	2.73%	2,405	322	2,727	2.65%
County of Monterey*												
Del Rey Oaks	1,662	0.62%		+	$ 14,970.80	$ 1,310.70	$ 195,378.00	0.73%	712	59	771	0.75%
MCWD	28,233	10.48%	2.09	13.02%	$ 264,543.95	$ 29,920.27	$ 3,533,570.64	13.13%	12,569	737	13,306	12.93%
Monterey	28,170	10.45%	1.97	12.27%	$ 269,517.00	$ 103,043.34	$ 4,470,724.08	16.61%	12,828	2,973	15,801	15.36%
Pacific Grove	15,265	5.66%	1.15	7.17%	$ 168,139.50	$ 25,798.91	$ 2,327,260.92	8.65%	7,998	1,009	9,007	8.76%
Salinas	162,222	60.20%	8.39	52.27%	$ 906,380.10	$ 179,299.36	$ 13,028,153.52	48.41%	43,074	8,339	51,413	49.98%
Sand City	385	0.14%		+	$ 3,692.25	$ 4,227.85	$ 95,041.20	0.35%	177	242	419	0.41%
Seaside	33,537	12.45%	1.81	11.28%	$ 172,475.60	$ 26,357.76	$ 2,386,000.32	8.87%	8,200	736	8,936	8.69%
TOTALS	269,474		16.05		$ 1,859,269.65	$ 383,176.44	$ 26,909,353.08		88,387	14,482	102,869	

Notes - Residential totals include vacant residences
Population Numbers are per the department of Finance as of 1/1/20
Flows are averages for January through June 2020
* - Monterey County data needs to be confirmed prior to inclusion in this table
# - Boranda flows accounted for in Salinas
+ - Del Rey Oaks and Sand City flows accounted for in Seaside

EXHIBIT 6 - Water Use Figure

SEIR Appendix O - Supply and Demand for Water on the Monterey Peninsula

FINAL

March 13, 2020, Page 7

Figure 1
Annual Water Production for Customer Service (Demand)
Last 21 Years
(Acre-Feet)

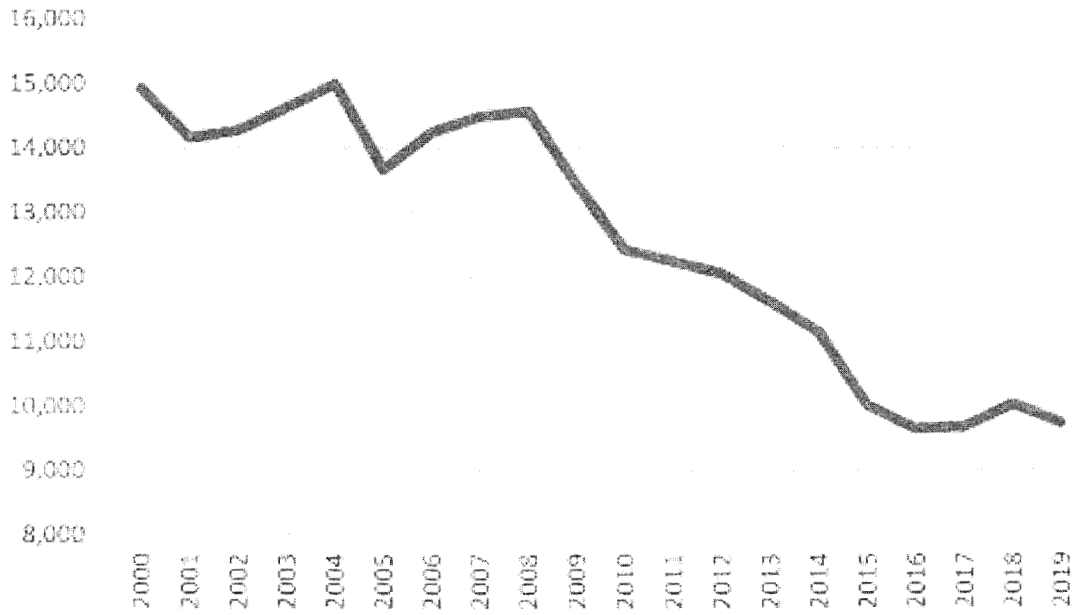


EXHIBIT 7 - Reclamation Ditch Flow

USGS 5 year Monthly Discharge Data from Reclamation Ditch Monitoring Station at Davis Road

USGS 11152650 RECLAMATION DITCH NR SALINAS CA

Available data for this site: Time-series: Monthly statistics GO

Monterey County, California Hydrologic Unit Code 18060015 Latitude 36°42'18", Longitude 121°42'14" NAD27 Drainage area 53.2 square miles Gage datum 16 feet above NGVD29	**Output formats** HTML table of all data Tab-separated data Reselect output format

00060, Discharge, cubic feet per second,

Monthly mean in ft3/s (Calculation Period: 2015-01-01 -> 2020-03-31)

Period-of-record for statistical calculation restricted by user

YEAR	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	0.978	4.63	1.75	2.92	1.58	1.12	0.951	1.37	0.933	0.988	9.37	18.9
2016	69.3	8.66	72.1	4.42	2.78	2.07	2.15	1.86	1.48	7.69	7.44	16.8
2017	191.1	194.6	37.1	12.3	3.29	2.35	1.96	1.78	1.05	0.965	2.13	0.821
2018	10.6	1.83	17.5	15.2	2.23	2.32	2.28	2.04	1.23	1.59	15.3	15.4
2019	10.9	107.8	24.7	3.77	10.1	3.36	2.93	2.73	1.77	1.05	3.96	42.9
2020	7.8	1.78	16.4									
Mean of monthly Discharge	48	53	28	7.7	4	2.2	2.1	2	1.3	2.5	7.6	19

** No Incomplete data have been used for statistical calculation

USGS 10 year Monthly Discharge Data from Reclamation Ditch Monitoring Station at Davis Road

USGS 11152650 RECLAMATION DITCH NR SALINAS CA

Available data for this site Time-series: Monthly statistics GO

Monterey County, California Hydrologic Unit Code 18060015 Latitude 36°42'18", Longitude 121°42'14" NAD27 Drainage area 53.2 square miles Gage datum 16 feet above NGVD29	**Output formats** HTML table of all data Tab-separated data Reselect output format

00060, Discharge, cubic feet per second,

Monthly mean in ft3/s (Calculation Period: 2010-01-01 -> 2020-04-30)

Period-of-record for statistical calculation restricted by user

YEAR	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2010	36.7	29.1	43.3	29	5.6	3.93	3.93	3.21	2.11	2.89	12.2	23.8
2011	19.7	32.7	75.8	9.47	5.24	4.6	3.71	2.9	2.28	7.78	7.67	1.24
2012	10.3	3.39	17.9	17.1	2.38	3.11	2.33	3.6	1.44	1.57	9.77	45.8
2013	15.2	3.64	2.68	2.07	1.52	1.47	1.57	1.63	1.08	0.964	1.42	1.38
2014	1.4	13.3	10.6	4.59	1.23	1.23	1.33	1.54	1.39	2.45	7.12	74.5
2015	0.978	4.63	1.75	2.92	1.58	1.12	0.951	1.37	0.933	0.988	9.37	18.9
2016	69.3	8.66	72.1	4.42	2.78	2.07	2.15	1.86	1.48	7.69	7.44	16.8
2017	191.1	194.6	37.1	12.3	3.29	2.35	1.96	1.78	1.05	0.965	2.13	0.821
2018	10.6	1.83	17.5	15.2	2.23	2.32	2.28	2.04	1.23	1.59	15.3	15.4
2019	10.9	107.8	24.7	3.77	10.1	3.36	2.93	2.73	1.77	1.05	3.96	42.9
2020	7.8	1.78	16.4	13.6								
Mean of monthly Discharge	34	36	29	10	3.6	2.6	2.3	2.3	1.5	2.8	7.6	24

** No Incomplete data have been used for statistical calculation

EXHIBIT 3

CALIFORNIA
AMERICAN WATER

MEMORANDUM

August 12, 2020

To: Tom Luster, California Coastal Commission

From: Ian Crooks, California American Water Company

Subject: Pure Water Monterey Project Status—Delays, Operational Issues, and Cost Overruns

This memorandum provides a status update on Monterey One Water's Pure Water Monterey Project, both the initial phase of the Project (Phase I) and the proposed expansion of the Project (Expansion). The current status of Phase I and the Expansion raise significant concerns regarding Monterey One Water's (M1W) ability to provide sufficient water for both Phase I and the Expansion. Based on the performance of Phase I and the substantial issues with the environmental review and proposed water sources for the Expansion, Cal-Am is concerned that without the Monterey Peninsula Water Supply Project's (MPWSP) desalination plant the Peninsula will not have an adequate, reliable, drought-proof, and permanent water supply that would be sufficient to allow the State Water Resources Control Board to lift its Cease and Desist Order and moratorium on new service connections.

I. PHASE I

Phase I of the Pure Water Monterey Project is intended to provide 3,500 afy of recycled water as part of Cal-Am's MPWSP portfolio. By way of background, Phase I includes two shallow (vadose zone) injection wells and two deep injection wells whereby the water treated would be injected into the Seaside Groundwater Basin. Once injected into the Seaside Basin, the treated water would mix with the groundwater present in the aquifers and be stored for future use. Cal-Am would use existing wells and distribution facilities to extract and distribute the water.

Phase I has been plagued by delays, operational issues, and cost overruns, all of which raise doubts regarding M1W's ability to be able to provide Cal-Am with 3,500 afy. Provided below is additional detail on each of the Phase I issues.

A. Phase 1 Delays

Under the Water Purchase Agreement (WPA) by and between Cal-Am, M1W, and the Monterey Peninsula Water Management District (MPWMD), significant Events of Default have occurred with respect the Delivery Start Date and the Performance Start Date for Phase I. As of April 29, 2020, M1W anticipated a Performance Start Date of August 10, 2020, a nearly eight-month delay from the WPA's Performance Start Date of January 1, 2020. (See April 29, 2020 Pure Water Monterey Letter, attached hereto as Exhibit 1.) As of July 30, 2020, MPWMD pushed the Phase 1 Performance State Date further to September 1, 2020. (See July 30, 2020 MPWMD

Letter, attached hereto as Exhibit 2.) Under the WPA, M1W must inject 1,000 af into the Basin for operational flexibility prior to any water being allocated to Cal-Am. As of July 22, 2020, only 828 af had been stored and M1W estimated that the full 1,000 af would not be stored until mid-September 2020.

B. Operational Issues

Substantial operational problems could jeopardize Phase I's ability to provide the 3,500 afy allocated to Cal-Am under the WPA.

With respect to the two shallow injection wells, sinkholes and/or subsidence are affecting those wells that may not be repairable. (See June 18, 2020 M1W Pure Water Monterey Presentation, attached hereto as Exhibit 3.) In fact, in March 2020, and due to the sinkholes and/or subsidence, M1W shut off the shallow wells as a safety precaution. The wells are not currently injecting any water. (*Ibid.*) Even with costly repairs that are planned for this fall and winter, M1W does not anticipate that the shallow wells will achieve anywhere near their 1,000 gallons per minute (gpm) planned capacity (the two shallow wells had a planned capacity of 500 gpm each). (*Ibid.*) Under a best case scenario it is anticipated that the shallow wells would only ever operate at 25% of planned capacity. (*Ibid.*) Specifically, M1W is anticipating that one of the shallow wells would operate at 50 gpm and the other would operate at 100-200 gpm, for a total range of 150-250 gpm significantly less than the planned capacity of 1,000 gpm. (*Ibid.*)

Further, the two Phase I deep injection wells have also been plagued with problems and are experiencing injection refusal. (*Ibid.*) As of June 2020, the two deep injection wells were only functioning at rates of 70% or less. (*Ibid.*) One deep injection well was operating at 775 gpm and the other was operating at 625 gpm for a total injection rate of 1,400 gpm, 600 gpm less than the planned capacity of 2,000 gpm. (*Ibid.*) Even after additional work on the deep injection wells, M1W is anticipating that the total injection rates for the deep injection wells would only reach 1,600-1,800 despite a planned capacity of 2,000 gpm. (*Ibid.*)

Based on these problems, M1W estimates that the current annual injection volume for Phase I is only 2,030 afy—this equates to less than 58% of the 3,500 afy allocated for Cal-Am under the WPA. Accordingly, Phase I is currently not on track to be able to deliver the full 3,500 afy to Cal-Am and it is unclear whether such delivery amount will ever be achieved given the issues Phase I is facing.

In an attempt to remedy these issues M1W has proposed costly repairs to the shallow wells, final commissioning (inclusive of swabbing) of the deep injection wells, and the addition of a new deep injection well. (*Ibid.*) The increases in costs associated with this work will significantly increase costs of Phase I, possibly by more than $13 million, resulting in an additional increase in product water prices. (*Ibid.*) M1W's consultants estimate that construction on the additional deep well will not begin until November, further delaying Phase I. (*Ibid.*)

Finally, some of the source waters identified and intended for treatment as part of Phase I have not been utilized since startup. Notably, agricultural wash water has not been used at all. While Phase I was heralded as a pioneer in its proposal to recycle agricultural wash water, the reality is that treating agricultural wash water has proven to be a technological challenge as there are chemical issues with the source water. The treatment technologies in use for Phase I may be incapable of treating agricultural wash waters to safe levels. Treating agricultural wash water is an emerging area without substantial precedent. There is a range of water quality generated from different agricultural wash waters making the treatment of agricultural wash water

challenging for any water recycling project. It remains to be seen whether Phase I will ever be able to treat such water, which would further impact Phase I's ability to meet its design capacity.

C. Cost Overruns

As Phase I has run significantly behind schedule and faced operational issues, the costs of Phase I have increased substantially. For Phase I, the CPUC approved a rate of $1,720 or less per-acre-foot and Cal-Am is required to include with its Tier 1 advice letter support for a rate of at least $1,720 per-acre-foot. At this time the final costs of Phase I are unknown but each time M1W provides an update the costs increase further. In early March 2020, M1W and MPWMD staff presented to Cal Am a new cost summary for water years 2019-20, 2020-21 and 2021-22, projecting annual costs per acre-foot of $2,198, $2,398 and $2,599 respectively.

Then, in a letter dated April 29, 2020, Cal-Am was advised of a further increase to $2,442 for FY 2020-21, and $2,639 for 2021-2022. (See Ex. 1, April 29, 2020 Letter from Pure Water Monterey.) The April 29, 2020 letter also noted that construction costs are just now being calculated, and other costs that have a bearing on the rate are still being estimated. During M1W's June 18, 2020 status update on Phase I, M1W shared that at the current projected delivery of 2,030 afy the costs will increase to $3,678 per acre foot, which is more than twice the rate that was approved by the CPUC. (See Ex. 3, June 18, 2020 M1W Pure Water Monterey Presentation.) Even under M1W's best case scenario after repairs to the shallow wells, commissioning of the deep wells, and the addition of another deep well the costs would be $2,508, which represents a nearly 50 percent increase from the rate approved by the CPUC. (*Ibid.*)

II. PWM EXPANSION

Phase I and the Expansion would utilize the same technology. The Phase I issues therefore call into question the Expansion's timeline, water rates, and ability to produce the 2,250 afy M1W and MPWMD claim it would produce for Cal-Am's service area. Besides facing the same challenges as Phase I, the Expansion also faces additional issues because M1W denied certification of the Expansion's Final Supplemental EIR (SEIR) and the Expansion has additional source water concerns.

A. Status of Expansion SEIR

On April 27, 2020, the M1W Board of Directors denied certification of the SEIR for the Expansion and did not approve the Expansion. M1W does not have the funds to address the SEIR deficiencies and has suspended the remaining contracts on the Expansion. (See May 21, 2020 M1W Board of Directors Staff Report, attached hereto as Exhibit 4.) Notably, the following deficiencies were found in the Expansion's SEIR:

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.

(*Ibid.*)

Accordingly, because of the deficiencies in the Expansion's environmental analysis no water from the Expansion should be assumed to be available to satisfy the Peninsula's water needs.

B. Expansion Source Water Concerns

In failing to certify the SEIR one of the noted issues was source water concerns. The water rights claimed for the Expansion are merely interruptible use entitlements, not permanent water rights and many of those claimed entitlements are disputed by the holders of the water rights, as set forth in comment letters submitted to M1W by the City of Salinas, Monterey County Water Resources Agency, Castroville Community Services District, and Monterey County Farm Bureau, among others. Accordingly, there remain significant questions regarding whether the Expansion has adequate and sufficient source water and whether it would ever be able to provide the claimed 2,250 afy. Issues with claimed source waters are discussed in further detail below.

- **ARWRA Source Waters**. The Amended and Restated Water Recycling Agreement ("ARWRA") between M1W and MCWRA sets forth the responsibilities for construction, operation, and financing of new source water for Phase I. M1W claims that such source waters would also be available for the Expansion, however the ARWRA does not contemplate such a use. In fact, on July 7, 2020, the MCWRA sent a letter to the M1W Board specifically stating that "[t]he ARWRA and Amendments do not contemplate M1W's use of the New Source Waters [defined as waters from the Blanco Drain and Reclamation Ditch] in any other capacity, including any proposed expansion to the Pure Water Monterey Project." (See July 7, 2020 MCWRA Letter, attached hereto as Exhibit 5.) Accordingly, the Expansion does not have the water rights to ARWRA Source Waters and their use cannot be assumed for the Expansion.

- **Questionable Modifications of Source Waters**. Source waters identified for the Expansion were modified throughout the environmental review process without adequate analysis or justification, raising doubts as to their reliability and ultimately the feasibility of the Expansion. For instance, the Draft SEIR identified Tembladero Slough as a reliable water source but M1W later conceded that the source was unreliable and it was removed from the Final SEIR's source water analysis. Instead, the Final SEIR increasingly relied upon the availability of certain municipal wastewater flows even though the SEIR also acknowledges that such flows have not been previously metered and that the estimates are based in part upon assumptions. When confronted with comments regarding the reliability of water from agricultural produce wash, Lake El Estero, or the Salinas Storm Water Collection System, M1W elected to evaluate source water scenarios where such sources are not used by the Expansion, rather than demonstrate their reliability. M1W's inability to establish a consistent list of source waters for the Expansion suggests the project lacks an adequate source water supply

and raises serious questions about the Expansion's ability to meet its stated water projections.

- **Disputed Agricultural Source Waters**. The City of Salinas has disputed M1W's rights to use the City's agricultural produce wash water for the Expansion and asserts that the ARWRA only permits M1W to use agricultural produce wash water for Phase I, and not for the Expansion. (See January 29, 2020 City of Salinas Letter, attached hereto as Exhibit 6.) The City also explains that these water sources will not be available for the Expansion because "the City fully intends to use available Agricultural Wash Water for its own purposes, including to support farmers, ranchers and the City's agriculture industry, as determined by the City in its sole and absolute discretion." (*Id.*, p. 2.) Therefore, agricultural produce wash water from the City of Salinas cannot be considered a reliable water source for the Expansion.

- **Source Water Quality Issues**. As noted above, agricultural wash water, upon which both Phase I and the Expansion heavily rely, does not appear to be a reliable source water as the feasibility of treatment has yet to be established. Like Phase I, agricultural wash water cannot be assumed for the Expansion.

- **Overestimation of Water Supplies During Drought Years**. Source water availability for the Expansion was not analyzed during multi-year drought conditions. Therefore, the amount of water that could be produced by the Expansion during drought conditions is unknown.

III. CONCLUSION

While Cal-Am views Phase I as a critical component to providing water to the Peninsula the difficulties that Phase I has encountered make clear that Phase I and the Expansion, without desalination, are inadequate to solve the Peninsula's water supply shortage.

Exhibit 1

Pure Water Monterey
A Groundwater Replenishment Project

April 29, 2020

Richard Svindland, President
California American Water
655 W. Broadway, Suite 1410
San Diego, CA 92101

RE: Expected Payment of Company Water Rate for Pure Water Monterey

Dear Mr. Svindland,

This letter serves as a response to your letter dated April 20, 2020 regarding the Company Water Rate under the Water Purchase Agreement (WPA) approved in CPUC Decision 16-09-021.

Tier 1 Advice Letter Filing

At the March 4, 2020 meeting in which representatives from Cal Am, M1W and MPWMD reviewed detailed supporting documentation for the capital costs and O&M costs for the Pure Water Monterey Project[1], a three-year summary of the estimated cost of water was shared. The attachment to this letter updates that analysis for the Company Water Rate beginning FY 2020-21. Because that analysis shows a cost of water in excess of the soft cap, your Tier 1 advice letter can support a Company Water Rate of at least $1,720 per acre-foot.

Please also be advised that the project's hydrogeologist estimates the Performance Start Date to be on or about August 10, but may vary due to injection rates and well performance.

Tier 2 Advice Letter Filing

The Company Water Rate for FY 2020-21 is $2,442 as shown in the attachment. Final construction costs are just now being calculated. Other costs, such as operations and rate of consumables will have a bearing on the FY 2020-21 cost of water and are estimated here based on a limited operation to date. Also, receipt of a federal Title 16 grant will potentially reduce the cost of water during the fiscal year. Pursuant to Section

[1] 9 pages of material were shared on current project costs and the cost of water. Also reviewed were the estimates used in the CPUC joint testimony in the Phase II decision that supported the soft cap of $1,720 per AF.

16 of the WPA a "true-up" will be made in next year's Company Water Rate to reflect this year's over- or under-collection of expenses. Please refer to the March 4th materials for greater detail.

Ongoing Annual Review of Costs

We are sending you this update from our March 4th meeting prior to May 1, and pursuant to Section 15 of the WPA, we expect to do so each year. The Company Water Rate will be adopted by our respective boards with the annual fiscal year budget, typically in June, hence your 15-day review will be met. That being said, we had not heard anything back from you or the other three Cal-Am representatives who attended the March 4th meeting and received the detailed materials, hence assumed there was consent.

We will continue to update you on the status of the Performance Start Date, after which billing for the amounts injected into the Basin will be sent by the Water Management District directly to California American for review and payment.

We look forward to working with you in providing a safe and affordable water supply for the residents, businesses, and visitors of the beautiful Monterey Peninsula.

Sincerely,

Paul A. Sciuto
General Manager
M1W

David J. Stoldt
General Manager
MPWMD

cc: (via e-mail)
Sarah Leeper, Legal Counsel, California American Water
Ian Crooks, VP Engineering, California American Water
Jeff Linam, VP Rates, California American Water
David Laredo, Legal Counsel, Monterey Peninsula Water Management District
Rob Wellington, Legal Counsel, Monterey One Water

Pure Water Monterey
Company Water Rate Calculation
FY 2020-21 and Estimated 2021-22

	2020-21	2021-22
Projected Revenues from Recycled Water Sales	9,402,600	11,014,000
Projected Expenses		
Power	1,583,000	1,925,000
Chemicals	1,445,000	1,749,000
Labor	1,025,600	1,077,000
Lease / Insurance	82,000	87,000
Parts/Material/Other	318,000	385,000
Capital Outlay		200,000
Interest on loans for fronting of PWM reserves / electrical hookups		210,000
Funding of Replacement Fund Reserve	431,000	463,000
Wastewater Charges	120,000	320,000
Overhead Allocation from Wastewater Fund	120,000	320,000
Allocable Debt Service - MCWD	366,000	366,000
Allocable Debt Service - MPWMD	3,912,000	3,912,000
Total Projected Costs	9,402,600	11,014,000
Less Costs Attributable to MCWD	366,000	1,249,671
Net Costs Attributable to MPWMD	9,036,600	9,764,329
Cost Per Acre Foot for MPWMD	$ 2,442	$ 2,639
Based on Acre Feet	3,700	3,700
% Change in Cost / Acre Foot	11.1%	8.1%
Rate if Winn Grant is received	$ 2,271	$ 2,418
	3.3%	6.5%
Bond Coverage (110% required)	110.1%	110.8%
Overhead %	2.4%	5.0%

Note:

1. SRF Loan - Assumes 1st payment is interest only and balance deferred until FY 20-21
2. Internal/External Loans - Assumes interest expense are deferred until FY 21-22
3. Overhead/Wastewater Charges - Assumes phase in over a multi year period
4. Electrical Hookup - Assumes funding (estimated at $1.5 million) in FY 20-21 to be funded 50% through MCWD/MPWMD/M1W contributions and a $400K loan from MPWMD over 10 years 0% interest
5. MCWD - Assumes starts purchasing water in FY 21-22
6. Replacement Reserve - Assumes that funding will increase by $300K per year for 46 years beginning in match expected useful life of 50 years, estimated replacement cost $375 million.
7. MCWD not paying wastewater charges, but are paying overhead charges and replacement reserve
8. Winn Grant - Assumes Winn Grant proceeds are used to reduce rates over a five year period. Total Net Funding $3.7 million.

Exhibit 2

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

July 30, 2020

VIA EMAIL

Mr. Ian C. Crooks
Vice President, Engineering
California American Water
655 West Broadway, Suite 1410
San Diego, CA 92101

Re: Pure Water Monterey "Performance Start Date"

Dear Mr. Crooks:

Pursuant to the "Water Purchase Agreement for Pure Water Monterey Project" (WPA) the Monterey Peninsula Water Management District (District) is providing this notification under Section 2 of the WPA and the definition of "Performance Start Date."

We are hereby notifying California American Water (Company) that the Performance Start Date for the project will be September 1, 2020. That is the date prior to which we expect the Operating Reserve of 1,000 acre-feet will have been satisfied. Upon that date, water delivered will be available to the Company for customer service.

While the initial Delivery Start Date was delayed due to unfortunate construction issues, pursuant to this section of the WPA the Performance Start Date will, in fact, occur within six months following the Delivery Start Date.

By separate correspondence on or about August 18, 2020 Monterey One Water (M1W) and our District will suggest a Company Allotment for this first partial Fiscal Year, that pursuant to Section 2 of the WPA's definition of Company Allotment requires written agreement of all three of our entities.

We think the commitment to this project by all three entities, and the cooperative nature in how our respective staffs have worked toward a successful launch of this important water supply project, should be lauded and is often overlooked by the community. We appreciate the partnership.

Sincerely,

David Stoldt
General Manager
Monterey Peninsula Water Management District

Luster, Tom@Coastal

Subject: FW: Cal-Am Responses to Staff
Attachments: Responses to Commissioner Questions.pdf

From: Anne Blemker <ablemker@mccabeandcompany.net>
Sent: Thursday, July 23, 2020, 12:42 PM
To: Anne Blemker
Cc: Susan McCabe
Subject: Cal-Am Responses to Staff

Good Afternoon, Commissioners:

On June 30, 2020, California-American Water Company (Cal-Am) submitted a response to staff's November 2019 Staff Report on the Monterey Peninsula Water Supply Project. As part of that submittal, Cal-Am prepared specific responses to the individual questions about the Project that each of you raised at the end of the November 14, 2019, informational item on the project. Those responses are attached.

Cal-Am's full submittal to staff, including the exhibits referenced in the attachment, can be accessed at the following link:

Link: Cal-Am 06.30.2020 Submittal to Coastal Commission Staff (check box and click "Download")

If you have any questions or would like to discuss the materials provided, please let us know. The Cal-Am team is available to meet anytime and want to make sure all of your questions have been answered.

Thanks very much,
Anne
--
Anne Blemker
McCabe & Company
310-463-9888

ATTACHMENT B

RESPONSES TO COMMISSIONER QUESTIONS FROM NOVEMBER 14, 2019, HEARING

A. Scope of Commission's Authority

Questions from Commissioner Rice: We know there are other agencies involved in permitting the Project who have authority that is different from the Commission's. What is the scope of the Commission's authority for this Project? For instance, which issues (particularly those raised in public comment) are irrelevant or outside the scope of the Commission's evaluation of the Project? (Transcript of Nov. 14, 2019, Commission Hearing,[41] pp. 325:24-327:1.)

Cal-Am Response: The Commission's jurisdiction is limited to the Project components located in the Coastal Zone, which are specifically identified in the Staff Report.[42] Further, the Commission is only responsible for assessing the Project's consistency with the Coastal Act and applicable LCPs in determining whether to approve or deny Cal-Am's CDP application. (See Pub. Resources Code, § 30200; see also *Charles A. Pratt Construction Co. v. Cal. Coastal Com.* (2008) 162 Cal.App.4th 1068, 1075.) Thus, the Commission's review is limited to Project components within the Coastal Zone and potential impacts to Coastal Zone resources.

The Commission does not have jurisdiction to consider the reasonableness of Cal-Am's water rates or the public need for the Project—both of which fall squarely within the CPUC's statutory jurisdiction to regulate public utilities. (See Pub. Util. Code, § 701 ["The [CPUC] may supervise and regulate every public utility in the State and may do all things . . . which are necessary and convenient in the exercise of such power and jurisdiction."].) The CPUC evaluated the Project's potential impacts on Cal-Am's water rates and the appropriate water supply and demand figures for Cal-Am's Monterey District service area over a six-year administrative process, during which it received evidence and testimony submitted under oath. (See also Attachment A, Sections H, I.)

Moreover, the issue of water rights is not for the Commission to decide. Cal-Am's water rights for the Project are wholly separate from the Project's potential impacts to groundwater resources and, thus are not relevant to the Project's consistency with the Coastal Act's groundwater protection policies. The State Water Board—not the Commission—is the state agency with primary responsibility for the regulatory and adjudicatory functions of the state regarding water resources. (Water Code, § 174; Pub. Resources Code, § 30412.) The State Water Board determined that Cal-Am could

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[41] The transcript is attached hereto as **Exhibit 51**.)

[42] Specifically, the Commission has jurisdiction over those Project components in the Coastal Zones of the City of Seaside, County of Monterey, and the Commission's retained jurisdiction in an area of deferred certification within the County. (Staff Report, p. 4.) Further, the Commission has appellate jurisdiction over the City of Marina's decision to deny a local coastal development permit for those Project components in the Marina Coastal Zone. (*Ibid.*)

develop the necessary water rights to operate the Project. (See CPUC Decision D.18-09-017, p. 80.)

The Commission also should defer to the State Water Board on matters of water quality, consistent with Coastal Act section 30412. (See Pub. Resources Code, § 30412 ["The commission shall not . . . take any action in conflict with any determination by the State Water Resources Control Board or any California regional water quality control board in matters relating to water quality or the administration of water rights."].) The State Water Board has reviewed the existing groundwater record for the Project, and concluded that the modeling "already conducted, revised, and relied upon by the Public Utilities Commission . . . provides a conservative overprediction of the volume of shallow, inland water that the Project would capture during full operation." (See Letter from Eileen Sobeck, State Water Board, to John Ainsworth, Coastal Commission (May 8, 2020), p. 3.) As a result, "State Water Board staff's opinion remains that the groundwater impacts of the Project will not be any greater than those stated, analyzed, and mitigated under the Public Utilities Commission's certified Final EIR," even if additional modeling is conducted. (*Id.*, p. 3.)

Finally, because the Commission's jurisdiction does not extend outside of the Coastal Zone, the Commission is limited to considering alternatives within its jurisdiction. (See Pub. Resources Code, §§ 21002.1, subd. (d), 30260; see also Attachment A, Section I.) Under Coastal Act section 30260, the Commission has the authority to consider only "alternative ***locations***" for coastal-dependent facilities, not alternative projects. (See Pub. Resources Code, § 30260 [emphasis added].) The PWM Expansion project is not located within the Coastal Zone, and thus, is outside of the Commission's jurisdiction. (See, e.g., Pub. Resources Code, § 21002.1, subd. (d); CEQA Guidelines, §§ 15042, 15096, subd. (g)(1) ["When considering alternatives and mitigation measures, a responsible agency is more limited than a lead agency. A responsible agency has responsibility for mitigating or avoiding only the direct or indirect environmental effects of those parts of the project which it decides to carry out, finance, or approve."]; *RiverWatch v. Olivenhain Mun. Water Dist.* (2009) 170 Cal.App.4th 1186, 1207 ["If the responsible agency finds that any alternatives or mitigation measures within its powers are feasible and would substantially lessen or avoid a significant effect of the project, the responsible agency may not approve the project as proposed, but must adopt the feasible mitigation measures or alternatives."] [emphasis added]; *Sierra Club v. Cal. Coastal Com.* (2005) 35 Cal.4th 839, 860 [holding that neither the Coastal Act nor CEQA allow the Commission to consider impacts of projects located outside the Coastal Zone]; *Schneider v. Cal. Coastal. Com.* (2006) 140 Cal.App.4th 1339, 1347 [concluding that the Coastal Act did not permit the Commission to consider ocean boaters' right to view coastline from the ocean].)

In sum, the scope of the Commission's authority in determining whether to approve or deny the coastal development permits extends to evaluating those Project components located within the Coastal Zone and whether they will impact Coastal Zone resources.

B. Role of Other Agencies

Questions from Commissioners Rice and Groom: What role is the CPUC playing? What is the status of the CPUC's approval? (Transcript, pp. 325:24-327:1, 329:24-330:19.)

Cal-Am Response: The CPUC is the constitutionally established state agency charged with regulating investor-owned utilities, like Cal-Am, and reviewed the Project as the lead agency under CEQA for over six years. (See Final EIR/EIS, p. 1-3.) The CPUC, in conjunction with the Monterey Bay National Marine Sanctuary, prepared the EIR/EIS to evaluate the Project's environmental impacts and potential Project alternatives. Based on the EIR/EIS' analysis and conclusions, the CPUC approved a Certificate of Public Convenience and Necessity ("CPCN") for the Project and certified the EIR/EIS in September 2018. Following its approval of the Project, as the lead agency the CPUC oversees Cal-Am's compliance with the MMRP. (CPUC Decision D.18-09-017, p. 161.)

Further, the CPUC is charged by statute with exclusive jurisdiction to oversee Cal-Am's ratesetting and determine utility supply and demand. "[T]he jurisdiction to determine the adequacy of service actually being rendered by a public utility under its franchise is vested exclusively in the [CPUC] when it has elected to determine whether the service is inadequate." (See *Citizens Utilities Company of California v. Super. Ct.* (1976) 56 Cal.App.3d 399, 408; see also *City of Oakland v. Key System* (1944) 64 Cal.App.2d 427, 435 [exclusive jurisdiction vested in CPUC to determine adequacy of service rendered by public utility].) Therefore, only the CPUC has the authority to make binding determinations as to the levels of supply and demand within Cal-Am's service area. (See CPUC Decision D.18-09-017, pp. 167-171, 194-195.)

See Section C below for a discussion of the CPUC's role vis-à-vis the PWM Expansion.

Questions from Commissioners Rice and Groom: What role is the State Water Board playing? (Transcript, pp. 325:24-327:1, 329:24-330:19.)

Cal-Am Response: The State Water Board regulates Cal-Am's water withdrawals from the Carmel River. In 1995, the State Water Board issued an order finding that Cal-Am was diverting more water from the Carmel River than it was legally allowed. (See Ex. 52, State Water Board, Order WR 2009-0060, pp. 1-2.) Recognizing Cal-Am's obligation to provide water to the people and businesses on the Monterey Peninsula to protect public health and safety, the State Water Board ordered Cal-Am to immediately limit its diversions of water from the Carmel River system, and to diligently implement various actions to address the situation and develop water from other sources of supply. (See *id.*, pp. 36-37.)

In 2009, the State Water Board adopted a CDO in which it set a compliance schedule requiring Cal-Am to take actions necessary to reduce its diversions from the Carmel River and ultimately terminate the withdrawals by December 31, 2016. (See *id.*, p. 57.) The CDO also imposed a moratorium on new service connections and certain increases in use until Cal-Am obtained sufficient alternative water supplies. (See *id.*, p. 59.) In 2016, the State Water Board approved an amended CDO that would maintain Cal-Am's effective

diversion limit from the Carmel River from the start of water year 2015-2016 until December 31, 2021, as long as Cal-Am meets defined Project approval and construction milestones. (See Ex. 47, State Water Board, Order WR 2016-0016, p. 19.)

Currently, the State Water Board oversees Cal-Am's compliance with the CDO's milestones. (*Id.*, pp. 20-21.) Indeed, the State Water Board has the power to lift the current moratorium on new water service connections and increases in use provided that Cal-Am certifies that it has secured sufficient permanent water supplies for its Monterey service district. (See *id.*, p. 27.)

Further, the State Water Board oversees issues of water quality and preservation of water resources. (See Section A *supra.*)

See Section C below for a discussion of the State Water Board's role vis-à-vis the PWM Expansion.

C. Alternatives

Questions from Commissioner Mann: What alternative locations were evaluated for the Project's slant wells? Why are alternative locations of the slant wells infeasible? Why is the CEMEX site the environmentally superior alternative location? (Transcript, p. 322:14 – 322:19.)

Cal-Am Response: In analyzing the Project as proposed, the Final EIR/EIS assessed the feasibility of a series of alternatives at two different locations, each of which would avoid the need to construct the slant well system at the CEMEX site. These two alternatives involved the construction of intake systems at a site on Potrero Road site and a site at Moss Landing. (See Final EIR/EIS, pp. 5.4-2 to 5.4-3.)

First, the Potrero Road alternative, as evaluated in the Final EIR/EIS, involved construction of the same type of slant well system as proposed for the CEMEX site, but located instead at a site at the western end of Potrero Road in northern Monterey County. (See Final EIR/EIS, pp. 5.3-13, 5.4-12, 5.4-59.) Under this alternative, the desalination plant, brine discharge, product water pipelines, and ASR components would be identical to the proposed Project. (*Id.*, p. 5.4-12.)

The Final EIR/EIS found that a Project utilizing a slant well system located at Potrero Road would be infeasible because it would draw a greater volume of water from the SVGB than the proposed Project, given the unique hydrology of the Potrero Road area. (Final EIR/EIS, pp. 5.4-14, 5.4-59.) Under the Return Water Settlement Agreement Cal-Am is required to return product water to the SVGB based on the amount of water drawn from the SVGB. Given the increased draw from the SVGB that would result from slant wells at Potrero Road, the amount of water that Cal-Am would be obligated to return to the SVGB would result in a remaining water supply that would be insufficient to meet recovered tourism demand or serve vacant legal lots of record, as required by the Project objectives set forth by the CPUC. (*Ibid.*) Moreover, slant wells at Potrero Road would capture groundwater that would otherwise flow into Elkhorn Slough—resulting in

significant and unavoidable impacts on marine and terrestrial biological resources. (*Id.*, p. 5.6-6.)

Second, the Final EIR/EIS analyzed a series of alternatives involving construction of open ocean intake systems at a site located to the southwest of the Moss Landing Harbor, including: (1) an alternative that would retain most Project components but would utilize open ocean intakes that would be located at the Moss Landing site; (2) the Monterey Bay Regional Water Project, a desalination facility proposed by DeepWater Desal, LLC that would produce over three times more product water than the Project; and (3) the People's Moss Landing Water Desalination Project, a desalination project proposed by Moss Landing Green Commercial Park, LLC. (See Final EIR/EIS, pp. 5.4-17, 5.4-21, 5.4-40.)

The Final EIR/EIS found that a proposed intake alternative at Moss Landing would involve "additional permitting complexity associated with the construction and operation of an open-water intake due to entrainment and impingement of marine organisms," which would hinder Cal-Am's ability to implement the alternative before the CDO deadline. (Final EIR/EIS, pp. 5.4-21, 5.4-39, 5.4-50.) The Final EIR/EIS also concluded that open ocean intakes at the Moss Landing Site would involve the following increased impacts as compared to the Project: (1) significant and unavoidable impacts to marine habitat and biological resources associated with construction and operation of the intakes; (2) potentially significant impacts related to the open ocean intakes' potential to cause underwater landslides and interfere with oceanic processes; and (3) significant and unavoidable impacts to marine biological resources caused by intake and entrainment of marine life. (*Id.*, p. 5.6-4.)

In comparing the above alternative locations to the proposed Project, the Final EIR/EIS concluded that siting intake systems at either Potrero Road or the Moss Landing site would not "offer an overall environmental advantage over the proposed project," due to the impacts described above. (See Final EIR/EIS, p. 5.6-6.) The Final EIR/EIS noted that siting the slant well system at the CEMEX site would avoid the groundwater impacts associated with siting a similar intake system at the Potrero Road site. (*Ibid.*) Specifically, unlike the aquifers underlying the Potrero Road site, the 180-FTE and 400-Foot Aquifers below the CEMEX site are heavily intruded by seawater (*Id.*, p. 4.4-34.) Siting the slant wells at the CEMEX site therefore ensures that the Project slant wells will extract seawater-intruded groundwater that is otherwise unusable. As such, the Final EIR/EIS selected the Project, with slant wells located at the CEMEX site, as the environmentally superior alternative. (*Id.*, p. 5.6-8.) The CPUC later affirmed this decision, concluding that no other alternatives are feasible, capable of meeting Project objectives, or reducing significant impacts of the Project. (See CPUC Decision D.18-09-017, pp. 79-80.)

Finally, as explained in Attachment A *supra*, the CEMEX site is the least environmentally damaging location feasible for the Project, as siting the slant wells at the CEMEX site enables Cal-Am to obtain Project source water using subsurface intakes, thereby preventing impingement or entrainment of marine life, and also allows Cal-Am to construct the slant wells in areas previously disturbed by sand mining operations,

rather than in undeveloped locations on the coast. (See Attachment A, Sections A, B, J; see also Staff Report, p. 104.)

Questions from Commissioner O'Malley: Is staff's finding regarding the feasibility of the PWM Expansion driven by the CDO deadline? (Transcript, p. 325:10-325:16.)

Cal-Am Response: The Staff Report claims that the PWM Expansion can be operational in sufficient time to meet the CDO's December 2021 deadline and used that conclusion to support a finding that the PWM Expansion is a feasible project alternative. (See Staff Report, p. 80.) However, the PWM Expansion is not feasible because the M1W Board has since denied certification of the project's Final SEIR and did not approve the project, and M1W has confirmed that it does not have the funds to remedy the faults in the SEIR. (See Ex. 17, M1W Letter to Cal-Am re: Pure Water Monterey Project – Cost, Operational Performance and Status (June 8, 2020), p. 1; Ex. 18, M1W Board of Directors Staff Report (May 20, 2020).) Moreover, M1W currently estimates a roughly eight month delay in implementation of the first phase of the PWM (the "Original PWM Project"), which both imposes additional delays on the PWM Expansion and indicates it likely will face similar delays. (See Ex. 21, Cal-Am Comments on Cost, Operational Performance and Status of PWM Expansion (May 9, 2020), p. 1.) Indeed, the Original PWM Project is currently plagued by a number of technical issues, including sinkholes or subsidence around the shallow injection wells, injection wells running at less than half of their planned capacity, and an inability to utilize planned source waters, all of which are resulting in significant increases in projected PWM water rates. (See Attachment A, Section I.2.a.) It is likely that the PWM Expansion could experience even greater delays than the Original PWM Project, given the additional permits and source water agreements needed for the Expansion. The State Water Board recently expressed concern in a letter to the Commission that the timeline for implementation of the PWM Expansion has been delayed well beyond the CDO deadline. (See Letter from Eileen Sobeck, State Water Board, to John Ainsworth, Coastal Commission (May 8, 2020), at pp. 4-5.) Therefore, staff's conclusion that the PWM Expansion can be completed by the CDO is not substantiated by the available evidence and cannot support a finding of feasibility. (See Attachment A, Section I.2.b.)

Questions from Commissioner Rice: What are the next steps with respect to the PWM Expansion SEIR and what is the timeline for finalization of that document? Does it impact the CPUC's decision going forward? Does it impact the State Water Board's role going forward? (Transcript, pp. 326:17-327:1.)

Cal-Am Response: The PWM Expansion is no longer moving forward, as the M1W Board has denied certification of the Final SEIR. (See Ex. 18, M1W Board of Directors Staff Report (May 20, 2020).) The M1W Board rejected certification of the Final SEIR due to deficiencies in the environmental analysis of: source water for the PWM Expansion; water supply and demand; impacts to agricultural water supplies; and because the SEIR failed to evaluate the PWM Expansion either as an alternative to or a cumulative project with the Project. (*Ibid.*) The M1W Board has stated that these deficiencies will need to be corrected before the Board decides to move forward with the Project. However, M1W "[s]taff has noted that the [M1W] does not have additional

budget funds at this time for dealing with any additional deficiencies that have been identified . . . or could be identified in the future. [M1W] has suspended all of the remaining contracts on these matters to prevent further consultant expenditures." (*Ibid.*; see also Attachment A, Section I.2.) Moreover, there remains significant doubt regarding the availability of source waters for the PWM Expansion—so long as M1W fails to obtain secure and adequate source waters, the PWM Expansion remains infeasible. (See Attachment A, Section I.2.a.)

Should the M1W Board ever secure the funds needed to correct the substantial inadequacies in the PWM Expansion SEIR, and obtain all necessary source water rights, the Expansion would require the implementation of a Water Purchase Agreement between Cal-Am and M1W. (See Attachment A, Section I.2.) As with purchase of Original PWM Project water, this Water Purchase Agreement would require CPUC approval. (*Ibid.*) Moreover, to account for the numerous uncertainties surrounding the proposed PWM Expansion, the Water Purchase Agreement would need to include additional terms beyond those included in the Original PWM Project agreement, including more stringent performance guarantees to provide greater assurances to Cal-Am and its customers that the recycled water would be produced in specified amounts, and greater protections in the event that recycled water is not or cannot be produced. (*Ibid.*) Again, these terms would all be subject to CPUC approval, assuming the M1W Board ever decides to move forward with the PWM Expansion after correcting the Final SEIR. Such protections are even more critical given that the Original PWM Project is on track to produce only 2,030 afy, or only 58% of the 3,500 afy that was planned and allocated for Cal-Am's customers. (See Ex. 25, Pure Water Monterey: Injection Wells Facilities Status Presentation, M1W Recycled Water Committee Meeting (June 18, 2020).) There are no additional water supplies that can make up for that shortfall, apart from the Project.

Further, unlike the PWM Expansion, the CPUC has already certified the Final EIR/EIS and issued a CPCN for the Project. In issuing that decision, the CPUC explicitly determined that the PWM Expansion "would satisfy the basic and key purposes of Project (i.e., sufficient and reliable water supply) ***only in conjunction with construction of a desalination plant of some size within five to fifteen years***," and therefore ordered that the PWM Expansion be considered as an ***addition***, to the Project, not as an alternative. (See CPUC Decision D.18-09-017, Appx. C, p. C-71 [emphasis added].) The CPUC's decision has been upheld by the California Supreme Court and is now final. Neither the Commission's decisions with respect to the Project, nor any decision on the part of M1W to move forward with the PWM Expansion, has ***any*** impact on the Project's approval status before the CPUC.

With respect to the State Water Board—should the PWM Expansion move forward instead of the Project, the PWM Expansion would need to satisfy the requirements of the 2016 State Water Board CDO for a new permanent water supply before Cal-Am may be deemed to have satisfied the CDO. (See Attachment A, Section I.4.) Specifically, the 2016 State Water Board CDO states that the conditions thereto, as well as conditions set forth in previous iterations of the CDO, "shall remain in effect until (a) Cal-Am certifies, with supporting documentation, that it has obtained a permanent supply of water that has

been substituted for the water illegally diverted from the Carmel River and (b) the Deputy Director for Water Rights concurs, in writing, with the certification." (See Ex. 47, State Water Resources Control Board, Order WR 2016-0016 (July 19, 2016), p. 27; see also Letter from Eileen Sobeck, State Water Board, to John Ainsworth, Coastal Commission (May 8, 2020), at p. 2.)

As discussed above, there are significant uncertainties regarding the feasibility of the PWM Expansion and its ability to serve as an adequate water supply for Cal-Am's service area. Indeed, the PWM Expansion is not capable of providing a sufficient water supply to meet Monterey Peninsula water demand. Even assuming the depressed demand figures utilized by the Staff Report, Peninsula water supplies with the PWM Expansion, but without the Project, would only be able to meet Peninsula demand for a maximum of five years before falling short. (See Attachment A, Section I.3.c; see also Ex. 28, Hazen Memo, pp. 10-11.) That analysis also assumes that the Original PWM Project would provide a full 3,500 afy. As demonstrated in M1W staff's June 18, 2020 presentation to the M1W Recycled Water Committee, the Original PWM Project is only providing 2,030 afy, which means even existing demand cannot be met without desalination. Moreover, neither the Staff Report nor M1W has demonstrated that existing Peninsula water supplies plus PWM Expansion can meet maximum month demand (MMD) as required by the California Waterworks Standards (Cal. Code Regs., tit. 22, § 64554, subds. (a), (b)(2)). (See Attachment A, Section I.3.e.) Given these substantial issues, it is highly unlikely that Cal-Am could obtain the required certifications from the State Water Board needed to lift the CDO without the Project. (See Attachment A, Section I.4.)

Questions from Commissioner Brownsey: What is going to be the source of the water recycling? Are there drought conditions that could stress the system? How would that impact the Salinas Aquifer? (Transcript, p. 328:9-328:15.)

Cal-Am Response: The sources of water available for the PWM Expansion are discussed in more detail in Attachment A, Section I.2.a. As discussed therein, there remains significant uncertainty surrounding the availability of source waters for the PWM Expansion, which raises serious doubts that the PWM Expansion can be accomplished in a successful manner. First, M1W has failed to commit to a consistent list of source waters for the PWM Expansion, so the certainty of source waters is very difficult to ascertain. (Ex. 20, Cal-Am Letter to Monterey One Water re: PWM Expansion Final SEIR (Apr. 24, 2020), pp. A-16, A-21.) These issues were raised by multiple commenters on the PWM Expansion's SEIR, including from the City of Salinas, which controls the use of the City's agriculture produce wash water. (PWM Expansion Final SEIR, Comments F1-1 to F-3.) The City of Salinas has publicly confirmed it has not granted M1W the rights or approvals necessary for the PWM Expansion to utilize the City's agriculture produce wash water beyond the scope of the Original PWM Project and "the City intends to use available agriculture wash water for its own purposes[.]" (*Id.* at F1.) Other significant concerns surround the availability of source waters for the PWM Expansion, including the reliability of certain source waters under an existing agreement between M1W and the MCWRA referred to as the ARWRA. This agreement sets forth the responsibilities for construction, operation, and financing of new source water for the Original PWM Project. (PWM Expansion Final SEIR, Comment H-3.)

However, M1W has yet to satisfy several conditions required to utilize ARWRA source waters and its ability to do so is uncertain. (Ex. 20, pp. A-16 to A-17.) Thus, M1W's reliance on disputed rights to agricultural produce wash waters and ARWRA source waters results in an overestimation of available water supplies.

Though each of these issues is individually important, Commissioner Brownsey's concern regarding water supply availability during drought years is particularly critical because multiple dry years are very common in California. It is certain that California will experience another drought in the coming years, but the PWM Expansion's SEIR does not analyze that project during multi-year drought conditions, as required by the CEQA Guidelines, and has not established that the PWM Expansion is drought resilient. (CEQA Guidelines, Appx. G, § XIX(b); Ex. 20, Cal-Am Letter to Monterey One Water re: PWM Expansion Final SEIR (Apr. 24, 2020), p. A-20.) Therefore, serious questions remain as to the feasibility of the PWM Expansion as a viable alternative to the Project during extended drought conditions and the extent to which PWM Expansion would impact the SVGB under such constraints. The M1W Board acknowledged the substantial deficiencies with the SEIR's analysis of source waters and included this issue as one of its reasons for denying certification of the Final SEIR. (Ex. 19, M1W Board of Directors Agenda (May 21, 2020); see Ex. 18, M1W Board of Directors Staff Report (May 20, 2020).)

The PWM Expansion also has the potential to result in seawater intrusion in the SVGB, however these impacts have not been fully evaluated by M1W in the Final EIR for the PWM Expansion. (January 30, 2020 Cal-Am Comments on PWM Expansion Draft SEIR , p. 17; Ex. 20, Cal-Am Letter to Monterey One Water re: PWM Expansion Final SEIR (Apr. 24, 2020), p. A-9.) The EIR for the PWM Expansion evaluated impacts to groundwater resources without considering the impact the PWM Expansion would have if the Project is not built. The Project would benefit the SVGB by reducing existing and preventing additional seawater intrusion. If the PWM Expansion Project is seen as a replacement for the Project—and the Project is not built—then the Project's benefits to the SVGB will not occur and further seawater intrusion of the coastal aquifers can be expected.

Questions from Commissioner Hart: Will the PWM Expansion be able to provide the water that staff assumes will be available? (Transcript, pp. 331:4-332:2.)

Cal-Am Response: Based on the available evidence, the PWM Expansion is not capable of producing the 2,250 afy that staff has assumed. As discussed in detail below, there have been significant complications in development of the Original PWM Project that have resulted in a much lower water production than initially estimated, which raise substantial questions regarding the technology to be used by the PWM Expansion. In addition, there are substantial concerns about the availability of PWM Expansion source waters as discussed above. These issues raise significant doubt as to the PWM Expansion's ability to provide 2,250 afy. (See Attachment A, Section I.2.)

For example, while PWM Expansion will utilize the same technologies that are currently being implemented in the Original PWM Project, there are serious concerns with that

project's ability to produce the water it has agreed to provide. (See Attachment A, Section I.2.a.) Indeed, sinkholes or subsidence are affecting the Original PWM Project's shallow injection wells, which may not be repairable, certain deep wells are experiencing injection refusal and are functioning at rates of 60% or less, and some of the source waters identified and intended for treatment by the Original PWM Project have not been utilized since startup. (See Ex. 21, Cal-Am Comments on Cost, Operational Performance and Status of PWM Expansion (May 9, 2020), pp. 3-4; Ex. 22 Staff Report for May 14, 2020 M1W Recycled Water Committee Meeting, Agenda Item #5; Ex. 23 Staff Report for April 16, 2020 M1W Recycled Water Committee Meeting, Agenda Item #5; Ex. 24, Final Minutes from March 16, 2020 MPWMD Regular Board Meeting, p. 3.) Moreover, M1W recently confirmed that current injection rates for the Original PWM Project are only half of the planned capacity rate for the Original PWM Project injection wells. As a result, M1W may propose to add a new deep injection well to the project, further delaying implementation of the Original PWM Project and causing additional increases to water rates. (See Ex. 25, Pure Water Monterey: Injection Wells Facilities Status Presentation, M1W Recycled Water Committee Meeting (June 18, 2020).) Given these significant obstacles, the Original PWM Project is currently capable of producing only 2,030 afy of the planned 3,500 afy allocated for Cal-Am's customers. (*Ibid.*) These issues raise significant uncertainties regarding the use of this same technological approaches for the PWM Expansion.

Further, as discussed above, there is significant uncertainty regarding the availability of source water for the PWM Expansion—without such source waters, the PWM Expansion cannot, by definition, provide a sufficient water supply. (See Attachment A, Section I.2.a.) Moreover, even if the PWM Expansion could produce the water supplies discussed in the Staff Report, such supplies are inadequate to meet demand on the Monterey Peninsula, as assessed by the CPUC. (See *id.*, Section I.3-4.) Only the Project, not the PWM Expansion, has been proven capable of providing a reliable, drought-proof water supply. (See CPUC Decision D.18-09-017, Appx. C, p. C-71 [concluding that the PWM Expansion would only satisfy Project objectives "in conjunction with construction of a desalination plant of some size within five to fifteen years."].)

Questions from Commissioner Gold: What is the reliability of the PWM Expansion source water? How is the region's wastewater accounted for? Does it all go to M1W? Or is some additional wastewater available as source water for the Expansion? (Transcript at 335:7-335:16.)

Cal-Am Response: Source water reliability for the PWM Expansion is discussed in detail in Attachment A, Section I.2.a. As discussed above, there is significant uncertainty surrounding the availability of source waters for the PWM Expansion, including the reliability of certain source waters under the ARWRA between M1W and MCWRA, M1W's inability to commit to a consistent list of source waters for the PWM Expansion, disputed rights to agricultural produce wash waters and overestimation of water supplies during drought years. The extent that wastewater flows are available for the PWM Expansion is not readily apparent or proven. For instance, as discussed in Attachment A, Section I.2.a, M1W's ability to use a portion of such water is governed by the ARWRA, under which M1W previously contractually granted certain rights to municipal

wastewater to MCWRA. Under the ARWRA, certain wastewater flows from outside of M1W's 2001 service area boundary are to be evenly divided between M1W and MCWRA. (PWM Expansion Final Supplemental EIR/EIS, Appendix M, p. 3-10.) Though the PWM Expansion relies on the use of such water for recycling, M1W has admitted that "[t]hese flows have not previously been individually metered" and therefore the associated quantities cannot be reasonably relied upon for a specific quantity. (*Id.* at p. 3-10.) Moreover, multiple outstanding conditions are required to be completed before the ARWRA can become effective. (Draft SEIR, p. 4.18-5.) Therefore, the reliability of certain ARWRA source waters is speculative due to the significant conditions precedent that must be met for the sources of water to become fully secured. (Ex. 20, Cal-Am Letter to Monterey One Water re: PWM Expansion Final SEIR (Apr. 24, 2020) , pp. A-16 to A-17.)

Further, the source waters identified for the PWM Expansion remain uncertain since they have been modified by MIW throughout the environmental review process without adequate analysis or justification, raising doubts as to their reliability and ultimately the feasibility of the PWM Expansion. For instance, the Final SEIR for the PWM Expansion increasingly relies upon the availability of certain municipal wastewater flows even though it acknowledges that such flows have not been previously metered and that the estimates are based in part upon assumptions. (Final Supplemental EIR for the PWM Expansion, pp. 3-11 to 3-12.) When questioned about the reliability of such water supplies, M1W elected to evaluate source water scenarios where such sources are not used by the PWM Expansion, rather than demonstrate their reliability. (*Id.*, Responses to Comments VV-93 to VV-94 and VV-96 to VV-99.) M1W's inability to establish and rely on a stable, consistent set of source waters confirms that the project lacks a definite source water supply and raises serious questions about the PWM Expansion's feasibility and M1W's ability to accomplish the project in a successful manner. In part because of concerns associated with the reliability and availability of source waters, the M1W Board denied certification of the SEIR for the PWM Expansion. (See Ex. 18, M1W Board of Directors Staff Report (May 20, 2020); Ex. 17, M1W Letter to Cal-Am re: Pure Water Monterey Project – Cost, Operational Performance and Status (June 8, 2020), p. 1.)

Regarding how the region's wastewater is accounted for, according to the Final SEIR for the PWM Expansion, "[r]elative contributions of municipal wastewaters from M1W's geographic areas that enters the M1W headworks and is metered there include: 51% from the Salinas urban area, 3% from Moss Landing and Castroville, 45% from the Monterey Peninsula, Marina, and Fort Ord areas." (PWM Expansion Final Supplemental EIR/EIS, Appendix M, p. 2.) While the majority of these municipal flows are from areas within M1W's service area, some are received from beyond that boundary.

In response to the question concerning the availability of "some additional wastewater" for the PWM Expansion, M1W has not demonstrated the availability of additional sources of wastewater for the PWM Expansion, much less the availability and reliability of the water sources evaluated in the SEIR for the PWM Expansion.

D. Environmental Justice

Question from Commissioner Mann: What would Cal-Am's water rates be if the Project is not operated at full capacity? (See Transcript, pp. 322:10-323:7; also see Staff Report, p. 92.)

Cal-Am Response: As approved by the CPUC, the Project is intended to function at 86% capacity, producing 6,252 afy of water per year in normal years. (See Ex. 42, Direct Testimony of Ian Crooks to the CPUC Errata Version (Sept. 27, 2017).) This "provides a reasonable 14% operational reserve capacity to meet maximum day/month demands, dry weather reserves, variable water return percent, and additional supply for other system supply constraints in availability" to ensure water supply reliability. (*Ibid.*) During dry years, a "water supply shortfall can be covered by increasing desalination plant output to 100% and peaking other system supplies . . . depending on operational variables and regulatory availability." (*Ibid.*) Accordingly, the CPUC's ratesetting determination already considers that the Project will run at 86% capacity.

Further, as described in Attachment A, Section H, *supra*, staff's assumption that Project water would cost $6,100 per acre foot is incorrect. The CPUC decision expressly states that the "cost per acre-foot (AF) for the 6.4 mgd plant 'under the Tier 2 and PTM caps (inclusive of the 3,500 of GWR water) is $4,265 per AF and $4,472 per AF respectively." (CPUC Decision D.18-09-017, p. 123, fn. 332; see also Ex. 14, Rebuttal Testimony of Jeffrey T. Linam (Oct. 13, 2017).) These costs assume the Project is operating at 86% capacity. There is no reasonable basis for staff's reliance on a projected per acre foot cost of $6,100 per year.

Questions from Commissioner Brownsey: Why are Cal-Am's water rates, as included in a 2017 study, among the highest out of a survey of 500 public and private companies? How do water conservation and reduction of use have the unintended consequence of increasing water prices? (See Transcript, pp. 328:16-329:4.)

Cal-Am Response: The numbers provided in Food & Water Watch's 2017 study are misleading and do not reflect actual average water use in Monterey. As discussed in Attachment A, Section H, *supra*, the study wrongly assumed that the average water use of a single-family residential household in Monterey is 60,000 gallons per year. (Staff Report, p. 73.) The correct average use is 44,000 gallons per year. (Ex. 12, p. 1.) Conservation pricing generally charges higher tiered rates for higher than average levels of water use to discourage excessive use of water. Therefore, under conservation pricing, assuming a baseline of 60,000 gallons per year—16,000 gallons per year above the actual average water use in Monterey—artificially skews the average cost of water above actual costs. (*Ibid.*) Applying the correct usage model into a monthly estimate utilizing a 5/8-inch meter, the average monthly water bill is about $78 (or $936 annually), rather than the approximately $100 per month cited in the Food & Water Watch study for 2017. (*Ibid.*) Additionally, Food & Water Watch relies on sources that explicitly warn against the sort of rate comparison employed by the study. (See Attachment A, Section H, *supra*.) As such, the Commission should not rely on the Food & Water Watch study and instead should credit the CPUC's thorough ratesetting determination for the Project as

reasonable and just. (See CPUC Decision, D.18-09-017, pp. 19-20, 123-24; Pub. Util. Code, §§ 451, 454.)

In addition, water conservation and reduction in water use can have the unintended consequence of increasing water prices because water utilities generally have high fixed costs associated with infrastructure, improvements, staff, and maintenance. This situation is not unique to Cal-Am; on average, about 70 percent of a water utility's revenue is devoted to fixed costs. When sales are reduced as a result of water conservation, the variable costs go down, but the fixed costs remain, so the cost of each unit of water must increase to support the fixed costs and keep the water utility's finances stable. While customers who conserve will always pay less than those who do not, they may not see substantial reductions in monthly bills due to conservation because the fixed costs remain.

Question from Commissioner Groom: Is there a water rate chart or analysis available for the Commission to review? (See Transcript, pp. 329:24-330:19.)

Cal-Am Response: The ratemaking framework approved by the CPUC was developed through a lengthy briefing process and included input from ratepayers and community organizations. (See CPUC Decision, D.18-09-017, pp. 19-20, 123-124; see also Section H, *supra*.) The rates ultimately approved by the CPUC were based on extensive collaboration: "Sixteen parties (a sub-set of parties, including the applicant, ratepayer advocates, environmental groups, and public water agencies)" contributed to the process. A description of the ratemaking framework and the process is provided in the CPUC decision. (CPUC Decision, D.19-09-017, pp. 77, 88-99; see also *id.*, Appendix F.) As stated above, the CPUC found that costs per acre foot would be between $4,265 and $4,472. (*Id.*, p. 123, fn. 332.)

In addition, Cal-Am's rate schedule for Monterey County is based on use: single family; multi-family; and non-residential.[43] For each use, the rates feature pricing tiers with price in the first tier being the lowest. Each tier has a certain amount of water allocated to it and if the user uses more water than is allocated to a particular tier, the user moves to the next higher priced tier associated with a greater consumption of water. Cal-Am's water rate schedule in Monterey County for single-family residences effective January 2020 is as follows:

[43] Cal-Am's Monterey Rate Schedules are available at: https://amwater.com/caaw/customer-service-billing/billing-payment-info/water-rates/monterey-district

Residential Customers:	Base Rate Per 100 gal (CGL)	
For the first 29.9 CGL	$1.0078	(I)
For the next 29.9 CGL	$1.5117	
For the next 44.9 CGL	$3.5274	
For the next 67.3 CGL	$6.5508	
For all water over 172.0 CGL	$8.0625	(I)

(See Regular and LIRA Rates, Ex. 15.) Cal-Am also offers a low income ratepayer assistance ("LIRA") program that discounts rates for qualifying households by up to 30%.[44] The water rate schedule in Monterey County for the LIRA program effective January 2020 is as follows:

Residential Customers:	Base Rate Per 100 gal (CGL)	
For the first 29.9 CGL	$0.7055	(I)
For the next 29.9 CGL	$1.0582	
For the next 44.9 CGL	$2.4692	
For the next 67.3 CGL	$4.5856	
For all water over 172.0 CGL	$8.0625	(I)

(*Ibid.*)

E. Coastal Waters

Questions from Commissioner O'Malley: Is there sufficient wastewater available for mixing with the Project's brine discharges? What impact would highly concentrated brine discharges have on the receiving marine environment? What is the process for the Project's brine discharge? Will it comingle with wastewater? Where will the water for brine dilution come from? (See Transcript, p. 324:4-18.)

Cal-Am Response: The Project's potential environmental impacts from brine discharges were analyzed in detail in the Final EIR/EIS. The Final EIR/EIS incorporates mitigation measures developed jointly by various parties as part of the "Brine Discharge Settlement," including *inter alia*, Surfrider Foundation ("Surfrider"), Monterey Peninsula Regional Water Authority ("MPRWA"), Monterey Regional Water Pollution Control Agency, and Cal-Am. (CPUC Decision 18-09-017, p. 116.) Due largely to the leadership and direction of Surfrider in the settlement process, the Brine Discharge Settlement creates standards and conditions for the collection of relevant, long-term water quality data to determine and ensure compliance with defined water quality standards. (Brine Discharge Settlement at Section 3.) It also requires implementation of specific corrective actions if salinity standards are exceeded, before Cal-Am can continue to

[44] For example, for a household of 4 persons to qualify for LIRA rates, the total gross income from all sources must be less than $52,400. Exhibit 15 provides further detail on qualifying households.

discharge brine. (*Id.* at Sections 4.4-4.6.) Accordingly, the Project's brine discharges and associated mitigation measures, which are described below, were thoroughly evaluated by and reflect the interests of multiple stakeholders.

As discussed in the Final EIR/EIS, the Project will generate approximately 9 mgd of brine that will be discharged through M1W's existing ocean outfall. (Final EIR/EIS, p. 5.5-61.) Depending on the season, the Project will utilize treated wastewater flowing from the M1W Regional Wastewater Treatment Plant for mixing with brine discharges. (*Ibid.*) During the non-irrigation season (November through March), when the highest wastewater flows occur, brine would be combined and discharged with varying amounts of secondary wastewater. (*Ibid.*) During the irrigation season (April through October), when the secondary treated wastewater may be treated and distributed to irrigators, it is possible that only brine would be discharged from the Project. (*Ibid.*) Nevertheless, as described below, the Project would ensure that applicable water quality and salinity standards are met year-round. (*Id.* at p. 5.5-64.)

Due to the varying amount of wastewater available for mixing throughout the year, the Final EIR/EIS evaluated four discharge scenarios for water quality impact: brine only, brine with wastewater, high brine only, and high brine with wastewater. (*Id.* p. 5.5-61.) As expected, the worst case condition for dilution would be when only brine is discharged during the irrigation season. (*Id.* at p. 5.5-64.) In all scenarios modeled, the applicable Ocean Plan salinity limit would be met. (*Ibid.*) As discussed in detail in Section 4.3 of the Final EIR/EIS, brine generated at the desalination plant would flow through a 1,100-foot-long diffuser resting above the ocean floor at approximately 90 to 110 feet below sea level. (*Id.* at p. 4.3-70.) The diffuser would be equipped with 172 2-inch diameter ports through which the brine stream discharge. (*Ibid.*) As a result of this process, the diffuser would disperse the brine stream, "thereby minimizing differences in salinity and other water quality parameters between the discharged brine and the surrounding water." (*Id.* pp. 4.3-70 to 71.) Moreover, Project discharges, "would not violate water quality standards, waste discharge requirements, or otherwise degrade the water quality (including hypoxia) of receiving waters in Monterey Bay by increasing salinity levels." (*Ibid.*)

Furthermore, in order to comply with applicable monitoring and reporting requirements for operation of new desalination facilities, the project would implement Mitigation Measure ("MM") 4.3-5 (Implement Protocols to Avoid Exceeding Water Quality Objectives). (Final EIR/EIS, p. 4.3-104; see also Attachment A, Section C.) In addition to implementing routine monitoring and reporting, MM 4.3-4 also includes corrective actions that would be required to be implemented if data indicates deleterious effects to receiving water quality or marine biological resources. (*Id.* at 4.3-93.) Accordingly, any Project impacts relating to brine discharges have been thoroughly studied in the Final EIR/EIS and mitigated, where necessary, to the extent feasible.

Questions from Commissioner Escalante: Have the state agencies vested with authority over marine protected areas expressed any concerns about marine protected areas in the vicinity of the Project? What are the Project's impacts to marine protected areas, such as the Elkhorn Slough and the Pacific Grove? (See Transcript p. 333:16-23.)

Cal-Am Response: Aside from the Coastal Commission, state agencies vested with authority over the marine protected areas within the Project's footprint include the California Department of Fish and Wildlife (CDFW), the California Fish and Game Commission, the State Water Board and the California State Lands Commission (CSLC). (See Final EIR/EIS, pp. 4.5-37, 4.5-39, 4.5-42.) The CDFW, State Water Board, and CSLC each commented on the Draft EIR/EIS for the Project. (Final EIR/EIS, Ch. 8.4.)

In its comments on the Draft EIR/EIS, CDFW requested that "special status biological resources should be evaluated and addressed prior to Project implementation, in order to comply with State law[]." (*Id.* at p. 8.4-6.) As discussed in further detail below, the Final EIR/EIS evaluated such potential impacts in detail and concluded that the Project would not result in a significant impact on marine biological resources with implementation of the mitigation measures identified. (Final EIR/EIS, pp. 4.5-47, 5.5-134.) With respect to Project impacts on marine species, the State Water Board confirmed that "[s]lant wells are… the preferred intake technology in the Ocean Plan because they minimize or eliminate intake and mortality of marine life." (*Id.* at p. 8.4-22.) As such, State Water Board concluded that "CalAm's construction and maintenance plan for the slant wells appears to avoid impacts to marine life" and "[o]verall, it appears that the MPWSP has been sited and designed in a manner that would result in minimal impacts to marine life and is consistent with the intent of the Ocean Plan to protect marine life and water quality." (*Ibid.*) CSLC's comments did not concern Project impacts on marine resources. (*Id.*, pp. 8.4-17 to 8.4-20.)

As noted above, the Final EIR/EIS evaluated potential impacts to marine protected areas. (See Final EIR/EIS, Ch. 4.3, 4.5.) Significantly, the Final EIR/EIS was prepared jointly with the Monterey Bay National Marine Sanctuary ("MBNMS"), which served as the NEPA lead agency for the Project. (*Id.* at ES-2.) The MBNMS is the federal agency charged with overseeing specified marine area offshore of California's central coast, including areas impacted by the Project. As such, the Final EIR/EIS reflects the analysis and conclusions of MBNMS staff. The Final EIR/EIS concluded that the Project would not result in a significant impact on marine biological resources. (Final EIR/EIS, p. 4.5-47, 5.5-134.) For instance, with respect to special status marine species in these areas, Section 4.5.1.3 identified certain mammals, birds, turtles and fish that may be impacted by the Project. (*Id.*, pp. 4.5-10 to 4.5-25.) Impact 4.5-1 determined that the Project would not result in a substantial impact upon any such species or on any natural community or habitat identified in any applicable local or regional plans, policies or regulations. (*Id.*, pp. 4.5-47, 5.5-135.) Additionally, the Final EIR/EIS confirmed that there are no known marine species in Monterey Bay with population numbers suspected of dropping below self-sustaining levels (except for the California Sea otter). (*Id.*, p. 5.5-135.) Accordingly, Final EIR/EIS determined that the Project "would not cause a fish or marine wildlife population to drop below self-sustaining levels and would not interfere

with the movement of any native marine resident or migratory fish or marine wildlife species in MBNMS." (*Ibid.*)

F. Groundwater

Questions from Commissioner Brownsey: Is groundwater data missing that could impact how the Salinas Valley Groundwater Basin aquifers have been characterized? If so, does that impact the Project? (Transcript, pp. 327:23-329:13.)

Cal-Am Response: As explained above in Attachment A, Section D, the Commission has sufficient information regarding the Project's potential impacts to groundwater supplies in the SGVB to determine that the Project conforms to the groundwater protection provision of Coastal Act Section 30231. The EIR/EIS consultant team performed over six years of fieldwork, data analysis, and groundwater modeling, and the modeling and its results were subject to substantial peer review and public comment. (See, e.g., Letter from Eileen Sobeck, State Water Board, to John Ainsworth, Coastal Commission (May 8, 2020), at p. 3.) Based on the extensive data and peer-reviewed modeling, the Final EIR/EIS conservatively analyzed the Project's potential impacts to groundwater supplies in the SVGB, finding that such impacts would be less than significant. (See Final EIR/EIS, pp. 8.2-86, 8.2-97, 4.4-64, 4.4-90 to 4.492.) Any additional, non-peer reviewed modeling is unnecessary and would not change the Final EIR/EIS's conclusions. (See Staff Report Addendum, Ex. 7, pp. 19-20 [Weiss Associates confirmed the Final EIR/EIS's modeling was conservative].) Nonetheless, Cal-Am has consented to additional modeling work by Weiss Associates for purposes of moving the Project forward through the Commission process.

Questions from Commissioner Brownsey: How do the slant wells work? When the slant wells withdraw water, do they extract fresh water? What basin is that water coming from? What is the impact on Marina's water? (Transcript, pp. 327:23-329:13.)

Cal-Am Response: The Project's slant wells would extend from the wellheads (the surface components) located on the CEMEX site to beneath Monterey Bay at a fourteen-degree angle. (See Final EIR/EIS, pp. 3-9, 3-18.) The slant wells would withdraw water from the groundwater aquifers that extend beneath the ocean floor. (*Id.*, pp. 3-9, 3-20.)

As explained in detail in Attachment A, Section D, the Project will withdraw primarily seawater from the Salinas Valley Groundwater Basin. (See *id.*, pp. 4.4-4.4-92, 8.5-561.) This "feedwater" would be "a combination of brackish groundwater representing the ambient conditions in the water bearing sediments of the Dune Sand and 180-FTE Aquifers at the coast, and the seawater that is drawn in through the aquifer sediments to recharge the capture zone."[45] (*Id.*, p. 8.2-3.) As shown in Final EIR/EIS, Table 8.2.8-1, copied below, TDS and chloride concentrations in the Project's monitoring wells show

[45] "The capture zone is the localized region that would contribute source water to the slant wells." (Final EIR/EIS, p. 8.2-3; see also *id.*, p. 4.4-52.)

that the water within the capture zone is substantially exceeds applicable standards for human consumption or irrigation without treatment. (See Final EIR/EIS, p. 8.2-48.)

TABLE 8.2.8-1
TOTAL DISSOLVED SOLIDS CONCENTRATIONS IN MPWSP MONITORING WELLS LOCATED WITHIN THE SLANT WELL CAPTURE ZONE

Well Number	Sample Date	Aquifer	Total Dissolved Solids (TDS) (mg/L)	Chloride (mg/L)
			California Drinking Water Standard: 500 mg/L[a]	California Drinking Water Standard: 250 mg/L[a]
MW-1S	2/13/15	Dune Sand	26,600	14,504
MW-1M	2/14/15	180-FTE	30,900	16,037
MW-3S	2/25/15	Dune Sand	23,400	11,680
MW-3M	2/24/15	180-FTE	28,500	14,686
MW-4S	3/7/15	Dune Sand	11,900	5,497
MW-4M	3/6/15	180 FTE	17,900	9,751

NOTES:
[a] California Secondary Maximum Contaminant Level (Cal. Code Regs., tit. 22, § 64449)
SOURCE: Geoscience, 2015

As Project pumping continues, the ocean water percentage of the Project's feedwater will reach 96 to 99%. (*Id.*, p. 4.4-56.) Any fresh water (i.e., water with less than 500 mg/L TDS (Final EIR/EIS, p. 4.4-31)) will be returned to the Basin as part of Cal-Am's obligations under the Return Water Settlement Agreement and Monterey County Water Resources Agency Act. (See CPUC Decision D.18-09-017, pp. 104-105, 110; see also Attachment A, Section D.)

Further, Project pumping will not impact the City of Marina's water supplies. Marina's municipal wells are over 2 miles outside of the Project's capture zone. (See Final EIR/EIS, p. 4.4-75.) Further, Marina's municipal wells are screened in the Deeper Aquifer, but the Project will extract contaminated groundwater from the Dune Sands Aquifer and the 180-Foot Aquifer of the SVGB. (*Ibid.*) There are no known potable groundwater supply wells currently operating in the 180-Foot and 400-Foot Aquifers within the area of potential impacts of the Project's slant wells. (Final EIR/EIS, p. 8.5-633.) Therefore, the Project will not adversely impact Marina's municipal water supply.

G. Water Supply and Demand

Questions from Commissioners Brownsey and Gold: Why is there a divergence of views on water demand? (Transcript, p. 329:6-329:13.) How do we reconcile the differences in the water demand estimates put forth by various parties? (Transcript, pp. 334:21-335:6.)

Cal-Am Response: The estimates of supply and demand that diverge from the CPUC's conclusive supply and demand determination are being put forward by Project opponents in an attempt to derail the Project. These alternative supply and demand estimates all

suffer from significant flaws. Importantly, the CPUC is the agency charged by statute with exclusive jurisdiction to determine utility supply and demand and its determinations reflect a six year process. (See Attachment A, Section I.3; see also *Citizens Utilities Company of California v. Super. Ct.* (1976) 56 Cal.App.3d 399, 408; see also *City of Oakland v. Key System* (1944) 64 Cal.App.2d 427, 435.) Indeed, many of the entities now claiming to have re-calculated Peninsula supply and demand were parties to the CPUC's proceedings on the Project, and made substantially the same arguments in support of their positions then that they are now advancing before the Commission. (See Attachment A, Section I.3.a.) The CPUC considered the testimony of those parties and the evidence presented, and nevertheless determined that Cal-Am's future customer demand is 14,000 afy. *(Ibid.*; see also CPUC Decision D.18-09-017, p. 171.) Following the CPUC's decision, Project opponents, including MCWD, challenged that decision, including its findings on supply and demand, before the California Supreme Court—the Supreme Court wholly rejected those challenges and affirmed the CPUC's decision. Commission staff, MPWMD, and the various Project opponents lack authority to second-guess the binding supply and demand determinations handed down by the CPUC. (See CPUC Decision D.18-09-017, pp. 167-171, 194-195.) Moreover, many of the positions taken in the Stoldt Memo, upon which the Staff Report relies, directly contradict arguments put forward during earlier proceedings related to the Project before the State Water Board. (See Attachment A, Section I.3.d.) Accordingly, there is no need to reconcile the disparate estimates of supply and demand—rather, staff must utilize the supply and demand levels calculated by the CPUC.

As described in detail in Attachment A, each of the supply and demand estimates put forward by various entities and Project opponents is deeply flawed, and do not constitute substantial evidence to conclude that Peninsula supply and demand should be reassessed from the levels set by the CPUC. (See Attachment A, Section I.3.)

Question from Commissioner Escalante: Is there more room for water conservation in Cal-Am's service area? (Transcript, p. 333:3-333:15.)

Cal-Am Response: As a result of both the State Water Board CDO and long-standing drought conditions, water users in Cal-Am's service area are already burdened by "extreme conservation and moratorium measures." (See CPUC Decision D.18-09-017, pp. 52-53.) Indeed, the MPRWA has stated that "the Monterey Peninsula is already one of the most efficient water use communities in the state," and that the Cal-Am service area is already "drought hardened," a fact that the CPUC recognized in its decision on the Project. (*Id.*, p. 28.) Moreover, multiple entities, including MPWMD and the Monterey County Hospitality Association, have argued that additional conservation measures "would force economic stagnation upon the region, and can result in harm to the health and safety of the community." (See Final EIR/EIS, p. 5.5-358.) As such, "meaningful additional conservation will not be a reasonable option" to address the Monterey Peninsula's ongoing water crisis. (CPUC Decision D.18-09-017, p. 28 [quoting testimony provided by MPRWA].)

H. Agriculture

Question from Commissioner Groom: What are the Project's potential impacts to agriculture? (See Transcript, pp. 329:24-330:19.)

Cal-Am Response: The CPUC determined that the Project would boost the economic vitality of the agricultural industry in the region by improving long-term water supply reliability and water infrastructure. (CPUC Decision, D.18-09-017, Appx. C, pp. C-74 to C-75; see also *id.*, pp. 159 [Project "reflects community values . . . by supporting agriculture"].) Rather, without the Project, "the lack of water supply would adversely affect the region's economic vitality, including the County's 'four pillars' – agriculture, tourism, education, and research – by substantially reducing the reliability of water resources and water infrastructure" in the region. (*Id.*, p. 67.)

The Project specifically will provide desalinated product water to the Castroville Community Services Department ("CCSD") and Castroville Seawater Intrusion Project ("CSIP") as part of the CPUC-approved "Return Water Settlement Agreement." (See Attachment A, Section D, *supra.*) CCSD provides municipal and domestic water service to customers in the disadvantaged agricultural community of Castroville. (See, e.g., Ex. 11, Declaration of Eric Tynan, *MCWD v. County of Monterey*, Case No. 19CV003305.) CSIP similarly serves agricultural operations in the region to allow farmers to "safely irrigate their crops and reduce pumping of seawater-tainted groundwater."[46] Project water supplied to CCSD and CSIP will support and improve regional agricultural operations that are currently threatened by saltwater intrusion and a lack of reliable water supplies. (See, e.g., Final EIR/EIS, p. 8.6-414 [letter from Salinas Valley Water Coalition and Monterey County Farm Bureau stating that the Project, with implementation of the Return Water Settlement Agreement, would not cause agricultural impacts]; Ex. 11, p. 4 [describing CCSD's dire need for Project water].) The CCSD Manager has stated that "halting construction of the MPWSP will severely prejudice CCSD and the disadvantaged community of Castroville that despretately needs a new, reliable long-term water supply." (Ex. 11, p. 4.) The Monterey County Farm Bureau, which represents farmers and agricultural operations in the Salinas Valley, has explicitly supported the Project with implementation of the Return Water Settlement Agreement. In contrast, the Monterey County Farm Bureau has raised concerns that the PWM Expansion could capture water discharged in the Salinas Valley that could be used for agriculture and instead reuse it elsewhere, and has recommended that the PWM Expansion be put on hold. (SEIR for PWM Expansion, p. 4-593.) The City of Salinas, MCWRA, and private agricultural operators have raised similar concerns that the PWM Expansion would come at the expense of the Salinas Valley agricultural community. (See, e.g., *id.*, pp. 4-4 to 4-5; 4-42 to 4-44; 4-195.) Cal-Am will provide additional detail on potential impacts to the agricultural community from the PWM Expansion in an

[46] Monterey County Water Resources Agency, Monterey County Water Recycling Projects (CSIP/SVRP), https://www.co.monterey.ca.us/government/government-links/water-resources-agency/projects-facilities/castroville-seawater-intrusion-project-salinas-valley-reclamation-project-csip-svip.

Environmental Justice technical analysis that will be submitted separately to the Commission.

As for direct impacts, the EIR/EIS found that there would be no impacts to agriculture from construction of the slant wells. (See Final EIR/EIS, § 4.16.) The agriculture related concern raised by Project opponents is that alleged saltwater intrusion resulting from the Project's operations may impact regional agriculture. These concerns are not based in fact. All available evidence indicates that seawater intrusion will not occur. If anything, the CPUC concluded that the Project will work to prevent further saltwater intrusion. (See Final EIR/EIS, pp. 4.4-92, 8.5-561; HWG Response to Coastal Commission (Feb. 20, 2020), at p. 2; see also Section I.D, supra.)

Further, the Project will neither extract nor impact water that could otherwise be used for agricultural purposes. As fully discussed in Attachment A, Section D, the State Water Board has reviewed the existing groundwater record and the Weiss Report, and in its May 8, 2020 letter, concluded that the modeling "already conducted, revised, and relied upon by the [CPUC] . . . provide a conservative overprediction of the volume of shallow, inland water the Project would capture during operation." (See Letter from Eileen Sobeck, State Water Board, to John Ainsworth, Coastal Commission (May 8, 2020), p. 3.) The State Water Board further stated that the Project's groundwater impacts "have already been resolved by the Public Utilities Commission, after extensive environmental review and consideration of evidence and testimony over a multi-year adjudicative proceeding." Although MCWD and others have claimed that pockets of "fresh water" exist that may be impacted by the project, these pockets are either hydraulically disconnected from the Project's capture zone or are composed of water unfit for agricultural irrigation. (Final EIR/EIS, p. 8.2-61; CPUC Decision D.18-09-017, Appx. J, pp. 15, 19-21; see also Attachment A, Section D.) As determined by the CPUC, the enhanced water supply reliability provided by the Project will benefit agricultural operations in the region and there is no evidence that regional agriculture will be negatively impacted.

I. Coastal Act Section 30260 Override

Questions from Commissioner O'Malley: If the Commission finds that the Project is inconsistent with Coastal Act or LCP policies, but that the Project satisfies the tests of Section 30260, is approval of the Project mandatory or discretionary? Similarly, if the Commission finds that the PWM Expansion is feasible, does the Commission still have discretion to approve the Project under Section 30260? (See Transcript, pp. 324:21-325:19.)

Cal-Am Response: Section 30260 is discretionary. Section 30260 provides that "[c]oastal-dependent industrial facilities shall be encouraged to locate or expand within existing sites and shall be permitted reasonable long-term growth where consistent with [the Coastal Act]." (Pub. Resources Code, § 30260.) If a proposed coastal-dependent industrial facility is inconsistent with a Coastal Act or LCP policy, Section 30260 provides that the facility "***may nonetheless be permitted***" if three criteria are met: "(1) alternative locations are infeasible or more environmentally damaging; (2) to do otherwise would adversely affect the public welfare; and (3) adverse environmental

effects are mitigated to the maximum extent feasible." (Ibid. [emphasis added].) In MCWD's lawsuit challenging the Commission's approval of the test slant well under section 30260, the Sixth District Court of Appeal upheld the Commission's exercise of discretion to approve the test slant well notwithstanding potential impacts to ESHA. (See *MCWD v. Cal. Coastal Com.* (2016) 2016 Cal.App.Unpub.LEXIS 8028.)

Further, the Commission does not have the authority to consider the PWM Expansion as an alternative to the Project under Section 30260. As explained in Attachment A, Section J, the first test of section 30260 is whether "alternative ***locations*** are infeasible or more environmentally damaging." (Pub. Resources Code, § 30260 [emphasis added].) The PWM Expansion is not an alternative location to the Project components located within the Coastal Zone, but rather a wholly separate proposed project. The Final EIR/EIS evaluated alternative locations to the Project components located within the Coastal Zone and concluded, based on substantial evidence, that the proposed location of Project infrastructure, including the slant wells on the CEMEX site, is the environmentally superior alternative. (See Section C *supra*; see also Final EIR/EIS, Ch. 5.)

Acting as lead agency under CEQA, the CPUC also considered certain project alternatives outside of the Coastal Zone, like the PWM Expansion. The CPUC specifically rejected the PWM Expansion as infeasible for "myriad independent reasons." (CPUC Decision D.18-09-017, Appx. C, p. C-17.) The CPUC noted that by September 2018, the PWM Expansion was already far behind schedule and there was not "sufficient certainty concerning short- and long-term availability of source water supplies for the PWM Expansion." (*Id.*, p. C-71; see also Attachment A, Section I.2, for a discussion of the infeasibility of the PWM Expansion.) Further uncertainty has arisen since the CPUC's decision about the Original PWM Project's ability to deliver the amount of water it is obligated to provide, along with related technical issues, which substantially call into question the PWM Expansion's feasibility. Coupled with the fact that the M1W Board has denied certification of the PWM Expansion's Final SEIR, these issues further support the CPUC's conclusion that the PWM Expansion is not a feasible alternative to the Project.

Exhibit 3

Monterey One Water

PURE WATER MONTEREY

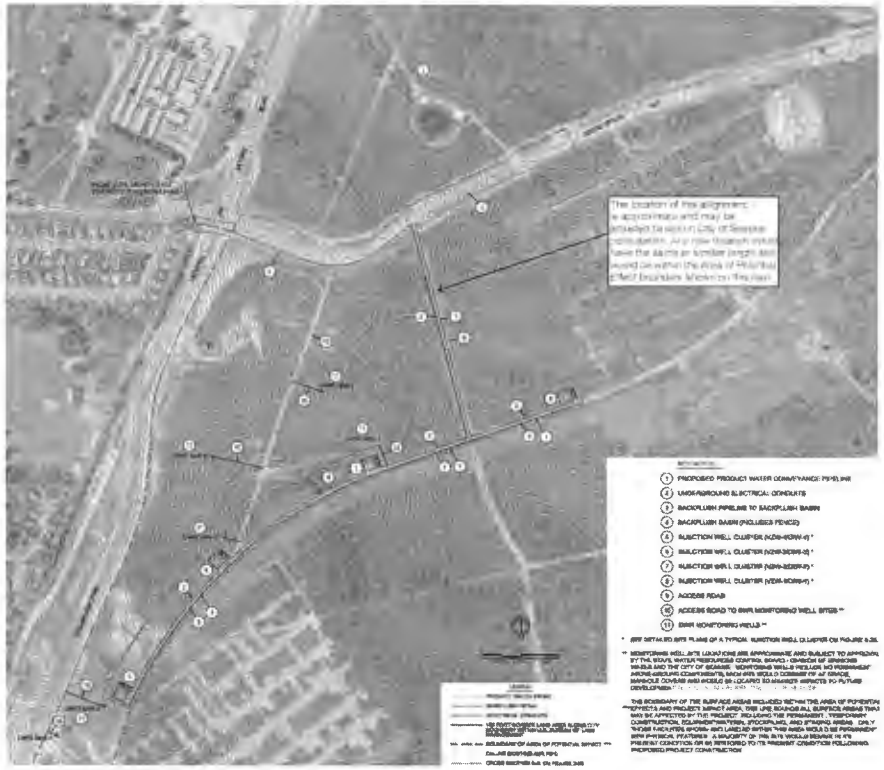
Injection Wells Facilities Status
RWC Meeting - June 18, 2020

Kennedy Jenks Consultants Todd Groundwater

Overview

- Review IWF and Objectives
- Review of Current Status of Injection Wells Facilities (IWF)
- Discussion of Third Deep Injection Well
- Discuss Potential Next Steps

Original Plan: "Delivery Point" defined Under WPA in September 2016



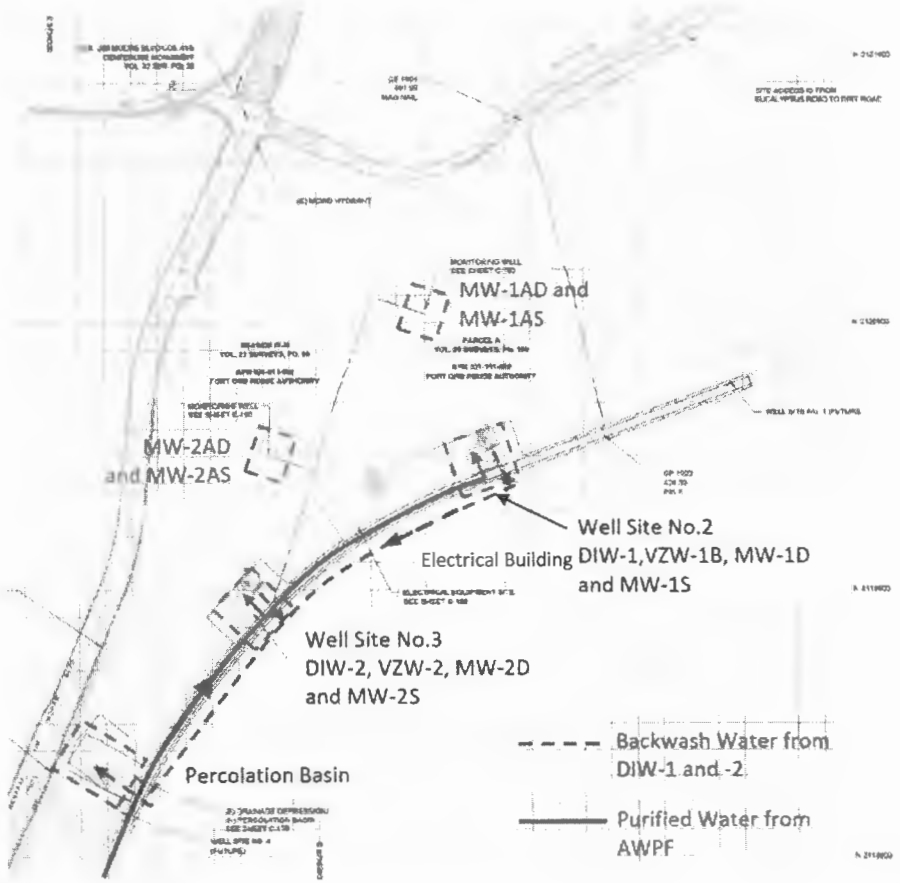
Delivery Point

"AWT Water will be injected into the Seaside Groundwater Basin using new injection wells. The proposed new Injection Well Facilities will be located east of General Jim Moore Boulevard, south of Eucalyptus Road in the City of Seaside, including up to eight injection wells (four deep injection wells, four vadose zone wells, in pairs identified as #5, #6, #7, and #8 in the figure below), six monitoring wells, and back-flush facilities."

Injection Wells Facilities Site

Monterey One Water





PWM System Injection Objectives

	Initial Commissioning Period	1st Year of Operations	2nd Year of Operations	3rd Year of Operations	4th Year of Operations
Initial 6 months Operating Reserve, AF	1,000	-	-	-	-
Annual Production Amount, AFY		3,500	3,500	3,500	3,500
Drought Reserve, AFY		200	200	200	200
First 3-years Annual Operating Reserve, AFY		250	250	250	-
Total for Period, AF	1,000	3,950	3,950	3,950	3,700
AF/Month	167	329	329	329	308

IWF Injection Rates: Recharge up to 3,950 AFY to Meet Objectives

Injection Objectives	Average Month	Maximum Month	Minimum Month
AF/Month	308	338	288
AF/Day	10.3	11.3	9.6
MGD	3.35	3.67	3.13
Average, gpm	2,325	2,550	2,175
System Downtime	10%	10%	10%
Required Injection Rate, gpm	2,560	2,800	2,490

Planned & Current Injection Rates

Wells		Planned Capacity, gpm	Early Injection Rates, gpm	Current Injection Rates, gpm
	VZW-1B	500	50	0
	VZW-2	500	350	0
Vadose Zone Wells	Subtotal	1,000	400	0
	DIW-1	1,000	950	775
	DIW-2	1,000	950	625
Deep Injection Wells	Subtotal	2,000	1,900	1,400
	Total IWF	**3,000**	**2,400**	**1,400**
Required Injection Rate		**2,800**	**2,800**	**2,800**

Estimated Annual Recharge at Current Rates: 2,030 AFY

Recommended Commissioning and Repair

Final Commissioning (swabbing) of Deep Injection Wells

Est. $300K; Plan for Fall 2020

Well Pad Stabilization at Vadose Zone Wells

Est. $350K; Plan for Winter 2020

Potential Improved Injection Rates (after DIW commissioning & VZW restart)

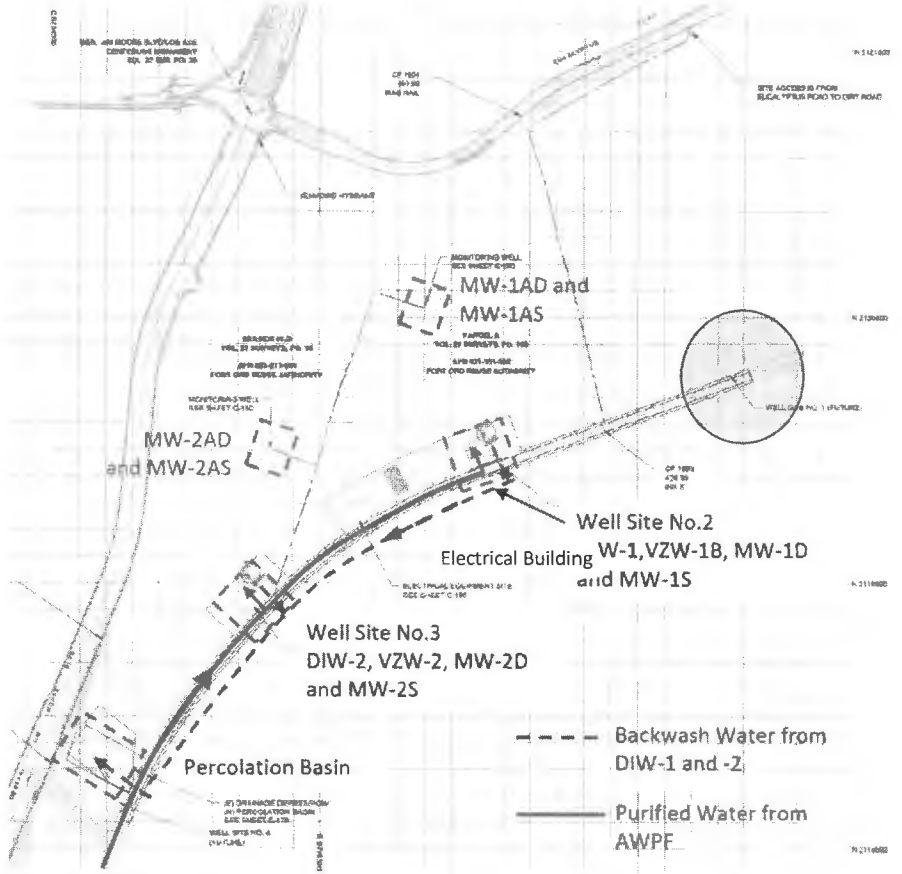
Wells		Low-End Potential Injection Rates, gpm	High-End Potential Injection Rates, gpm
	VZW-1B	50	50
	VZW-2	100	200
Vadose Zone Wells	Subtotal	150	250
	DIW-1	850	950
	DIW-2	750	850
Deep Injection Wells	Subtotal	1,600	1,800
	Total IWF	**1,750**	**2,050**
Required Injection Rate		**2,800**	**2,800**

Estimated Annual Recharge at Mid-Potential Rates: 2,760 AFY

DIW-3 at Well Site 1

Well Site #1 – Farther to East

- Santa Margarita geology expected to be much better than Well Site 4
- Doesn't require Booster PS and probably doesn't require another MW



Potential Injection Rates (after DIW-3, DIW commissioning & VZW restart)

Wells		Low-End Potential Injection Rates, gpm	High-End Potential Injection Rates, gpm
	VZW-1B	50	50
	VZW-2	100	200
Vadose Zone Wells	Subtotal	150	250
	DIW-1	850	950
	DIW-2	750	850
	DIW-3	850	950
Deep Injection Wells	Subtotal	2,450	2,750
	Total IWF	**2,600**	**3,000**
Required Injection Rate		**2,800**	**2,800**

Estimated Annual Recharge at Mid-Potential Rates: 3,960 AFY

Proposed Change in SRF Loan

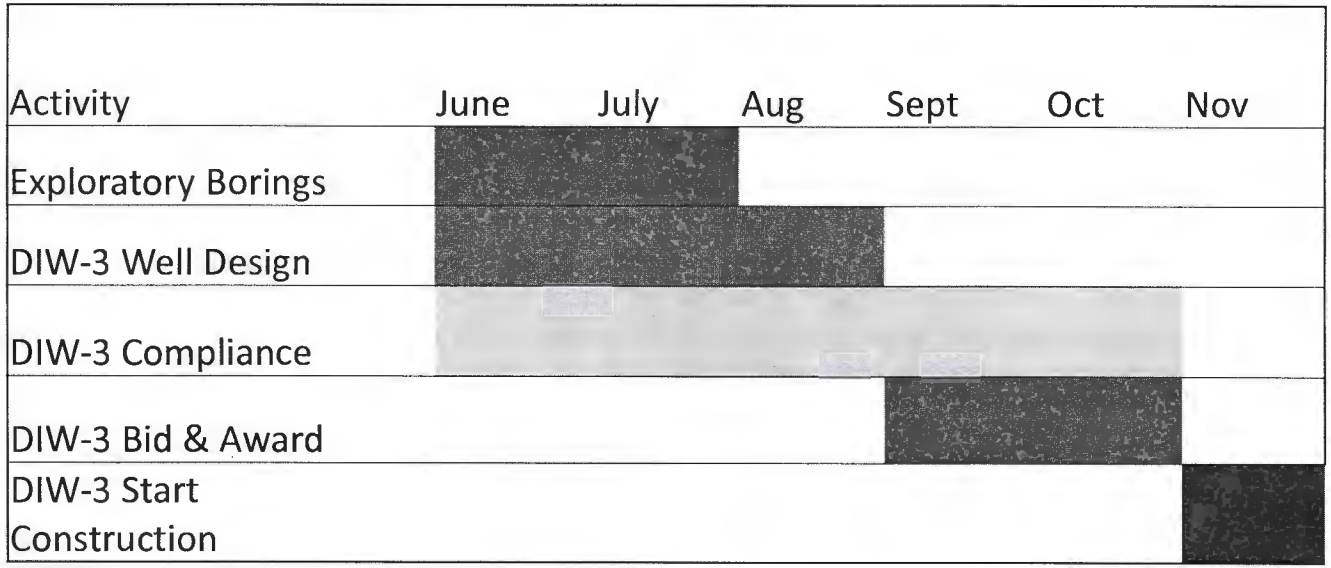
$6.1 Million:	↑ 5% increase on $110 million loan
Increase in Debt Service:	↑ $245,000 Annually
Increase in Cost/Acre Foot:	↑ $66

Note: Loan amount above does not account for a reimbursement of $4.1 million from a WIIN grant.

Cost of PWM Water

Estimated Recharge	Planned 1st Year	Current Status	After Final DIW Commissioning/VZW Restart	Add DIW-3
AFY	3,750	2,030	2,760	3,750
$/AF	$2,442	$3,678	$2,993	$2,508

DIW-3 Implementation Schedule



Questions

Exhibit 4

Monterey One Water
Providing Cooperative Water Solutions

REVISED
5/20/20

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 M1W 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 M1W 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 M1W 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
2. E-mail Communication from Member Gaglioti with attachments

Exhibit 5

MONTEREY COUNTY

WATER RESOURCES AGENCY

PO BOX 930
SALINAS, CA 93902
P: (831) 755-4860
F: (831) 424-7935

BRENT BUCHE
GENERAL MANAGER

STREET ADDRESS
1441 SCHILLING PLACE, NORTH BUILDING
SALINAS, CA 93901

July 7, 2020

Monterey One Water
Board of Directors
Ron Stefani, Chair
5 Harris Court, Bldg. D
Monterey, CA 93940

Dear Chair Stefani and Board Members,

I write this letter to reiterate Monterey County Water Resources Agency's ("MCWRA") position concerning the recently approved Amendment No. 2 to the Amended and Restated Water Recycling Agreement ("ARWRA"). As you may know, both the M1W Board and the MCWRA Board of Supervisors approved Amendment No. 2 on May 21 and June 16, 2020, respectively.

Amendment No. 2 extends the time for the parties to continue to work on conditions precedent in Section 16.15 of the ARWRA concerning use of waters from the Blanco Drain and Reclamation Ditch ("New Source Waters"). Amendment No. 2 also gives M1W the right to utilize the New Source Waters, until the conditions in Section 16.15 are reasonably satisfied. However, the ARWRA and subsequent two Amendments limit M1W's utilization of the New Source Waters solely for use in the Pure Water Monterey Project Groundwater Replenishment Project approved on October 8, 2015. The ARWRA and Amendments do not contemplate M1W's use of the New Source Waters in any other capacity, including any proposed expansion to the Pure Water Monterey Project.

MCWRA looks forward to working with M1W to resolve these outstanding issues.

Sincerely,

E-signed 7/7/2020

Brent Buche
General Manager

cc: Paul Sciuto, M1W General Manager
Monterey County Water Resources Agency Board of Supervisors

Exhibit 6

City of Salinas
OFFICE OF THE MAYOR • 200 Lincoln Avenue • Salinas, California 93901 • [illegible]

January 29, 2020

Via U.S. Mail and Electronic Mail

Rachel Guadoin, Public Outreach Coordinator
Monterey One Water
5 Harris Court, Building D
Monterey, CA 93940
purewatermontereyinfo@mylwater.org

Re: Use of Agriculture Produce Wash Water for the Proposed Modifications to the Pure Water Monterey Groundwater Replenishment Project, Draft Supplemental Environmental Impact Report (Draft SEIR)

Dear Ms. Guadoin:

The City of Salinas provides the following comments on the Draft Supplemental Environmental Impact Report ("Draft SEIR") for the Proposed Modifications to the Pure Water Monterey Groundwater Replenishment Project ("Expansion Project"). In particular, the City is providing clarifications as to Monterey One Water's (formerly the Monterey Regional Water Pollution Control Agency) ("M1W") permissible use of agriculture produce wash water pursuant to its existing agreements with the City.

The City of Salinas is known as the "Salad Bowl of the World" and is surrounded by agriculture on all sides. The City remains committed to preserving agriculture as its major industry, which is important for maintaining our community's quality of life. Water is a critical component of the agriculture industry, and agriculture methods and technologies continue to evolve not only to make water use more efficient, but to find ways to treat and reuse water in agriculture processes to avoid wasting limited water resources. Accordingly, any potential use of agriculture produce wash water generated in the City without the City's consent is a critical issue for our residents and businesses.

Agriculture produce wash water is an important component of the source water for the Expansion Project, which is projected in the Draft SEIR to be an annual average of 3,732 acre-feet per year ("AFY"). (Draft SEIR, App. 1, p. 3.) While the Draft SEIR appears to rely on the availability of this water in order to produce the 2,250 AFY of additional potable water that the Expansion Project proposes to produce, M1W does not have sufficient agreements in place with the City to permit M1W to use the City's agriculture produce wash water for the Expansion Project. In fact, and as discussed in detail below, existing agreements limit M1W's use of the City's agriculture produce wash water to the previously approved 3,500 AFY Pure Water Monterey Replenishment Project ("GWR Project"). In the absence of further agreements from the City, the City intends to use available agricultural wash water for its own purposes, including to support farmers, ranchers and

the City's agriculture industry. Accordingly, M1W's ability to produce an additional 2,250 AFY of potable water through the Expansion Project is uncertain.

Section 4.18.3.3 of the Draft SEIR and Draft SEIR Appendix B (the Revised Source Water Rights Memorandum) confirms that the City has exclusive right to its treated wastewater, absent agreements with M1W. (Draft SEIR Appx B, p. 6.) While the City has entered into certain agreements with M1W to permit M1W to use the City's agricultural wash water for specified purposes, the Draft SEIR (see Draft SEIR p. 4.18-6) overlooks the limited scope of M1W's rights under the Amended and Restated Water Recycling Agreement ("ARWRA") (**Exhibit A**) and does not consider the limitations in the October 27, 2015 Agreement for Conveyance and Treatment of Agricultural Produce Wash Water by and between the City of Salinas and M1W ("2015 Conveyance and Treatment Agreement") (**Exhibit B**).

The 2015 Conveyance and Treatment Agreement allows agricultural produce wash water to be used for the approved GWR Project, but does not permit that water to be used for the proposed 2,250 AFY Expansion Project. The 2015 Conveyance and Treatment Agreement has two permitted uses of the agricultural produce wash water: 1) to serve the GWR Project, and 2) augment the existing Castroville Seawater Intrusion Project's ("CSIP") crop irrigation supply. (Agreement, §1.a-b.) Sections 1.a and 1.b provide that agricultural wash water is conveyed for the "uses described in Recital B." Recital B states "The MRWPCA [now M1W] has an existing need for source water for 1) to serve its Pure Water Monterey Groundwater Replenishment Project (the "GWR Project") and 2) to augment the existing Castroville Seawater Intrusion Project's ("CSIP") crop irrigation supply." Therefore, use of the agricultural wash water is limited to these express uses, which does not include the Expansion Project.

The 2015 Conveyance and Treatment Agreement does not allow for water use beyond the scope of the approved GWR Project as it was approved in 2015. Specifically, the "Agreement implements the Pure Water Monterey Groundwater Replenishment Project ('GWR') that the MRWPCA Board approved on October 8, 2015." (Agreement, p. 2 [Recital F].) Further, the 2015 Conveyance and Treatment Agreement was approved by the parties "based on the EIR as certified" for the GWR Project. (Agreement, p. 2 [Recital F].) This language therefore limits the use of agricultural wash water to the scope of the GWR Project as it was approved in 2015, which does not include the later proposed Expansion Project.

The ARWRA does not contemplate the use of agricultural produce wash water for the Expansion Project. The ARWRA "provides for new source waters from the Blanco Drain, Reclamation Ditch and the City of Salinas [] for CSIP and the Pure Water Monterey Project." (**Exhibit C, p. 1** [Monterey One Water Staff Report].) The ARWRA contains the same limiting language as the 2015 Conveyance and Treatment Agreement, stating that it "relates to and implements certain portions of the [GWR Project] that the MRWPCA Board approved on October 8, 2015." (ARWRA, pp. 6-7 [Recitals].) The ARWRA was also "approved based on the EIR as certified" in 2015. (ARWRA, pp. 6-7 [Recitals].)

For the same reasons discussed above, the ARWRA does not support the use of agricultural produce wash water for the Expansion Project, which was not a part of the GWR Project at the time it was approved in 2015. Moreover, although the ARWRA was amended in 2019, the parties did not amend it to include use of agricultural produce wash water for the Expansion Project. (**Exhibit D** [Amendment No. 1 to Amended and Restated Water Recycling Agreement between Monterey County Water Resources Agency and Monterey One Water.])

The City of Salinas appreciates the opportunity to comment on the Draft SEIR. Should you have questions or wish clarification on the important issues the City has raised, please contact me.

Sincerely,

Joe Gunter
Mayor

Cc: City Council
City Manager
Public Works Director

Amended and Restated Water Recycling Agreement Between Monterey Regional Water Pollution Control Agency and Monterey County Water Resources Agency





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EXHIBIT J: SAMPLE COST ALLOCATION PLAN FOR INDIRECT COSTS

October 8, 2015. The MRWPCA Board certified the Environmental Impact Report ("EIR") for the GWR Project as complete and in compliance with the California Environmental Quality Act ("CEQA"), and adopted the findings required by CEQA on October 8, 2015. This Agreement does not change the GWR Project and no change of circumstances or new information herein shows that the GWR Project would result in new or substantially more severe environmental impacts such that major revisions to the certified EIR would be required. This Agreement is approved based on the EIR as certified.

NOW, THEREFORE, for and in reliance of the foregoing, the parties hereby agree as follows:

1.0 Definitions

For the purposes of this Water Recycling Agreement, the following definitions are provided:

A. The term "Annexation Agreements" refers to the Annexation Agreement between MCWD and PCA dated April 25, 1989, and the Annexation Agreement between MCWD and WRA dated March 26, 1996. The individual Annexation Agreements are referenced herein by their respective dates.

B. The term "Bureau Loan Contract" refers to the Contract Between the United States and the Monterey Regional Water Pollution Control Agency (MRWPCA) for "A Loan for Construction of a Small Reclamation Plant," dated June 2, 1995,

C. The terms "Castroville Irrigation System," "Castroville Seawater Intrusion Project," and "CSIP," as used in this Water Recycling Agreement, refer to the tertiary treated water distribution system and are hereinafter collectively referred to simply as the "CSIP", which is owned by WRA. Reclaimed water produced by the SVRP for CSIP will be delivered to a distribution system, known as the Castroville Irrigation System, at the points indicated on Exhibit A, attached hereto and made a part hereof, as may be amended by agreement of the parties, and through that system it will be delivered to growers in the Castroville area, for use in the irrigation of crops.

D. The term "Drainage Flows" refers to WRA's portion of New Source Waters originating from Blanco Drain, Reclamation Ditch, and Tembladero Slough.

E. The term "Drought Reserve" shall refer to storage of up to 1,000 acre-ft of water for potential use during a drought.

F. The term "Interruptible Rate" applies to PCA charges for primary and secondary treatment of New Source Waters.

G. The term "New Source Water Facilities" applies to facilities required to be constructed to convey Blanco Drain, Reclamation Ditch and Tembladero Slough waters to the PCA Regional Treatment Plant, and those to be constructed to allow wintertime operation of the SVRP.

H. "New Source Waters" are defined as waters originating at the following:

1. Agricultural Wash Water
2. Blanco Drain Water
3. Reclamation Ditch/Tembladero Slough water
4. Monterey Storm Water
5. Salinas Storm Water

I. The term "Pure Water Monterey Facilities" refers to those advanced treatment facilities necessary to transform secondary treated wastewater from the Regional Treatment Facility into drinking water quality water, the agreement terms for which are not included in this Water Recycling Agreement.

J. The terms "reclaimed water", "reclaimed wastewater", "recycled water", and "tertiary treated water" all refer to the water produced by the 29.6 MGD (33,154 acre-ft per year) tertiary treatment system and are hereinafter collectively referred to as "tertiary treated water".

K. The term "Regional Treatment Plant" refers to the facilities constructed and sized to

I. CONSTRUCTION OF THE NEW SOURCE WATER FACILITIES

1.01. PCA to construct New Source Water Facilities.

Upon the receipt of final commitments for the financing described below by all applicable governmental agencies and when conditions precedent of Section 16.15 are met, PCA will finance, design, construct, and install the New Source Water Facilities, in substantial conformity with designs and plans approved by the parties in writing.

1.02. Change orders.

Change orders must be approved in writing. Any change order or related set of change orders that increases the New Source Water Facilities cost by $100,000 or more shall require the written consent of both Parties within 30 days of presentation. Any change order or related set of change orders that increases the New Source Water Facilities cost by less than $100,000 or that lowers the New Source Water Facilities cost may be approved by PCA alone, without the consent of the WRA, except that a copy of any proposed or executed change order shall promptly be provided to WRA as soon as it is available to PCA. Each Party's contract administrator shall be authorized to give consent to change orders for that Party. Neither Party's consent to a change order will be unreasonably withheld or delayed.

1.03. Location of the New Source Water Facilities.

The New Source Water Facilities shall be located as shown in Exhibit G, attached hereto and made a part hereof. PCA will acquire any rights-of-way necessary for the construction and maintenance of pipelines from the sources points of delivery to the Regional Treatment Plant.

1.04. Projected Future New Source Water Facilities.

New Source Water Facilities consist of, but are not limited to the following:

1. Blanco Drain Water
   (a) 2,738 gpm (6.1 cfs) pump station
   (b) 7,700 feet of 18 inch diameter HDPE, PVC, or Ductile Iron pipe
   (c) Intake Screen/Wet Well with appropriate appurtenances
2. Reclamation Ditch Water
   (a) 2,693 gpm (6.0 cfs) pump station
   (b) 43 feet of 6 and 12 inch diameter DIP or PVC discharge pipe
3. Tembladero Slough Water
   (a) 1,346 gpm (3 cfs) pump station
   (b) 120 feet of 16 inch diameter DIP and PVC discharge pipe
   (c) Intake screen/Wet Well with appropriate appurtenances
4. Monterey Storm Water (Lake El Estero)
   (a) 2,500+/- gpm pump station
   (b) 45 feet if 12+/- inch PVC pipe
5. Salinas Storm Water
   (a) Diversion Point No. 1
      i. 54" x 54" concrete diversion structure
      ii. 24" x 24" concrete diversion structure plus weir
      iii. Parshall Flume
      iv. Intake Screen/Sluice Gate with appropriate appurtenances
   (b) Diversion Point No. 2
      i. 66"x 66"concrete diversion structure

2.02. Estimated design and construction costs of New Source Water Facilities.

Table 1.

Component	WRA	PCA	Monterey/Salinas	TOTAL
Blanco Drain Water	$2.3 Million	$2.7 Million	0	$5.0 Million
Reclamation Ditch	$0.5 Million	$0.6 Million	0	$1.1 Million
Tembladero Slough	$0.5 Million	$0.6 Million	0	$1.1 Million
Monterey Storm Water	0	0	Not Estimated	
Salinas Storm Water	0	0	Not Estimated	
Salinas Pond Water Return Facilities	$1.3 Million	$1.5 Million		$2.8 Million
Modifications to Regional Treatment Facility	$0.6 Million	$0.7 Million		$1.3 Million
TOTAL	$5.2 Million	$6.1 Million		$11.3 Million

WRA's share of capital costs is 45.1% and PCA's share of capital costs is 54.9%. This same allocation of capital costs will be applied to Replacement and Renewal costs associated with the New Source Water Facilities, as identified in Section 9.02.

2.03. Source Water.

1. WRA shall obtain water rights to Drainage Flows from the California State Water Resources Control Board. Costs of obtaining and maintaining said water rights shall be reimbursed to WRA on the same proportional basis for water used as a component of the New Source Facilities.
2. Water rights for New Source Water within the City of Salinas and City of Monterey, and any future new source waters not identified herein, including without limitation, dry and wet weather storm drainage system flows and/or volumes, are not subject to this Agreement and may be the subject of future agreements.

III. OWNERSHIP, OPERATION AND MAINTENANCE OF CSIP, SVRP, SRDF AND NEW SOURCE WATER FACILITIES.

3.01. Ownership, operation, and maintenance, in general.

1. PCA will own, operate, and maintain the SVRP as described in Exhibit B, "Operation and Maintenance of SVRP, CSIP, SRDF, and New Source Water Facilities", attached hereto and made a part hereof, and will keep the SVRP in good condition and repair for the term of this Water Recycling Agreement. WRA shall be required to reimburse PCA for such costs and expenses of ownership, operation, and maintenance of the SVRP as described in Article VII of this Water Recycling Agreement. After expiration of this Water Recycling Agreement and any extension thereof, the SVRP will remain the property of PCA, except that WRA will own the discharge pipeline from the PCA property line near the discharge side of the storage pond to the connection with the CSIP.

2. WRA will own the CSIP facilities and PCA will operate and maintain the CSIP facilities as described in Exhibit B, "Operation and Maintenance of SVRP, CSIP, SRDF, and New Source Water Facilities", and will keep the CSIP in good condition and repair for the term of this Water Recycling Agreement. WRA shall be required to reimburse PCA for such costs

supply water to WRA on a daily basis when source water is available as described in Exhibit B "Operation and Maintenance of SVRP, CSIP, SRDF, and New Source Water Facilities", except for temporary periods of shut-down authorized by this Water Recycling Agreement or made necessary by circumstances beyond the control of PCA.

3.06. Incidental uses.
PCA may use such amounts of tertiary treated water from the SVRP as may be needed for the normal operation and maintenance of PCA's facilities, including, but not limited to, the SVRP and the primary and secondary treatment facilities.

3.07. Notice of temporary cessation of water deliveries.
PCA will give immediate notice to WRA, by telephone to WRA's General Manager, or to the person designated by the General Manager to receive such notices, with a prompt follow-up notice in writing, as soon as PCA becomes aware of the need to cease deliveries to the CSIP, whatever may be the reason for such interruption in service. Whenever an unforeseen cessation of deliveries occurs without prior notice to WRA, PCA shall immediately give notice to WRA as provided above. In addition, whenever a cessation of deliveries occurs, PCA shall use every reasonable effort to restore service as soon as possible.

3.08. Outside Contracts.
When PCA deems it more appropriate for someone other than PCA to make a repair directly, PCA will obtain contracts to perform this work through bidding or other appropriate competitive procurement process.

3.09. Access to CSIP, SRDF, and New Source Water Facilities on WRA Land or Easements.
WRA shall provide the necessary access arrangements for PCA personnel to carry out their required work on the CSIP, SRDF, and New Source Water Facilities on WRA land or Easements. WRA shall notify landowners, growers, and others who may be affected by this work in advance that PCA personnel will be entering onto and performing work on their property. Any disputes arising between PCA personnel and these affected parties will cause PCA to discontinue work on the affected facilities until WRA has established necessary access arrangements for the work to continue.

IV. PROVISION OF RECYCLED WATER TO WRA FROM PCA

4.01. Existing Allocations

1. WRA shall be entitled to tertiary treated recycled water for its CSIP Project during the agricultural growing season in a volume not less than total wastewater flows to the Regional Treatment Plant from all PCA members existing at the Effective Date of this Water Recycling Agreement, plus all other areas within PCA's 2001 boundaries less the following amounts (may be taken before tertiary treatment):
   (a) Amount claimed and utilized by MCWD pursuant to Section 15.04 as provided pursuant to the Annexation Agreements.
   (b) Such flows as are lost or as must be diverted in the ordinary course of operating and maintaining the treatment plant and ocean outfall.
   (c) Such flows as are not needed to meet WRA's authorized demand pursuant to this Water Recycling Agreement.
   (d) 650 AF of water allocated by WRA to PCA per Table 2:

WRA may be utilized by PCA for the Pure Water Monterey Project, other purposes, or be discharged.

(a) With the exception of any other New Source Waters the primary and secondary treatment costs of which are paid by others, WRA will be proportionately assessed for the incremental operation and maintenance costs of the influent pump station, primary treatment and secondary treatment of its portion of New Source Water flows actually delivered to tertiary treatment.

(b) WRA will be responsible for incremental tertiary treatment operations, maintenance, repair and replacement costs related to the volume of New Source Waters that are delivered to CSIP.

4.03. Operations and Maintenance Treatment Cost Allocation.

Table 3.

O&M Treatment Cost Allocation			
Source	**Primary and Secondary**	**Tertiary**	Pure Water Monterey Facilities
Domestic W/W	Member Entities	WRA[1]	PCA-Winter
Ag Wash Water $198[2]	Salinas (I.R)	WRA[1]	PCA
Blanco Drain $74[2]	WRA/PCA (IR)	WRA[1]	PCA
Rec/Tembladero Ditch $77/$91[2]	WRA/PCA (IR)	WRA[1]	PCA
Storm Water – Monterey $69[2]	Monterey (IR)	WRA[1]	PCA
Salinas Pond Water Return Facilities $83[2]	Intended User (IR)	WRA[1]	PCA
Storm Water – Salinas $69[2]	Salinas (IR)	WRA[1]	PCA
Future WW in 2001 PCA Bound.	Member Entities	WRA[1]	PCA – Winter
Future WW outside 2001 PCA Bound.	Member Entities	WRA (50% of Flow if through SVRP)[1]	PCA – Winter (50% of Flow if through SVRP; all flows otherwise
MCWD – Delivery	Member Entities	MCWD	MCWD
Interruptible Rate (IR)			

[1]PCA – if through tertiary treatment; operations and maintenance and increased interest rate

[2]Interruptible rates are subject to change by PCA Board as described in Exhibit F, attached hereto and made a part hereof.

All treatment costs associated with the New Source Waters will be incorporated into the annual WRA budget process, as identified in Section VII. Annual Source Water costs will be based on the demand schedule provided by WRA to PCA; and PCA's Interruptible Rate Schedule for New Source Waters.

1. If any party utilizes tertiary treated water, other than water provided to PCA pursuant to Section 3.06, Incidental Uses, it shall be proportionately assessed by PCA for operation, maintenance, repair and replacement costs and increased interest costs, for the amount of water claimed and utilized from tertiary treatment facilities.
2. PCA agrees that it will cause MCWD, or itself, in use of its recycled water entitlements, to comply with all applicable requirements set forth in Contract No. 5-07-20-W1284, between the Bureau of Reclamation and WRA including, but not limited to, those contained in the Bureau Loan Agreement, all at PCA's or MCWD's sole cost and expense.

4.04. New Incremental and Interruptible Allocations – Phase II.

PCA and WRA plan to acquire and treat additional flows up to the Regional Treatment Facility's

V. DELIVERY OF WATER TO WRA.

5.01. Quantity of water to be delivered to WRA SVRP.

Each year during the term of this contract, PCA shall deliver tertiary treated water from the SVRP to the Castroville Irrigation System. Subject to PCA's and MCWD's rights to the water as set forth in Article IV, the quantity so delivered shall include water provided in response to WRA's demand, determined as set forth in this Water Recycling Agreement.

5.02. WRA's demand schedule.

For water which will be delivered during the term of this Water Recycling Agreement, WRA shall, not later than November 1 each year, submit to PCA a schedule (see Exhibit C, attached hereto and made a part hereof) of requested water deliveries for the next calendar year. The schedule may request water deliveries of amounts up to amounts provided for WRA pursuant to Section 4.01 and 4.02 as WRA's demand. This demand schedule shall show the amount requested for each calendar month in the year.

5.03. WRA's demand.

It is understood and agreed that the wastewater committed by PCA, to which WRA is entitled pursuant to this Water Recycling Agreement, is dedicated for use by WRA for purposes of the CSIP as that seawater intrusion project as it may exist from time to time, and thereafter for direct application for such other non-urban agricultural irrigation projects in the Salinas Valley as WRA may develop for the purpose of curing seawater intrusion and other severe impacts of the groundwater imbalance in the Salinas Valley which threaten the viability of the groundwater basin as a water supply for agricultural and municipal uses, and for no other purpose. Where otherwise consistent with WRA's entitlement pursuant to this Water Recycling Agreement, WRA may use tertiary treated water produced by the SVRP for non-agricultural irrigation applications in the Salinas Valley only if PCA declines in writing to undertake such applications in the Salinas Valley; provided, however, PCA consents in writing to WRA's doing so, which consent shall not be unreasonably withheld. In no event shall PCA's obligation to provide secondary treated wastewater exceed the amount needed to produce the tertiary treated water to which WRA is entitled pursuant to this Water Recycling Agreement.

5.04. PCA'S duty to comply with WRA demand.

PCA shall supply the amount of water demanded in accordance with this Water Recycling Agreement and the demand schedule submitted by WRA, except when the SVRP and SRDF cannot produce enough water to satisfy the WRA's demand, PCA's demand, and MCWD's demand, all as limited by their respective entitlements, either because there is not enough wastewater flowing into the PCA Regional Treatment Plant, or because, for reasons beyond the reasonable control of PCA, the SVRP is unable to operate for a sufficient period of time or the SVRP fails to produce enough water of the quality described in Section 6.01, "Water Quality," for use in the CSIP.

VI. MAINTENANCE OF WATER QUALITY.

6.01. Water Quality.

1. General Water Quality: PCA will produce tertiary treated water of a quality suitable for the irrigation of edible crops, such as artichokes, Brussels sprouts, and row crops (e.g., lettuce, cauliflower, broccoli, and celery) that do not require cooking prior to human consumption. All water produced and delivered to WRA shall meet all applicable standards of quality

served. No private sector member of the Committee and no grower or private sector user of water shall be required to disclose proprietary information in connection with the Committee's work, except as may be required by governing law or regulation. The SRDF Water Quality Monitoring Plan shall be presented to the Water Quality and Operations Committee at least once per year or prior to any significant changes, for committee review and input. Any financial changes approved by the Water Quality and Operations Committee at this meeting will be submitted to the WRA Board of Director's for approval and the approved Board Resolution will be forwarded to PCA for any budget modifications.

VII. PAYMENTS BY WRA TO PCA

7.01. Consideration paid by WRA.

As consideration for the water provided and the other obligations performed by PCA under this Water Recycling Agreement, WRA shall make payments to PCA pursuant to this Water Recycling Agreement.

7.02. Amounts to be paid.

The consideration paid by WRA shall be the dollar amount that equals 100% of the annual costs reasonably and necessarily incurred in connection with the SVRP, CSIP, and SRDF (including both direct and indirect expenses), and no more. PCA will make all reasonable efforts to stay within, or below, the amounts budgeted for the SVRP, CSIP and SRDF. All budgetary savings will be applied to the following year's budgets. The annual costs include the following:

1. Amortization of any loans (USBR, SWRCB, etc.), bonds, certificates of participation, and any interim or other financing;
2. The SVRP, CSIP, and SRDF operation, maintenance, repair, replacement, power, capitalized equipment, capital improvements, contingency, and reserve costs as are contained in the budgets for the SVRP, CSIP and the SRDF. PCA will make all reasonable efforts to stay within the total budget amounts for these budgets, but will have the latitude to incur variances between individual budget accounts, so long as the total budget amounts are not exceeded.
3. Unused funds received from WRA will be placed by PCA in an interest bearing account. All interest earned on WRA accounts will be applied for WRA's benefit on a monthly basis. PCA will adjust the second semi-annual billing and year-end reconciliation statement by any interest earned on WRA accounts. PCA shall be reimbursed by WRA for the reasonable loss of interest earnings on PCA's monies used to cover any SVRP or CSIP operations and maintenance costs until such costs are reimbursed by WRA.

7.03. Payment schedule.

PCA will establish separate accounts for the SVRP, SRDF, and the CSIP. Each year, WRA will fund each account by June 30 with a payment that adjusts seed monies to 50% of the projected operations, maintenance, capital outlay, and reserve expenses for the next fiscal year. Thereafter, PCA will record into this account the payments noted in Section 7.04 based on cost share estimates determined pursuant to Section 4.02 (1) herein.

1. WRA will make six payments to PCA each year as follows:
   (a) Thirty (30) days before the date that PCA's annual payment on the USBR loan for the SVRP is due, WRA will pay an amount equal to the then current payment on the USBR loan;

2. For as long as any notes or bonds issued to finance the SVRP or CSIP are outstanding, PCA will not exercise its right to terminate or reduce the water supply of the tertiary treated water to the CSIP, except that PCA may reduce the water supply to the extent that the failure of WRA leaves PCA without all necessary and sufficient funds to operate the SVRP.
3. In addition, if WRA should fail to make any payment to PCA required under this Water Recycling Agreement for a period of ninety (90) days or more after the due date, the PCA shall have the right to seek any appropriate judicial relief, at law or in equity, for such default. Such relief may include, but need not be limited to, damages, injunctive relief, and the appointment of a receiver.

7.06. Prior approval of budget by WRA.

1. Each year, in accordance with its normal budgeting schedule, PCA will adopt budgets for the operation of the SVRP, CSIP, and SRDF, in advance of the operating year for which the budgets are proposed, including therein all costs to be paid by WRA. In preparing these budgets, the demand schedule approved by WRA's General Manager will be provided to PCA by November 1 of each year. Within six (6) weeks of receipt of the demand schedule, PCA will provide WRA with a preliminary budget estimate. Any additional costs associated with the New Source Waters will be calculated based on the demand schedule and PCA's Interruptible Rate; and will be included as a separate line item in the SVRP, CSIP, or SRDF budget. Upon receipt of the preliminary budget, both agencies will agree to meet in a timely manner sufficient to enable review and approval by both agencies' respective governing boards.
2. Once the budgets are approved by WRA's Board of Directors, WRA's Board of Supervisors, and PCA's Board of Directors, PCA will not modify the budgets so as to exceed the amount of expenditures approved by WRA without first submitting the proposed changes to WRA's Board of Directors and WRA's Board of Supervisors for review and approval, except as provided for in Section 7.11. In addition, both agencies will provide advance notification of any proposed budgetary modifications that will be considered by each agency's respective board.
3. In the event WRA's revenues to fund the CSIP, SVRP, and SRDF budgets fall below projected amounts, WRA may request that PCA revise the operations to incur lower operating costs to stay within the revised revenue projections.

7.07. SWRCB as third party beneficiary.

The State Water Resources Control Board (SWRCB) shall be a third party beneficiary of the WRA's payment obligations under this Article VII, to the extent that the WRA's payment obligations are intended to provide funds to PCA to repay the loan to the PCA from the SWRCB. In the event of default by the PCA in the repayment of said loan, the SWRCB may enforce the loan repayment obligations against the WRA, and to the extent that the WRA makes payment to the SWRCB, the WRA shall be relieved of its corresponding obligation to the PCA. If, through no fault of the WRA, the PCA defaults in its repayment obligation to the SWRCB, and the WRA thereby becomes obligated to pay any penalties, extra charges, or amounts in excess of the basic principal and interest on the loan, then PCA shall reimburse WRA for any such amounts paid by WRA.

7.08. Priorities of payment.

Notwithstanding anything to the contrary contained herein, WRA's obligations to make payments with respect to the SVRP, CSIP, and SRDF shall be prioritized as follows, and the obligations in each category shall be subordinate to the obligations in each prior category, shall be on a parity

VIII. ACCOUNTING SYSTEM, REPORTS

8.01. Accounting system.

PCA will maintain an accounting system that is in conformity with generally accepted accounting principles (GAAP) and will allow for the segregation and tracking of all revenues and direct costs related to the SVRP, CSIP, and SRDF. The accounting system shall properly allocate costs to the SVRP, CSIP, and SRDF and to PCA's other activities that are not subject to reimbursement by WRA under this Water Recycling Agreement. The accounting system shall provide the ability to adequately identify indirect cost centers and establish allocation factors to assign indirect costs proportionally to the CSIP, SVRP, SRDF, and the Interruptible Rate for New Source Waters. Cost accounting, including any overhead distributions, shall be in accordance with GAAP. PCA shall make the details of such system available to or known to WRA and/or to WRA's auditor, at WRA's request.

8.02. Financial reports.

By the last day of each month PCA will provide to WRA a report on expenditures made during the previous month and year-to-date, for each line item in the SVRP, CSIP, and SRDF budgets. These reports will identify any line items which vary appreciably from anticipated budget to date. PCA will provide WRA an annual report of WRA's proportional share of Reserves retained in the Pure Water Monterey Fund for New Source Water Facilities. This report will be provided by PCA to WRA by September 30 of each year; and include WRA's deposits made to the Repair/Renewal Reserve, proportional interest earned, and the proportional share of any replacement/renewal costs.

8.03. Direct and indirect costs.

1. Direct costs of the SVRP, CSIP and SRDF are costs which can be tracked as costs of these particular activities through invoices, time cards, record keeping systems, and other records that specifically allocate a cost to these activities. Indirect costs are all other costs incurred by PCA in order to manage, maintain, support, and operate the SVRP or the CSIP.
2. PCA shall implement the accounting system described in Section 8.01 to uniformly identify and allocate all direct and indirect costs for the SVRP and the CSIP and for all the PCA's other activities. PCA shall identify the specific functions that are typically considered administrative or support in nature. These functions or departments shall include Human Resources, Finance, Administration, Information Technology, and Safety. The annual budgeted costs of these functions will be allocated proportionally to all operational activities based on a percentage relational to the services provided to SVRP, CSIP, SRDF and all other PCA activities. A sample overview is provided in Exhibit J, attached hereto and made a part hereof. The budgets associated with the administrative or support functions will not be directly charged to the SVRP, SRDF, or CSIP. PCA will make reasonable efforts to maximize the extent to which costs to be paid by WRA can be identified as direct costs rather than as indirect costs.
3. For purposes of allocating indirect costs, PCA will not include as a direct cost the debt service (principal and interest) on the loans obtained for the project.
4. PCA and WRA retain the right to transition from the cost allocation plan identified in 8.02 (b) to a cost allocation model that is compliant with the Office of Management and Budget (OMB) Circular A-87 – Cost Principles for State, Local, and Indian Tribe Governments or a subsequent revision. Any cost allocation subject to this provision shall be accompanied by a Certificate of Cost Allocation Plan and be in compliance with Title 2 CFR, Part 200. All indirect costs charged to functional activities will be applied consistently with the results of

9.02. Replacement and Renewal Costs Associated with New Source Water Facilities.
WRA shall pay PCA the proportional share of amortized capital renewal costs associated with the New Source Water Facilities. WRA's annual contribution is provided in Exhibit I. All funds received from WRA will be placed in the Pure Water Monterey Fund's Renewal and Replacement Reserve in accordance with Section VI. All funds will be held in the Reserve for the purpose of funding capital outlay projects for the New Source Water Facilities; assisting in meeting any fiscal sustainability plan requirements for the Clean Water State Revolving Loans; and maintaining a proportional share of the Loan's debt covenant ratio. At the completion of the thirty-year loan cycle, WRA and PCA will develop a long-term Capital Improvement Plan, which includes establishing an appropriate level of Renewal and Replacement reserves. Any WRA funds that are held in Reserves in excess of the Capital Improvement Plan will be refunded within ninety (90) days of the Plan's establishment.

9.03. Expansion of treatment plant capacity.
PCA may expand the Regional Treatment Facility above the current capacity of 29.6 MGD and may construct additional reclamation facilities, at its sole cost and expense and without receiving the consent of WRA. Any increases in capacity and any additional reclamation facilities so constructed shall be used at PCA's discretion, provided, however, that PCA is precluded from providing water to customers within WRA's water supply jurisdiction.

9.04. Interruptions of service.
1. No work of construction, remodeling, renovation, replacement, repairs, addition, or expansion authorized under this Water Recycling Agreement and performed on the SVRP, CSIP and SRDF shall, either before, during, or after such work, interfere with, interrupt, or reduce the delivery of tertiary treated water and river water to WRA under this Water Recycling Agreement, except that minor interferences, interruptions, or reductions shall be allowed when necessary, unavoidable, or beyond the control of PCA.
2. PCA shall schedule its planned maintenance activities on the SVRP, CSIP and SRDF to minimize interruption of distribution of tertiary, river and/or well water by the CSIP. Unscheduled work to perform repairs or maintenance will be performed in the manner deemed by PCA to have the least impact on the distribution of tertiary, river and/or well water by the CSIP. In case of any interruption of service, PCA shall give notice in the same manner as required by Section 3.07.

9.05. Duty to apply insurance proceeds.
If either party recovers any insurance proceeds on account of loss or damage to the SVRP, CSIP, or SRDF, such proceeds shall be applied to repair or replace the damaged portion of the SVRP, CSIP, or SRDF, and not otherwise. If either party is self-insured and any loss or damage occurs that would have been covered by insurance otherwise required to be maintained by such party under this Water Recycling Agreement, then such party shall provide the funds that would have been recovered had the party been insured and shall apply the funds to repair or replace the damaged portion of the SVRP, CSIP, or SRDF.

9.06. Payment of uninsured losses.
If the SVRP, CSIP, or SRDF is damaged or destroyed during the term of this Water Recycling Agreement, by other than an intentional or willful misconduct of a PCA employee, and the amount of available insurance and self-insurance monies plus replacement reserves is insufficient to repair or replace the damage, then WRA shall pay the balance necessary to restore these facilities to their condition prior to the damage.

approval of the indemnified party. The indemnifying party shall also have the right to defend against, negotiate with respect to, settle or otherwise deal with such proceeding, claim or demand. However, no settlement of such proceeding, claim or demand shall be made without the prior written consent of the indemnified party, which consent shall not be unreasonably withheld or delayed. The indemnified party may participate in any such proceeding with counsel of its choice at its own expense.

3. In the event, or to the extent, the indemnifying party elects not to, or fails to, defend such proceeding, claim or demand and the indemnified party defends against, settles or otherwise deals with any such proceeding, claim or demand, any settlement thereof may be made without the consent of the indemnifying party if it is given written notice of the material terms and conditions of such settlement at least ten days before a binding agreement with respect to such settlement is executed.
4. Each of the Parties agrees to cooperate fully with each other in connection with the defense, negotiation or settlement or any such proceeding, claim or demand.

10.04. Payment of indemnified claims.

The indemnifying party shall forthwith pay all of the sums owing to or on behalf of the indemnified party, upon the happening of any of the following events:

1. Upon the rendition of a final judgment or award with respect to any proceeding described in Section 10.03, above, by a court, arbitration board or administrative agency of competent jurisdiction and upon the expiration of the time in which an appeal therefrom may be made; or
2. Upon the making of a settlement of such proceeding, claim or demand; or
3. Upon the parties' making of a mutually binding agreement with respect to each separate matter indemnified thereunder.

10.05. Contribution in the event of shared liability.

In the event any proceeding, claim or demand described in Section 10.03 is brought, in which allegations of fault are made against both the parties, the extent of indemnification shall be determined in accordance with the agreement of the parties, or, if there is no agreement, then in accordance with the findings of the court as to the relative contribution by each of the parties to the damage suffered by the party seeking indemnity with respect to such proceedings.

10.06. Exclusion from O&M costs.

Amounts payable by either party as indemnification shall not be included in the operations and maintenance costs of the SVRP, CSIP, SRDF, and New Source Water Facilities.

1. The indemnifying party shall have the right, at its option and at its own expense, to utilize counsel of its choice in connection with such proceeding, claim or demand, subject to the approval of the indemnified party, which approval shall not be unreasonably withheld or delayed. The indemnifying party shall also have the right to defend against, negotiate with respect to, settle or otherwise deal with such proceeding, claim or demand. However, no settlement of such proceeding, claim or demand shall be made without the prior written consent of the indemnified party, which consent shall not be unreasonably withheld or delayed, unless, pursuant to the terms and conditions of such settlement, the indemnified party is released from any liability or other exposure with respect to such proceeding, claim or demand. The indemnified party may participate in any such proceeding with counsel of its choice at its own expense.
2. In the event, or to the extent, the indemnifying party elects not to, or fails to, defend such proceeding, claim or demand and the indemnified party defends against, settles or otherwise

insurance policy and shall give WRA thirty (30) days' advance notice of any cancellation or proposed change in the insurance required by this section, and any such change shall be subject to review and approval by WRA.

2. WRA shall maintain insurance covering the CSIP and SRDF against loss or damage due to fire and other perils to the extent that such insurance is readily and practically available and within available funds for the SRDF. The amount of the insurance shall be not less than the then-current replacement cost of the CSIP and SRDF, without depreciation. Insurance coverage for the CSIP and SRDF shall be reviewed and approved by PCA, which shall not unreasonably withhold or delay its approval. WRA shall provide PCA with a copy of the insurance policy and shall give PCA thirty (30) days' advance notice of any cancellation or proposed change in the insurance required by this section, and any such change shall be subject to review and approval by PCA.

11.05. Workers' compensation insurance.

PCA shall maintain a workers' compensation plan covering all of its employees as required by Labor Code Sec 3700, either (a) through workers' compensation insurance issued by an insurance company, with coverage meeting the statutory limits and with a minimum of $100,000 per accident for employer's liability, or (b) through a plan of self-insurance certified by the State Director of Industrial Relations, with equivalent coverage. If PCA elects to be self-insured, the certificate of insurance otherwise required by this Water Recycling Agreement shall be replaced with a consent to self-insure issued by the State Director of Industrial Relations.

11.06. Certificate of insurance.

PCA shall file certificates of insurance with the WRA and with the Monterey County Risk Management Division, showing that PCA has in effect the insurance required by this agreement. PCA shall file a new or amended certificate promptly after any change is made in any insurance policy which would alter the information on the certificate then on file.

11.07. Self-insurance.

Each Party may, instead of obtaining the insurance required of it by this Water Recycling Agreement, elect to be self-insured or to participate in a self-insurance pool, provided the other Party first gives its written consent, which will not be unreasonably withheld or delayed. The Parties shall enter into a separate written memorandum of understanding specifying the proportionate amount or share of such self-insurance allocated to SVRP, CSIP, and SRDF.

11.08. Insurance costs.

Insurance expenses and equivalent self-insurance expenses are CSIP/SVRP costs, except for: costs excludable under indemnification, PCA's share of the liability insurance premium costs under Section 11.02; and costs of PCA's workers' compensation insurance covering work outside the scope of this Water Recycling Agreement. All deductibles under Section 11.02 liability insurance and Section 11.04 property insurance, as well as any self-insured retention under excess insurance held by WRA, PCA, or Monterey County will be borne by WRA. All damages, liabilities, losses and costs, including fines and penalties, that are not covered under a policy of insurance, a self-insurance pool, or other self-insurance program shall be borne by the Parties according to this Water Recycling Agreement.

11.09. Periodic increases in coverage requirements.

The coverage limits stated herein in dollar values shall be adjusted upwards by 15% for every 15% increase in the consumer price index for all urban consumers in the San Francisco Bay area over the

XIII. DISPUTE RESOLUTION.

13.01. Dispute resolution procedure.
If any dispute arises between the Parties as to the proper interpretation or application of this Agreement, and/or the proper operation of the facilities, the Parties shall first seek to resolve the dispute in accordance with this Article, and the Parties must proceed through arbitration under this Article before filing any court action as set out below.

13.02. Duty to meet and confer.
If any dispute under this Agreement arises, the Parties shall first meet and confer, in an attempt to resolve the matter between themselves. Each Party shall make all reasonable efforts to provide to the other Party all the information that the Party has in its possession that is relevant to the dispute, so that both Parties will have ample information with which to reach a decision.

13.03. Mediation and Arbitration.

1. If the dispute is not resolved by meeting and conferring within 30 days of commencing that process, the matter may be submitted to mediation. The terms of and process for the mediation shall be set by the Parties and the mediator. The Parties agree that they may, by or through consensus, elect to convert the mediation into arbitration.
2. If the dispute is not resolved by meeting and conferring, and mediation is not chosen or not implemented by the parties, or is unsuccessful, the Parties shall submit the matter to arbitration. In that event the Parties will jointly select a single arbitrator, or, if the Parties are unable to agree, they shall each select an arbitrator, and the matter shall be handled by two arbitrators. The two arbitrators may, if they deem it appropriate and warranted by the nature and significance of the dispute, themselves select a third arbitrator. Any person selected as an arbitrator shall be a qualified professional with expertise in the area that is the subject of the dispute, unless the Parties otherwise agree. The arbitration shall be conducted in accordance with the rules of the American Arbitration Association. The decision of the arbitrator or arbitrators shall be binding, unless within 30 days after issuance of the arbitrator's written decision, either party files an action in court.

XIV. ADDITIONAL RESPONSIBILITIES.

14.01. Compliance with water reclamation requirements for the CSIP.
PCA shall be responsible for compliance with all of the requirements contained in the "Recycled Water User Requirements for Monterey County Water Resources Agency (User), Castroville Seawater Intrusion Project, Monterey County," Order No. 97-52, issued by the State of California Regional Water Quality Control Board, Central Coast Region, on September 5, 1997, or as said Order may from time to time be revised and re-issued by the Regional Water Quality Control Board. PCA's responsibilities shall be limited to complying with the Water Reclamation Requirements for the SVRP, as described in Section 6.01, and for notifying WRA of any obvious violation of the CSIP requirements.

14.02. Grower and landowner requirements.
WRA shall require the growers and landowners to operate their irrigation systems and to use reclaimed water in accordance with the requirements of Water Reclamation Requirements Order No. 97-52, or as subsequently revised.

SWRCB Loan Contract. The "Actual Costs" consist of the sum of: 1) the proportional SVRP operation and maintenance, plus 2) Supplemental Well Pumping Costs, if any plus 3) the proportional cost of SVRP debt service for the SWRCB Loan Contract, plus 4) the proportional cost of principal and interest payments for the SVRP due pursuant to Article 9 (b) of the Bureau Loan Contract, including any proportional interest due pursuant to Article 9 (b) (2) of the Bureau Loan Contract as a result of deliveries of tertiary treated water to the PCA for its M&I use.

2. PCA payments will be determined and made consistent with Exhibit H and, to the extent applicable, Articles VI and VII of this Water Recycling Agreement.

15.04. No Modification of MCWD Contract Entitlement.
Nothing in this Water Recycling Agreement is intended to, nor shall it be interpreted to, expand, limit or otherwise modify MCWD's existing contractual rights, entitlements, and obligations pursuant to either of the Annexation Agreements.

XVI. GENERAL PROVISIONS.

16.01. Compliance with laws.
PCA will comply with all permit and licensing requirements applicable to the SVRP, CSIP and SRDF, and will operate the SVRP in accordance with all requirements of law and governmental regulations. Compliance with water quality requirements will be limited strictly to those set forth in Section 6.01, "Water quality."

16.02. Attorney's fees.
In the event it shall become necessary to commence or defend litigation for purposes of enforcing this Agreement or rights hereunder, the prevailing party shall be entitled to recover reasonable attorney's fees and costs.

16.03. Amendments.
No amendment or modification shall be made to this Water Recycling Agreement, except in writing, approved by the respective Boards and duly signed by both Parties.

16.04. Contract administrators.

1. WRA hereby designates its General Manager as its contract administrator for this Agreement. All matters concerning this Agreement which are within the responsibility of WRA shall be under the direction of or shall be submitted to the General Manager or such other WRA employee in the WRA as the General Manager may appoint. WRA may, in its sole discretion, change its designation of the contract administrator and shall promptly give written notice to PCA of any such change.
2. PCA hereby designates its General Manager as its contract administrator for this Agreement. All matters concerning this Agreement which are within the responsibility of PCA shall be under the direction of or shall be submitted to the General Manager or such other PCA employee in the PCA as the General Manager may appoint. PCA may, in its sole discretion, change its designation of the contract administrator and shall promptly give written notice to WRA of any such change.

16.05. Assignment.
Any assignment of this Water Recycling Agreement shall be void without the written consent of the

EXHIBIT C: SAMPLE WRA BASIC DEMAND SCHEDULE
EXHIBIT D: WASTEWATER RECLAMATION SYSTEM PROJECT DESCRIPTION AND MITIGATION MEASURES
EXHIBIT E: CALCULATION OF PAYMENTS PURSUANT TO SECTION 17.08 OF THIS WATER RECYCLING AGREEMENT
EXHIBIT F: OPERATION AND MAINTENANCE ESTIMATED TREATMENT COSTS
EXHIBIT G: PROPOSED GWR PROJECT FACILITIES OVERVIEW FIGURE S-1
EXHIBIT H: DEBT SERVICE OVERVIEW AND AMORTIZATION SCHEDULE
EXHIBIT I: SCHEDULE OF AMORTIZED REPLACEMENT AND RENEWAL COSTS FOR NEW SOURCE WATER FACILITIES
EXHIBIT J: SAMPLE COST ALLOCATION PLAN FOR INDIRECT COSTS

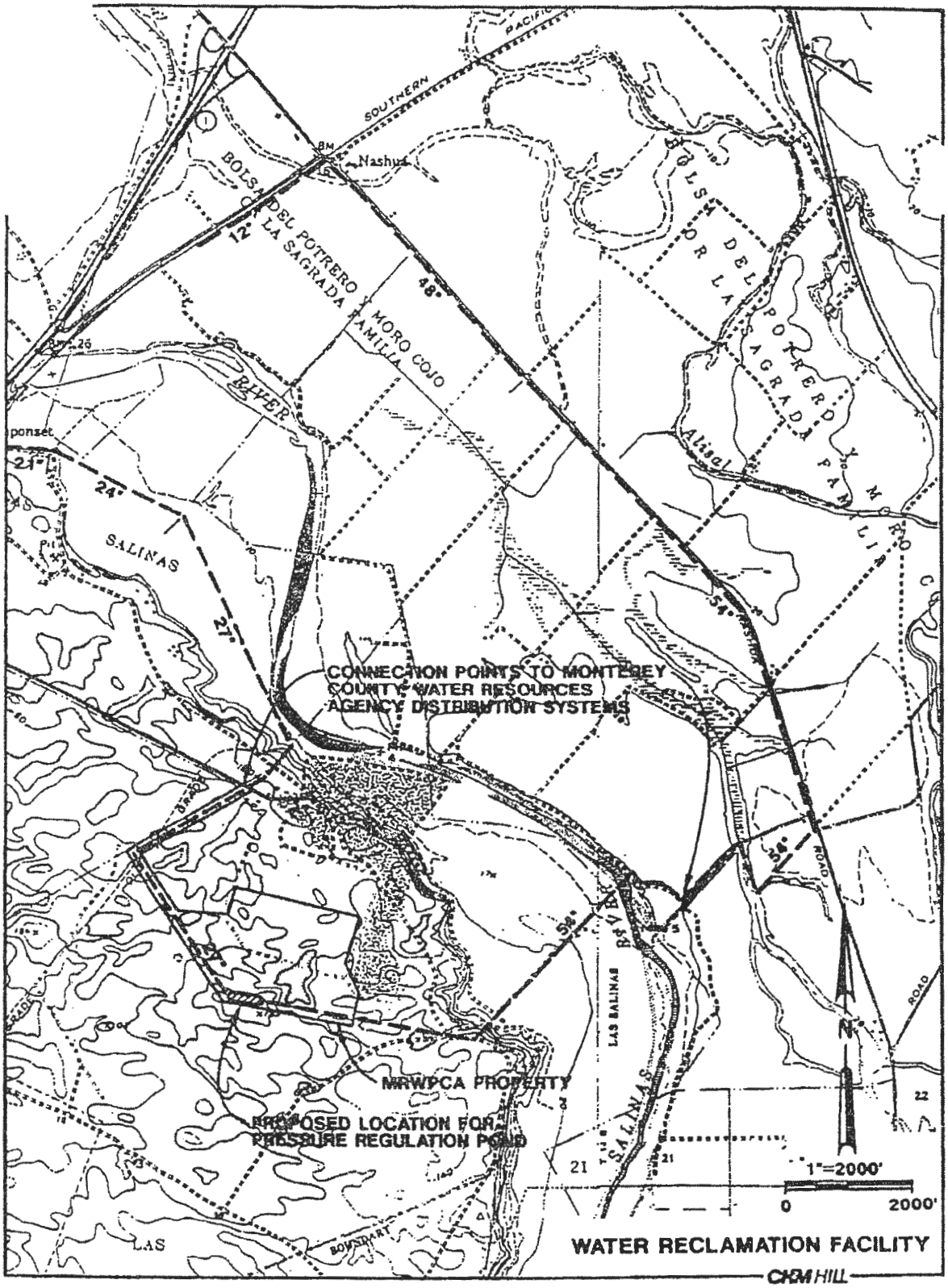
16.13. Severability.
If any provision of this Water Recycling Agreement is declared invalid or unenforceable by any court of competent jurisdiction, then such portion or provision shall be deemed to be severable, to the extent invalid or unenforceable, from this Water Recycling Agreement. Such declaration shall not affect the remainder of this Water Recycling Agreement, which shall remain in full force and effect, as though the invalid portion had never been included.

16.14. Waiver.
No waiver of any right or obligation of any of the parties shall be effective unless in a writing, specifying such waiver, executed by the party against whom such waiver is sought to be enforced. A waiver by any of the parties of any of its rights under this Water Recycling Agreement on any occasion shall not be a bar to the exercise of the same right on any subsequent occasion or of any other right at any time.

16.15. Conditions Precedent for New Source Water Facilities.
The portions of this Water Recycling Agreement applicable to the New Source Water Facilities (see Section I) shall not become effective until the following conditions are met:

1. Water Rights for the Blanco Drain and Reclamation Ditch are obtained from the California State Water Resources Control Board; and
2. A fully executed, and California Public Utilities Commission approved, Water Purchase Agreement, between PCA, Monterey Peninsula Water Management District, and California-American Water is approved by the California Public Utilities Commission and executed by the parties thereto; and
3. Written findings are made by the Regional Water Quality Control Board that utilization of the Blanco Drain dry weather flows as New Source Water meets all treatment requirements for the aforesaid dry weather flows; and
4. An independent third-party review of proposed capital and operating costs and preparation of an Engineer's Report is approved by the WRA Board of Directors and Board of Supervisors. The costs of the aforesaid third party review shall be shared equally between WRA and PCA; and
5. A successful assessment or Proposition 218 process for rates and charges related to the operation and maintenance of the New Source Water Facilities and proportional primary and secondary treatment charges; and
6. Inclusion of Salinas Pond Water Return Facilities as New Source Water Facilities requires execution of a separate agreement between the Parties.

EXHIBIT A



SOUTHERN
PACIFIC
Nashua
BOLSA DEL POTRERO Y MORO COJO
OR LA SAGRADA FAMILIA
BOLSA DEL POTRERO Y MORO COJO
OR LA SAGRADA FAMILIA
RIVER
SALINAS
Alisal
CONNECTION POINTS TO MONTEREY
COUNTY WATER RESOURCES
AGENCY DISTRIBUTION SYSTEMS
MRWPCA PROPERTY
PROPOSED LOCATION FOR
PRESSURE REGULATION POND
LAS SALINAS
SALINAS
RIVER
ROAD
N
1"=2000'
0
2000'
WATER RECLAMATION FACILITY
CH2M HILL

Perform normal operation and maintenance on the distribution well pumps, booster stations, pipelines, instrumentation, SCADA system and cathodic protection system. Perform repairs and major maintenance services as required due to wear and tear or failure of equipment. These will be performed as prescribed in the System Operations & Maintenance Manual prepared for the CSIP by WRA's design engineer, as well as the CSIP equipment manufacturers' manuals furnished in accordance with the CSIP construction contract documents, including:

- Inspect the pipelines, supplemental wells and booster stations.
- Inspect the pipelines for leaks.
- Inspect supplemental wells for general condition, log entries, fill pump bearing oilers, and perform general housekeeping.
- Inspect of booster stations for general condition, log entries, and perform general housekeeping.
- Inspect the turn-outs for serviceability.
- Inspect and calibrate conductivity meters.
- Read power and water meters at turnouts and supplemental wells once a month for records, and once a quarter at turnouts for billing purposes.
- Respond to after-hours problems on an on-call basis.
- Perform housekeeping of all assigned areas.
- Receive water orders and schedule water deliveries.
- Assess capability of the SVRP and the CSIP to supply water orders at the times and in the quantities requested.
- Notify growers as to whether each water order can or cannot be filled.
- Monitor turn-out flow rates to insure they conform with designed flow rate.
- Read water meters monthly.
- Monitor water quality within the distribution system and perform laboratory analyses and special studies as necessary to confirm the safety and public acceptance of the water.
- Maintain proper operation of air release and vacuum relief valves, and periodically exercise isolation valves.
- Maintain accurate and complete operational records and prepare reports as required by the recycled water user requirements referred to in Section 15.01 for the CSIP Copies of these reports will be provided to WRA.
- As necessary, replace motors, bearings and gaskets; repair valves and electrical or instrumentation equipment; and remove equipment from installed locations and transport to repair facilities.

Operation and maintenance of the SRDF

The SRDF is a seasonally operated facility. WRA shall notify PCA when SRDF seasonal operations are to begin and cease. As governed by project permits, raising the inflatable dam and pumping and chlorinating of river water may occur no sooner than April 1 of each year. Cessation of pumping and chlorinating river water shall occur no later than October 31 of each year. At the end of each operational season, the river water impoundment shall be filled to capacity and allowed to drain at 2 cfs through November 29 of each year unless directed otherwise by WRA. Depending on service area water demand, river water availability, quality, or other circumstances, raising of

- Perform testing as needed to determine and optimize chemical dosages and control chemical applications for river water treatment process.
- Inventory, order and store chemicals for the SRDF.
- Inventory, order and store spare parts and equipment for the SRDF.
- Maintain accurate and complete operational records and prepare monthly and any other reports as required by the WRA, or regulatory bodies.
- Read meters, gauges, and charts.
- Utilize computers and SCADA system to assist with the operation of the SRDF.
- Maintain and monitor reclaimed water storage reservoir.
- Collect samples from throughout the various SRDF processes to ensure and optimize river water production.
- Perform laboratory analyses and studies as necessary to ensure compliance with water safety concerns.
- Abide by PCA's safety and loss prevention program policies and maintain a safe working environment.
- Perform regular preventive maintenance on the SRDF equipment. Such maintenance may be performed in the off-season if determined to be more cost effective.
- Perform general maintenance, housekeeping and grounds maintenance of all assigned areas.
- Assist with, and provide support for, tours of the SRDF for members of the public.
- Inspect the pipelines for leaks.
- Assist WRA's grower liaison with the operation of the SRDF.
- Respond to after-hours problems on an on-call basis.
- Receive water orders and schedule water deliveries.
- Assess capability of the SRDF to supply water orders at the times and in the quantities requested.
- Notify growers as to whether water orders cannot be filled, and coordinate filling of the water orders as necessary.
- Monitor water quality within the delivery system and perform laboratory analyses and special studies as necessary to confirm the safety and public acceptance of the water.
- As necessary, replace motors, bearings and gaskets; repair valves and electrical or instrumentation equipment; and remove equipment from installed locations, transport to repair facilities and back to the project.
- PCA will be responsible for the care, maintenance, and use of additional equipment to be furnished by WRA for PCA's use in providing service under this agreement.
- Maintain and repair signage at SRDF site as needed. Signage will be supplied and installed by WRA.
- Implement the River Water Contaminant Response Plan as required by Plan criteria.

In addition to those services listed above, WPCA shall operate and maintain the SRDF river water chlorination system to conform to the following parameters:

- The chlorination system shall be capable of operation whenever the SRDF is operational, 24 hours per day, 7 days per week.
- The chlorination system shall be maintained to operate under normal flow capacity ranges from approximately 12 cubic feet per second (cfs) to 36 cfs. Maximum flow capacity is up to 48 cfs. Maximum flow capacity is intended only for short durations of significant water supply loss, such as when the SVRP is out of operation.
- A two-phase river water disinfection process including contact with free chlorine and

EXHIBIT C

SAMPLE WRA BASIC DEMAND SCHEDULE

FY 2015-2016 CSIP/SVRP/SRDF

DEMAND SCHEDULE

MONTH	PROJECTED RTP INFLUENT ACRE-FEET[1]	CSIP SUPPLEMENTAL WELLS PRODUCTION ACRE-FEET	SRDF RIVER PRODUCTION ACRE-FEET	SVRP + NEW SOURCE WATERS PRODUCTION ACRE-FEET	NEW SOURCE WATERS PRODUCTION ACRE-FEET	TOTAL DEMAND ACRE-FEET
July	1,976	1,355	-	2,045	245	3,400
August	1,959	802	-	2,198	348	3,000
September	1,864	197	-	2,003	303	2,200
October	1,930	20	-	1,268	300	1,288
November	1,767	70	-	786	200	856
December	1,783	100	-	-	-	100
January	1,601	250	-	-	-	250
February	1,491	150	-	806	150	956
March	1,620	130	-	1,670	170	1,800
April	1,858	450	-	1,950	250	2,400
May	1,946	1,210	-	2,040	240	3,250
June	1,894	1,324	-	1,926	226	3,250
TOTALS	**21,689**	**6,058**	**-**	**16,692**	**2,432**	**22,750**

NOTES:

(1) Based on actuals November previous calendar year through October of current calendar year

EXHIBIT E

CALCULATION OF PCA PAYMENTS PURSUANT TO SECTION 15.03 OF THIS WATER RECYCLING AGREEMENT

As required by Section 17.08 of this Water Recycling Agreement, PCA shall pay the Actual Costs of tertiary treated water to which it takes delivery for its use. The Actual Costs will be calculated from the cost components which comprise PCA's existing budget and actual spreadsheet model(s) for the annual SVRP and CSIP costs.

The four cost elements that compromise the Actual Costs will be computed as follows:

(1) SVRP O&M Costs: The SVRP O&M budget will be calculated based on the Total Tertiary Treated Water Production needed to serve both the CSIP and M&I uses of tertiary treated water. The amount to be paid by PCA will be computed using the formula below,in which:
A= Total Tertiary Treated Water Production, AFY
B =Tertiary Treated Water Production delivered to PCA for PCA use, AFY
C = Total O&M Expenditures from the SVRP O&M budget, excluding debt service
D =Amount to be paid by PCA

$$D = \frac{B}{A} \times C$$

(2) **Supplemental Well Pumping Cost:** The amount to be paid by PCA will be computed as indicated in Section 2.G. of Amendment No. 3.

S = Amount to be paid by PCA

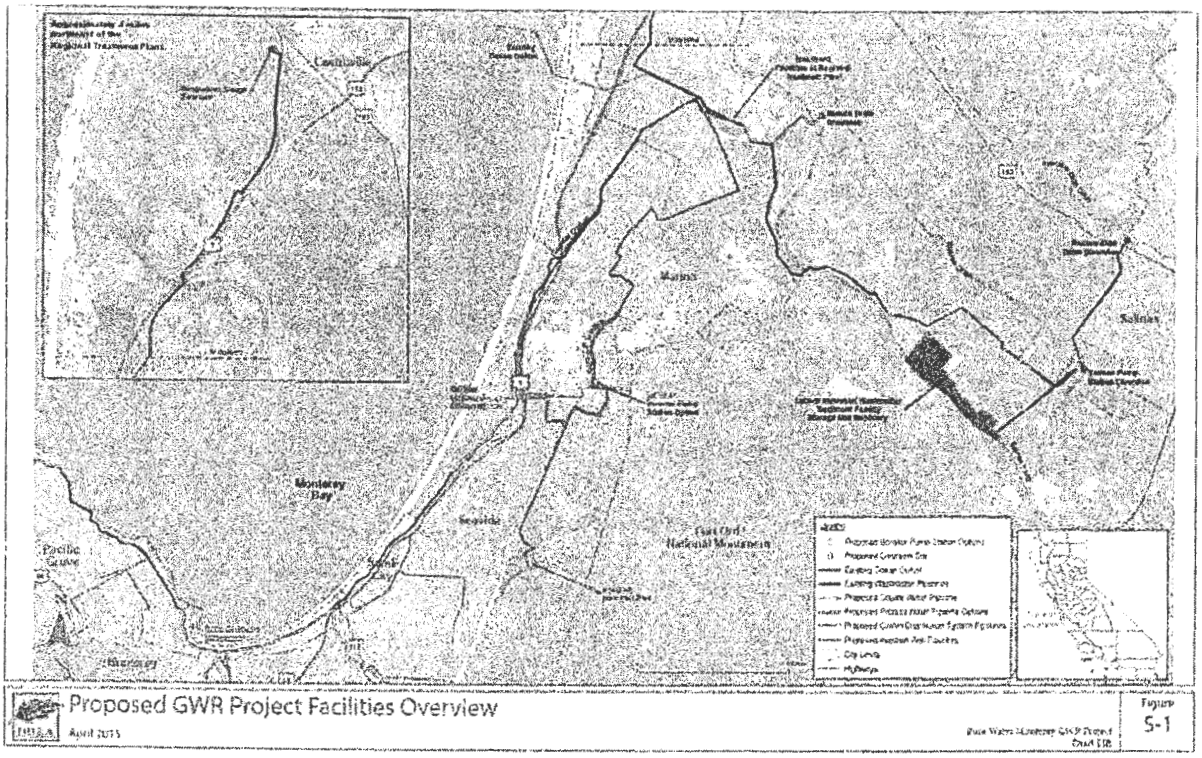
(3) **SWRCB Loan Contract Debt Service:** The amount to be paid by PCA will be computed using the formula below, in which:
A= Total Tertiary Treated Water Production, AFY
B = Tertiary Treated Water Production delivered to PCA for its use, AFY
E = SVRP SWRCB Loan Debt Service
F = Amount to be paid by PCA

$$F = \frac{B}{A} \times E$$

(4) **Bureau Loan Contract Debt Service:** The amount to be paid by PCA will be computed using the formula below, in which:
A = Total Tertiary Treated Water Production, AFY
B =Tertiary Treated Water Production delivered to PCA for its use, AFY
G = SVRP Bureau Loan Debt Service, computed pursuant to Article 9 (b) (1) and 9 (c) of Bureau Loan Contract
H = Additional interest charged by the Bureau for the Bureau loan on the SVRP pursuant to Article 9 (b) (2) of Bureau Loan Contract
I = Amount to be paid by PCA

$$I = \frac{B}{A} \times G + H$$

TOTAL PCA PAYMENTS= D + S + F + I



Proposed GWR Project Facilities Overview

April 2015

Figure 5-1

EXHIBIT G

New Source Water Facilities

State Water Resources Control Board

Original Principal	$3.9 Million (estimated)
Term	30 Years
Rate	1% (estimated)
Estimated Principal Payment	$112,117 (variable)
Estimated Interest Payment	$39,000 (variable)
Estimated Total Annual Debt Service	$151,117

Notes: Invoice projected to be received by PCA from the SWRCB. PCA will invoice WRA for the loan payment.

Salinas Valley Reclamation Plant
SWRCB - State Revolving Fund Loan

	Year	Principal Payment	Interest on Loan	Total Payment	Loan Balance
3/31/1998	Balance				9,319,708.22
3/31/1999	1	0	632,672.76	632,672.76	9,319,708.22
3/31/2000	2	626,019.10	6,653.66	632,672.76	8,693,689.12
3/31/2001	3	365,193.60	267,479.16	632,672.76	8,328,495.52
3/31/2002	4	376,514.61	256,158.15	632,672.76	7,951,980.91
6/30/2002	Adj	72,591.27	-72,591.27	0	7,879,389.64
3/31/2003	5	387,829.11	244,261.08	632,090.19	7,491,560.53
3/31/2004	6	399,851.81	232,238.38	632,090.19	7,091,708.72
3/31/2005	7	412,247.22	219,842.97	632,090.19	6,679,461.50
3/31/2006	8	425,026.88	207,063.31	632,090.19	6,254,434.62
3/31/2007	9	438,202.72	193,887.47	632,090.19	5,816,231.90
3/31/2008	10	452,279.63	170,810.56	623,090.19	5,363,952.27
3/31/2009	11	465,807.67	166,282.52	632,090.19	4,898,144.60
3/31/2010	12	480,247.71	151,842.48	632,090.19	4,417,896.89
3/31/2011	13	495,135.39	136,954.80	632,090.19	3,922,761.50
3/31/2012	14	510,816.84	121,273.35	632,090.19	3,411,944.66
3/31/2013	15	526,319.91	105,770.28	632,090.19	2,885,624.75
3/31/2014	16	542,635.82	89,454.37	632,090.19	2,342,988.93
3/31/2015	17	559,457.53	72,632.66	632,090.19	1,783,531.40
3/31/2016	18	576,951.78	55,138.41	632,090.19	1,206,579.62
3/31/2017	19	594,686.22	37,403.97	632,090.19	611,893.40
3/31/2018	20	611,893.40	18,968.70	630,862.10	0

EXHIBIT I

Schedule of Amortized Replacement and Renewal Costs

New Source Water Facilities

DRAFT

	PCA Proportional Share 54.9%		WRA Proportional Share 45.1%		Total Costs
Estimated Original Cost - Equipment Requiring Replacement					
Electrical Equipment & Sluice Gates (part of Construction Cost, above)	$ 124,455		$ 102,239		$ 226,695
Instrumentation Equipment (part of Construction Cost, above)	$ 16,177		$ 13,289		29,465
Pumps & Motors	$ 252,063		$ 207,068		459,130
	$ 392,695	#	$ 322,596		$ 715,291

	Estimated Life	Replacement Frequency Thirty Year Term	Estimated Annual Proportional Amount (1)
Estimated Annual Proportional Contribution			
Electrical Equipment & Sluice Gates (part of Construction Cost, above)	30	1	38,747
Instrumentation Equipment (part of Construction Cost, above)	15	2	4,448
Pumps & Motors	20	1.5	68,263
Estimated Annual Proportional Contribution			**$ 111,458**
		PCA Share	$ 61,191
		WRA Share	$ 50,268
(1) Annual inflation factor for replacement cost of equipment (Based on Cal-American Water Company factor)	5.60%		

MRWPCA COST ALLOCATION PLAN

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Exhibits

A. Cost Allocation Plan Detail ..... Exhibit A

allocation plan was not established to be consistent with *Title 2, Code of Federal Regulations, Part 225, Cost Principles for State, Local, and Indian Tribal Governments (formerly known as OMB A-87). The* primary goal of the Title 2 Plan is typically to obtain reimbursement of overhead costs associated with State and Federal grants.

The MRWPCA Cost Allocation Plan has been reviewed by an independent consultant, NBS, and has been determined to be reasonable for this specified use. The MRWPCA Cost Allocation Plan may be replaced at any time with a Plan that is compliant with Title 2, CFR, Part 225 for the purpose of obtaining reimbursement of overhead costs associated with State and Federal Grants.

Data Sources

MRWPCA referenced the following data to support the development of the initial Cost Allocation Plan:

- Budgeted expenditures for Fiscal Year 2015/16
- Listing of all Agency positions by Department
- Number of invoices and purchase orders processed by each fund and department for Fiscal Years: 2012/13, 2013/14, and 2014/15

SUPPORT SERVICE DEPARTMENT NARRATIVES

The full cost allocation plan allocates six administrative support departments to various operational department cost centers, based on a variety of factors. The plan identifies total allocable costs at approximately $3.37 million from the following administrative units for distribution to the operating functions:

Budget Account	Allocable Department Budget	Total Allocable Expense
01-010	Administration	$1,106,677
01-013	Finance	916,737
01-011	Human Resources	383,624
01-015	Information Technology	242,449
01-030	RTP Administration	415,631
01-016	Safety	305,165
	Total Administrative Allocations	$3,370,283

The following paragraphs provide a brief description of each Administrative service department, along with a general explanation of how administrative costs are allocated to each functional department within the Plan.

Administration (01-010)

The Administration Department is responsible for all aspects of administration, operation, and planning activities of the Agency staff. The General Manager and the Executive Assistant/Clerk to the Board's salaries are included in this budget. The Administration Department is responsible for assisting the Board with policy development, implementation of strategic goals, and providing Agency leadership and management. Costs include legal counsel, insurance, contract services, and utility costs for the Harris Court administrative offices. While the Stormwater Program Manager's salaries are included in the FY 15/16 personnel expenses, they are directly charged to

telephone, and audio video systems; while serving as a technical resource to staff on technology needs. The Information Systems Department defines, delivers, and supports strategic plans for implementing information technologies.

- The costs of the Information Systems budget are allocated based on the percentage of full-time equivalent positions in each operating department

RTP Administration (01-030)

The RTP Administration Department is a centralized support service team located at the Regional Treatment Plant Facility. The Assistant General Manager provides leadership to all departments located at the Regional Treatment Plant and works closely with the General Manager to accompany Agency goals. Costs included within this budget unit primarily consist of salary and benefits associated with the Assistant General Manager, Administrative Support Specialist, and office expenses.

All costs associated with the RTP Administration are allocated based on the following:

- General Manager salary and proportional share of expenses based on the operational department's percentage of the budget

- Administrative Support Specialist salary and proportional share of expenses based on the average percentage of budget and full-time equivalency positions within each operational department.

Safety (01-016)

The Safety Department provides service to all Agency employees though training and assistance in implementing safe work practices. The Safety Officer works to implement programs which meet and exceed Federal, State, and Regional requirements for work safety, contractor safety; and materials safety at all Agency facilities. The Safety Budget includes costs associated with Agency-wide safety training, protective equipment, and the safety shoe reimbursement program.

- Costs associated with the Safety Department are allocated based on the percentage of full-time equivalent positions in each operating department

Additional Notes

Administrative costs that are charged directly to specific functional areas or capital projects are not allocated as part of this cost allocation plan.

NAVIGATING THE COST ALLOCATION PLAN

An overview of the MRWPCA Cost Allocation Plan is listed below and attached to this report.

- Agency-Wide Chart – Illustrates the departments identified as administrative cost centers and departments identified as operational cost centers. The allocation percentage of each administrative cost center is listed below each administrative cost function.

RESOLUTION NO. 20862 (N.C.S.)

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT FOR CONVEYANCE AND TREATMENT OF AGRICULTURAL PRODUCE WASH WATER BY AND BETWEEN THE CITY OF SALINAS AND MONTEREY REGIONAL WATER POLLUTION CONTROL AGENCY

WHEREAS, the City of Salinas is interested in providing alternative sources of water to the Monterey Peninsula Cities for a Groundwater Replenishment facility (GWR) to be built and operated by the Monterey Regional Water Pollution Control Agency (PCA) for the purpose of supplying replacement drinking water supplies; and

WHEREAS, the City of Salinas is also interested in providing alternative sources of water to Salinas Valley agricultural producers to hold sea water intrusion in abeyance via the Castroville Seawater Intrusion Project (CSIP) that is owned by local agricultural interests and managed by the Monterey County Water Resources Agency (WRA); and

WHEREAS, the signing of this Agreement will set the framework for PCA and the City of Salinas to come to a final agreement in the near future on the treatment and conveyance of the produce wash water and storm water for use as a source water for the GWR and CSIP of said waters for the next thirty years; and

WHEREAS, in order to provide water to these sources the City of Salinas agrees that the PCA is the agency best qualified to transfer and recycle the produce wash water and storm water to these projects; and

WHEREAS, the PCA Board certified the Environmental Impact Report ("EIR") for the GWR Project as complete and in compliance with the California Environmental Quality Act ("CEQA"), and adopted the findings required by CEQA on October 8, 2015; and

WHEREAS, the City of Salinas commented on the Draft EIR because it included using the City's produce wash water and storm water for use as source water for the Ground Water Replenishment (GWR) project and the Castroville Seawater Intrusion Project (CSIP); and

WHEREAS, by signing this agreement will allow PCA to begin taking over maintenance of the City's industrial waste water facility and begin paying the City of Salinas $300,000 annual lease starting on 2017; and

WHEREAS, approving this agreement will result in low interest State Revolving Fund resources (loans/grants) being acquired by PCA to complete final design, engineering, and implementation of the GWR project.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SALINAS AS FOLLOWS:

Section 1. The above recitals are true and correct.
Section 2. That the Mayor is authorized to execute the agreement attached hereto for the purpose of conveyance and treatment of agricultural produce wash water for use as source water for the Ground Water Replenishment (GWR) project and the Castroville Seawater Intrusion Project (CSIP).

PASSED AND ADOPTED this 27th day of October 2015, by the following vote:

AYES: Councilmembers: Barrera, Craig, De La Rosa, Lutes, McShane and Mayor Gunter

NOES: Councilmember Castaneda

ABSENT: None

ABSTAIN: None

APPROVED:

Joe Gunter, Mayor

ATTEST:

Patricia M. Barajas, City Clerk

AGREEMENT FOR CONVEYANCE AND TREATMENT OF INDUSTRIAL WASTE WATER BY AND BETWEEN THE CITY OF SALINAS AND THE MONTEREY REGIONAL WATER POLLUTION CONTROL AGENCY

THIS AGREEMENT is made and entered into on October 27, 2015, by and between the **City of Salinas**, a California charter city and municipal corporation (hereinafter referred to as the "City"), and the **Monterey Regional Water Pollution Control Agency**, a California joint powers agency (hereinafter referred to as the "MRWPCA"), sometimes collectively referred to herein as the "Parties" and individually as "Party," as follows:

Recitals

A. The City owns and operates an Industrial Waste Water Collection and Conveyance System (the "IWCCS") that receives industrial waste water from approximately 25 processing and related businesses operating in the southeast corner of the City, and transports that water to the City's Industrial Waste Water Treatment Facility (the "IWTF") located at South Davis Road in the City and has the rights and access to and receives for treatment (by aeration) and disposal (by evaporation and percolation) approximately 4,000 acre feet/year of industrial waste water or also called agricultural wash water.

B. The MRWPCA has an existing need for source water for 1) to serve its Pure Water Monterey Groundwater Replenishment Project (the "GWR Project") and 2) to augment the existing Castroville Seawater Intrusion Project's ("CSIP") crop irrigation supply.

C. In July 2014 the Parties hereto, along with the Monterey County Water Resources Agency (the "MCWRA"), entered into a short-term Produce Wash Water Utilization Agreement (the "Utilization Agreement"), whereby industrial waste water from the IWTF was diverted, by means of a by-pass shunt to the MRWPCA's Regional Treatment Plant (the "RTP"), for treatment to provide additional water for treatment to the MRWPCA/MCWRA Salinas Valley Reclamation Project, to then be delivered as recycled water to the CSIP service area. That Utilization Agreement has been extended by the parties thereto for additional periods as deemed necessary and it is anticipated by the Parties that it will be extended into 2017.

D. In March 2015 the City and the MRWPCA entered into a further agreement, set forth and memorialized in mutual resolutions and minute actions of the governing bodies of each Party, to share the costs of design and construction of the permanent diversion facilities necessary to permit the redirection of the industrial waste water from the IWTF to the municipal waste water system for conveyance to the RTP. The permanent diversion facilities are as depicted and described in **Attachment A**, consisting of two pages, attached hereto and incorporated herein by this reference.

E. The purpose and intent of this Agreement, therefore, is for the Parties to set forth the terms and conditions by which they will continue the transfer, conveyance, treatment and use of the industrial waste water, utilizing the permanent diversion facilities, to the mutual benefit of the Parties and the communities served by the GWR Project and the CSIP.

F. This Agreement implements the Pure Water Monterey Groundwater Replenishment Project ("GWR") that the MRWPCA Board approved on October 8, 2015. The MRWPCA Board certified the Environmental Impact Report ("EIR") for the GWR Project as complete and in compliance with the California Environmental Quality Act ("CEQA"), and adopted the findings required by CEQA on October 8, 2015. This Agreement does not change the GWR Project and no change of circumstances or new information shows the GWR Project would result in new or substantially more severe environmental impacts such that major revisions to the certified EIR would be required. This Agreement is approved based on the EIR as certified.

Terms & Conditions

In consideration of the foregoing recitals, and the mutual promises, conditions and covenants made herein, the Parties agree to the following terms and conditions:

1. Source and Conveyance of Industrial Waste Water.

a. The City currently operates and maintains an industrial waste water, collection, conveyance and treatment system, the IWCCS, described in Recital A, above. For the term and any extended term of this Agreement, City agrees to continue to operate that system, or contract for operation of the system in a manner consistent with this agreement, and agrees unless otherwise directed by MRWPCA, to convey all industrial waste water collected in IWCCS to the permanent diversion facilities described in Recital D, to MRWPCA via its Salinas pump station and other facilities to the RTP for treatment and distribution for the uses described in Recital B, above.

b. For the term of this Agreement, City will provide MRWPCA access and rights to the industrial waste water in order for the MRWPCA to use the industrial waste water in a manner that is beneficial and consistent with the uses described in Recital B, above, and consistent with the Recitals and the terms and conditions listed in this Section.

c. For purposes of this Agreement, the point of transfer of industrial waste water described hereinabove from the City to the MRWPCA is the permanent shunt jointly installed by the Parties located ahead of the IWTF, as depicted in Attachment A.

d. As of the date of execution of this Agreement, City confirms that it is aware that approximately 25 wastewater producers deliver waste water to the City's

industrial waste water system described hereinabove, the IWCCS, with those producers and amounts they delivered in the years noted and listed in **Attachment B**, consisting of two pages, attached hereto and incorporated herein by this reference. All waste water from all producers listed in Attachment B, and all waste water from producers added to the industrial waste water system subsequent to the execution of this Agreement, shall be directed and conveyed as provided by this Section 1.

e. Non-Compliant Discharge

(i) City agrees to cooperate with MRWPCA's Source Control division to ensure that all water quality characteristics are complied with.

(ii) Non-compliant waste water means water, delivered pursuant to this Section 1, that does not meet applicable legal standards or standards agreed to by the Parties by separate agreement, and that therefore is not suitable for delivery to MRWPCA.

(iii) City shall notify MRWPCA immediately upon City becoming aware of any non-compliant discharge. MRWPCA will then direct such rejected discharge to the IWTF.

(iv) Attached hereto as **Attachment C,** and incorporated herein by this reference is the Interruptible Rate Schedule, including Parties' agreed upon handling of non-compliant waste water. In case of conflict between **Attachment C** and the body of this agreement, provisions of the body of this agreement shall apply.

f. Disruption/Interruption of Service

(i) Disruption or interruption of service caused by but not limited to, acts of God, acts of war, or criminal acts of others, water shortages, fires, floods, earthquakes, epidemics, quarantine restrictions, strikes, or failure or breakdown of transmission or other facilities or similar occurrences may result in damages. Other reasons for disruption/interruption may include but are not limited to the flooding of the Salinas River, high flows at the pump station, industrial waste water not being needed at the regional treatment plant, a spill or toxic matter in the waste water. The harm thereby caused may delay or suspend delivery of the industrial waste water until such time as successful effort is made to restore service.

(ii) In the event of such disruption or interruption MRWPCA may close the permanent diversion facility to allow the industrial waste water to flow to the City's IWTF. MRWPCA will notify the appropriate City personnel within 24 hours regarding the reasons for diversion.

(iii) Interruption or disruption of service shall be according to the Interruptible Rate schedule set out in **Attachment C**, attached hereto and incorporated herein by this reference.

Lease for Operation and Maintenance of IWTF

g. (i) Upon execution of this Agreement, the parties will negotiate and endeavor in good faith to enter into an agreement whereby MRWPCA would assume responsibility for the operation and maintenance of the IWTF ponds starting in 2017. The annual lease payment shall be $300,000 a year, payable as negotiated, with an escalation factor to be negotiated as well.

(ii) The parties shall negotiate terms regarding the City's obligation to repair, maintain, reimburse or contract out in order to uphold their responsibility as the lessor of the Industrial Waste Treatment Facility Ponds to MRWPCA the Lessee. These items include but are not limited to rate of treatment which would include capital and reserve allocations, infrastructure improvements, water quality parameters, electricity, roads, costs associated with removal of sludge, etc.

(iii) As conditions of the lease agreement, the parties shall negotiate the level of MRWPCA's commitment to provide infrastructure improvements to the IWTF during the term of the lease to include MRWPCA consulting with the City regarding improvements required for the ponds to remain a productive and efficient means for treating, storing and reusing industrial waste water and which the infrastructure improvements are allocated. MRWPCA would employ a variety of options in order to meet the required infrastructure improvement figure. Options for securing the resources necessary to improve the pond infrastructure may include but are not limited to low interest loans, grants, public/private partnerships, in-kind labor by MRWPCA or other partner agencies.

2. Payment for Treatment.

a. City agrees to pay to MRWPCA all costs of treatment of the industrial waste water conveyed to MRPWCA and measured by meter pursuant to Section 1 above. As determined by a rate study prepared by MRWPCA and agreed to by City, the initial rate for treatment shall be $179.00/acre foot. If and as costs of treatment change, either as provided in the rate study or by other means, MRWPCA shall, by written notice given no later than 45 days prior to a rate change, notify City of such rate change, to include an explanation and accounting of the costs requiring a change. City shall, upon the effective date of a rate change, pay for costs at the new rate. MRWPCA shall make no more than one rate change in any twelve-month period, unless otherwise provided in the rate study. MRWPCA invoices for treatment costs shall be rendered monthly and paid by City within 45 days of receipt.

b. If City contests an invoice submitted under this Section, it shall give MRWPCA notice of the dispute at least 10 days prior to the day payment is due. To the

extent MRWPCA finds City's contentions correct, it shall revise the statement accordingly and City shall make payment of the revised amount within 45 days of notice of the revised amount. If MRWPCA rejects City's contentions or where time is not available for review of the contentions prior to the due date, City shall make payment of the invoiced amount on or before the due date and make the contested part of such payment under protest and seek to recover the amount thereof from MRWPCA.

c. Upon the improvements to the IWTF system, industrial waste water or storm water that is stored at the IWTF site and returned to the Salinas Pump Station for the treatment and reuse at the Regional Treatment Plant (RTP), it is anticipated that the intended user of the water will pay for the cost of conveyance and treatment of water. The rates for treating this stored water will be in accordance to the Interruptible Rate table as calculated by the MRWPCA.

3. **Source Control Monitoring.** Source control monitoring of the City's industrial waste water processing facilities by MRWPCA shall continue pursuant to existing agreements between City and MRWPCA.

4. **Term.** The effective date of this Agreement is January 1, 2016. Unless earlier terminated or extended in writing by mutual agreement of the Parties, this Agreement shall remain in effect for a period of thirty (30) years from the effective date hereof. This Agreement shall be automatically extended for two successive five-year terms after the initial thirty (30) year term unless either Party gives written notice of termination no later than two years before the end of the initial term or later term as extended per this Section.

5. **Disputes.**

a. If any dispute under this Agreement arises, the Parties shall first meet and confer in an attempt to resolve the matter between themselves. Each Party shall make all reasonable efforts to provide to the other Party all the information in its possession that is relevant to the dispute, so that both Parties have ample information with which to reach a decision.

b. In the event a dispute involving the enforcement or interpretation of this Agreement is not resolved by the meet and confer process described in subsection a. of this Section, it must be submitted to non-binding mediation before suit is filed. Upon request by either Party, the Parties will within ten (10) days of submission to such arbitration, select a single mediator to mediate the dispute. If the Parties are unable to agree on a mediator within ten (10) days of the request to select, then either Party may ask the then presiding judge of the Monterey County Superior Court to select a mediator. If a dispute is not resolved within 45 days of selection, however selected, either Party may file suit specifically to enforce or interpret this Agreement and to seek any damages to which the Party may be entitled.

6. **Insurance/Self-Insurance.** Each Party is either insured or self-insured as to any requirements under this Agreement. No policies or bonds are required of either Party as to any provisions of this Agreement. The Parties are aware of and shall comply with the requirements of Section 3700 of the California Labor Code at their own cost and expense and, further, neither Party nor its insurer shall be entitled to recover from the other any costs, settlements, or expenses of Workers' Compensation claims arising out of this agreement.

7. **Indemnification and Hold Harmless.** Each Party hereto agrees that it shall indemnify, defend, and hold harmless the other Party, including Party's officers, agents and employees, from and against any and all claims, liabilities, and losses whatsoever occurring or resulting to any person, firm, corporation, or other entity for foreseeable consequential damage, property damage, injury, or death arising out of or connected a Party's negligence or non-performance of its obligations under this Agreement. The provisions of this Section 7 shall survive the expiration of the term or termination of this Agreement.

8. **Miscellaneous.**

   a. Each Party represents that it has read all terms set out herein and each fully understands and accepts all terms of this Agreement.

   b. The Parties acknowledge that each has reviewed this Agreement and that the usual rule of construction that ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement

   c. This Agreement sets for the entire understanding of the Parties with respect to the subject matter hereof. Neither Party has made any statement or inducement for the other to enter into this Agreement, except as expressly set forth herein or incorporated herein by reference. The Parties agree that this Agreement shall not be altered, amended, modified, or otherwise changed except in writing by mutual consent of the Parties.

   d. This Agreement shall be governed by the laws of the State of California. Venue for any legal action relating to this Agreement is Monterey County.

   e. If any part of this Agreement is for any reason ruled unenforceable by a court of competent jurisdiction, the remainder shall remain in full force and effect unless the unenforceable part is a material consideration to a Party.

f. In the event of any claim, controversy or dispute that results in litigation or binding arbitration, the prevailing Party shall be entitled to recover from the losing party reasonable expenses, attorney fees, and costs.

g. Both parties shall cooperate fully to execute any and all documents, and to take any actions necessary and appropriate to give full force and effect to this Agreement, and which are not inconsistent with its terms.

h. The individuals whose signatures appear herein below represent, warrant and guarantee that they have the authority to execute this Agreement on behalf of the Party on whose behalf they purport to sign and execute.

i. It is expressly understood that this Agreement is intended by the Parties to be between two independent contractors and that no agency, employment, partnership, joint venture, or other relationship is established by this Agreement.

j. The Parties agree that neither Party shall be considered or deemed to have waived, released, or altered in any manner any or all rights which it would otherwise have pursuant to law with regard to any other matter not dealt with or affected by this Agreement.

9. **Counterparts.** This Agreement may be executed in two counterparts, each of which shall be deemed an original, but each of which shall be deemed to constitute one and same document.

10. **Notices.** All notices or other writings in this Agreement provided to be given or made or sent, or which may be given or made or sent, by one Party hereto or another, shall be deemed to have been fully given or made or sent with made in writing and deposited in the United States mail, registered, certified or first class, postage paid, and addressed as follows:

To MRWPCA: General Manager
Monterey Regional Water Pollution Control Agency
5 Harris Court, Building D
Monterey, CA 93940

To City of Salinas: City Manager
City of Salinas City Hall
200 Lincoln Ave.
Salinas, CA 93901

With a copy provided to the City & Agency's Attorney.

The address to which any notice or other writing may be given or made or sent to either Party may be changed upon written notice given by such Party as provided above.

IN WITNESS WHEREOF, the Monterey Regional Water Pollution Control Agency and the City of Salinas have entered into this Agreement as of the date first written above.

MONTERREY REGIONAL WATER POLLUTION CONTROL AGENCY

By Gloria De La Rosa

Its Board Chair

Approved as to Form: Robert R. Wellington
Robert Wellington, Legal Counsel

CITY OF SALINAS

By

Its Mayor

Approved as to Form: Christopher Callihan
Christopher Callihan, City Attorney

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:	June 24, 2019
AGENDA ITEM NO:	8 – B
SUBJECT:	Consider Approval of Amendment No. 1 to the Amended and Restated Water Recycling Agreement (ARWRA) Between Monterey One Water (M1W) and Monterey County Water Resources Agency (MCWRA)

BACKGROUND

In October of 2016 the Monterey One Water (M1W) Board approved the Amended and Restated Water Recycling Agreement (ARWRA) with Monterey County Water Resources Agency (MCWRA.) The ARWRA provides, *inter alia*, for new source waters from the Blanco Drain, Reclamation Ditch and the City of Salinas (produce wash water) for Castroville Seawater Intrusion Project (CSIP) and the Pure Water Monterey Project. It was developed by combining provisions of (i) the M1W agreement with MCWRA, dated June 15, 1992, for construction and operation of a tertiary treatment system (the "1992 Agreement"), with subsequent amendments thereto, as follows: Amendment No. 1 on May 30, 1994; Amendment No. 2 on February 16, 1998; and Amendment No. 3 on May 28, 2002, (ii) agreement between M1W and MCWRA entitled "Operation and Maintenance of the Salinas River Diversion Facility," dated February 3, 2011 (SRDF Agreement) and, (iii) the MOU.

Portions of the ARWRA applicable to the New Source Water Facilities will not become effective until the following conditions are met:

1. Water Rights for the Blanco Drain and Reclamation Ditch are obtained from the California State Water Resources Control Board; and,
2. A fully executed, and California Public Utilities Commission (CPUC) approved, Water Purchase Agreement, between MRWPCA, MPWMD, and California-American Water, is approved by the CPUC and executed by the parties thereto; and,
3. Written finding by the Regional Water Quality Control Board that utilization of the Blanco Drain dry weather flows as New Source Water meets all treatment requirements for the aforesaid dry weather flows; and,

4. An independent third-party review of proposed capital and operating costs and preparation of an Engineer's Report is approved by the MCWRA Board of Directors and Board of Supervisors. The costs of the aforesaid third-party review shall be shared equally between MCWRA and MRWPCA; and,
5. A successful assessment or Proposition 218 process for rates and charges related to the operation and maintenance of the New Source Water Facilities and proportional primary and secondary treatment charges; and,
6. Inclusion of Salinas Pond Water Return Facilities as New Source Water Facilities requires execution of a separate agreement between the Parties.

Due to delays in completing the cost based Engineers Report (Number 4 above) and changes in MCWRA personnel, the conditions noted above have not been completed.

Therefore, MCWRA and M1W have developed an amendment to the ARWRA that will allow additional time to address the conditions precedent, delay required payments for the project by MCWRA, and allow M1W to use source waters for the Pure Water Monterey Project.

The Monterey County Water Resources Agency Board of Directors unanimously recommended approval of Amendment No. 1 at their June 17 Board meeting.

FISCAL IMPACT

The cost of the above items is to be determined with future costs to be funded from a combination of M1W Reclamation funds from MCWRA and Pure Water Monterey funds.

RECOMMENDED ACTION:

That the Board of Directors approve Amendment No. 1 to the Amended and Restated Water Recycling Agreement (ARWRA) Between Monterey One Water (M1W) and Monterey County Water Resources Agency (MCWRA)

ATTACHMENTS:

1. Draft Amendment No. 1 to ARWRA
2. Original ARWRA

AMENDMENT NO. 1 TO
AMENDED AND RESTATED WATER RECYCLING AGREEMENT
BETWEEN MONTEREY COUNTY WATER RESOURCES AGENCY AND
MONTEREY ONE WATER

THIS AMENDMENT NO. 1 to the Amended and Restated Water Recycling Agreement , dated November 3, 2015, (hereinafter, "Agreement") between the Monterey County Water Resources Agency, a political subdivision of the State of California (hereinafter, "WRA") and Monterey One Water (hereinafter, "M1W," referred to in the Agreement as "PCA") is hereby entered into between WRA and M1W (collectively, WRA and M1W are referred to as the "Parties").

WHEREAS, the portions of Agreement applicable to the New Source Water Facilities will not become effective until the following conditions in Section 16.15 are met:

1. Water Rights for the Blanco Drain and Reclamation Ditch are obtained from the California State Water Resources Control Board; and,
2. A fully executed, and California Public Utilities Commission approved, Water Purchase Agreement, between MRWPCA, MPWMD, and California-American Water, is approved by the California Public Utilities Commission and executed by the parties thereto; and,
3. Written findings are made by the Regional Water Quality Control Board that utilization of the Blanco Drain dry weather flows as New Source Water meets all treatment requirements for the aforesaid dry weather flows; and,
4. An independent third-party review of proposed capital and operating costs and preparation of an Engineer's Report is approved by the WRA Board of Directors and Board of Supervisors. The costs of the aforesaid third-party review shall be shared equally between WRA and M1W; and,
5. A successful assessment or Proposition 218 process for rates and charges related to the operation and maintenance of the New Source Water Facilities and proportional primary and secondary treatment charges; and,
6. Inclusion of Salinas Pond Water Return Facilities as New Source Water Facilities requires execution of a separate agreement between the Parties; and,

WHEREAS, the status of the conditions in Section 16.15 are as follows; conditions 1 and 2 are satisfied; conditions 3,4, and 5 are pending; and condition 6 has not yet commenced; and,

WHEREAS, the capital cost of the New Source Water Facilities are funded by M1W through grants and a low-interest loan from the State of California, Water Resources Control Board, State Revolving Funds with the first payment due on December 31, 2019; and,

WHEREAS, if all conditions in Section 16.15 are satisfied, the WRA's share of the capital costs and the repair and replacement costs associated with the New Source Water Facilities are 45.1%; and,

Approved as to Fiscal Provisions

By: _____
Auditor-Controller

Date: _____

Approved as to Indemnity, Insurance Provisions

By: _____
Risk Management

Date: _____

EXHIBIT 4

AECOM Imagine it. Delivered.

AECOM
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San Jose, CA 95113
aecom.com

To:
Tom Luster
Senior Scientist
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 95060-4538

CC:
Ian Crooks (California-American Water), Vice President, Engineering
Craig Smith (AECOM), Project Manager
Justin Vandever (AECOM), Coastal Engineer

Project name:
CalAm Monterey Peninsula Water Supply Project

From:
John Chamberlain (AECOM)

Date:
August 11, 2020

Technical Memorandum

Supplement: Updated Coastal Erosion Hazard Analysis for CalAm Monterey Peninsula Water Supply Project

This technical memorandum is a supplement to the previously completed coastal erosion hazard analysis for the California-American Water Company (CalAm) Monterey Peninsula Water Supply Project contained in a technical memorandum submitted to Coastal Commission staff on October 2, 2019.[1] The purpose of this supplemental memo is to confirm that the previously completed sea level rise analysis is consistent with the recently adopted State of California document, *Making California's Coast Resilient to Sea Level Rise: Principles for Aligned State Action*. Principle 1 of this document directs state agencies to use a minimum target for planning of 3.5 feet of sea level rise by 2050.

Consistent with the 2018 California Ocean Protection Council's State Sea-Level Rise Guidance, AECOM's previously completed coastal erosion analysis evaluated the H++ scenario at 2060, which considered 3.8 feet of sea level rise. This scenario is more conservative than the 3.5 feet of sea level rise by 2050 in two ways. First, it considered 3.8 feet of sea level rise instead of the recommended 3.5 feet. Second, it considered an additional 10 years of ongoing shoreline erosion from 2050 to 2060. As a result, the projected coastal erosion estimated for the 2060 planning horizon would exceed that estimated for 3.5 feet of sea level rise at 2050. Even under this conservative scenario, the previously completed analysis showed no projected coastal erosion impacts to the existing test well or slant well field by storms up to a 500-year coastal storm event at 2060 for the H++ scenario. Assuming this same analysis were applied in 2050, the results would not change.

Therefore, the sea level rise and planning horizon considered in AECOM's previous analysis (i.e., 3.8 feet of sea level rise at 2060) satisfies the sea level rise planning recommendations of the recently adopted Principles document. No adverse impacts to the test slant well or the proposed slant well field would occur based on 3.5 feet of sea level rise at 2050. Accordingly, no new analysis or revisions to the previously submitted technical memo are required.

[1] In response to the October 28, 2019, Staff Report, AECOM prepared a technical memorandum evaluating inland dune migration, profile shifts, and wind-blown sand as potential coastal hazards. That technical memorandum was submitted to Coastal Commission staff on June 30, 2020.

Luster, Tom@Coastal

From: DJ.Moore@lw.com
Sent: Tuesday, June 30, 2020 6:44 PM
To: Luster, Tom@Coastal
Cc: Rich.Svindland@amwater.com; ian.crooks@amwater.com; Kathryn.Horning@amwater.com; tony@alombardolaw.com; Dettmer, Alison@Coastal; Simpkin, Drew@SLC; John.forsythe@cpuc.ca.gov; smccabe@mccabeandcompany.net
Subject: Cal-Am: Reponses to Staff Report Issues
Attachments: 6.30.2020 Letter to T. Luster.pdf

Good afternoon, Tom – hope this email continues to find you well.

Attached is a submittal from Cal-Am addressing various issues in the Commission's November 2019 Staff Report, which we hope will be helpful in preparing the Commission's next staff report concerning the Monterey Peninsula Water Supply Project. To access the compiled set of exhibits referenced in the submittal, please use the link below. If you have any questions or would like to discuss any of the materials provided, please do not hesitate to let me or Ian Crooks know.

Many thanks,
DJ

Link: Exhibits to Cal-Am Coastal Commission Staff Report Response

DJ Moore

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June 30, 2020

VIA EMAIL AND FEDEX

Mr. Tom Luster
California Coastal Commission
Energy and Ocean Resources Unit
45 Fremont Street, Suite 2000
San Francisco, CA 94105-2219

Re: Responses to October 28, 2019 Staff Report for the Monterey Peninsula Water Supply Project, Coastal Development Permit Application No. 9-19-0918, and Appeal No. A-3-MRA-19-0034

Dear Mr. Luster:

On behalf of California-American Water Company ("Cal-Am"), this letter responds to the Coastal Commission's ("Commission") October 28, 2019, Staff Report regarding the coastal development permit ("CDP") application for and appeal regarding the Monterey Peninsula Water Supply Project ("Project"), which was considered in an informational hearing on Agenda Items Th8a and 9a at the Commission's November 2019 meeting.

While we appreciate Commission staff's efforts in preparing the Staff Report, as noted in our testimony at the Commission's November 2019 meeting, we believe the Staff Report contains a number of inaccuracies about the Project, its potential impacts, and potential water supply alternatives. To ensure that staff has an accurate record upon which to assess the Project and prepare an updated Staff Report in advance of the planned August 20, 2020, hearing on the Project, a fulsome response to the Staff Report and certain opponent submittals is provided in **Attachment A** to this letter. We also have provided responses to questions that the Commissioners raised at the end of the Project's informational hearing in **Attachment B**.

Our most significant concern with the Staff Report's analysis is staff's consistent, misplaced reliance on the proposed expansion of the Pure Water Monterey recycled water project ("PWM Expansion") as an alternative to desalination and a reason to deny the Project's CDPs. Not only does the Commission lack the authority under either the Coastal Act or the California Environmental Quality Act to evaluate the PWM Expansion as a Project alternative, but the PWM Expansion is wholly infeasible. Since the Commission's November 2019 meeting, the Monterey One Water ("M1W") Board of Directors has denied certification of the PWM Expansion's Final Supplemental Environmental Impact Report ("SEIR") and did not approve the PWM Expansion. As a result, the PWM Expansion is not moving forward and cannot serve as the alternative water supply project that staff previously envisioned. Moreover, the original Pure

Water Monterey recycled water project that was supposed to come online in January 2020, and supply Cal-Am's customers with 3,500 acre-feet per year ("afy") of recycled water has run into significant technological and feasibility issues, is not currently providing Cal-Am with any water, and the current annual injection volume is only 2,030 afy – ***just 58% of its commitment.*** Further, M1W now estimates that the original Pure Water Monterey project will not come online until late August or early September. This information calls into question all of the supply and demand analyses submitted to the Commission by various Project opponents – each of which relies on the full 3,500 afy from the original Pure Water Monterey project plus a full 2,250 afy from the PWM Expansion to claim Cal-Am's Project is not needed. The Peninsula will need a water supply source to make up for the Pure Water Monterey project's shortfalls—the Project remains the only reliable water supply to make up these water shortfalls and satisfy the Peninsula's water demands.

Reliability of available water supplies was one of the most significant issues the California Public Utilities Commission considered when it approved Cal-Am's Project and concluded the PWM Expansion was not a feasible alternative to desalination. (See CPUC Decision D.18-09-017, Appx. C, p. C-17.) The current inability of the original Pure Water Monterey project to provide its promised amount of water also raises similar technical concerns about the PWM Expansion. In addition, and as raised by numerous stakeholders in the M1W Board proceedings, the PWM Expansion is further flawed because M1W has failed to secure adequate source waters for that project, has not disclosed all of that project's potential environmental impacts, and cannot commit to provide a certain quantity of product water. Simply put, the PWM Expansion cannot provide a drought-proof water supply sufficient to meet current and future demands of the Monterey Peninsula, and cannot be considered a feasible alternative to the Project.

In addition, the Staff Report reaches several incorrect conclusions regarding the Project's impacts and consistency with the Coastal Act and the City of Marina LCP. Those issues are addressed in detail in **Attachment A**, and summarized below.

- **ESHA**: The Staff Report concluded that the Project could impact 35 acres of ESHA. Based on a more detailed impact assessment, AECOM has confirmed Project construction and maintenance will permanently impact only 2.181 acres of ESHA and temporarily impact 15.306 acres of ESHA. Cal-Am has submitted a proposed Habitat Mitigation and Monitoring Plan to the Commission through which it proposes to restore approximately 14.6 acres on the CEMEX site to mitigate these impacts, including 1.8 acres beyond the amount required, which will ensure the Project will not result in a substantial adverse impact to sensitive habitats.

- **Coastal Hazards**: Technical analyses by AECOM confirm the Project's slant wells will not be impacted by coastal erosion until near the 2120 planning horizon, contrary to the Staff Reports assertions. Accordingly, the Project is entirely consistent with coastal hazard policies.

- **Coastal Waters and Marine Resources**: The Staff Report claims that it is unclear what effects the Project would have on water quality and marine life. However, the

Project's potential impacts to ocean water quality and marine life were analyzed in detail in the Project's Final Environmental Impact Report/Environmental Impact Statement ("EIR/EIS"), which concluded that the Project would not result in a significant impact with the implementation of feasible and enforceable mitigation measures.

- **Groundwater**: The Staff Report requests additional groundwater data, however, experts and the State Water Resources Control Board have confirmed additional groundwater data collection and modeling is unnecessary. The modeling in the EIR/EIS represents the culmination of a multi-year, peer-reviewed effort, and any additional modeling would not change the Final EIR/EIS's conclusions that the Project's potential impacts to groundwater supplies in the Salinas Valley Groundwater Basin would be less than significant.

- **Public Access**: The Staff Report alleges that Project operation could result in adverse effects to public access and recreation, but the Project footprint will be *de minimis* and would not impede beach use or access at any time. Specifically, under regular operations, Project infrastructure within fenced areas will occupy only about 0.06 percent (approximately 0.24 acres) of the CEMEX site (approximately 400+ acres) and during yearly maintenance activities (commencing in year five of operations) an additional approximately 0.25 acres would be occupied for a 9 to 18 week period.

- **Environmental Justice**: Staff contends that the Project would disproportionately burden communities of concern through higher water rates and that a feasible alternative could provide water without such impacts (the PWM Expansion). Staff inappropriately disregards many Project benefits to low income communities – including the severely disadvantaged community of Castroville – and fails to consider the infeasibility and drawbacks of the PWM Expansion. Moreover, staff does not consider Cal-Am's low income ratepayer assistance program or that the CPUC carefully evaluated Cal-Am's water rates and determined them to be just and reasonable

- **Water Supply and Demand**: The Staff Report asserts that an "updated analysis" of Monterey Peninsula water supply and demand provided by the Monterey Peninsula Water Management District's General Manager, David Stoldt, demonstrates a decrease in water demand in the area, such that the PWM Expansion has become a feasible alternative to the Project. This ignores extensive critiques of Mr. Stoldt's analysis from Cal-Am and other interested parties, and fails to recognize that the CPUC has already determined appropriate levels of supply and demand for the Cal-Am service area, consistent with its statutory mandate. Contrary to Mr. Stoldt's conclusions, implementation of the PWM Expansion instead of the Project would only lead to significant water supply shortfalls along with corresponding economic hardship on the Monterey Peninsula and impacts to the steelhead trout because of additional water diversions from the Carmel River.

- **PWM Expansion Environmental Impacts**: Staff's determination that the PWM Expansion will have fewer adverse environmental effects than the Project largely ignores the CPUC's analysis of the Project's environmental impacts in the Final EIR/EIS, and severely understates the PWM Expansion's own potential environmental effects. Notably, the M1W Board denied certification of the PWM Expansion's SEIR based on inadequate analysis of that project's environmental impacts.

Notwithstanding any potential inconsistencies with the City of Marina LCP or Coastal Act policies, the Commission can approve the Project under Coastal Act section 30260. The Project is a coastal-dependent industrial facility and, as demonstrated in **Attachment A**, (1) alternative locations of the Project are infeasible or more environmentally damaging; (2) to not permit the Project would adversely affect the public welfare; and (3) the Project's environmental impacts have been mitigated to the maximum extent feasible. Further, **Attachment C** hereto provides a series of special conditions proposed by Cal-Am, in an effort to help address several of Commission staff's stated concerns regarding the Project and its consistency with the Coastal Act. Cal-Am also remains willing to discuss with staff these and other additional special conditions that staff may deem appropriate.

Cal-Am appreciates staff's ongoing efforts in review of the Project, and hopes that the information provided herein will assist in staff's preparation of a Staff Report for the upcoming August 20 hearing. Cal-Am has endeavored to work cooperatively with staff on all aspects of Cal-Am's Project, both in responding to staff's informational requests and in authorizing supplemental studies that staff has requested. Accordingly, Cal-Am hopes to continue that cooperation and respectfully requests that staff review Cal-Am's application, the appeals, and the information in the record objectively and recommend approval of Cal-Am's CDPs. Thank you for your consideration in this matter.

Very truly yours,



Duncan Joseph Moore
of LATHAM & WATKINS LLP

Attachments

cc: Rich Svindland, California-American Water Company
Ian Crooks, California-American Water Company
Kathryn Horning, Esq., California-American Water Company
Tony Lombardo, Esq., Lombardo & Associates
Alison Dettmer, California Coastal Commission
Drew Simpkin, California State Lands Commission
John Forsythe, California Public Utilities Commission

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ATTACHMENT A

RESPONSE TO STAFF REPORT AND COMMENTS ON STAFF REPORT FOR APPLICATION 9-19-0918 AND APPEAL A-3-MRA-19-0034

A. Environmentally Sensitive Habitat Areas

Consistent with the analysis provided in the Project's Final EIR/EIS, the Project would not result in a substantial adverse impact to sensitive habitats during Project construction or operation with the implementation of all feasible and enforceable mitigation measures. (Final EIR/EIS at pp. 4.6-198, 4.6-201, 4.6-204 to 4.6-205, 4.6-215, 4.6-258 to 4.6-259.) As requested by Commission staff, Cal-Am has prepared a comprehensive Habitat Mitigation and Monitoring Plan ("HMMP") addressing all potential ESHA impacts within the Coastal Zone.[1] In particular, for the 2.181 acres of potential permanent impacts to ESHA, the HMMP provides for approximately 6.6 acres of restoration (3:1 mitigation ratio) and for the approximately 15.306 acres of potential temporary impacts to ESHA the HMMP would mitigate in-kind and in-place at a 1:1 mitigation ratio. (See HMMP, p. 3-10.) In addition, while not required, Cal-Am proposes to remove an additional 1.825 acres of iceplant and the area would be restored with native vegetation to help ensure the overall success of the restoration program. Thus, as demonstrated below, the Project would conform to the Habitat Protection Policies in the City of Marina's Local Coastal Program ("LCP"), as supplemented by its consistency with the Coastal Dependent Development priorities in the LCP and Coastal Act section 30260, which allows for coastal-dependent industrial facilities like the Project to be approved despite any potential LCP inconsistencies.

Staff Report Contention #1: Staff repeatedly mischaracterizes the scope of the Project's ESHA impacts and estimated timing for restoration. (See Staff Report, pp. 34-37, 42-44.)

Cal-Am Response: Commission staff overestimates the amount of ESHA the Project will impact and the length of time it would take to restore the ESHA impacted. The Staff Report references a 35 acre area, however, that area reflects the approximate footprint of the entire Project in the Coastal Zone, and not those specific areas that contain ESHA. As detailed in the HMMP, the Project would only permanently impact 2.181 acres of ESHA and temporarily impact 15.306 acres of ESHA. (See HMMP, p. 3-10.) These figures were determined utilizing the definitions of ESHA found in the LCP, Monterey County's North County Land Use Plan, and the City of Seaside Local Coastal Land Use Plan. Based on these definitions AECOM created detailed mapping using GIS accuracy, which is provided at Appendix A to the HMMP.

In addition, as provided in the HMMP, in areas of temporary impacts, restoration work will consist of in-place and in-kind restoration of the same special-status biological resources to their pre-construction condition and as one area of the Project is completed, restoration in that area will begin concurrent with Project construction in other areas of the site. Sequencing work to begin as soon as possible will ensure that the impacts

[1] Cal-Am submitted the HMMP to staff on June 18, 2020.

remain temporary and therefore the impacts should not be considered permanent. (See HMMP, p. 4-11.)

The HMMP was prepared consistent with the requirements of the Final EIR/EIS which, concluded, based on substantial evidence, that the Project would not result in substantial adverse effects on sensitive natural communities, including ESHA, during Project construction or operations with the implementation of feasible and enforceable mitigation measures. (Final EIR/EIS at pp. 4.6-198, 4.6-201, 4.6-204 to 4.6-205, 4.6-215, 4.6-258 to 4.6-259.) As discussed below in Section J, because the Project would not result in a substantial adverse impact on sensitive habitats, the Project may be sited in an area defined as primary habitat without violating the City of Marina's LCP and the Coastal Act.

Staff Report Contention #2: Staff contends that, although the Project's well field will be located on a portion of the CEMEX site that has been disturbed by sand mining activities, those activities are scheduled to end by December 31, 2020, and the site will be restricted to restoration and passive recreation activities pursuant to Settlement Agreement and Cease and Desist Order CCC-17-CD-02 ("Settlement Agreement"). (Staff Report, p. 39.) Public Water Now similarly raises concerns about the Project's impacts to the restoration of the CEMEX site "to its natural state for public access and recreation." (PWN Letter (Nov. 11, 2019), p. 2.)

Cal-Am Response: Staff and Public Water Now misinterpret the Settlement Agreement, which allows for *both* Cal-Am's Project and habitat, public access, *and* low-impact passive recreation to occur on the CEMEX site. (Settlement Agreement, §§ 6.1, 6.2(D)(3), attached hereto as **Exhibit 1**; Final EIR/EIS, p. 8.2-123.) Specifically, the Settlement Agreement memorializes the agreement between the CCC and CEMEX regarding the future allowable uses of the CEMEX site and expressly protects Cal-Am's rights related to the CEMEX Site as follows:

> [N]o development . . . shall occur . . . , provided that improvements to provide low-impact passive recreation, public access, public education, removal activities, activities to restore native habitat, ***and activities consistent with existing easements or other rights of record identified by CEMEX . . . , including those noted in Section 23.2, will not be prohibited.***

(See Ex. 1, Settlement Agreement, § 6.2.D.1 [emphasis added].)[2] Settlement Agreement Section 23.2 further acknowledges Cal-Am's rights to develop the Project on the

[2] The Settlement Agreement's effectiveness was conditioned on the City of Marina's approval of its own agreement with CEMEX regarding Marina's claim that CEMEX's sand mining operations were a public nuisance (the "Mutual Release"). By entering into the Mutual Release, Marina waived any argument that Cal-Am lacks a property right to use the CEMEX site for the express purposes allowed by the easements consistent with the Settlement Agreement. (See Ex. 1, Settlement Agreement, § 9 & Ex. 2.)

CEMEX site, explicitly providing that the Settlement Agreement "is not intended to and ***shall not be construed or deemed to supersede or interfere with any existing rights or obligations of California-American Water Company . . . related to the [CEMEX Site], including but not limited to, the recorded easement and related option.***" (*Id.*, § 23.2 [emphasis added].)

Cal-Am acquired from CEMEX an option to purchase permanent easements at the CEMEX site on November 4, 2014, which Cal-Am recorded with the Monterey County Recorder on November 25, 2014. (See Grant of Temporary Easement (Nov. 4, 2014), attached hereto as **Exhibit 2**.) On February 27, 2018, Cal-Am exercised its option to acquire the permanent easements, and, on May 23, 2018, CEMEX, through its subsidiary RMC Pacific Materials, LLC, granted to Cal-Am a permanent easement and an access easement over and across the CEMEX Site for the express purpose of accessing, constructing, installing, operating, and maintaining slant wells and related pipelines and utilities for the Project. (See Recorded Grant of Permanent Easement (May 23, 2018), attached hereto as **Exhibit 3**.) Cal-Am's property interest in the permanent easement at the CEMEX site relates back to the date the option was first made in 2014, two-and-a-half years before CEMEX and the Commission executed the Settlement Agreement. (See *Wachovia Bank v. Lifetime Industries, Inc.* (2006) 145 Cal.App.4th 1039, 1050 [citing cases]; *Anthony v. Enzler* (1976) 61 Cal.App.3d 872, 876 ["option vests in the grantee *the right of acquiring an interest in the land and when the right is exercised it necessarily relates back to the time of giving the option.*"] [emphasis in original].)

Further, Section 6.1 of the Settlement Agreement requires CEMEX to transfer title in the property to either manage the property for conservation uses, or use the property for other allowable activities. ***The Settlement Agreement does not require the purchaser to use and manage the property for ESHA restoration.***

> Subject to Section 23.2, Respondent shall transfer fee title to all of the Property to a non-profit or governmental entity or consortium approved by the Commission, in consultation with the City of Marina, . . . such approval not to be unreasonably withheld, that commits to hold and manage the property primarily for conservation purposes, with the only other allowable uses being for low-impact, passive recreation purposes or activities, public access, public education, removal activities, activities to restore native habitat, and activities consistent with existing easements identified by Cemex prior to the Effective Date.

(Ex. 1, Settlement Agreement, § 6.1.A.)

Thus, the Settlement Agreement expressly provides that allowable uses of the CEMEX site include "activities consistent with existing easements identified by Cemex prior to the Effective Date," including Cal-Am's permanent easement for the subsurface slant well network and a non-exclusive access easement to access and use the site for construction and maintenance. (*Id.*, § 6.1.) Because Cal-Am is proposing to use the

easement to facilitate Project construction and operation, the Project is consistent with the Settlement Agreement's restrictions on the use of the CEMEX site.

Nonetheless, Cal-Am has proposed to further the Settlement Agreement's intent through the proposed HMMP it has delivered to the Commission, which requires the restoration of approximately 14.6 acres at the CEMEX site (6.6 acres for permanent impacts, 6.2 acres for temporary impacts, and an additional 1.8 acres that is not required but is proposed to benefit the overall restoration of the CEMEX site). Pursuant to the HMMP, restoration at the CEMEX site would include re-establishment, rehabilitation and enhancement of habitats through removal of existing sizeable invasive species populations, and reintroduction of native species indigenous to the dune habitat. The HMMP also requires long-term management activities to remove newly emerging invasive vegetation and protect and preserve the restored and existing native habitats. Therefore, Cal-Am's proposed use is entirely consistent with the Settlement Agreement's intent.

Moreover, although the Settlement Agreement does not require restoration of the entire CEMEX site, Cal-Am's proposed HMMP ensures that any impacts on the CEMEX site as a result of Project construction and operation will be mitigated to the maximum extent feasible. Implementation of the HMMP will result in the restoration of approximately 14.6 acres on the CEMEX site to its natural condition, the funding for which would not be secured in the absence of Cal-Am's Project and the proposed HMMP.

In addition, the Staff Report improperly relies on a baseline for the CEMEX site that includes restored conditions *after* implementation of CEMEX's proposed Reclamation Plan. (See Staff Report, pp. 36-37.) The proper baseline is existing conditions. (See *Neighbors for Smart Rail v. Exposition Metro Line Construction Auth.* (2013) 57 Cal.4th 439, 447; CEQA Guidelines, § 15125.) Staff's post-restoration baseline is improper because final removal of CEMEX buildings and facilities is not required until December 31, 2024, with an additional year—until December 31, 2025—to complete grading and seeding. (Final EIR/EIS, p. 8.2-122.) Staff provides no support for its reliance on conditions five years in the future as a baseline for Cal-Am's CDP. Indeed, staff conducts biological surveys based on *existing* conditions in order to evaluate potential impacts. Therefore, the appropriate baseline to measure biological impacts is against existing conditions (i.e., degraded or disturbed dunes), not against possible restoration years in the future.

Staff Report Contention #3: Staff suggests that Cal-Am will perform slant well construction and maintenance work, as well as work on the Monterey One Water outfall, during western snowy plover breeding season in order to meet project deadlines. (Staff Report, pp. 40, 44-45.)

Cal-Am Response: Contrary to staff's suggestion that Project construction will coincide with western snowy plover breeding season and adversely impact plover habitat, the CPUC's Mitigation Monitoring and Reporting Program ("MMRP") limits both when and how Cal-Am can perform Project work to minimize potential impacts to western snowy plover.

First, staff ignores that Cal-Am cannot perform work during western snowy plover breeding season without first obtaining approval from the U.S. Fish and Wildlife Service ("USFWS") and subject to conditions. The MMRP requires that "[c]onstruction work at the slant well heads and along the segment of the Source Water Pipeline located west of the CEMEX processing plant [] ***occur during the western snowy plover non-breeding season*** . . . unless otherwise approved by the USFWS." (Final EIR/EIS, p. 4.6-175 [emphasis added]; CPUC Decision D.18-09-017, Appx. C, p. C-18; *id.*, Appx. D, pp. D-19 to D-21.) Similarly, the MMRP requires that slant well maintenance be conducted "between October and February to avoid the western snowy plover nesting season" without prior approval from USFWS. (Final EIR/EIS, p. 4.6-247.) If Cal-Am applies for, and obtains, such approval, it is anticipated that USFWS would condition the construction or maintenance work to avoid or minimize impacts to western snowy plover.

In fact, the Commission approved a similar Special Condition for Cal-Am's test slant well. The test well CDP did not prohibit construction during western snowy plover breeding season, but rather imposed pre-construction and pre-disturbance survey requirements and protections for any work performed between February 28 and October 1. (See Final Adopted Findings, CDP App. No. 9-14-1735, Appeal No. A-3-MRA-14-0050 (Nov. 12, 2014), pp. 8, 13-15, attached hereto as **Exhibit 4**.) The MMRP provides these very same protections, in addition to requiring USFWS approval as a condition to any work that might be required to be performed during plover breeding season.

Further, regardless of whether construction occurs during plover breeding season, slant well construction has been designed to "occur ***outside*** of western snowy plover critical habitat and ***would not result in direct impacts on critical habitat***." (Final EIR/EIS, p. 4.6-197 [emphasis added].) The MMRP also imposes measures to mitigate any potential indirect impacts to snowy plover. (See Final EIR/EIS, pp. 4.6-175 to 4.6-176.) The Final EIR/EIS concluded that, based on substantial evidence, "after mitigation, the permanent loss of snowy plover habitat attributable to the proposed project would be less than significant." (*Id.*, p. 4.6-269.) Thus, even if Cal-Am obtains authorization from USFWS to conduct construction or maintenance work during western snowy plover breeding and nesting season, Cal-Am has designed the Project and the CPUC has imposed mitigation to minimize or avoid impacts to western snowy plover. (*Id.*, p. 4.6-175.)

In addition, as detailed in the HMMP, temporary impacts to western snowy plover habitat will be mitigated in-place and in-kind and as mitigation for the 2.12 acres of permanent impacts to western snowy plover breeding and foraging habitat, 6.359 acres of new habitat will be established, re-established, rehabilitated, enhanced, and permanently preserved on the CEMEX site. (See HMMP, p. 3-9 to 3-12.) Accordingly, all impacts to western snowy plover will be fully mitigated.

As for potential work on the M1W outfall, the M1W outfall work is a wholly separate project that may be separately conditioned when M1W applies for a CDP for that work. Cal-Am is currently working with M1W to determine how best to implement the outfall work contemplated in the EIR/EIS and is also evaluating potential alternatives to the outfall liner. For purposes of this CDP, however, Cal-Am proposes a Special Condition

(see Attachment C) that would require approval of the outfall work prior to the commencement of Project operations.

Staff Report Contention #4: Staff contends that Cal-Am plans to remove 1,600 cubic yards ("CY") of spoils from well drilling and proposes to spread the spoils evenly in an approximately two-inch think layer across eight acres of ESHA on the CEMEX site. (Staff Report, p. 40.) The salinity of these spoils will adversely affect plant species and could bury the plants or seedlings. (Ibid.) Although the Final EIR/EIS includes mitigation measures requiring Cal-Am to restore these areas, that restoration could take up to five years, "which would represent a significant diminution of that habitat and its ecological function." (Ibid.) Additionally, spoils spreading would disrupt the western snowy plover's use of this habitat. (Id., p. 41.)

Cal-Am Response: As an initial matter, the 1,600 CY of spoils referenced by staff assumes that the Project would be constructed with nine new slant wells (on seven concrete well pads), which was the original scope of the Project when it was proposed to be a 9.6 mgd desalination facility. (See Final EIR/EIS, p. 4.6-150.) Because the CPUC adopted Alternative 5a—a 6.4 mgd desalination project—Project construction will involve only the development of six new slant wells (on five well pads), which will result in a reduced amount of approximately 1,003 CY of spoils. (See AECOM Technical Memorandum, Response to CCC Comments on MPWSP Slant Well Drilling Spoils Spreading (June 19, 2020), attached hereto as **Exhibit 5**.) Thus, any impacts to ESHA resulting from the spreading of spoils at the CEMEX site would be less than the Staff Report anticipates.

Nonetheless, Cal-Am agrees with staff's suggestion that spoils be disposed of off-site at an appropriate location to avoid potential impacts to the dunes. Accordingly, Cal-Am will dispose of the well drilling spoils at the Monterey Peninsula Landfill.

As AECOM's Technical Memorandum demonstrates, the disposal of 1,003 CY of spoils offsite at the Monterey Peninsula Landfill would not result in new or more severe impacts beyond those already evaluated in the Final EIR/EIS. (Ex. 5, pp. 2-3.) For instance, the 1,003 CY of spoils represents "less than two one-thousands of one percent of the remaining capacity at the landfill," and thus, disposal of the spoils would not change the EIR/EIS's conclusion that Project impacts to landfill capacity would be less than significant with mitigation. (See *id.*, p. 4; see also Final EIR/EIS, pp. 4.13-19 to 4.13-20.) Further, spoils disposal would require only a single truck trip every two to three days during the anticipated seven-month construction period. "[T]he anticipated increase in traffic volumes on public roads would be negligible," and would not create any new or more severe impacts to traffic beyond those identified in the EIR/EIS. (See Ex. 5, p. 4.) In addition, "[g]iven the limited number of 4-mile round trips generated [by off-site disposal], no substantive increase in mobile air emissions would result." (*Id.*, p. 5.)

In sum, to avoid potential impacts to ESHA resulting from the spread of well drilling spoils across the CEMEX site, Cal-Am will dispose of the spoils off-site. Any impacts resulting from off-site disposal are negligible and do not create any new or more severe impacts in addition to those identified and mitigated in the Final EIR/EIS.

Staff Report Contention #5: Staff asserts that additional ESHA impacts would result "from the need for Cal-Am to protect or relocate its well sites due to the effects of sea level rise and coastal erosion." (Staff Report, p. 41.) According to staff, "[e]ither of these approaches – protection or relocation – would . . . cause additional and longer-term, though unquantified, disturbance of ESHA." (Ibid.)

Cal-Am Response: Staff's assertion that the Project's slant well network will need to be relocated due to sea level rise, and that well relocation will cause additional impacts to ESHA, is wholly speculative. As explained in detail in Section B below, there is no evidence that the Project's slant wells will be impacted by coastal erosion until near the 2120 planning horizon. This timing is well beyond the slant wells' useful life. Although two wells may be at risk from wind-blown sand burial within their useful life, it is expected that this risk would be eliminated by implementation of "soft measures" such as revegetation, monitoring, and maintenance. These soft measures will not cause any new ESHA impacts. In the unlikely event that monitoring efforts reveal that the soft measures would be unsuccessful at eliminating potential wind-blown sand hazards at the slant wells, a number of structural "hard" adaptive measures could be implemented including sand fencing, barriers, or relocating or raising well heads. The need for any such hard measures is speculative at this time. Further, hard measures such as raising well heads could be accomplished within the existing permanent impact areas on site, without causing additional ESHA impacts. Therefore, in the unlikely event that hard measures might be needed, the specific measures that may be required and any potential impacts would need to be evaluated through a CDP amendment process. See Section B *infra* for additional discussion regarding coastal erosion and sea level rise and any need for Cal-Am to protect the wells from potential dune migration.

Staff Report Contention #6: Staff recognizes that the Final EIR/EIS identifies "a number of mitigation measures" to avoid or reduce ESHA impacts. (Staff Report, p. 45.) However, staff contends that the mitigation identified in the Final EIR/EIS and adopted by the CPUC is not enough because it "would not result in mitigation 'to the greatest extent possible,' as required by [the City's] LCP." (Staff Report, p. 45.) In particular, staff appears concerned that the measures are "commonly-required" or "not consistent with Commission guidance and past approvals as to what is required to provide adequate mitigation." (Id., pp. 45-46.) Yet, instead of requiring additional mitigation to address any inadequacies, staff simply claims that "there is no need to identify special conditions" to alleviate staff's concerns because the Project would still be inconsistent with the City's LCP as to other environmental resource areas. (Id., p. 47.)

Cal-Am Response: That certain of the measures required by the Final EIR/EIS might be "commonly-required" does not negate the CPUC's determination, supported by substantial evidence, that such mitigation would be effective. (See Final EIR/EIS, pp. 4.6-128 to 4.6-267; *id.*, Appx. C, pp. C-20 to C-22; see also *Sacramento Old City Assn. v. City Council* (1991) 229 Cal.App.3d at 1011, 1027 [attacks to the adequacy of mitigation measures rejected "where substantial evidence supports the approving agency's conclusion that mitigation measures will be effective"].) The CPUC adopted a robust MMRP to ensure the Project's potential impacts are mitigated to the greatest extent possible. (See Final EIR/EIS, Appx. D, pp. D-1 to D-58.)

Moreover, in compliance with the MMRP and in response to requests from Commission staff and the Commission, Cal-Am has prepared a comprehensive HMMP addressing impacts to habitat within the Coastal Zone. This HMMP expands on the "Mitigation Strategy Overview for CalAm Monterey Peninsula Water Supply Project" (the "Mitigation Strategy") included as Exhibit 5 to the Staff Report, describes all restoration and compensatory mitigation requirements for the Project in the Coastal Zone, and identifies performance standards and success criteria for restoration, long-term monitoring methods, adaptive management and corrective action, reporting requirements, and specific forms of compensatory mitigation. As such, Cal-Am's compliance with the MMRP and HMMP will mitigate potential impacts to ESHA "to the greatest extent possible," as required by the LCP.

Further, staff indicated that additional mitigation imposed through Special Conditions could resolve its concerns regarding the Project's ESHA impacts and consistency with the LCP and the Coastal Act. Cal-Am remains willing to work with staff to develop Special Conditions applicable to the Project to address potential impacts to habitat should staff have continuing concerns regarding LCP and Coastal Act consistency following its review of the attached HMMP.

Staff Report Contention #7: Staff identifies several concerns with the Mitigation Strategy included as Exhibit 5 to the Staff Report. In particular, staff claims that the Mitigation Strategy: (1) inappropriately proposes an in-lieu fee approach as its primary mitigation strategy; (2) focuses solely on impacts within the CEMEX site; (3) identifies areas for proposed mitigation that are already slated for preservation; and (4) fails to account for all permanent or "greater than temporary" ESHA impacts. (Staff Report, p. 46.) MCWD echoes these concerns in its November 13, 2019 letter to staff. (See MCWD Letter (Nov. 13, 2019), p. 6.)

Cal-Am Response: As an initial matter, Cal-Am appropriately tailored its Mitigation Strategy to the mitigation proposed for the CEMEX site based on the Commission's August 22, 2019, Notice of Incomplete Application. In the Notice, the Commission stated: "The proposed project would result in adverse effects within an area the Commission previously determined to be [ESHA] at the CEMEX site in the City of Marina. We recommend you provide a proposed mitigation plan that identifies all steps Cal-Am would implement to address the project's expected ESHA impacts." Consistent with the Commission's request in the Notice, the Mitigation Strategy provided an overview of the mitigation proposed for the CEMEX site.[3] The Mitigation Strategy was not intended to be a comprehensive, exhaustive recitation of all mitigation measures for the entire Project.

Nonetheless, as discussed above, Cal-Am has prepared a comprehensive HMMP for the Coastal Zone that addresses staff's and MCWD's concerns.

[3] Moreover, Commission staff did not respond to Cal-Am's Notice of Incomplete response and identify that there was any deficiency or that or need for a mitigation proposal that involved Project components outside of the CEMEX site.

- **In-Lieu Fee Mitigation.** As explained in the HMMP, Cal-Am proposes to mitigate permanent impacts to ESHA through on-site restoration and conservation at the CEMEX site. Because the CEMEX site is subject to the Settlement Agreement and has not yet been purchased by an approved entity, Cal-Am proposes the following options for HMMP implementation:

    1. Cal-Am could develop, implement, and fund HMMP implementation prior to the transfer of the CEMEX site to a Commission-approved entity. Once the CEMEX site is transferred to the Commission-approved entity, Cal-Am would establish an endowment to fund any remaining restoration and monitoring work, as well as long-term mitigation efforts;

    2. Cal-Am could fund HMMP implementation, but the actual implementation would be undertaken by a Commission-approved entity subject to any requirements imposed through Special Conditions in Cal-Am's CDP; or

    3. Cal-Am could fund an endowment, equal to the cost of HMMP implementation, to contribute toward the purchase of the CEMEX site by a Commission-approved entity. Implementation of the HMMP would be a requirement of the purchase.

    As described in the HMMP, restoration would be implemented through the establishment and re-establishment of habitats, including the removal of existing sizeable invasive species populations and re-introduction of native species indigenous to the dune habitat. Long-term management activities would focus on diligent removal of newly emerging invasive vegetation, and the protection and preservation of restored and existing native habitats.

- **Impacts within the Coastal Zone.** To address staff's concerns about the geographical scope of the Mitigation Strategy, Cal-Am prepared an HMMP that covers Project components throughout the entire Coastal Zone. The HMMP identifies mitigation for all potential ESHA impacts, not just those on the CEMEX site. (See HMMP, p. 3-10.)

- **Restoration on the CEMEX Site.** Staff claims that because the CEMEX site is already slated for preservation, Cal-Am's proposed mitigation is insufficient "to make up for the loss of ESHA acreage." (Staff Report, p. 46.) Contrary to staff's contention, the CEMEX site is not currently "slated for preservation." (*Ibid.*) Rather, the Settlement Agreement requires CEMEX to transfer title to a Commission-approved entity to either manage the property for conservation uses, or use the property for other allowable activities—including the Project. The Settlement Agreement does not require the purchaser to use and manage the property for ESHA preservation or restoration. Further, the areas that the HMMP proposes for restoration at the CEMEX site are not areas that have already been identified for restoration under the Settlement Agreement or the Reclamation Plan for the CEMEX site. (See Ex. 1]; see also Reclamation Plan, attached hereto as

Exhibit 6.) Moreover, Project construction will impact only approximately 8.4 acres (2.181 acres of permanent impacts and 6.2 acres of temporary impacts) of ESHA at the CEMEX site, for which a mitigation ratio of 3:1 will be provided for permanent impacts and 1:1 will be provided for temporary impacts. In addition, while not required, Cal-Am proposes to remove an additional 1.825 acres of iceplant at the CEMEX site and restore the area with native vegetation to benefit the overall restoration of the CEMEX site. This results in a restoration of approximately 14.6 acres at the CEMEX site.

- **Scope of Potential ESHA Impacts.** As demonstrated earlier in this Section A, the Project will only permanently impact 2.181 acres of ESHA and will temporarily impact approximately 15.306 acres of ESHA (for a total acreage of 17.487) as compared to the "up to about 35 acres" identified by staff. (Compare HMMP, p. 3-10, with Staff Report, p. 46.) Thus, the scope and extent of potential ESHA impacts are less than those included in the Staff Report, and the HMMP provides measures and standards to mitigate potential ESHA impacts "to the greatest extent possible," as required by the LCP.

Further, and as discussed above, Cal-Am remains willing to work with Staff to develop Special Conditions to address any of staff's outstanding concerns to the extent those concerns are not addressed through the proposed HMMP.

B. Coastal Hazards

The Project is consistent with the LCP's requirement that projects be unaffected by coastal hazards for their economic life. The only components of the Project with the potential to be impacted by coastal hazards are the slant wells, which have useful lives of approximately 20 to 25 years. Under extremely conservative assumptions, the slant wells would not be impacted by coastal erosion until long after their useful lives—likely not until near the 2120 planning horizon. While there may be some minimal risk to the well heads from sand burial due to wind-blown sand at the end of their useful lives, those risks can be minimized and/or eliminated by "soft measures" such as revegetation, maintenance, and monitoring. Moreover, the slant wells fit within the LCP's exception for an essential support facility to a coastal-dependent industry, as they are part of a seawater desalination project. (See, e.g., Staff Report, p. 53.) Accordingly, the Project, including the test slant well, is consistent with the LCP's coastal hazards policies for development.

Staff Report Contention #8: The Staff Report alleges that the test well site could be at risk from coastal erosion by 2060, and that both the test well site and other well sites would likely be at risk by 2120. (Staff Report, p. 52.)

Cal-Am Response: Cal-Am agrees with the Staff Report's finding that exposure of the majority of the slant well sites is not anticipated to occur until the 2120 planning horizon, well after the Project's operational life. (AECOM Coastal Erosion Hazard Analysis, attached as Exhibit A to Cal-Am's October 2, 2019, Response to Commission Staff's August 22, 2019, Notice of Incomplete Application, pp. 5-6; Staff Report, p. 52.)

However, the Staff Report finds that the test well (and only the test well) has the potential to be exposed to coastal hazards by 2060 and that this creates tension with the Local Coastal Land Use Plan ("LUP") and Local Coastal Implementation Plan ("LIP") policies generally requiring setbacks that will protect new development from coastal hazards for the economic life of a project (at least 50 years). This is incorrect. Exposure of the test well to coastal hazards is not projected to occur until near the 2120 planning horizon, long after its anticipated useful life of 20 to 25 years and the 50 year period provided in LUP and LIP. (AECOM Coastal Erosion Hazard Analysis, pp. 5-6.) Therefore, the Project does not result in tension between the LUP and LIP policies and the risk for the test slant well to be impacted by coastal erosion.

Staff's claim that the test slant well could be at risk by 2060 relies on unreasonable and excessive coastal retreat assumptions. (Staff Report, p. 52.) Staff's reliance on these assumptions and rejection of AECOM's reasonable and supported analysis is wrong—the test slant well is unlikely to be impacted until the 2120 planning horizon, long after 2060. AECOM's analysis is extremely conservative. AECOM considered three sea level rise scenarios to conservatively assess the potential for coastal erosion impacts on the Project:[4] (1) a low-risk aversion scenario, which has a 17% chance of being exceeded; (2) a medium-high risk aversion scenario, which has a ***0.5%*** chance of being exceeded; and (3) an extreme risk aversion scenario which does not even have an associated probability because it is so speculative. (AECOM Coastal Erosion Hazard Analysis, pp. 5-6.) Further, as staff notes, the analysis of coastal hazards "includes the high GHG emission scenario for each [planning horizon of 2040, 2060, and 2120] to provide a more conservative assessment of expected effects" and "also considers the effects of both a 100-year and 500-year storm event on site erosion to provide additional conservatism." (Staff Report, p. 51.) Using the extreme risk aversion scenario and the 500-year storm event, the most conservative option, AECOM concluded that the slant wells (including the test slant well) would not be at risk from coastal erosion until near the 2120 planning horizon. (AECOM Coastal Erosion Hazard Analysis, pp. 5-6.)

In conducting this analysis, AECOM applied a reasonable and conservative 60 percent reduction in the historic coastal retreat rate to account for the cessation of sand mining activities, based on prior analysis of retreat reductions at other sand mine closure sites along the southern Monterey Bay coastline earlier in the 20th century, combined with a site-specific sand budget analysis. (AECOM Coastal Erosion Hazard Analysis, pp. 6-7; see also Staff Report, p. 51, fn. 47.) This reduction is based in part on a study commissioned by the Office of Naval Research that assessed sand mining impacts on long-term dune erosion in southern Monterey Bay.[5] Moreover, when the Commission

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[4] These are the same scenarios advised by the Commission's guidance documents. (California Coastal Commission, Sea Level Rise Policy Guidance (2018) Projected Sea Level Rise: Monterey, Table G-6, p. 298, available at https://documents.coastal.ca.gov/assets/slr/guidance/2018/0_Full_2018AdoptedSLRGuidanceUpdate.pdf.)

[5] E.B. Thornton, et al., *Sand mining impacts on long-term dune erosion in southern Monterey Bay* (February 2006), available at https://apps.dtic.mil/dtic/tr/fulltext/u2/a464654.pdf.

was considering the CEMEX Settlement Agreement in 2017, its own staff prepared a technical report stating, "[i]f sand mining from the CEMEX Pond were to stop, the rate of shoreline retreat and dune erosion within the SMB Littoral Cell would likely ***reduce significantly***." (See Exhibit 5 to Commission Staff Recommendations and Findings for CEMEX Closure, p. 2, attached hereto as **Exhibit 7**, [emphasis added].) Here, staff acknowledges that the closure of the CEMEX sand mine is anticipated to result in "improvements to shoreline change and reductions in dune retreat" (Staff Report, Exhibit 6, p. 3), but fails to apply ***any*** reduction in the coastal retreat rate to the CEMEX site resulting from closure of mining operations.[6] Staff states only that "the 60% assumption might be high" and without providing a basis for rejecting the assumption, instead applies ***no*** reduction as an "upper bound" on potential coastal retreat. (Staff Report, Exhibit 6, pp. 2-3.) Applying no reduction of coastal retreat rate due to cessation of sand mining conflicts with the available literature on coastal retreat, as well as staff's own prior conclusions, and is not supported by any evidence. (See, e.g., Staff Report, p. 51, fn. 47.) The Staff Report itself acknowledges that AECOM's analysis was not only using extreme scenarios, but considered 100- and 500-year storm scenarios "to provide additional conservatism." (Staff Report, p. 51.) Staff's refusal to assume any reduction of coastal retreat is not a reasonable approach, and staff does not provide any modeling or data to support its assumption.[7] As a result, the Staff Report's projections of sea level rise and coastal erosion do not take into account the actual physical conditions on the CEMEX site and should not be relied upon for planning purposes.

Even though the test slant well is not projected to be exposed to coastal hazards until well after the 2060 date claimed by staff and likely near the 2120 planning horizon, Mitigation Measure 4.2-10 conservatively requires Cal-Am to monitor and report the rate of coastal retreat to the Commission annually. (Final EIR/EIS, p. 4.2-72.) Beginning at least five years prior to anticipated slant well exposure, Cal-Am must take steps to remove the wells from service and abandon them. (*Ibid.*) Thus, even in the extremely unlikely event that the coastal retreat far exceeds any probable scenario, impacts would be less than significant with mitigation and would remain consistent with Coastal Act and LCP policies regarding coastal hazards.

Further, it is important to note that the Project has seven wells for reliability purposes, but does not need all seven to be operating in order to maintain the Project's permitted water deliveries. Operation of five is sufficient. Thus, in the very unlikely event that the test

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[6] The improvements to shoreline change and reductions in erosion were precisely some of the factors contemplated in seeking the closure of the CEMEX sand mining operations. (See, e.g., Ex. 7, Commission Staff Recommendations and Findings For CEMEX Closure, pp. 3, 21-23 ["once CEMEX stops dredging the pond, erosion and dune retreat should be much lower due to the increased volume of sand that will stay in the system"]; see also Ex. 1, Settlement Agreement, p. 1; City of Marina Resolution No. 2017-57 Finding the CEMEX Mine in Violation of the Municipal Code, pp. 1-2, attached hereto as **Exhibit 8**.)

[7] Even under staff's approach, eliminating any and all reductions to coastal retreat from the cessation of sand mining, the Staff Report only identifies a potential impact at 2060, years after the useful life of the test slant well has passed. (Staff Report, p. 52.)

slant well needs to be decommissioned early due to coastal hazards, the Project could continue to supply water to the Monterey Peninsula.

Staff Report Contention #9: The Staff Report alleges that foredune recession could bury the slant well heads with dune sand by 2040 and that no significant analysis was provided of the potential for sand burial of the slant well from wind erosion. (Staff Report, p. 52-53; Exhibit 6, p. 4.)

Cal-Am Response: In response to the Staff Report's suggestion that additional analysis of foredune recession be conducted, AECOM has evaluated the possibility for sand burial based on observations of historical dune behavior and application of conceptual models. AECOM's analysis is attached here to as **Exhibit 9**. In its analysis, AECOM determined that the primary mechanism for landward dune migration is through dune blowouts—windblown sand processes that are funneled through dune formations. (*Ibid.*) Specifically, blowouts from existing trough formations in the dunes pose the largest risk for landward sand migration, while new trough and saucer formations present less risk. (*Ibid.*) Consistent with the Staff Report, AECOM concluded that under conservative assumptions, dune migration could potentially expose two of the seven well head sites to wind-blown sand near the end of their useful lives of 20 to 25 years. (See Ex. 9, AECOM Coastal Dune Analysis.) However, AECOM's analysis also determined that impacts to those two well head sites could be effectively eliminated with implementation of certain measures. (*Ibid.*) The other well head sites are not projected to be impacted by dune migration within their useful lives. (*Ibid.*)

AECOM's analysis found that the slant well sites could be protected from risk of sand burial through the implementation of "soft measures" such as a simple maintenance and monitoring program, removal of invasive non-native plant species, and reestablishment of native dune species that would stabilize the dunes and prevent landward migration of sand. (See Ex. 9, AECOM Coastal Dune Analysis.) Monitoring of the dunes could be combined with the shoreline change monitoring that will already occur as part of Mitigation Measure 4.2-10. (*Ibid.*; see also Cal-Am Response to Staff Contention #8, *supra*.) Contrary to the Staff Report's conclusion, these proposed soft measures would not result in any additional adverse impacts to ESHA because the measures are restorative in nature and would work to stabilize the existing dune habitat. (*Ibid.*; Staff Report, p. 53.) Dune stabilization is well-recognized as an important tool in coastal management. The dune restoration and stabilization efforts proposed by AECOM are also recommended by the Commission's Sea Level Rise Policy Guidance and are being used throughout the state, including regionally. (See Ex. 9, AECOM Coastal Dune Analysis.) Indeed, the removal of invasive plant species and revegetation with native dune species would likely enhance ESHA value in the area. (*Ibid.*) Accordingly, it is expected that the risk of sand burial can be avoided with soft measures that will result in no additional ESHA impacts during the useful lives of the slant wells, and likely for much longer.

In the unlikely event that these soft measures do not fully stop landward migration of sand toward the two at-risk well heads, AECOM's analysis determined that other mitigation options are available. (See Ex. 9, AECOM Coastal Dune Analysis.) For

example, measures could include raising a potentially impacted well head at its current location or constructing physical protective barriers. (*Ibid.*) Staff noted that such simple measures likely would be effective. (Staff Report, p. 53.) Because raising the well heads or constructing protective barriers would occur within the permanent impact area of the well head sites, those measures would result in no new impacts to ESHA. (See Ex. 9, AECOM Coastal Dune Analysis.) Additionally, sand fencing could be installed to further reduce the risk of burial and would have the added benefit of providing important dune stabilization. (*Ibid.*) However, depending on its placement, sand fencing installed outside of the Project footprint could have the potential to affect small areas of ESHA. (*Ibid.*) If any of these "hard measures" become necessary, they would need to be proposed to the Commission under a permit amendment at a later date given that the specific measures needed would be dependent on future, unknown conditions.

Moreover, as discussed above, decommissioning two wells would not prevent the Project from maintaining its permitted water deliveries, because the Project only requires five of its seven wells to provide 6.4 mgd as authorized by the CPUC. Accordingly, as an available option, the Commission could consider decommissioning up to two well heads depending on the observed risks of sand burial and the efficacy of the proposed soft measures through ongoing monitoring.

Cal-Am proposes a Special Condition (see Attachment C) regarding the potential risks to the wellheads from sand burial and associated measures to eliminate such risks.

Staff Report Contention #10: The Staff Report contends that Mitigation Measure 4.2-10 would be ineffective to mitigate impacts related to coastal hazards because relocation of the well field "may be infeasible due to property ownership issues," "would result in substantially greater adverse effects on ESHA," and "would likely interfere with habitat restoration efforts expected to occur inland of the well sites." (Staff Report, pp. 52-53.) MCWD also submitted a comment letter to the Coastal Commission on November 13, 2019, which restates the Staff Report allegations regarding Cal-Am's inability to mitigate coastal hazards.

Cal-Am Response: Mitigation Measure 4.2-10 requires Cal-Am to monitor and annually report the rate of coastal retreat to the Commission. (Final EIR/EIS, p. 4.2-72.) The data shall be used to establish an erosion rate to estimate the year at which the wells and associated pipelines have five years left before exposure to coastal hazards. (*Ibid.*) To ensure the rate is conservative, it will assume that at least one 100-year storm event will occur within that timeframe. (*Ibid.*) Beginning at least five years prior to the anticipated exposure of any slant well, Cal-Am will begin to remove the slant wells from service. (*Ibid.*) Contrary to staff's assertions, this measure is effective to mitigate any potential coastal hazard impacts resulting from coastal erosion.

First, as discussed above, even under extremely conservative assumptions, the slant well field, including the test slant well, are not projected to be impacted by coastal erosion until near the 2120 planning horizon—long after their useful lives. (AECOM Coastal Erosion Hazard Analysis, pp. 5-6.) In the unlikely event Mitigation Measure 4.2-10 does require Cal-Am to remove a slant well that is at risk of exposure due to coastal hazards, relocation of that well may be unnecessary because Cal-Am does not need all seven of

the wells to be operating in order to maintain the Project's permitted water deliveries. Specifically, even if two slant wells are impacted and need to be removed from service, Project operations may continue without well relocation. As explained in AECOM's Coastal Erosion Hazard Analysis, to ensure water supply reliability for the Monterey Peninsula, two of the slant wells constructed for the Project are backup wells to be utilized in the event that an active well cannot be used. Thus, even under an extreme scenario where coastal hazards do affect one or two wells, those wells could be removed without affecting Project capacity or operations. (AECOM Coastal Erosion Hazard Analysis, p. 7, fn. 10; Final EIR/EIS, p. 5.4-51.)

Further, and as noted above, although a well head may be exposed to burial from wind-blown sand at the end of their useful lives, it is expected that burial impacts could be avoided using "soft measures" such as removal of non-native/invasive plants, restoration of the dunes, revegetation of native dune species, and basic monitoring and maintenance. (See Ex. 9, AECOM Coastal Dune Analysis.) These measures will further reduce the likelihood that well relocation would be necessary.

Second, if well relocation is required, the Settlement Agreement does not preclude relocating the slant wells or modifying the boundaries of Cal-Am's permanent easement. The CEMEX Settlement Agreement expressly provides that Cal-Am retains all of its existing rights associated with its recorded easement and related option. (See Ex. 1, Settlement Agreement, § 23.2.) Further, the CEMEX Settlement Agreement provides for conveyances of additional rights of ownership or use, if approved by the Executive Director. (*Id.*, § 6.2(B).) Thus, the Executive Director retains the discretion to permit changes to the easement to accommodate relocation of the slant wells, subject to a CDP amendment process, if needed.[8]

Third, impacts associated with well abandonment would not be any greater than already analyzed by the CPUC. As noted in the Staff Report, Mitigation Measure 4.2-10 requires Cal-Am to monitor and decommission the slant wells should they be threatened by coastal hazards. This includes sand burial. The measure would ensure that the slant wells are decommissioned and abandoned prior to being buried in the event that the "soft measures" described above are ineffective.[9] Mitigation Measure 4.2-10 also includes protections for environmentally sensitive habitat and species by restricting abandonment activities to the snowy plover non-nesting season. Any further analysis of impacts to ESHA is unnecessary given the entirely speculative nature of the need to relocate the wells and the fact that the EIR/EIS already includes all feasible mitigation. Further, relocation would be the subject of a future CDP amendment application and could be separately conditioned to address potential impacts, if necessary.

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[8] Relocation may require consent of the CEMEX property owner at that time.

[9] The secondary effects of slant well abandonment were analyzed in the EIR (see Final EIR/EIS pp. 4.2-72 to 4.2-74) and were found to be less-than-significant with mitigation.

Staff Report Contention #11: The Staff Report argues that the Project's proposed well locations are inconsistent with the LCP provisions for locating development near the shore. (Staff Report, p. 53.) MCWD submitted a comment letter to the Coastal Commission on November 13, 2019, which reiterates the Staff Report's concern that the Project may conflict with LCP. (MCWD Letter, p. 5.)

Cal-Am Response: The Project's slant well locations are consistent with applicable LCP policies. The LUP requires that "structural development" shall not be allowed "on the ocean-side of the dunes, in the area subject to wave erosion in the next 50 years, or in the tsunami run-up zone" unless the development is an "essential support facilit[y] to a coastally-dependent industry." (Staff Report, p. 48.) Similarly, the LIP provides that future development should be set back to "protect the economic life of the proposed development (at least 50 years)." (*Id.*, p. 49.) Here, none of the wells are located on the ocean side of the dunes or in a tsunami run-up zone. (*Id.*, p. 50 [acknowledging that the wells are located beyond the tsunami run-up zone].) Further, as discussed in the responses above, the wells are not projected to be exposed to coastal erosion from waves, storms, or sea level rise until near the 2120 planning horizon, even under the most extreme assumptions—long after the slant wells' 20 to 25 year anticipated useful life. (AECOM Coastal Erosion Hazard Analysis, pp. 5-6.) Finally, as staff acknowledges, the Project is a coastal-dependent industrial facility. (Staff Report, p. 53.) Indeed, the Project's components must be located near the coast so that the Project's Source Water Pipeline can convey feedwater to the inland destination facility and use the existing M1W outfall to convey the facility's brine discharges into coastal waters. (See Section J, *infra.*) As such, although Cal-Am believes the Project to be consistent with the LUP and LIP's coastal hazards policies, the Commission is authorized to apply Coastal Act section 30260 to approve the Project notwithstanding any potential inconsistencies with LUP or LIP policies.

C. Protection of Coastal Waters and Marine Resources

The Project would not result in a substantial adverse impact to coastal waters or marine resources during Project construction or operation with the implementation of all feasible and enforceable mitigation measures. (Final EIR/EIS at pp. 4.3-60, 4.3-63, 4.3-66, 4.3-68, 4.3-91 to 4.3-93, 4.3-104 to 4.3-106, 4.3-115, 4.3-117, 4.3-122 to 4.3-130.) Additionally, while potential structural changes to the M1W outfall are not part of this application, impacts to the outfall were reviewed as part of the Final EIR/EIS and determined to be less than significant. (*Id.*, p. 4.3-109.) Further, the Project would not involve the placement of "fill" in coastal waters, so as to trigger the requirements of Coastal Act section 30233.

Staff Report Contention #12: The Staff Report alleges that it is "unclear at this time as to what effects the proposed desalination facility would have on water quality and marine life and what structural or operational changes would be needed to ensure Cal-Am's discharge would meet the relevant Ocean Plan objectives, and thereby minimize its potential adverse effects." (Staff Report, p. 56.) The Staff Report notes that one potential structural change would be a modification of the diffuser on the existing M1W outfall. (Ibid.)

Cal-Am Response: The Project's potential effects on ocean water quality and marine life were analyzed in detail in the Final EIR/EIS. Specifically, Impact 4.3-5 assessed whether the Project's operational brine discharge would violate water quality standards or waste discharge requirements, or degrade ocean water quality. (Final EIR/EIS, pp. 4.3-95 to 4.3-113.) As discussed therein, the Final EIR/EIS concluded that implementation of the Project could potentially cause exceedances of Ocean Plan water quality objectives for the ammonia and cyanide under certain operational conditions when wastewater volumes co-mingled with the brine are low. For an additional thirteen constituents, the Final EIR/EIS determined that there is not enough information to assess concentrations at the edge of the zone of initial dilution. Therefore, the Final EIR/EIS conservatively concluded that Ocean Plan water quality objectives could potentially be exceeded during operations for some operational discharge scenarios.

However, the Final EIR/EIS determined that Impact 4.3-5 would be less than significant with implementation of Mitigation Measure 4.3-5 (Implement Protocols to Avoid Exceeding Water Quality Objectives), which requires Cal-Am to perform an extensive water quality assessment prior to Project implementation. (Final EIR/EIS, p. 4.3-104.) Operational discharges that cannot be demonstrated to conform to the Ocean Plan water quality objectives may only be released following implementation of additional design features, engineering solutions, and/or operational measures that ensure compliance with these objectives.[10] (*Id*, p. 4.5-64.) In other words, no exceedance of Ocean Plan objectives will occur because no discharges will be permitted unless the water quality assessment confirms that the discharges comply with the Ocean Plan. The Commission did not comment on or object to Mitigation Measure 4.3-5 in its comments on the EIR/EIS.

With respect to the potential structural changes to the M1W outfall, the work is a wholly separate project that is not part of this application. Structural changes to the M1W outfall may be separately conditioned when M1W applies for a CDP for that work. For purposes of this CDP, Cal-Am proposes a Special Condition (see Attachment C) that would require approval of the outfall work prior to the commencement of Project operations.

Nevertheless, the impacts associated with the potential structural changes to the outfall were described and analyzed in the Final EIR/EIS. (Final EIR/EIS, pp. 4.3-109 to 4.3-110. *See Id.*, Appx. D1 (Roberts 2017); *Id.* Appx. D3 (Trussel Tech).) As described therein, retrofitting the existing M1W diffuser would be achieved by installing inclined nozzles on the existing diffuser check valves and/or replacing the end gate opening with a minimum of one 6-inch Tideflex (or similar) check valve. (*Id.*, p. 4.3-109; *Id.* Appx. D1

[10] The Final EIR/EIS also described the potential design features and operational measures that could be employed, such as retrofitting the existing outfall diffuser, additional pre-treatment of source water to the Desalination Plant component of the Project, treatment of discharge, flow augmentation, and end gate modification. (Final EIR/EIS, pp. 4.3-106 to 4.3-108.) The Final EIR/EIS also analyzed the potential secondary impacts of these potential design features and operational measures, and determined that those secondary impacts would be less than significant. (*Id.*, pp. 4.3-109 to 4.3-113.)

(Roberts 2016), pp. 41-46).) The construction impacts would be minor and temporary, likely consisting primarily of minor construction-related sea-bed disturbance and water quality degradation in the form of increased turbidity and disturbance on and adjacent to the outfall diffuser, and would occur over several hours to a day or two. (Final EIR/EIS, pp. 4.3-109.) Work would be conducted by divers and support craft for staging equipment and construction supplies or to facilitate the removal of built up sediment from the terminus of the diffuser pipe. (*Ibid.*) Prior to implementation of the retrofit, the Monterey Bay National Marine Sanctuary would review and approve design specifications and construction plans to ensure that disturbances to benthic communities are minimized or avoided. (*Ibid.*) The disturbance would be short in duration and of low intensity and benthic communities would be expected to recover to baseline conditions. (*Ibid.*) Accordingly, the Final EIR/EIS determined that the secondary impacts associated with the potential diffuser retrofit would be less than significant. (*Ibid.*) The Staff Report ignores this detailed analysis and instead states that it is "unclear at this time as to what effects the [Project] would have on water quality and marine life." (Staff Report, p. 56.) The Final EIR/EIS, which is supported by expert technical analysis, is clear that impacts would be minimal. Moreover, Cal-Am has not proposed any changes to the diffuser retrofit beyond what the Final EIR/EIS analyzed.

Staff Report Contention #13: The Staff Report alleges that structural changes to the M1W outfall could affect ocean water quality or marine resources. (Staff Report, p. 56.)

Cal-Am Response: Potential modifications to the M1W outfall are not part of Cal-Am's CDP application, and may be separately conditioned when M1W applies for a CDP for that work.

Nevertheless, the impacts associated with the potential structural changes to the outfall were described and analyzed in the Final EIR/EIS. (Final EIR/EIS, pp. 4.3-109 to 4.3-110.) Retrofitting the outfall's existing M1W diffuser would be achieved by installing inclined nozzles on the existing diffuser check valves and/or replacing the end gate opening. (*Id.*, p. 4.3-109.) The construction impacts would be minor and temporary, likely consisting primarily of minor construction-related sea-bed disturbance and water quality degradation in the form of increased turbidity and disturbance on and adjacent to the outfall diffuser, and would occur over several hours to a day or two. Work would be conducted by divers and support craft. The Monterey Bay National Marine Sanctuary would review and approve design specifications and construction plans to ensure that disturbances to benthic communities are minimized or avoided. The disturbance would be short in duration and of low intensity and benthic communities would be expected to recover to baseline conditions. Accordingly, the Final EIR/EIS determined that the secondary impacts associated with the potential diffuser retrofit for the outfall would be less than significant.

Staff Report Contention #14: The Staff Report alleges that the Project will require the placement of fill in coastal waters, either due to potential modifications to the M1W diffuser, or through the use of monitoring equipment and buoys to collect water quality data, triggering Coastal Act section 30233. (Staff Report, p. 57.)

Cal-Am Response: With respect to any fill associated with potential modifications to the M1W diffuser, as described above, the potential modifications to the M1W outfall are not part of Cal-Am's CDP application, and may be separately conditioned when M1W applies for a CDP for that work.

With respect to the monitoring equipment and buoys, the Staff Report does not identify any "fill" related to these components, which consist of temporary anchors or moorings that will be removed at the completion of monitoring. (See AECOM, Monterey Peninsula Water Supply Project (MPWSP) Components in Commission's Original Jurisdiction (Sept. 19, 2019), pp. 2-5, which was attached as Exhibit M to Cal-Am's September 19, 2019, response to Commission Staff's August 22, 2019, Notice of Incomplete Application.)

Public Resources Code section 30108.2 defines "fill" as "earth or any other substance or material, including pilings placed for the purposes of erecting structures thereon, placed in a submerged area." In applying section 30233, the Commission typically considers projects installing permanent structures or placement of sediment or similar material on the seafloor, not temporary anchors, and assesses whether those structures can be modified or arranged differently to avoid impacts on the chosen project site.[11]

Indeed, when considering the use of temporary anchors for the recommissioning of the Charles E. Meyer Desalination Facility in Santa Barbara, staff did not invoke Coastal Act section 30233 at all.[12] There, the project involved " two main categories of activities—reinstallation of equipment, and ongoing maintenance and repair." (Staff Report, Application No. 9-14-1781 (Jan. 30, 2015), p. 12.) Since "[e]ach of the project components that the City would place within Commission jurisdiction[, including the temporary anchors,] are components of a desalination facility that generally require regular repair and maintenance… the proposed activities are considered 'repair and maintenance' pursuant to Coastal Act Section 30610." (*Id.* at 14.) Pursuant to Coastal Act section 30610, a CDP is not required for repair activities that "do not result in an addition to, or enlargement or expansion of, the object of those repair or maintenance activities." (Coastal Act, § 30610(d).) However, because the activities would involve the use of mechanized equipment and the placement of materials within coastal waters, staff concluded that the activities required a CDP pursuant to section 13252(a) of the Commission's regulations. (Staff Report, Application No. 9-14-1781 (Jan. 30, 2015), p.

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[11] See, e.g., Staff Report, Application No. 5-10-293, available at https://documents.coastal.ca.gov/reports/2011/6/W10b-6-2011.pdf [applying Section 30233 to installation of new piles, pier, gangway, and platform and assessing alternative configurations of the piles]; Staff Report, Consistency Certification No. CC-0006-14, available at https://documents.coastal.ca.gov/reports/2014/12/F11b-12-2014.pdf [applying Section 30233 to the placement of riprap and excavated sediments and assessing alternative dredging and structural improvements at the proposed project site].

[12] See Staff Report, Application No. 9-14-1781 (Jan. 30, 2015), available at https://documents.coastal.ca.gov/reports/2015/2/f12b-2-2015.pdf.

14.) Importantly, staff did not treat any aspect of the project, including the temporary anchoring, as "fill" material.

Likewise, here, the proposed monitoring equipment and buoys are not "fill" as contemplated by the Coastal Act. "The proposed monitoring equipment and telemetry buoy . . . would be temporarily attached to the sea floor" by an anchor. (See Monterey Peninsula Water Supply Project (MPWSP) Components in Commission's Original Jurisdiction (Sept. 19, 2019), p. 5.) The temporary attachments are not "pilings" or other materials that would be permanently installed or constructed in the ocean floor. The impacts associated with this monitoring equipment will be minimal—each buoy's anchor will temporarily impact four square feet, and the monitoring sondes' anchors will impact one square-foot each. (*Id.*, p. 5.) "The proposed temporary equipment anchoring systems are static and would be less impactful to benthic resources than a typical fishing or research vessel mooring anchor." (*Ibid.*) Installation will be complete in a matter of hours, and impacts would be limited to temporary seabed disturbance. (*Ibid.*) Accordingly, this minor temporary anchoring does not constitute "fill" and does not trigger Coastal Act section 30233.[13]

Nonetheless, as the Staff Report acknowledges, the Commission could consider adopting Special Conditions to ensure the Project complies with applicable Coastal Act policies. Cal-Am remains willing to coordinate with staff to develop appropriate Special Conditions to ensure the Project's compliance with the Coastal Act should staff determine that additional protective measures are required. (See e.g. Attachment C, which includes Cal-Am proposed Special Conditions.)

D. Groundwater Resources

Contrary to staff's determination, the Commission has sufficient information regarding the Project's potential impacts to groundwater supplies in the Salinas Valley Groundwater Basin ("SGVB" or "Basin") to determine that the Project conforms to the groundwater protection provision of Coastal Act Section 30231. (See Staff Report Addendum, p. 3.) Through the CPUC's administrative process, the EIR/EIS consultant team performed over six years of fieldwork, data analysis, and groundwater modeling. The modeling and its results were subject to peer review and public comment. Based on the extensive data and peer-reviewed modeling, the Final EIR/EIS conservatively analyzed the Project's potential impacts to groundwater supplies in the SVGB, finding that such impacts would be less than significant. Staff claims that additional modeling is needed to address existing data gaps, but as Cal-Am has maintained all

[13] By analogy, for purposes of the federal Clean Water Act (33 U.S.C. § 1251 et seq.), fill material is defined under applicable regulations as material that has the effect of "(i) [r]eplacing any portion of a water of the United States with dry land; or (ii) [c]hanging the bottom elevation of any portion of a water of the United States." (33 C.F.R. § 323.2(e).) The regulations list examples of fill material, which include "rock, sand, soil, clay, plastics, construction debris, wood chips, overburden from mining or other excavation activities, and materials used to create any structure or infrastructure." (*Ibid.*) In light of the examples listed, which consist primarily of settling materials and components used to "create" structures, the Clean Water Act does not regulate the temporary placement of anchors used to maintain buoys.

along, additional, non-peer reviewed modeling is unnecessary and would not change the Final EIR/EIS's conclusions. Accordingly, staff has sufficient evidence to find that the Project is consistent with the groundwater protection provision of Coastal Act Section 30231.

Staff Report Contention #15: The prior groundwater modeling for the Final EIR/EIS did not adequately capture some of the aquifer characteristics and may have underestimated the amount of non-seawater that the slant wells would extract. (Staff Report Addendum, p. 3.) Staff recommended that the groundwater model be adjusted and run with new parameters. (Id. at pp. 3, 5.) On November 13, 2019, MCWD submitted a letter to Coastal Commission staff asserting that any new groundwater analysis should address the data from its airborne electromagnetic ("AEM") surveys. (See MCWD Letter (Nov. 13, 2019), p. 3.)

Cal-Am Response: Cal-Am understands that the Commission's consultant, Weiss Associates, is conducting limited additional modeling work. Nonetheless, Cal-Am maintains that additional groundwater modeling is unnecessary and duplicative of the extensive work performed as part of the Final EIR/EIS and would not change the Final EIR/EIS's conclusions regarding the Project's groundwater impacts. Not only did the CPUC rely on its own independent consultant team[14] in evaluating the Project's potential groundwater impacts, but the CPUC also reviewed groundwater analyses and data prepared by the Hydrogeologic Working Group ("HWG"), a group of hydrogeologists representing multiple stakeholders and government agencies. The EIR/EIS process involved years of field work and data collection, technical and field data analysis, groundwater modeling, peer review and the receipt of thousands of pages of comments that required evaluation, public presentation of results and public review of draft documents, and public meetings to present analyses and receive comments. Any additional modeling to re-analyze the extensive peer-reviewed technical record developed before the CPUC and in the Final EIR/EIS would not incorporate a similar public and peer review process. As the State Water Resources Control Board ("State Water Board") expressed in its May 8, 2020, letter to the Commission, the Project's groundwater impacts "have already been resolved by the Public Utilities Commission, after extensive environmental review and consideration of evidence and testimony over a multi-year adjudicative proceeding." (See Letter from Eileen Sobeck, State Water Board, to John Ainsworth, Coastal Commission (May 8, 2020), at p. 3.)

Further, as acknowledged by the Commission's consultant, Weiss Associates, in its November 2019 Report ("Weiss Report"), the Final EIR/EIS's modeling was conservative. (See Staff Report Addendum, Ex. 7, pp. 19-20.) The Final EIR/EIS evaluated a broad range of potential groundwater impacts and scenarios, utilizing a set of conservative assumptions that bookend the range of anticipated impacts. (See Final EIR/EIS, pp. 8.2-86, 8.2-97, 4.4-65.) Based on these conservative modeling scenarios, the Final EIR/EIS overestimated the extent of groundwater drawdown and capture

[14] As explained in the Final EIR/EIS, the EIR/EIS' analyses and conclusions "were prepared by the consultants on behalf of the Lead Agencies and were independently evaluated, reviewed, and revised by Lead Agency staff." (Final EIR/EIS, p. 8.2-1.) In other words, the CPUC and its consultant team operated independently of Cal-Am in preparing and evaluating the EIR/EIS.

zones.[15] (*Id.*, pp. 8.2-45, 4.4-90 to 4.4-92.) The Weiss Report recognizes that any predictions from its modeling will likely be in the range already evaluated in the Final EIR/EIS. (Weiss Report, p. 19-20.)

Indeed, the State Water Board has reviewed the existing groundwater record and the Weiss Report, and concluded that the modeling "already conducted, revised, and relied upon by the Public Utilities Commission . . . provides a conservative overprediction of the volume of shallow, inland water that the Project would capture during full operation." (See Letter from Eileen Sobeck, State Water Board, to John Ainsworth, Coastal Commission (May 8, 2020), at p. 3.) Weiss' proposed modeling also focuses on approximately 1% of the area covered by the existing groundwater modeling, such that refining the existing model in this small area will not result in significant differences in model output. (*Id.*, p. 4.) As a result, "State Water Board staff's opinion remains that the groundwater impacts of the Project will not be any greater than those stated, analyzed, and mitigated under the Public Utilities Commission's certified Final EIR," even after additional modeling. (*Id.*, p. 3.) The Commission should defer to the State Water Board on matters of water quality, consistent Coastal Act section 30412.

This understanding has been further confirmed by the HWG in its April 6, 2020, comments on Weiss' Scope of Work (attached hereto as **Exhibit 10**). The HWG explained that "[t]he results of Weiss' proposed scope of work would essentially replace the entire groundwater impacts section of the [EIR/EIS] with technical work done by one consultant that would not be required to undergo extensive public review, peer review, and response to comments." (*Id.*, p. 5.) Further, "Weiss' November 2019 Report essentially stated that the [EIR/EIS'] analysis of groundwater impacts was conservative (i.e., overpredicted project impacts) and provided bookend (lowest possible and highest possible) values for ocean water percentage expected for the [Project] . . . that already agree with [the EIR/EIS]." (*Id.*, p. 4.) The HWG even noted that "Weiss has already concluded . . . that [Project] impacts will not be greater even if groundwater gradients in the shallow aquifer have changed from what occurred in 2015 and 2016," when originally modeled. (*Ibid.*)

Therefore, although Cal-Am has consented to additional modeling work by Weiss Associates for purposes of moving the Project forward through the Commission process, Cal-Am still believes additional modeling will not identify any new impacts.

Finally, staff need not consider MCWD's airborne electromagnetic ("AEM") surveys[16] because the CPUC already considered and rejected the AEM surveys as flawed. The

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[15] The capture zone is the localized region that would contribute source or feedwater to the Project's slant wells. (Final EIR/EIS, p. 4.4-452.)

[16] MCWD submitted a preliminary AEM study after the CPUC released the Draft EIR/EIS and submitted a "final" AEM to the CPUC after publication of the Final EIR/EIS. The AEM surveys purport to identify seawater intrusion, but a comparison of groundwater monitoring well data and the AEM data shows that the "fresh" water that the surveys claim exist is, in fact, unfit for

CPUC rejected the AEM surveys because "[t]he organization, presentation of data, and discussion of findings in the final report of the Stanford AEM study . . . does not appear to be on par with the technical rigor displayed in the previous peer-reviewed academic works . . . prepared through Stanford University." (CPUC Decision D.18-09-017, Appx. J, p. 19.) "The lack of adherence to standard protocols for the presentation, data analysis, and technical peer review calls into question whether the report can be used as a reliable, unbiased technical source." (*Ibid.*) As such, the AEM reports are unreliable technical sources that do not warrant further consideration.

Because additional modeling will not lead to an improved understanding of the Project's potential impacts on groundwater conditions or change the Final EIR/EIS's conclusions, staff's proposed modeling is not necessary.

Staff Report Contention #16: Some groundwater studies have used a 3,000 mg/L total dissolved solids ("TDS") threshold to determine the expected amount of non-seawater that the Project's slant wells would withdraw. These studies have concluded that the Project would extract "substantially greater volumes of 'non-seawater' than Cal-Am's models have shown." (Staff Report Addendum, p. 4.)

Cal-Am Response: The use of a 3,000 mg/L TDS threshold to delineate the extent of seawater intrusion and determine whether water is "fresh" or potable, as opposed to "non-seawater" is inappropriate because water with 3,000 mg/L TDS is not suitable for human consumption or irrigation without treatment.[17]

The applicable standards for suitable drinking water are set forth in regulations promulgated under the California Safe Drinking Water Act, Health & Safety Code sections 116270 et seq. The California Secondary Drinking Water Standard for TDS is 500 mg/L. (Cal. Code Regs., tit. 22, § 64449.) Water with 1,000 mg/L TDS is acceptable for a community water system to supply to the public only if "it is neither reasonable nor feasible to provide more suitable waters." (Cal. Code Regs., tit. 22, § 64449, subds. (a), (d)(2).) Water with 1,500 mg/L TDS is acceptable "only for existing community water systems on a temporary basis pending construction of treatment facilities or development of acceptable new water sources." (*Id.*, subds. (a), (d)(3).) Thus, water with 3,000 mg/L TDS—over twice the limit for temporary community water

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human consumption or agricultural use because it exceeds applicable water quality standards. (Final EIR/EIS, p. 8.2-61; CPUC Decision D.18-09-017, Appx. J, pp. 15, 19-21.)

[17] The 3,000 mg/L TDS level is a threshold set forth in State Water Board Resolution 88-63, a policy document used by regional water quality control boards to make beneficial use designations for receiving waters in order to evaluate water quality impacts from discharges of pollution into those waters. Resolution 88-63 is not a water quality objective, nor does it provide any guidance on TDS levels that are suitable for human consumption. Resolution 88-63 merely defines those water bodies that are suitable, *or potentially suitable*, for municipal or domestic water supply uses. Because Resolution 88-63 makes no distinction between water bodies that are suitable or potentially suitable as a municipal or domestic water supply, it is irrelevant for determining whether a water body contains "fresh" or potable water suitable for human consumption without prior treatment.

supply—is unfit for human consumption or irrigation without treatment, and should not be used as the threshold to determine the expected amount of non-seawater that the Project's slant wells would withdraw. Indeed, the Final EIR/EIS properly evaluated the Project's potential impacts to groundwater supplies using the 500 mg/L standard, and this approach was affirmed by the California Supreme Court when it rejected MCWD's and Marina's challenges to the EIR/EIS. (See Order Denying Petitions for Writ of Review, *Marina Coast Water District, et al. v. Public Utilities Commission*, Case No. S253585 (Aug. 28, 2019).)

Regardless, the use of a 3,000 mg/L TDS standard would not affect the Final EIR/EIS's overall conclusion regarding groundwater impacts given the existing salinity levels in the Project capture zone or change the Project's ocean water percentage ("OWP") for purposes of Cal-Am's compliance with the Monterey County Water Resources Agency Act ("Agency Act").[18] Existing groundwater data shows TDS concentrations in the Project's capture zone ranging between 23,000 mg/L to 30,900 mg/L—***orders of magnitude above acceptable levels for potable groundwater supplies or the 3,000 mg/L standard suggested by staff.*** (Final EIR/EIS, pp. 8.5-729, 4.4-31, 4.4-69.) Thus, as the Final EIR/EIS explains, TDS levels in the 180-Foot Aquifer near the Project closely resemble the TDS levels of seawater (33,500 mg/L TDS) as opposed to "fresh" water. (*Id.*, pp. 4.4-27, 8.2-20.) Further, assuming ocean water contains 33,500 mg/L TDS, and the slant wells capture water with up to 30,900 mg/L TDS, then the ocean water percentage in the feedwater is roughly 92% (30,900/33,500 x 100)—regardless of whether the standard for delineating fresh water is 500 or 3,000 mg/L TDS. (See Final EIR/EIS, p. 8.2-20.) Because 92% falls within the OWP range estimated in the Final EIR/EIS of 87-99% (see Final EIR/EIS, p. 4.4-69), the use of a 3,000 mg/L TDS standard does not result in the Project withdrawing more "fresh" water from the SVGB.

Further, the EIR/EIS did not rely solely on TDS levels alone to evaluate groundwater quality. (See, e.g., Final EIR/EIS, pp. 4.4-27, 8.5-735.) The EIR/EIS explained that the existing groundwater data showed elevated concentrations of chloride and nitrate, in addition to elevated TDS levels, and explained that TDS, alone, does not delineate the extent of seawater intrusion or otherwise "fresh" water. (See *id.*, pp. 8.5-734 to 8.5-735; see also *id.*, Appx. E3, Table 1, pp. 3, 12, 21, 29, 38, 46-47, 61-62, 186, 221, 242.) In fact, the data showed that the areas with relatively low TDS levels have high nitrate or chloride levels that exceed the Drinking Water Standards for those constituents. (See Ex. 10, HWG Comments on Weiss SOW, pp. 2, 5-6.)

For instance, MCWRA defines the leading edge of inland seawater intrusion as groundwater containing chloride of 500 mg/L or more. (See Final EIR/EIS, p. 4.4-31; see also CPUC Decision D.18-09-017, p. 19.) "A chloride concentration of 500 mg/L represents a level that is ***twice*** the National Secondary Drinking Water Regulation (250 mg/L) and that exceeds the concentration for water to be considered of 'Class III –

[18] The Agency Act prohibits the exportation of groundwater for any use outside the SVGB. (See Final EIR/EIS, p. 8.2-17.) The Commission has no jurisdiction over MCWRA's enforcement of and Cal-Am's compliance with the Agency Act.

injurious or unsatisfactory' quality for agricultural irrigation (350 mg/L)." (CPUC Decision D.18-09-017, Appx. J, p. 20.) Groundwater quality data from the test slant well indicates that groundwater in the Project area contains between 11,680 mg/L to 16,037 mg/L—over 45 times the National Secondary Drinking Water Regulation. (*Id.*, p. 8.5-877.)

In addition, the drinking water standard for nitrate is 10 mg/L. (Cal. Code Regs., tit. 22, § 64431 [Table 64431-A].) Nitrate levels far in excess of this standard have been detected at the test slant well's monitoring wells, precluding untreated consumption of groundwater extracted from these areas, irrespective of their TDS and chloride levels. (See Final EIR/EIS, Appx. E3, Table 1, pp. 186, 221, 242.) The test slant well monitoring data measured nitrate as NO_3 concentrations and found levels of nitrate as NO_3 at 258 mg/L at MW-5S, 198 mg/L at MW-7S, and 116 mg/L at MW-8S. (*Ibid.*) Nitrate as NO_3 concentrations can be converted to nitrate as N concentrations by dividing the nitrate as NO_3 levels by 4.5. As a result, the Project's monitoring wells have nitrate as N levels of 57 mg/L at MW-5S, 44 mg/L at MW-7S, and 26 mg/L at MW-8S—all of which significantly exceed the drinking water standard of 10 mg/L.

TABLE 8.2.8-1
TOTAL DISSOLVED SOLIDS CONCENTRATIONS IN MPWSP MONITORING WELLS LOCATED WITHIN THE SLANT WELL CAPTURE ZONE

Well Number	Sample Date	Aquifer	Total Dissolved Solids (TDS) (mg/L)	Chloride (mg/L)
			California Drinking Water Standard: 500 mg/L[a]	California Drinking Water Standard: 250 mg/L[a]
MW-1S	2/13/15	Dune Sand	26,600	14,504
MW-1M	2/14/15	180-FTE	30,900	16,037
MW-3S	2/25/15	Dune Sand	23,400	11,680
MW-3M	2/24/15	180-FTE	28,500	14,686
MW-4S	3/7/15	Dune Sand	11,900	5,497
MW-4M	3/6/15	180 FTE	17,900	9,751

NOTES:
[a] California Secondary Maximum Contaminant Level (Cal. Code Regs., tit. 22, § 64449)
SOURCE: Geoscience, 2015

Because the water in the Project's capture zone exceeds Drinking Water Standards for several constituents (see Final EIR/EIS, p. 8.2-48 [Table 8.2.8-1, copied above]), TDS alone is an insufficient measure for whether any groundwater extracted by the Project is "fresh" or potable water.

Nevertheless, and as explained above, a 3,000 mg/L TDS threshold to define "fresh" water is not supported in applicable state law and is not an appropriate threshold for staff to apply to the Project.

Staff Report Contention #17: Cal-Am will need to obtain appropriative rights for all or some of the "non-seawater" it extracts and exports from the Salinas Valley Groundwater Basin. This is an issue for the State Water Resources Control Board to decide. (Staff Report Addendum, p. 4.) Margaret-Anne Coppernoll similarly argued that Cal-Am does not have the necessary "water rights" to develop water from the SVGB. (Coppernoll Letter (Nov. 11, 2019), p. 1.)

Cal-Am Response: As a preliminary matter, Cal-Am generally agrees with staff that the issue of water rights is not for the Commission to decide. Cal-Am's water rights for the Project are wholly separate from the Project's potential impacts to groundwater resources and, thus, are not relevant to the Project's consistency with the Coastal Act's groundwater protection policies.

The EIR/EIS analyzed Cal-Am's potential water rights for the Project to determine whether the Project would be feasible, and based on substantial evidence in the record, the EIR/EIS and CPUC concluded that the Project can be deemed feasible. (Final EIR/EIS, pp. 8.2-5, 2-31 to 2-32; CPUC Decision D.18-09-017, p. 80.) As the EIR/EIS explained, the "SVGB is not an adjudicated groundwater basin, so use of the groundwater in the Basin is not subject to existing court decree, written agreements or oversight by an impartial watermaster." (Final EIR/EIS, p. 2-32.) Because Cal-Am has no prescriptive rights in the Basin, Cal-Am would be required to obtain appropriative rights for water extracted from the Basin.[19] (*Ibid.*) If Cal-Am extracts unusable or contaminated Basin groundwater without harm to existing lawful water users—and any fresh groundwater is returned to the Basin—then Cal-Am could develop appropriative rights to that portion of the Project feedwater. (See Final EIR/EIS, p. 2-34.) Here, the technical record confirms that there is surplus (unused) groundwater in the SVGB that is contaminated and, thus, available for Cal-Am to appropriate.

Indeed, the State Water Board—the state agency with primary responsibility for the regulatory and adjudicatory functions of the state regarding water resources (Water Code, § 174; Pub. Resources Code, § 30412)—determined that Cal-Am could develop the necessary water rights to operate the Project. (See CPUC Decision D.18-09-017, p. 80.) In 2013, the State Water Board issued a report that explained that Cal-Am may extract brackish groundwater from the SVGB, and thus appropriate and obtain rights to that water, so long as Cal-Am can extract the water without negatively impacting the SVGB or existing groundwater users. The State Water Board explained that "extracting

[19] "There are three relevant types of groundwater rights: (1) overlying rights whereby those who own land atop the Basin may make reasonable use of groundwater on such overlying land; (2) prescriptive rights whereby a water user has acquired another's rights to use water via an open, adverse and sustained use under a claim of right that such user would otherwise not be entitled to; and (3) appropriative rights whereby groundwater may be used outside the Basin or for municipal purposes." (Final EIR/EIS, p. 2-32.)

seawater from the ocean does not require water rights," and given landward gradients in the Project area, the project wells will primarily extract seawater.[20] (*Ibid.*)

With this in mind, the CPUC evaluated the Project's potential to impact the SVGB and groundwater users, and determined that substantial evidence in the record demonstrates that any impacts would be less than significant.[21] (CPUC Decision D.18-09-017, pp. 81, 174-175.) The California Supreme Court rejected Marina's and MCWD's challenges to the CPUC's Decision and EIR/EIS' discussion of and determinations regarding water rights. (See Order Denying Petitions for Writ of Review, *Marina Coast Water District, et al. v. Public Utilities Commission*, Case No. S253585 (Aug. 28, 2019).) Thus, there are no legal impediments to Cal-Am's ability to develop rights to this contaminated groundwater in the SVGB.

Further, contrary to staff's contention that Cal-Am will "export" the "non-seawater" that the Project extracts, any "non-seawater" extracted from the SVGB will be returned to the Basin as part of Cal-Am's obligations under the Agency Act. (See CPUC Decision D.18-09-017, pp. 103-112.) To comply with the Agency Act, Cal-Am has agreed to calculate annually the percentage of Project feedwater that originated in the SVGB as "fresh" water and "return" that water to the SVGB by providing desalinated product water to the Castroville Community Services District and Castroville Seawater Intrusion Project. (Final EIR/EIS, p. 8.2-17; see also CPUC Decision D.18-09-017, pp. 104-105, 110.) The CPUC approved this "Return Water Settlement Agreement," agreeing with the parties to the Agreement—including MCWRA, the agency vested with authority to implement and enforce the Agency Act—"that the provisions establish a return water delivery arrangement that is in the public interest, consistent with the record, and in compliance with the law." (See CPUC Decision D.18-09-017, p. 110.) Similarly, the State Water Board has confirmed that the Project is consistent with the Agency Act, even though the Project would withdraw some usable groundwater (i.e., fresh water) from the SVGB, because Cal-Am will return any usable groundwater withdrawn to the Basin. (See Final EIR/EIS, Appx. B2, pp. 39-40; see also Final EIR/EIS, p. 8.2-18.)

Staff Report Contention #18: The Project's groundwater extraction is likely to have limited to negligible impacts on the rate of seawater intrusion in the area, but a change in the groundwater gradient in the Dune Sand Aquifer "suggests that Cal-Am's wells would extract greater volumes of non-seawater than identified in [the Final EIR/EIS's] models." (Staff Report Addendum, pp. 4-5; see also MCWD Letter (Nov. 13, 2019), p. 5.)

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[20] The issue of water rights was briefed extensively before the California Supreme Court as part of Marina's and MCWD's challenges to the CPUC's approval of the Project. The Supreme Court affirmed the CPUC's determinations. (See Order Denying Petitions for Writ of Review, *Marina Coast Water District, et al. v. Public Utilities Commission*, Case No. S253585 (Aug. 28, 2019).)

[21] Although not required, Cal-Am proposed Applicant Proposed Measure 4.4-3, which requires Cal-Am to monitor groundwater level changes to ensure that existing groundwater supply wells suffer no harm as a result of Project pumping. (See Final EIR/EIS, pp. 4.4-87 to 4.4-89.)

Cal-Am Response: The Staff Report underestimates the Project's benefit to the SVGB from halting further seawater intrusion into the Basin, and incorrectly characterizes groundwater gradients in the SVGB aquifers.

As explained in the Final EIR/EIS, the Project's slant wells will inhibit further seawater intrusion beyond the Project's capture zone. (See Final EIR/EIS, p. 4.4-92; HWG Response to Coastal Commission (Feb. 20, 2020), p. 2.) As a result of extensive overpumping of groundwater from the SVGB since the 1940s, the Basin has experienced substantial seawater intrusion and groundwater gradients that flow inland.[22] (Final EIR/EIS, p. 4.4-16.) However, Project pumping will draw contaminated groundwater from the SVGB, creating a seaward gradient that will halt or reverse the current landward movement of seawater intrusion into the SVGB. (*Id.*, pp. 4.4-92, 8.5-561.)

Further, there is no basis for staff to assume that the existing landward groundwater gradients have changed or will change. The Dune Sand Aquifer recharges predominantly from saline water at the coast and beneath the ocean due to the direct hydraulic connectively between the Aquifer and the ocean, and the large volume of ocean water available to recharge, or refill, the Aquifer. (Final EIR/EIS, pp. 4.4-19, 4.4-31, 4.4-70.) As a result, it is very difficult for the existing landward groundwater gradients to reverse and become seaward. (CPUC Decision D.18-09-017, Appx. J, p. 16.)

Even if groundwater gradients in the SVGB were reversed, the Project's slant wells would continue to draw in primarily seawater as a result of the ocean recharge. (*Id.*, p. 17.) However, as the CPUC explained, there is no credible evidence that existing landward groundwater gradients would reverse and begin to flow seaward. (See *id.*, pp. 16-17 ["What is important to consider here is that there is very little likelihood, and it would be total speculation to believe, that the existing groundwater gradient . . . could be reversed within the life of the project"].) Therefore, staff's assertion that the Project will extract greater volumes of inland freshwater upon a change in groundwater gradient is both speculative and unsupported by the existing record.

In addition, the Weiss Report confirms that the amount of seawater withdrawn by the Project, or OWP, would likely range from 90 to 99%, consistent with the range identified in the Final EIR/EIS. (See Weiss Report, pp. 19-20.) Using a large capture zone, the Weiss Report conservatively determined that the low end of the OWP estimates would be 85 to 90%. (*Ibid.*) Nonetheless, the Weiss Report explained that this low bookend "is likely to be an ***underestimate of the true OWP***" and is a "***worst-case scenario***." (*Ibid* [emphasis added].) Further, the Weiss Report concluded that changes in groundwater gradients would not likely result in an OWP outside of the 90-99% range. (*Id.*, p. 20.) Thus, even Commission staff's own consultant has determined that the Project will not extract "greater amounts of non-seawater than identified in [prior] modeling." (Staff Report Addendum, pp. 4-5.)

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[22] Groundwater gradients are expressed as the ratio of the vertical change to lateral distance. "For example, if groundwater levels decrease 5 feet over a horizontal distance of 10,000 feet, the gradient is expressed as 0.0005 feet per foot." (Final EIR/EIS, p. 8.2-44.)

Moreover, even if the Project withdraws "greater volumes of non-seawater" than identified in the EIR/EIS (Staff Report Addendum, p. 5), there is no resulting environmental impact to the SVGB that implicates Coastal Act section 30231. As explained above, any "non-seawater" withdrawn by the Project will be returned to the SVGB pursuant to Cal-Am's obligations under the Agency Act and Return Water Settlement Agreement. These obligations are not mitigation measures to reduce or avoid any environmental impact. (See Final EIR/EIS, p. 8.2-13 ["The purpose of the return water element of the project is not to alleviate or address any environmental effects."].)

Therefore, while staff's consultant and Cal-Am agree that the Project will not extract greater volumes of "non-seawater" than identified and evaluated in the Final EIR/EIS, in the highly unlikely event that greater "non-seawater" volumes were extracted, no impact would occur because Cal-Am is obligated to return such water under the Agency Act and Return Water Settlement Agreement.

Staff Report Contention #19: The modeling in the Final EIR/EIS is flawed because it does not account for potential "fresh water" capture beyond the identified capture zone. (Staff Report Addendum, p. 5.)

Cal-Am Response: The Project's capture zone is located in a coastal area of the SVGB ***already intruded with seawater*** that is not usable for human consumption or irrigation without treatment. (Final EIR/EIS, pp. 4.4-69 to 4.4-70.) The capture zone will also be supplied by an unlimited source of ocean water recharge from the Monterey Bay. (*Id.*, p. 4.4-70.) As a result, the Project will withdraw primarily seawater from the SVGB. (*Id.*, p. 4.4-56.) Indeed, Project modeling showed—consistent with test slant well monitoring data—that as Project pumping continues, the OWP increases over time to reach 99%. (See Final EIR/EIS, p. 4.4-56; see also *id.*, Appx. E3.) "As pumping continues, the wells would extract increasing proportions of infiltrating recharge from the ocean," because "[t]he steady ocean recharge would gradually replace ambient groundwater within the capture zone." (See *id.*, p. 8.2-9.)

As the HWG has explained in multiple submittals to Commission staff , the vast majority of potential "fresh water" pockets noted by staff occur in areas hydraulically disconnected from the aquifers from which the Project's wells will extract water. (See HWG Aug. 15, 2018 Tech. Response, p. 5; see also Ex. 10, HWG Comments on Weiss SOW, pp. 6-7.) "[T]here is a very important distinction being missed by many hydrogeologists (including Weiss . . .) that the coastal Dune Sand Aquifer is a distinct hydraulic gradient zone" from the pockets of freshwater in the "Perched/Mounded Aquifer." (*Id.*, p. 6.) "This hydraulic discontinuity . . . means that pumping at the coast in the coastal Dune Sand Aquifer cannot impact groundwater levels in the Perched/Mounded Aquifer." (*Ibid.*) Nor can the Project's capture zone extend into the Perched/Mounded Aquifer to access the purported "fresh water" pockets. (*Ibid.*) In fact, the Project's capture zone and any groundwater drawdown cannot access these pockets "regardless of the direction and magnitude of the groundwater gradient." (*Id.*, p. 7.)

Since Project pumping is limited to the capture zone, and the Aquifers from which the Project will withdraw water are hydraulically disconnected from the identified areas of

potential "fresh" water, there is no need to perform additional data collection and modeling to determine whether the Project will impact any "fresh water" pockets outside of the capture zone. Moreover, as discussed above, the TDS level of 3,000 mg/L advocated by MCWD as "fresh water" is by no means fresh or potable and cannot be used for human consumption or agricultural use without treatment, such as desalination.

Staff Report Contention #20: Staff is uncertain about how much additional "fresh water" would be captured, but believes that that some of this uncertainty would be reduced if the slant wells were able to extend further seaward at a lower angle so as to shorten the flow path between the well intakes and the seafloor. (Staff Report Addendum, p. 5.)

Cal-Am Response: In reviewing the Project, the CPUC evaluated different configurations of the slant well network, but determined that slant wells developed at the proposed angle of approximately fourteen degrees were the environmentally superior alternative. (See Final EIR/EIS, pp. 3-18, 8.5-730.)

For instance, the EIR/EIS evaluated horizontal wells, which would extend further seaward at a lower angle than the slant wells. (See Final EIR/EIS, Appx. I1, pp. I1-5 to I1-7.) However, the CPUC determined horizontal wells are infeasible because: "(1) the amount of pipeline that would be pushed under the seafloor (upwards of 2,500 feet) would be challenging in terms of physical limitations; and (2) [the horizontal well technology] would not avoid or minimize any of the impacts associated with the proposed [Project]." (Final EIR/EIS, Appx. 11, p. I1-7; see also Final EIR/EIS, p. 8.5-771.) The Final EIR/EIS also explained the technical limitations of horizontal wells, which have "yet to be demonstrated successfully for an intake well," such as tendency to clog and decreased or loss of productivity over time. (*Id.*, p. 8.5-770 to 8.5-771.) Therefore, the use of wells at a "lower angle" is not feasible or environmentally superior to the Project's proposed slant wells.

In addition, extending the slant wells further seaward as proposed by staff would not make a material difference to the percentage of ocean water extracted by the Project. Any slant well ranging from completely beneath the beach (landward of the shoreline) to completely under the ocean will effectively extract the same OWP given that the coastal aquifers are recharged significantly by ocean water. (See Final EIR/EIS, pp. 8.5-638, 8.5-730.) As the HWG explained in its Hydrogeologic Investigation Technical Report (Final EIR/EIS, Appendix E3):

> [W]hile placement of production well screens closer to or under the ocean may result in a quicker ramping-up to maximum ocean water percentage (OWP) in the first few months and a very slight increase in the medium-term OWP, a difference of a few hundred feet in [well] screen placement relative to the ocean boundary will have minimal overall effect on the OWP.

(Final EIR/EIS, Appx. E3, p. 23.) The ocean provides a significant volume of seawater at the recharge boundary in the Dune Sand Aquifer, rendering wells screened just beneath

the beach as effective in extracting a high percentage of seawater as wells screened a couple of hundred feet further under the seafloor. (See Final EIR/EIS, p. 8.5-730.)

Therefore, extending the slant wells further seaward at a lower angle would not impact the amount of "fresh water" captured, and as the CPUC determined, the current location and configuration of the Project's slant well network is the environmentally superior design to capture groundwater contaminated by seawater intrusion and prevent the further inland migration of seawater. (See, e.g., Final EIR/EIS, pp. 8.5-580 to 8.5-581; CPUC Decision D.18-09-017, p. 173.)

Staff Report Contention #21: Staff asserts that the Project's uncertainties regarding groundwater impacts raise public welfare concerns because "if it turns out that Cal-Am would be pumping larger quantities of non-seawater than previously thought, it would need to send larger quantities of desalinated water to Castroville Community Services District." (Staff Report Addendum, p. 5.) As a result, "the rest of Cal-Am's water [would be] more expensive, thereby raising customers' rates and affecting the public welfare findings." (Ibid.)

Cal-Am Response: Staff's public welfare assertion is pure speculation and contradicts Weiss' determinations. Both Weiss and the EIR/EIS are consistent in their calculations of how much water Cal-Am would be required to provide to the Castroville Community Services District ("CCSD") as part of Cal-Am's return water obligations. Staff's assertion that Cal-Am would be required to send more water to CCSD, which in turn would cause higher rates for Cal-Am customers, is unsupported by the CPUC's and Commission's record.

As explained above, Cal-Am's return water obligations depend on how much ocean water comprises the slant well feedwater, or the OWP. The Final EIR/EIS conservatively estimated a return water percentage between 0-12% based on an OWP of 88 to 99%. (See Final EIR/EIS, pp. 4.4-56, 8.2-21 to 8.2-22.) As the Weiss Report confirmed, the "worst-case scenario" for the Project's OWP would be 85%, and this low bookend "is likely to be an underestimate of the true OWP." (Weiss Report, pp. 19-20.) According to the Weiss Report, the Project's OWP will likely fall within the range of 90-99%. (*Id.*, p. 20.) In other words, the Weiss Report contemplates ocean water and return water percentages consistent with the range evaluated in the Final EIR/EIS and by the CPUC in approving the Project. There is no basis for staff to assume that Cal-Am's return water obligations would be larger than those identified in the EIR/EIS and Weiss Report.

Further, as part of its Project approval, the CPUC considered issues such as the reasonableness of Cal-Am's rates and the public convenience and necessity for the Project. (See CPUC Decision D.18-09-017, pp. 178, 184, 193.) These determinations are all within the CPUC's purview as the state agency charged with exclusive jurisdiction to ensure that investor-owned water utilities deliver water at reasonable rates. (See Pub. Util. Code, § 451, 454, 728.) The CPUC's review of the Project included exercising its ratesetting authority wherein the CPUC was statutorily "charged with the responsibility of ensuring that all rates demanded or received by a public utility [such as Cal-Am] are just and reasonable." (See CPUC Decision D.18-09-017, pp. 19-20.) Based on its robust record developed over six years, the CPUC determined the Project "achieves an

appropriate balance between supplying a sufficient amount of safe, reliable, potable water and maintaining just and reasonable rates." (*Id.*, p. 178.)

The CPUC also determined that Cal-Am would incur the costs for meeting its return water obligation if that obligation "is increased due to a greater OWP than that estimated in the FEIR/EIS." (*Id.*, p. 192.) Thus, the record does not support staff's determination that any increased costs from Cal-Am's return water obligations would be passed onto consumers.

In sum, the CPUC—not the Commission—has authority over determining the reasonableness of Cal-Am's rates, and the CPUC determined following its multi-year ratesetting process that Cal-Am's rates are just and reasonable.

E. Energy Consumption & Climate Change

The Staff Report concludes that the Project appropriately minimizes energy consumption and is consistent with the LCP and Coastal Act policies regarding energy consumption and climate change. (Staff Report, p. 61.) Cal-Am agrees with Staff's determinations.

However, the Staff Report bases its conclusion by citing to the data for the larger project that was analyzed in the EIR/EIS, not Alternative 5a, which was the reduced project approved by the CPUC. To clarify the record, Alternative 5a (the Project for which Cal-Am has applied to the Commission) would reduce the GHG emissions and energy use as follows:

- Annualized construction emissions reduced from 357 tonnes CO_2e per year to 342 tonnes CO_2e per year. (See Final EIR/EIS, pp. 4.11-16, 5.5-244.)

- Operational emissions reduced from 8,008 tonnes CO_2e per year to 5,188 tonnes CO_2e per year. (See Final EIR/EIS, pp. 4.11-17, 5.5-244.)

- Operational electricity use for the intake and desalination plant reduced from approximately 57,000 megawatt hours of electricity per year to approximately 38,000 megawatt hours of electricity per year. (See Final EIR/EIS, pp. 4.11-12, 5.5-341.)

In addition, as noted in the Staff Report, the Project includes Mitigation Measure 4.11-1, which would reduce the carbon footprint of the Project's electricity consumption to zero; the electricity would be generated from renewable energy sources, and/or would otherwise be offset through the procurement of Renewable Energy Certificates and/or retirement of Carbon Offsets.

Nevertheless, staff also asserts that the Pure Water Monterey Groundwater Replenishment Project ("PWM Expansion") constitutes a feasible alternative that would reduce energy consumption as compared to the Project. Public Water Now makes a similar argument in their letter. (Public Water Now Letter, p. 2.) However these statements do not take into account Mitigation Measure 4.11-1, which ensures the Project would result in net zero operational emissions from electricity consumption. Cal-Am is not aware of the PWM Expansion making a similar commitment to net zero operational emissions from electricity consumption. In addition, as explained in Section I, *infra*, PWM Expansion is infeasible, and should not be considered as

an alternative to the Project. Accordingly, comparing the Project's energy consumption to the PWM Expansion is unnecessary.

F. Public Access and Recreation

Cal-Am agrees with the Staff Report's conclusion that the Project's construction-related activities would be consistent with LUP and Coastal Act policies related to public access. However, staff's concern that public access may be reduced after construction due to Project operations is unfounded. The Project will occupy 0.06 percent of the 400+ acre CEMEX site. (Staff Report, p. 23.) Beginning in year five of operations, yearly maintenance activities would occupy an additional approximately 0.25 acre of the CEMEX site for a period of 9 to 18 weeks at a time. None of the area impacted by the Project's construction or operation, including maintenance activities, would impede beach use or access. (Final EIR/EIS, pp. 3-59, 4.8-33; Staff Report, p. 65.) Accordingly, the Project's impact on public access is de minimis. Nevertheless, to ensure that public access will not be impeded by future Project operations, Cal-Am is proposing a Special Condition requiring development and approval of a Public Access Plan. Proposed language for that condition is included at Attachment C, hereto.

Staff Report Contention #22: The Staff Report states that the outfall liner has not been evaluated, and because as currently described, installation would require heavy equipment operating on the beach, placement of barriers, and protective work zones, there may be temporary adverse effects on public access. The Staff Report states that there is not yet sufficient information to determine the full extent of the outfall liner impacts. (Staff Report, p. 64.)

Cal-Am Response: The outfall liner is not part of Cal-Am's CDP application. It may be appropriate to separately evaluate and condition construction and operation of the outfall liner when M1W applies for a CDP for that work, depending on its scope. That scope has yet to be determined and is in M1W's control. In addition, potential alternatives to installation of the outfall liner are being evaluated, including implementation of a spray liner that could avoid ground disturbance and potential ESHA impacts that were evaluated and disclosed in the EIR/EIS. Further, M1W is also evaluating as a separate project the relocation of the outfall, which may be necessary to address sea level rise. As part of that project, a pre-lined outfall could be installed and thus avoid the need for ground disturbance and ESHA impacts associated solely with outfall lining activities. The final approach to the outfall liner with be determined by M1W. Nevertheless, for purposes of this CDP, Cal-Am proposes a Special Condition (see Attachment C) that would require approval of the outfall work prior to the commencement of Project operations. *Staff Report Contention #23: The Staff Report alleges that during operations, the Project could result in adverse effects to public access and recreation, depending on the eventual restoration and access plan that emerges from implementation of the CEMEX Settlement Agreement. (Staff Report, p. 64.) Public Water Now submitted a comment letter on November 12, 2019, similarly stating that the Project could limit public access and recreation. (PWN Letter, p. 2.)*

> Cal-Am Response: Staff's concerns that the Project could result in adverse effects to public access and recreation depending upon implementation of the CEMEX Settlement Agreement are misplaced. As an initial matter, the Commission already contemplated that the Project could be built on the CEMEX site when it approved the CEMEX

Settlement Agreement subject to Cal-Am's existing rights. (Settlement Agreement, § 23.2 ["this Agreement is not intended to and shall not be construed or deemed to supersede or interfere with any existing rights or obligations of California-American Water Company . . . related to the Property"].) To now use the Settlement Agreement as the basis for asserting a public access impact is improper and plainly contradicts the Commission's earlier determination.

Further, neither construction nor operation of the Project will impede coastal access or recreation, as the area occupied by the slant wells will be relatively small—only 0.24 acres. Further, the Project will not impede beach access because the Project does not involve construction of any structure or operations on the beach—no barrier to lateral beach access has ever been contemplated or suggested. The slant wells will occupy minimal space and not impede vertical beach access. (See, e.g., Final EIR/EIS, p. 4.8-35 ["The wells would be constructed approximately 500 feet landward of the back of the beach. No work on the beach is proposed."]; p. 6-54 ["The subsurface slant wells would be set back from the beach at a distance that would not preclude public access on the beach. No other proposed components would interfere with vertical or lateral public access to the shoreline or coastal waters."]; 4.8-17 ["most MPWSP components in proximity to the coastal zone . . . would be buried underground and would not substantially affect long-term public access to or along the coast."].)

Notably, vertical access to the beach is not even possible until closure of the CEMEX sand mine in 2022 and as stated in the Staff Report "construction would likely be complete before public access is developed." (Staff Report, p. 64.) After construction, the total fenced area as proposed by Cal-Am would occupy less than one-quarter of an acre of the 400+ acre CEMEX site. (See, e.g., Staff Report, p. 23 [referencing Cal-Am's proposal to fence 10,389 square feet or approximately 0.24 acres].) Specifically, Cal-Am proposes to fence six well sites (the largest of which is 56' by 38') and two surge tank sites (the largest of which is 22' by 53'). (See Proposed Fence Perimeters, included with Cal-Am's local CDP application to the City of Marina.) All fencing will be 8-feet tall and have PVC coating with tan (sand) colored privacy slats. Accordingly, the fenced area represents only 0.06 percent of the CEMEX site. This de minimis presence cannot be construed as limiting public access to the beach or other coastal resources.

Staff also raises concerns that the ongoing maintenance of the slant wells will occupy an area of up to about six acres. (Staff Report, p. 65.) Commencing in year five of operations, yearly maintenance activities would occupy an additional approximately 0.25 acre of the CEMEX site for a period of 9 to 18 weeks. The six acre figure cited by staff represents the total maintenance area that could be utilized over the course of the Project. However, the six acre area would not be utilized all at once—instead, on a yearly basis the additional area necessary for maintenance would be significantly smaller at approximately 0.25 acre, which represents the area surrounding individual pieces of infrastructure or well pads on the site that would be maintained. In addition, the Final EIR/EIS found that potential impacts associated with use of the entire six acre area would be less than significant with mitigation. (Final EIR/EIS, pp. 3-59, 4.6-247 to 4.6-257.) Among other mitigation measures, "[m]aintenance activities would occur between October and February to avoid the nesting season for snowy plover" and "[m]aintenance

workers would access the slant wells via the existing CEMEX access road." (Final EIR/EIS, pp. 3-59; see also *id.*, pp. 4.6-249, 4.6-254 to 4.6-257 [listing no less than twelve mitigation measures for maintenance related impacts].) Thus, commencing in year five of operations, yearly maintenance activities would occupy only a very small portion of the CEMEX site and these temporary impacts will be less than significant with mitigation.

The Staff Report states that if not for its rejection of the override provided in Section 30260, "the Commission could require special conditions requiring Cal-Am to implement measures needed to ensure its proposed project would be consistent with the . . . Coastal Act and LCP provisions related to public access and recreation." (Staff Report, p. 65.) As noted above, Cal-Am believes that Project construction and operations will present de minimis interference with public access to the beach. Nevertheless, to ensure that there will be no impacts, Cal-Am is proposing a Special Condition requiring the development and approval of a Public Access Plan. The proposed language is included at Attachment C, hereto.

G. Visual Resources

The Staff Report concludes that Project components within the Coastal Zone would be largely hidden from public view, and that ongoing Project maintenance would be limited and would not conflict with the LCP's policies regarding visual resources. (Staff Report, p. 67.) Staff further concludes that the Project's impacts on visual resources could conform with LCP and Coastal Act visual resources policies if the Commission were to impose special conditions on the Project. (*Ibid.*) Cal-Am agrees with staff's conclusion that Project development would be primarily concealed from public view, and that Project maintenance activities would not conflict with LCP policies intended to limit development above dune ridgelines.

Nevertheless, staff also asserts that, because the Project does not conform with other LCP and Coastal Act policies unrelated to visual resources, and also does not qualify for a Coastal Act section 30260 exemption as a coastal-dependent industrial use, "there is no need to identify special conditions that may be needed to ensure conformity" with visual resources policies. (Staff Report, p. 67.) As explained in Sections I.A, B, and C, the Project is consistent with LCP and Coastal Act policies regarding ESHA, coastal hazards, and protection of coastal waters. The Project is further consistent with policies regarding visual resources because: (1) the Project will not be visible from any entrance to the City of Marina; (2) above-ground components of the Project would not be visible from areas outside of the CEMEX site; and (3) as explained in the Final EIR/EIS, any necessary fencing will be designed to be minimally intrusive and to complement the architectural character of the community. (See Final EIR/EIS, p. 4.14-43.) While staff has not identified with which visual resources policies it contends the Project may conflict, Cal-Am remains willing to coordinate with staff to develop appropriate Special Conditions regarding visual resources to address staff's concerns.

H. Environmental Justice

The Project is consistent with Coastal Act Section 30604(h), including substantive and procedural elements of environmental justice. The Staff Report errs in finding that the Project's

overall effect would be to burden communities of concern and overlooks many important Project benefits. For example, the Project will support economic growth in the area by providing a reliable and much-needed supply of water to the Monterey Peninsula. The Project will

> ensure[] long-term water supply in the Monterey Peninsula area[, and] will boost the region's economic vitality, particularly the County's 'four pillars' – agriculture, tourism, education, and research, by substantially enhancing the reliability of water resources and water infrastructure. The Project will allow residential, commercial (including tourism) and industrial activities to continue to exist and flourish within the greater Monterey area, benefitting those who live and work throughout the greater Monterey area (and not merely in the CalAm Monterey service territory).

(CPUC Decision D.18-09-017, Appx. C, pp. C-74 to C-75.) Accordingly, the CPUC determined that implementation of the Project would provide local and regional economic benefits, both from construction and operation. (*Ibid.*)

The Staff Report also downplays the importance of the Project's return water component to CCSD, which will prevent CCSD from undertaking costly new well development and groundwater treatment. Castroville, by staff's own analysis, is a community of concern with a higher proportion of low-income residents than any of the other communities that staff evaluated and the Project's benefits to Castroville must be considered. (Staff Report, pp. 70-71.) Castroville "currently relies on about 780 afy of groundwater from the SVGB to meet Castroville's water demands, and increasingly has experienced water supply challenges because the water is getting saltier." (CPUC Decision D.18-09-017, Appx. C, p. C-75.) The Project will resolve those challenges. (*Ibid.*) The CCSD Manager has called the Project "an essential element of CCSD's long-term water supply" and stated that "halting construction of the MPWSP will severely prejudice CCSD and the disadvantaged community of Castroville that desperately needs a new, reliable long-term water supply." (Declaration of Eric Tynan in Case No. 19CV003305, p. 4, attached hereto as **Exhibit 11**.)

Finally, the CPUC also found that the Project would provide many other benefits, including:

- A reliable water supply for CalAm's Monterey District (CPUC Decision D.18-09-017, Appx. C, p. C-74);
- An alternative water supply that adheres to Cal-Am's obligations under the Water Board's CDO (*ibid.*);
- The protection and promotion of the Monterey regional economy by providing a permanent solution for Monterey Peninsula's water supply, supporting economic recovery of the Monterey area tourism industry (*id.*, pp. C-74 to C-75); and
- Environmental benefits to habitat and wildlife and marine species in the Carmel River and would "be expected to retard future inland migration of the seawater

intrusion front, by intercepting and capturing some of the seawater that currently migrates inland across the coastline" (*id.*, p. C-75; see also Section D).

Therefore, the Project provides substantial benefits to the disadvantaged communities both on the Monterey Peninsula and in the larger region that heavily relies on the Peninsula's jobs and economic activity,[23] and is consistent with the Commission's environmental justice policies. In addition to the responses below, Cal-Am will provide the Commission with an Environmental Justice technical analysis under separate cover at a later date.

Staff Report Contention #24: The Staff Report contends, based on a Food & Water Watch survey, that Cal-Am's water rates are among the highest in the country. (Staff Report, p. 73.)

Cal-Am Response: The Staff Report's reliance on the Food & Water Watch survey regarding Cal-Am's water rates is misplaced. The average water use of a single-family residential household in Monterey is 44,400 gallons of water per year rather than the 60,000 gallons per year cited by the Staff Report. (See Informational Flyer, attached hereto as **Exhibit 12**, , p. 1; see also Update to General Rate Case Application, Central Division, attached hereto as **Exhibit 13**, Table 3.7 [showing single-family residential water consumption well below 60,000 gallons per year].) This is an important distinction, because like many water utilities in the state, Cal-Am's "conservation pricing" has higher tiered rates assigned to higher than average levels of water use in order to encourage water conservation. Accordingly, basing estimated payments on 60,000 gallons per year skews the average cost of water to seem more severe than it actually is. (*Ibid.*) If you apply the correct usage model into a monthly estimate utilizing a 5/8-inch meter, you get a monthly bill of about $78—not the $100 that is claimed in the Food & Water Watch survey for 2017. (*Ibid.*)

Moreover, the Food & Water Watch survey cites three separate papers that each explicitly warn against the sort of rate comparison practice that the survey employs.[24] The Food & Water Watch survey also ignores the fact that water rates are a reflection of water utility investment, and that a utility that is properly maintaining its infrastructure and planning for the future will necessarily have higher rates than a utility that defers investment or provides inadequate solutions in favor of lower rates. For these reasons,

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[23] "The Project will allow residential, commercial (including tourism) and industrial activities to continue to exist and flourish within the ***greater Monterey area***, benefiting those who live and work throughout the greater Monterey area (and not merely in the CalAm Monterey Service territory)." (CPUC Decision D.18-09-017, Appx. C, pp. C-74 to C-75 [emphasis added].)

[24] Truth from the Tap Blog, available at https://truthfromthetap.com/two-key-reasons-to-dismiss-latest-food-water-watch-report/. For example, one of the papers explains that "costs and rates charged for water services differ in many respects between public and investor-owned purveyors. . . . [P]ublic purveyors have tax payer sources of capital and revenue that are assumed by the tax payers but are not reflected in water rates." (*Ibid.*) Differences between public and investor-owned utilities as well as "[f]actors such as geographic location, demand, political climate, water source, level of treatment, and age of system" all impact rates, and "casual comparisons of or generalizations about rates are strongly discouraged." (*Ibid.*)

comparison between water rates is often an unhelpful exercise. Nevertheless, the CPUC – which is the state agency charged with determining water rates—has determined Cal-Am's rates to be just and reasonable. (See CPUC Decision D.18-09-017, pp. 19-20, 123-24; Pub. Util. Code, §§ 451, 454.)

Staff Report Contention #25: The Staff Report alleges that communities of concern would be disproportionately affected by increased water rates resulting from the Project's construction and operation and that a feasible alternative would not exacerbate or increase burdens to these communities. (Staff Report, pp. 73-74.)

Cal-Am Response: The CPUC has exclusive jurisdiction to ensure that investor-owned water utilities deliver water at reasonable rates, based on factors such as fixed costs and variable use charges. (See, e.g., Pub. Util. Code, §§ 451, 454, 728.) The CPUC's review of the Project included exercising its ratesetting authority wherein, under Public Utilities Code sections 451 and 728, the CPUC was "charged with the responsibility of ensuring that all rates demanded or received by a public utility [such as Cal-Am] are just and reasonable." (See CPUC Decision D.18-09-017, pp. 19-20.) The CPUC stated:

> In approving the MPWSP we recognize that desalinated water is relatively expensive, both in terms of capital costs and ongoing operations and maintenance costs. In reaching our decision here, the [CPUC] must balance potential benefits against the cost burden to CalAm's ratepayers from the construction of the MPWSP, and consider the relative benefits and costs of reasonable alternatives. . . . The [CPUC] must decide what is a reasonable cost burden for ratepayers to bear, under what conditions such a cost can be justified, and how the cost increase can be minimized and controlled to achieve an appropriate balance between supplying a sufficient amount of safe, reliable, potable water and maintaining just and reasonable rates. . . . We must determine what is reasonable in this context. At the same time we must not burden ratepayers with such a high cost that it becomes prohibitive.

(*Id.*, pp. 123-24.) After extensive briefing and input from the community, the CPUC approved the Project and Cal-Am's rate recovery. (*Ibid.*) Indeed, the rates ultimately approved by the CPUC were based on extensive collaboration: "Sixteen parties (a sub-set of parties, including the applicant, ratepayer advocates, environmental groups, and public water agencies) submitted a proposed Comprehensive Settlement Agreement (Comprehensive Settlement) that addresses O&M expenses, cost caps, financing and ratemaking for the MPWSP." (*Id.*, p. 88.) This Comprehensive Settlement formed the basis for the CPUC's ratemaking decision. Although the CPUC did not adopt the Comprehensive Settlement in full it stated that "substantial testimony and materials have been submitted into the record as to many of the proposed components of the agreement. This allow[ed CPUC] to adopt the framework (with additional conditions) and key elements as to O&M costs, financing, ratemaking, and contingency provisions[.]"

(CPUC Decision, D.18-09-017, p 99.) Ultimately, the CPUC "adopted the framework set out in the Comprehensive Settlement with ***additional protections***." (*Id.*, pp. 124-125 [emphasis added].)

The CPUC gave "great weight to the City of Marina's community values, and also considers the community values expressed by others, such as The Latino Water Coalition, Latino Seaside Merchants, and Communidad en Accion, Coalition for Peninsula Businesses, Cal-Am ratepayers, Salinas Valley Water Coalition, the County of Monterey, and others." (CPUC Decision D.18-09-017, p. 158.) The CPUC "[a]ddressed the probable rate increases for ratepayers . . . including identified low-income populations in Sand City, Seaside, and downtown Monterey." (*Id.*, p. 164.) As a result, the CPUC added additional ratepayer protections as advised by the California Public Advocates Office (*id.*, pp. 184-85) and retained "continuing jurisdiction over Cal-Am to ensure that rates are just and reasonable" (*id.*, p. 204).

The CPUC exercised its exclusive jurisdiction and special expertise in determining the future rates associated with construction and operation of the Project. It did so while specifically considering and weighing the impacts on ratepayers, such as those in identified low income communities, against the need for a reliable source of water on the Monterey Peninsula.[25] It is not the Commission's role to use alleged environmental justice concerns as a backdoor to independently review utility rates or second-guess the CPUC's ratesetting determinations.

The projected costs of Project water are far below the approximately $6,000 per acre foot claimed in the Staff Report. (Staff Report, p. 73.) The CPUC decision states that the "cost per acre-foot (AF) for the 6.4 mgd plant 'under the Tier 2 and PTM caps (inclusive of the 3,500 AF of GWR water) is $4,265 per AF and $4,472 per AF respectively." (CPUC Decision D.18-09-017, p. 123, fn. 332; see also Rebuttal Testimony of Jeffrey Linam, attached hereto as **Exhibit 14**.)

Additionally, for low income ratepayers within Cal-Am's service area, including Seaside, Cal-Am offers a low income ratepayer assistance ("LIRA") program that discounts rates for qualifying customers by up to 30%.[26] (See **Exhibit 15** [Regular and LIRA Rates].) In addition, to the extent that the Staff Report suggests that the City of Marina will experience an increase in water rates, this is entirely wrong. Marina is not within Cal-Am's service territory and its water rates will not change regardless of whether the Project is built. Marina's claims of environmental justice impacts on its citizens simply have no merit.

Staff contends that the PWM Expansion represents a feasible alternative that would not exacerbate or increase burdens to communities of concern. However, as explained in

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[25] As discussed in Section I.2, CPUC found that PWM Expansion was not a feasible alternative to the Project.

[26] The LIRA program does not discount water usage in excess of 17,200 gallons in a single month.

Section I, *infra*, the PWM Expansion is infeasible, and should not be assessed as an alternative to the Project.

Staff Report Contention #26: The Staff Report contends that its mandate to ensure "coastal access" broadly includes ensuring the affordability of cost of living in coastal communities. (Staff Report, p. 74.)

Cal-Am Response: Staff interprets "coastal access" to mean "ensuring the affordability of cost of living" and accordingly staff asserts that it reviews water rates to evaluate the affordability of living in coastal communities. Cal-Am's rates were assessed by the CPUC and found to be both just and reasonable after considering the potential impacts on low-income populations. (CPUC Decision D.18-09-017, p. 164, 184-85, 204.) In addition, as discussed above, the Staff Report relied on inaccurate rate information and did not take into account Cal-Am's robust LIRA program. Moreover, without the Project there will be insufficient water for essential affordable housing in the region . (See Section I.3.g [discussing PWM Expansion's inability to supply sufficient water to meet housing demand].) Therefore, the Project ensures coastal access by being consistent with ensuring affordability of cost of living in coastal communities.

Staff Report Contention #27: The Staff Report argues that if not for the Project, seven acres of beach and dune habitat would be available in the near future for public access, habitat restoration, and passive public recreational use. The Staff Report also states that some members of the community worry about losing some of the negotiated access at the site due to limitations Cal-Am may impose around its well field. (Staff Report, pp. 74-75.)

Cal-Am Response: As discussed in Section F, the Commission already considered the Project's presence at the CEMEX site and approved the CEMEX Settlement Agreement so as "not to be construed or deemed to supersede or interfere with any [of Cal-Am's] existing rights or obligations[.]" (Ex. 1, Settlement Agreement, § 23.2.) Additionally, a government agency or non-profit entity must purchase the property before it may become available for public access. (See *id.*, § 6.1.) There is no guarantee when or if the property will actually be purchased, and how much of the land will be opened for public access. Thus, analyzing whether public access will be impeded is premature and speculative.

In any case, the environmental and public recreational effects of Project components are expected to be extremely minimal and Cal-Am has not proposed any limitations around the well field other than its fencing. After construction, less than one acre will be occupied by fenced well pads. (See, e.g., Staff Report, pp. 23, 39.) This represents an impact of less than one percent of the 400+ acre CEMEX site. Staff's reference to "seven acres of beach and dune habitat" includes the projected six acres needed for heavy equipment and materials during maintenance periods. (*Ibid.*) As discussed in Section F, the six acre figure cited by staff represents the total maintenance area that could be utilized over the course of the Project, all six acres would not be utilized at once. Instead, commencing in year five of operations, yearly maintenance activities would occupy an additional approximately 0.25 acre area for a period of between 9 to 18 weeks and would be scheduled in the late Fall and Winter specifically to avoid snowy plover nesting

season. (Final EIR/EIS, p. 3-59.) Including all six acres results in an impact of approximately 1.5 percent to the 400+ acre CEMEX site. These impacts would not limit any public access or entrance to the beach or coastal resources. (See Section F for further discussion.)

Staff Report Contention #28: The Staff Report states that there is a "credible assertion" that the Project could compromise aquifers via saltwater intrusion and deplete the City of Marina's groundwater supplies. (Staff Report, Addendum, p. 8.) Letters from Victoria Bañales and Margaret-Anne Coppernoll among other commenters also stated or implied that the Project would "steal" Marina's groundwater. (Bañales Letter (Nov. 16, 2019); Coppernoll Letter (Nov. 11, 2019), p. 1.)

Cal-Am Response: Contrary to staff's assertion, the Project will not pump any water from aquifers that supply Marina's municipal wells, which are over 2 miles outside of the Project's capture zone. (See Final EIR/EIS, p. 4.4-75.) Rather, the Project will extract contaminated groundwater from the Dune Sands Aquifer and the 180-Foot Aquifer of the SVGB, whereas Marina's municipal wells are screened in the Deeper Aquifer. (*Ibid.*) The CPUC specifically evaluated the Project's potential to impact the SVGB and groundwater users, and determined that substantial evidence demonstrates that any impacts would be less than significant. (CPUC Decision D.18-09-017, pp. 81, 174-175.)

Further, Cal-Am is not "stealing" Marina's groundwater. As explained in Section D, the "SVGB is not an adjudicated groundwater basin, so use of the groundwater in the Basin is not subject to existing court decree, written agreements or oversight by an impartial watermaster." (Final EIR/EIS, p. 2-32.) As such, Cal-Am is able to obtain appropriative rights for water extracted from the basin. (*Ibid.*; see Section D, *infra*.) Marina has no rights in the groundwater unless it too acquires appropriative rights, and the Project's use will not take anything belonging to Marina or otherwise affect Marina's ability to draw water from its municipal wells in the Deeper Aquifer. If the water the Project will extract was viable for municipal use, Marina already would have developed wells in the vicinity for its own supplies—but it has not.

Moreover, contrary to staff's claims, the Project will prevent rather than exacerbate further seawater intrusion beyond the Project's capture zone. (See Final EIR/EIS, pp. 4.4-92, 8.5-561; HWG Response to Coastal Commission (Feb. 20, 2020), at p. 2; see also Section D, *supra*.) These conclusions were confirmed by the Commission's own consultants. (See, e.g., Weiss Report, p. 2, 7.) Neither staff nor commenters have presented any "credible assertions" that the Project could negatively affect the City of Marina's groundwater supplies or exacerbate saltwater intrusion.[27] Accordingly, there are no environmental justice implications associated with the Project's effects on groundwater.

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[27] A robust discussion of the Project's consistency with the groundwater protection provision of Coastal Act section 30231 is provided at Section D, *supra*.

Staff Report Contention #29: The Staff Report alleges that residents of the City of Marina were not fully engaged by the CPUC because they were not ratepayers and therefore suffered procedural prejudice. (Staff Report, p. 75.)

Cal-Am Response: The CPUC proceedings included a robust public process for the City of Marina and its residents. Attached to its decision, the CPUC provided a detailed chronology of the extensive communications between the City of Marina as a Responsible Agency and the CPUC as Lead Agency. (See CPUC Decision D.18-09-017, Appx. C, Ex. A.) Marina's contact began in October 10, 2012, and was maintained throughout the entire life of the CPUC's review of the Project, which lasted through September 13, 2018. (*Ibid.*) Marina and its residents, as members of organizations such as Citizens for Just Water, Water Plus, and Public Water Now, were also active members throughout the CPUC's administrative proceedings, submitting hundreds of comment letters on the EIR/EIS over a lengthy public comment period. (See Final EIR/EIS, §§ 8.6-8.8; see also *id.*, p. ES-4 to ES-5 [discussing public involvement and public meetings in Marina, Seaside, and Carmel-by-the-Sea].) For years, Citizens for Just Water has sought to prevent the Project from being constructed and consists primarily of Marina residents and public officials, including Marina Mayor Bruce Delgado, as well as Marina City Councilmembers and Planning Commissioners, among others.[28] Citizens for Just Water actively opposed the Project in CPUC hearings, submitted opposition comments letters to the CPUC during the EIR/EIS process, and organized numerous public forums to criticize the Project and advise its members on how to advocate against the Project during the administrative process.[29] After the Final EIR/EIS was released, the City of Marina, Citizens for Just Water, Water Plus, Public Water Now, and several other organizations submitted hundreds of pages of materials during multiple stages of briefing that were reviewed by both the CPUC and the California Supreme Court.

CPUC hearings were accessible to residents, who appeared both in support and in opposition to the Project. The CPUC also held public meetings in a variety of locations to hear concerns from the public on topics such as the "needs of low income ratepayers, . . . [the] role of the [CPUC] in protecting ratepayers, . . . high rates" and other matters. (CPUC Decision D.18-09-017, Appx. A, p. 14.)

It is undisputable that residents from the City of Marina were afforded significant opportunities to provide input to the CPUC. That certain members of the community

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[28] Monterey County Weekly, *Marina residents gather in opposition to Cal Am's proposed desal project* (April 18, 2018) (*Opposition to Desal Project*), available at http://www.montereycountyweekly.com/blogs/news_blog/marina-residents-gather-in-opposition-to-cal-am-s-proposed/article_d269c294-435d-11e8-932e-87158f342af9.html; see also https://www.facebook.com/justice4water/.

[29] See https://www.citizensforjustwater.org/what-has-citizens-for-just-water-done.html (summarizing Citizen for Just Water's extensive opposition efforts); Citizens for Just Water Public Forum in City Council Chambers (April 11, 2018) 2m25s, https://www.youtube.com/watch?v=xJ3YrkG-CoE (Marina City Councilmember coaching Marina residents on how to effectively advocate against the Project).

disagree with the CPUC's decision does not render the process inadequate or demonstrate prejudice. Some portion of the community will disagree with actions taken by the CPUC, particularly related to water. As the CPUC noted, "[t]he water supply problems on the Monterey Peninsula are long-standing, contentious, and bitterly disputed by many parties and interests. The results of this continuing conflict have rendered some prior proposed solutions unachievable." (CPUC Decision D.18-09-017, p. 125.) Members of the community were provided with ample opportunities to participate in the administrative process. Finding a solution that satisfies all parties has proved impossible and attempting to do so will merely prevent the Monterey Peninsula from obtaining a practical solution to its water needs, a result that will most severely impact the very communities of concern the Commission seeks to protect.

MCWD Contention: Approval of Cal-Am's CDP would make it more difficult or financially infeasible for MPWMD to implement Measure J and therefore be inconsistent with the Commission's environmental justice policies.

Cal-Am Response: In 2018, voters in the MPWMD approved Measure J which requires MPWMD to assess the feasibility of a public takeover of Cal-Am's Monterey water system. Measure J only mandates that such a takeover actually occur if it is financially feasible. Nothing in the measure precludes Cal-Am from applying for and obtaining permits it needs for the Project. MPWMD has not issued any final findings indicating whether a public buyout of Cal-Am's water delivery system would be financially feasible with or without the Project. Preliminary findings were issued at a workshop last year, on November 12, 2019, which explicitly included the cost of the "whole desalination plant" in its valuation of Cal-Am's system and there was no analysis indicating that the Project would impede the financial feasibility of a public buyout. The Measure J Draft EIR released by MPWMD on June 18, 2020, similarly states that the acquisition of the water system "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[.]"[30] Therefore, it is not clear why obtaining a permit in furtherance of the Project would prevent MPWMD's implementation of Measure J.[31] Moreover, MPWMD's preliminary findings regarding the valuation of Cal-Am's water delivery system are disputed by Cal-Am's independent consultants who have valued Cal-Am's water delivery system in Monterey at over $1 billion. As a result, a public buyout of Cal-Am's system, combined with follow-on

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[30] MPWMD, Potential Acquisition of Monterey Water System and District Boundary Adjustment, Draft EIR, p. 1-2 (June 2020), available at https://www.mpwmd.net/wp-content/uploads/MPWMD-Potential-Acquisition-of-MWS-and-District-Boundary-Adjustment-Draft-EIR-June-2020.pdf; see also *id.*, p. 2-12, fn. 5 [acknowledging that "CalAm is still in the process of acquiring all necessary permits. If all the required permits are received and the MPWSP 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"].)

[31] MPWMD, Measure J Feasibility Study, Frequently Asked Questions (November 12, 2019), available at https://www.mpwmd.net/wp-content/uploads/FAQs-from-11-12-19-Feasibililty-Study-Workshop.pdf.

litigation costs would likely result in significantly increased water costs for the average Monterey Peninsula customer. Due to those substantial costs, public ownership is unlikely to move forward and would not support the environmental justice policies as MCWD claims. Any future findings or decisions related to MPWMD's implementation of Measure J are unrelated to this CDP and, in any case, would not impact the Coastal Act environmental justice policies.

I. Assessment of Alternatives

The Staff Report bases its recommendation that the CDPs should be denied on a conclusion that the PWM Expansion is a feasible and less environmentally damaging alternative to the Project. The Staff Report's analysis of the PWM Expansion as an alternative is deeply flawed. To begin, the proponents of the PWM Expansion never intended the PWM Expansion as an alternative, it was only ever intended as a back-up that would serve as a stop-gap measure in the event that the Project is delayed. (See Monterey One Water Resolution 2019-19, attached hereto as **Exhibit 16**); Final Supplemental EIR for the PWM Expansion, pp. 1-1, 3-6, 3-8, 3-24.)[32] Further, as discussed in additional detail below, the Commission does not have the authority, under either the Coastal Act or CEQA, to evaluate the PWM Expansion as a wholesale alternative for the Project. (See Coastal Act sections 30233 and 30260; Pub. Res. Code, § 21002.1, subd. (d).)

Nevertheless, the Staff Report evaluated the PWM Expansion as a Project alternative in four main ways: (1) feasibility; (2) analysis of water supply and demand; (3) consistency with Project objectives and criteria; (4) and comparison of adverse environmental effects, and concluded that the PWM Expansion is a feasible, less environmentally damaging Project alternative. (Staff Report, p. 80.) Contrary to the Staff Report conclusion, the PWM Expansion does not satisfy these stated requirements for a feasible Project alternative.

First, the Staff Report's conclusion that the PWM Expansion is a "feasible" alternative to the Project is not supported by substantial evidence. Contrary to the Staff Report's assertions, there is no evidence that the PWM Expansion can be accomplished in a successful manner, within a reasonable period of time, or with fewer environmental impacts than the Project. Notably, as demonstrated in comments submitted by Cal-Am and numerous other interested parties, the Final Supplemental EIR ("SEIR") for the PWM Expansion is deeply flawed. Recognizing these flaws, on April 27, 2020, the Monterey One Water ("M1W") Board of Directors denied certification of the SEIR for the PWM Expansion. (See M1W June 8, 2020 Letter to Cal-Am, p. 1, attached hereto as **Exhibit 17**.) As a result, the PWM Expansion is no longer moving forward. Moreover, the CPUC has already rejected the PWM Expansion as an alternative to the Project "for myriad independent reasons." A complete discussion of the infeasibility of the PWM Expansion is provided below in Section I.2.

Second, the Staff Report's analysis of water supply and demand was based largely on speculation and an improper and inaccurate September 2019 analysis of supply and demand for the Monterey Peninsula prepared by Monterey Peninsula Water Management District

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[32] M1W, Final Supplemental EIR for the Pure Water Monterey Expansion (April 13, 2020), available at https://purewatermonterey.org/wp/wp-content/uploads/Final-SEIR-Proposed-Modifications-PWM-GWR-Project-April-2020.pdf.

("MPWMD") General Manager David Stoldt (the "Stoldt Memo"). The Staff Report failed to address or acknowledge Cal-Am's October 2019 response to the Stoldt Memo, which was provided to Commission staff and demonstrated that the analysis in the Stoldt Memo is deficient for numerous reasons and could not be relied upon by the Commission. After the release of the Staff Report and last November's informational hearing before the Commission, water supply and demand have been evaluated in additional reports, which include reports prepared by Stoldt, Hazen and Sawyer, Cal-Am and others. In addition to the responses to the Staff Report's analysis of supply and demand provided below in Section I.3, Cal-Am will provide the Commission with a separate response that accounts for the additional information provided in these new reports.

Third, given uncertainties in the PWM Expansion's ability to provide a reliable water supply to the Monterey Peninsula, and the M1W Board of Directors' recent decision to not certify the Final SEIR for the PWM Expansion, the PWM Expansion simply cannot meet and is not consistent with the Project's objectives and criteria. A complete discussion of the PWM Expansion's inconsistency with Project objectives and criteria is provided below in Section I.4.

Fourth, the Staff Report's conclusion that the PWM Expansion would be less environmentally harmful than the Project wholly ignores the CPUC's analysis of the Project in the Final EIR/EIS and conflicts with the significant flaws identified in the environmental analyses for the PWM Expansion.[33] A complete discussion regarding the environmental impacts of the PWM Expansion and Project is provided below in Section I.5.

In sum, the Staff Report's analysis of the PWM Expansion as an alternative to the Project is flawed. Implementation of the PWM Expansion instead of the Project would lead to significant water supply shortfalls along with corresponding economic hardship on the Monterey Peninsula, and could require additional water diversions from the Carmel River causing further impacts to the endangered steelhead trout.

1. Interpretation of Coastal Act Sections 30233 and 30260

Staff Report Contention #30: The Staff Report asserts that Coastal Act sections 30233 and 30260 require the Coastal Commission to assess alternatives to projects for which the Commission is asked to grant Coastal Development Permits. (Staff Report, p. 77.) As a result, staff, and MCWD, argue that the Commission now has an independent obligation to assess alternatives to the Project based on current information, including the PWM Expansion. (Id., p. 79; MCWD Letter, p. 9.)

> Cal-Am Response: The Staff Report misapplies sections 30233 and 30260 and errs in concluding that either section permits the Commission to engage in the type of assessment of Project alternatives provided in the Staff Report. Section 30233 provides that diking, dredging, or filling shall not be permitted in coastal waters except: (1) where there is no feasible less environmentally damaging alternative; (2) where feasible

[33] The PWM Expansion Draft SEIR was released on November 7, 2019, shortly before the Commission's November 14 hearing on the Project. The Final SEIR was released on April 13, 2020.

mitigation measures have been provided to minimize adverse environmental effects; and (3) where limited to certain categories of projects. (Pub. Resources Code, § 30233, subd. (a).) Public Resources Code section 30108.2 defines "fill" as "earth or any other substance or material, including pilings placed for the purposes of erecting structures thereon, placed in a submerged area." As discussed in Section C, *supra*, none of the Project construction proposed under these applications involve fill. As the Project does not involve any diking, dredging, or filling in coastal waters, section 30233 does not provide the Commission with the authority to consider whether there is a "feasible less environmentally damaging alternative" to the Project. Moreover, even if the Project components that are the subject of these applications did involve fill, which they do not, the Commission's authority under Section 30233 would be limited to review of alternatives to those Project components within the Commission's jurisdiction that do involve fill, rather than wholesale alternatives to the entire Project.

Section 30260 separately provides that new or expanded coastal-dependent facilities that are otherwise inconsistent with Coastal Act Chapter 3 policies may nonetheless be permitted where: (1) alternative locations are infeasible or more environmentally damaging; (2) permit denial would adversely affect the public welfare; and (3) adverse environmental effects are mitigated to the maximum extent feasible. The plain language of Section 30260 grants the Commission the authority to consider only "***alternative locations***" for coastal-dependent facilities, ***not alternative projects***. This interpretation is confirmed by numerous prior Coastal Commission staff reports, which have consistently interpreted section 30260 as only permitting consideration of alternative locations for the project before the Commission. Cal-Am is not aware of prior instances where the Commission has interpreted section 30260 to mean an alternative to the ***entire*** project before the Commission.[34] Here, the Final EIR/EIS thoroughly analyzed alternative locations for the Project's slant well intake infrastructure—that assessment made clear that the CEMEX site is the least environmentally damaging location feasible for the Project. (See Section J, *infra*; see also Final EIR/EIS, §§ 5.1-5.6.) Where there are no feasible alternative locations, the Commission does not consider whether the project is

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[34] See, e.g., Th14a-12-2018, p. 135, available at https://documents.coastal.ca.gov/reports/2018/12/Th14a/Th14a-12-2018-report.pdf (in considering a CDP application for new oil production and wetlands restoration projects, stating that, "[t]he first test of 30260 requires a finding that ***alternative project locations*** are 'infeasible or more environmentally damaging.'") (emphasis added); Th6a-9-2005, p. 36, available at https://documents.coastal.ca.gov/reports/2005/9/Th6a-9-2005.pdf (in assessing a CDP application for a nuclear fuel storage facility, stating that, "there are no other offsite locations available to store the spent fuel and there is considerable doubt as to when, if ever, alternative sites might become available. Additionally, none of the onsite alternative locations at the power plant would be less environmentally damaging, since they are lower in elevation or less stable geologically."); W6c-11-1995, p. 16, available at https://documents.coastal.ca.gov/reports/1995/11/W6c-11-1995.pdf (in analyzing a pipeline project, concluding that, "The purpose of this project is to replace sections of two existing pipelines. … Since the new pipeline sections are to be installed for the purpose of reconnecting the existing pipelines, any alternative locations are infeasible.").

sited in the least environmentally damaging location. (See W6c-11-1995, p. 16.) As such, section 30260 does not provide the Commission with the authority to determine whether there are any feasible alternatives to the entire Project.

Further, the Commission, as a CEQA responsible agency, is limited to considering alternatives within its jurisdiction. The PWM Expansion, which is not located within the Coastal Zone, is outside of the Commission's jurisdiction. (See, e.g., Pub. Res. Code, § 21002.1, subd. (d); Cal. Code Regs., Tit. 14, Div. 6, Ch. 3 ("CEQA Guidelines"), §§ 15042, 15096, subd. (g)(1) ["When considering alternatives and mitigation measures, a responsible agency is more limited than a lead agency. A responsible agency has responsibility for mitigating or avoiding only the direct or indirect environmental effects of those parts of the project which it decides to carry out, finance, or approve."]; *RiverWatch v. Olivenhain Mun. Water Dist.* (2009) 170 Cal.App.4th 1186, 1207 ["If the responsible agency finds that any alternatives or mitigation measures ***within its powers*** are feasible and would substantially lessen or avoid a significant effect of the project, the responsible agency may not approve the project as proposed, but must adopt the feasible mitigation measures or alternatives."] [emphasis added]; *Sierra Club v. Cal. Coastal Com.* (2005) 35 Cal.4th 839, 860 [holding that neither the Coastal Act nor CEQA allow the Commission to consider impacts of projects located outside the Coastal Zone]; *Schneider v. Cal. Coastal. Com.* (2006) 140 Cal.App.4th 1339, 1347 [concluding that the Coastal Act did not permit the Commission to consider ocean boaters' right to view coastline from the ocean].)

Therefore, as an initial matter, the Staff Report should not have considered the PWM Expansion as a Project alternative because the Commission does not have authority under the Coastal Act or CEQA to consider the PWM Expansion as an alternative.

2. Feasibility

Staff Report Contention #31: The Staff Report states that the PWM Expansion conforms to the criteria of the Coastal Act Section 30108 definition of feasibility. Staff argues that the PWM Expansion may be "accomplished in a successful manner," can be constructed within a reasonable period of time, will be more economically efficient than the Project, will have fewer environmental impacts, has fewer environmental justice impacts, and relies on proven technology for treating and distributing water. (Staff Report, pp. 80-81.) Similarly, MCWD asserts that the PWM Expansion must be assessed as a feasible alternative to the Project under both CEQA and the Coastal Act, thus requiring preparation of a supplemental EIR for the Project, and that Cal-Am's critiques of the PWM Expansion are financially motivated. (MCWD Letter, pp. 7-9.)

Cal-Am Response: The Staff Report's determination, and MCWD's assertion, that the PWM Expansion is a feasible alternative to the Project is not based on the actual status of the PWM Expansion. On April 27, 2020, the M1W Board denied certification of the SEIR for the PWM Expansion. (See M1W Board of Directors Staff Report, May 20, 2020, attached hereto as **Exhibit 18;** M1W Board of Directors Agenda, May 21, 2020, attached hereto as **Exhibit 19**.) ***As such, the PWM Expansion is no longer moving forward.***

The M1W Board rejected certification of the SEIR as a result of substantial deficiencies in the environmental analysis related to: source water for the PWM Expansion; water supply and demand; impacts to agricultural water supplies; and, importantly for the Commission's review of the Project, because ***the SEIR failed to evaluate the PWM Expansion either as an alternative to or a cumulative project with Cal-Am's Project.*** (Ex. 18, M1W Board of Directors Staff Report.) Cal-Am and numerous other entities, including the Monterey County Water Resources Agency, the State Water Board, and the Seaside Basin Watermaster, submitted comments to M1W expressing significant concerns regarding the many deficiencies in the SEIR and the infeasibility of the PWM Expansion. (See April 24, 2020 Cal-Am Comments on PWM Expansion Final SEIR and May 9, 2020 Cal-Am Comments on Cost, Operational Performance and Status of PWM Expansion attached hereto as **Exhibits 20 & 21**; see also January 30, 2020 Cal-Am Comments on PWM Expansion Draft SEIR; January 31, 2020 MCWRA Comments on PWM Expansion Draft SEIR; January 31, 2020 State Water Board Comments on PWM Expansion Draft SEIR; and January 8, 2020 Seaside Basin Watermaster Comments on PWM Expansion Draft SEIR, which were separately submitted to staff on April 9, 2020, by the Coalition of Peninsula Businesses.) Accordingly, even if the PWM Expansion were to move forward, its timeline is unknown because the significant deficiencies in the SEIR would need to be corrected prior to the M1W Board moving forward with the Project. Notably, M1W "[s]taff has noted that ***the [M1W] does not have additional budget funds at this time for dealing with any additional deficiencies that have been identified*** . . . or could be identified in the future. ***[M1W] has suspended all of the remaining contracts on these matters to prevent further consultant expenditures***." (Ex. 18, M1W Board of Directors Staff Report [emphasis added].) As the M1W Board is not undertaking efforts to move forward with the PWM Expansion because of the deficiencies in the SEIR and a lack of funding, the PWM Expansion cannot be considered a feasible alternative to the Project.

Moreover, while the Staff Report acknowledges that the CPUC did consider the PWM Expansion as an alternative to the Project, staff and MCWD fail to recognize that the CPUC rejected the PWM Expansion as infeasible for "***myriad independent reasons***." (See CPUC Decision D.18-09-017, Appx. C, p. C-17 [emphasis added].) The CPUC noted that by September 2018, PWM Expansion was already far behind schedule and there was not "sufficient certainty concerning short- and long-term availability of source water supplies for the PWM Expansion." (*Id.*, p. C-71.) The issuance of the PWM Expansion SEIR, which has not been approved by M1W, has not changed the validity of the CPUC's conclusions, and instead highlights many of the feasibility concerns discussed by the CPUC. (See Ex. 20, Cal-Am Comments on PWM Expansion Final SEIR; see also January 30, 2020 Cal-Am Comments on PWM Expansion Draft SEIR, separately submitted to staff on April 9, 2020 by the Coalition of Peninsula Businesses.) Contrary to MCWD's assertions, there is no evidence to suggest that the proposed PWM Expansion is "considerably different" from the PWM Expansion proposal that was analyzed and rejected as an alternative by the CPUC, such that the PWM Expansion has suddenly become a feasible Project alternative that must be re-analyzed in a supplemental

EIR for the Project. (See MCWD Letter, p. 7; CEQA Guidelines, § 15162, subd. (a)(3)(C).)[35]

Each of the feasibility factors discussed in the Staff Report are discussed further below.

a. *"Capable of Being Accomplished in a Successful Manner"*

First, in concluding that the PWM Expansion is capable of being accomplished in a successful manner, the Staff Report cites to the "proven" technology of the first phase of the PWM (the "Original PWM Project"). Staff's claim that the technology of the Original PWM Project is "proven" is not supported by the actual events that have occurred with respect to that project. More specifically, there are serious concerns regarding the technology associated with the Original PWM Project. (See Ex. 21, pp. 3-4.) As examples, sinkholes or subsidence are affecting the shallow injection wells that may not be repairable, certain deep wells are experiencing injection refusal and are functioning at rates of 60% or less, and some of the source waters identified and intended for treatment by the Original PWM Project have not been utilized since startup. (*Ibid.*; see also Staff Report for May 14, 2020 M1W Recycled Water Committee Meeting, attached hereto as **Exhibit 22**; Staff Report for April 16, 2020 M1W Recycled Water Committee Meeting, attached hereto as **Exhibit 23**; Final Minutes from March 16, 2020 MPWMD Regular Board Meeting, p. 3, attached hereto as **Exhibit 24** [noting that Original PWM Project production wells were only running at two-thirds capacity].) Indeed, M1W estimates that the current annual injection volume for the Original PWM Project is only 2,030 afy—this equates to less than 58% of the 3,500 afy allocated for Cal-Am, and only 36% of the 5,600 afy design capacity for the Original PWM Project. (See PWM Status Update Presentation from June 18, 2020 PWM Meeting, attached hereto as **Exhibit 25**.)

Moreover, M1W's consultants recently confirmed that current injection rates for the Original PWM Project are only half of the planned capacity rate for the Original PWM Project injection wells. (See Ex. 25.) Indeed, the Original PWM Project's vadose zone wells are not currently injecting any water. (*Ibid.*) As a result, M1W is proposing to add a new deep injection well to the Original PWM Project, which will further increase costs of the Original PWM Project, possibly by as much as $11 million, resulting in an additional increase in product water prices. ("When will Pure Water Monterey start providing water?", Monterey Herald, June 20, 2020, attached hereto as **Exhibit 26**.) M1W's consultants estimate that construction on this additional well will not begin until November, further delaying the Original PWM Project. (See Ex. 25.)

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[35] Moreover, even if the PWM Expansion were to be considered a feasible alternative, which it is not, a supplemental EIR would not be required here because Public Resources Code section 21080.5 "exempts the Coastal Commission's regulatory program from CEQA requirements for preparation of an [EIR]." (See *Hines v. California Coastal Commission* (2010) 186 Cal.App.4th 830, 852; see also *La Costa Beach Homeowners' Assn. v. California Coastal Com.* (2002) 101 Cal.App.4th 804, 819.)

Accordingly, currently the Original PWM Project is not on track to be able to deliver 3,500 afy to Cal-Am – and it is unclear whether such delivery amount will ever be achieved given the issues the project is facing. The problems with the Original PWM Project raise significant uncertainty regarding the technological feasibility of the PWM Expansion and its ability to provide the claimed 2,250 afy. Accordingly, at this time, the PWM Expansion does not satisfy the test of being "capable of being accomplished in a successful manner."

Second, there remains significant uncertainty surrounding the availability of source waters for the PWM Expansion, which raises doubts that the PWM Expansion can be accomplished in a successful manner. Without secure source waters, the PWM Expansion is not feasible. The following are examples of issues that have been identified regarding the adequacy and sufficiency of source waters for the PWM Expansion:

- **ARWRA Source Waters**. The Amended and Restated Water Recycling Agreement ("ARWRA") between M1W and MCWRA sets forth the responsibilities for construction, operation, and financing of new source water for the Original PWM Project. (January 30, 2020 Cal-Am Comments on PWM Expansion Draft SEIR, p. 26.) Multiple outstanding conditions are required to be completed before the ARWRA can become effective. (PWM Expansion Draft SEIR, p. 4.18-5.)[36] Therefore, the reliability of certain ARWRA source waters is speculative due to the significant conditions precedent that must be met for the sources of water to become fully secured. (See Ex. 20, pp. A-16 to A-17.)

- **Questionable Modifications of Source Waters**. Source waters identified for the PWM Expansion have been modified throughout the environmental review process without adequate analysis or justification, raising doubts as to their reliability and ultimately the feasibility of the PWM Expansion. (Ex. 20, p. A-16.) For instance, though the Draft SEIR initially identified Tembladero Slough as a reliable water source, M1W later conceded that the source was unreliable and it has since been removed from the Final SEIR's source water analysis. (PWM Expansion Final SEIR, Responses to Comments VV-85 to VV-86.) Further, the Final SEIR increasingly relies upon the availability of certain municipal wastewater flows even though it acknowledges that such flows have not been previously metered and that the estimates are based in part upon assumptions. (*Id.*, pp. 24-25 [Master Response #3, pp. 3-11 to 3-12].) When confronted with comments regarding the reliability of water from agricultural produce wash, Lake El Estero, or the Salinas Storm Water Collection System, M1W elected to evaluate source water scenarios where such sources are not used by the PWM Expansion, rather than demonstrate their reliability. (*Id.*, Responses to Comments VV-93 to VV-94 and VV-96 to VV-99.) M1W's inability to establish a consistent list of source waters for the PWM Expansion confirms that the project

[36] M1W, PWM Expansion Draft SEIR (November 7, 2019), available at https://purewatermonterey.org/wp/wp-content/uploads/Main-Body-of-M1W-Draft-Supplemental-EIR-Nov-7-2019.pdf.

lacks an adequate source water supply and raises serious questions about the PWM Expansion's feasibility. (Ex. 20, p. A-21.)

- **Disputed Agricultural Source Waters**. The City of Salinas has disputed M1W's rights to use the City's agricultural produce wash water for the PWM Expansion and asserts that the ARWRA only permits M1W to use agricultural produce wash water for the Original PWM Project, and not for the PWM Expansion. (City of Salinas Letter to M1W, April 27, 2020, attached hereto as **Exhibit 27**.) The City also explains that these water sources will not be available for the PWM Expansion because "the City fully intends to use available Agricultural Wash Water for its own purposes, including to support farmers, ranchers and the City's agriculture industry, as determined by the City in its sole and absolute discretion." (*Id.*, p. 2.) Therefore, agricultural produce wash water from the City of Salinas cannot be considered a reliable water source for the PWM Expansion.

- **Source Water Quality Issues**. Agricultural wash water, upon which both the Original PWM Project and the PWM Expansion heavily rely, does not appear to be a reliable source water for the PWM. The treatment technologies currently used by the Original PWM Project, and proposed for use in the PWM Expansion, may be incapable of treating agricultural wash waters to safe levels. (See Ex. 26; see also Hazen and Sawyer, Peer Review of Supply and Demand for Water on the Monterey Peninsula (Jan. 22, 2020) ("Hzen Memo"), p. 9, attached hereto as **Exhibit 28**.) Indeed, M1W staff has admitted that no agricultural wash water has been treated by the Original PWM Project to this point. (See Ex. 26.)

- **Overestimation of Water Supplies During Drought Years**. Source water availability for the PWM Expansion has not been analyzed during multi-year drought conditions. (CEQA Guidelines, Appx. G, § XIX(b); Ex. 20, p. A-20.) Therefore, it is unclear whether PWM Expansion can serve as a viable alternative to the Project during such conditions.

Overall, the PWM Expansion's haphazard and incomplete source water analysis raises serious doubts as to the security and adequacy of source waters and whether the PWM Expansion is capable of being accomplished in a successful manner such that it can be considered a feasible alternative to the Project.

b. *"Within A Reasonable Period of Time"*

The Staff Report claims that the PWM Expansion is anticipated to be completed in sufficient time to meet the CDO's December 2021 deadline. However, as explained above, the PWM Expansion is no longer moving forward because the M1W Board denied certification of the PWM Expansion Final SEIR, and M1W does not have funds to remedy the inadequacies in the SEIR. (See Ex. 18, M1W Board of Directors Staff Report; Ex. 17, June 8, 2020 M1W Letter to Cal-Am, p. 1.) In addition, M1W is currently estimating a nearly eight-month delay in implementation of the Original PWM Project. (See Ex. 21, p. 1).) It is likely that the PWM Expansion, if it were ever approved by the M1W Board, would face similar delays—indeed, the PWM Expansion

would likely face further delays caused by the additional approvals, including the need to secure certain water rights and a Water Purchase Agreement, that are still necessary for the PWM Expansion to operate. (See Section I.4, *infra*.) As noted by the State Water Board in a recent letter to the Commission, the timeline for implementation of the PWM Expansion has been delayed well beyond the CDO deadline, and the PWM Expansion requires "approvals and funding for which the details are uncertain and the timeline is indefinite." (See May 8, 2020 State Water Board Letter to John Ainsworth, Coastal Commission, p. 4.) Therefore, "[i]t is uncertain whether or when the proposed [PWM Expansion] may proceed beyond its currently pending environmental review . . ." (*Id.*, pp. 4-5.) Accordingly, there is insufficient evidence to conclude that the PWM Expansion can be completed "within a reasonable period of time" such that it can be considered a feasible alternative to the Project.

c. *"Taking Into Account Economic, Environmental, Social, and Technological Factors"*

- **Economic**. *The Staff Report claims that expected costs associated with the Project are much higher than the PWM Expansion, asserting that construction, operation and maintenance, and water rate costs for the Project would all be higher than for the PWM Expansion. (Staff Report, p. 81.)*

    - The Staff Report's attempt to compare Project costs with costs associated with the PWM Expansion is inaccurate, as the PWM Expansion costs quoted by the Staff Report likely do not reflect realistic projections of construction, operation and maintenance, and water rate costs for the PWM Expansion. In reality, there is significant uncertainty regarding the costs of PWM Expansion, given that the Original PWM Project is already facing major cost overruns and resulting increases in projected water rates. During the CPUC proceedings on the Project, Cal-Am, M1W, and MPWMD submitted testimony projecting a year 1 water rate of $1,720 per acre-foot for Original PWM Project product water. In June 2020, M1W staff and consultants presented revised cost estimates for Original PWM Project water based on recent construction and operational issues, projecting an increase in year 1 Original PWM Project water rates up to $3,678 per acre-foot, representing a 114% increase in costs. (See Ex. 25, PWM Status Update Presentation.) Costs for PWM Project water are therefore continuing to increase. (See June 12, 2020 Cal-Am Advice Letter No. 1298 to the CPUC, attached hereto as **Exhibit 29**.) It is highly likely that the PWM Expansion would face similar cost increases, rendering the Staff Report's cost comparisons meaningless.

- **Environmental**. *The Staff Report asserts that the Project would result in significant adverse effects on coastal resources, while the PWM Expansion, which would be constructed outside the coastal zone, would have few environmental impacts in comparison. (Staff Report, p. 81.)*

    - As explained in Section I.5, *infra*, the Staff Report's conclusion that the PWM Expansion would have fewer environmental impacts than the Project is not

based on substantial evidence, and does not account for either the PWM Expansion SEIR or the numerous comment letters pointing out flaws in the SEIR's environmental analysis. Moreover, staff's conclusion that the Project would have significant adverse effects on coastal resources is belied by the EIR/EIS, which concluded that, with implementation of all feasible and enforceable mitigation measures, the Project would not result in substantial adverse impacts to sensitive habitats or marine life and water quality. (See Sections I.A and I.C, *supra*.) Further, as explained in Cal-Am's comments on the PWM Expansion Draft SEIR, M1W has thus far failed to evaluate potential impacts to the SVGB related to seawater intrusion, if the PWM Expansion is constructed in lieu of the Project. (See January 30, 2020 Cal-Am Comments on PWM Expansion Draft SEIR, pp. 17-18, separately submitted to staff on April 9, 2020 by the Coalition of Peninsula Businesses; Ex. 20, pp. A-9 to A-10.) As such, the Staff Report does not demonstrate that the PWM Expansion would have fewer environmental impacts than the Project.

- **Social**. *The Staff Report argues that while both projects would provide sufficient water to Cal-Am's service area, the Project would have greater environmental justice impacts on low-income ratepayers and other vulnerable communities. (Staff Report, p. 81.)*

    - As explained above, the conclusion that the PWM Expansion can provide a sufficient water supply for the Monterey Peninsula is not based on substantial evidence. In reality, only the Project, not the PWM Expansion has been proven to be capable of providing a reliable, drought-proof water supply for the Peninsula's most vulnerable communities. Notably, the PWM Expansion would involve taking additional waters from the disadvantaged community of Salinas in order to treat and provide that source water to the wealthier communities on the Monterey Peninsula. (See City of Salinas Comment Letter on PWM Expansion Draft SEIR, attached hereto as **Exhibit 30**; see also Letter from Chris Lopez, Monterey County Supervisor to Commission, attached hereto as **Exhibit 31**; SB 535 Disadvantaged Communities, Cal. Office of Environmental Health Hazard Assessment, https://oehha.ca.gov/calenviroscreen/sb535 [providing a map of SB 535 disadvantaged communities in California].) The Staff Report does not evaluate this potential impact on the vulnerable agricultural communities in Salinas. (See Section H, *supra*.)

- **Technological**. *The Staff Report claims that both the PWM Expansion and the Project will rely on proven technology. (Staff Report, p. 81.)*

    - While the Staff Report is correct that the Project will utilize proven slant well intake and ASR technology, it dramatically misrepresents the reliability of the technology proposed for use in the PWM Expansion. As discussed above, the Original PWM Project has faced significant technological roadblocks since its inception, including failures in injection and extraction wells and the

unavailability of certain water sources. (See Section I.2.a, *supra*.) The PWM Expansion would rely upon the same technology as the Original PWM Project—as such, there is every reason to suspect that the PWM Expansion would face similar technical issues. The numerous technical flaws in both the Original PWM Project and the PWM Expansion make clear that in reality, the Project is by far the more technologically feasible water supply solution.

In sum, the Staff Report fails to demonstrate that the PWM Expansion constitutes a feasible alternative to the reliable, drought-proof water supply to be provided by the Project.

MCWD Contention: MCWD asserts that Cal-Am's criticisms of the PWM Expansion are financially motivated, in the interest of obtaining a return on capital costs expended in constructing the Project. (MCWD Letter, p. 9.)

Cal-Am Response: MCWD is incorrect. Cal-Am's interest in constructing the Project is to ensure that it complies with the State Water Board's CDO and develops an alternative water supply to replace unauthorized Carmel River diversions, to ensure that the Monterey Peninsula has a long-term, reliable, and drought-proof water supply. Cal-Am is a regulated public utility whose rates are set by the CPUC. Cal-Am's critiques of the PWM Expansion are focused on ensuring that the Monterey Peninsula is not saddled with an inadequate and unreliable water supply in the face of continued mandatory reductions in Cal-Am's Carmel River withdrawals.

Moreover, MCWD fails to acknowledge that the CPUC has placed a cap on capital costs that Cal-Am can expect to recover from ratepayers for the Project. (See CPUC Decision D.18.09.017, p. 210.) In addition, in accordance with a settlement reached among Cal-Am, MPWMD, M1W, Surfrider Foundation, LandWatch Monterey County, Sierra Club, Monterey County, Planning and Conservation League, and Monterey County Farm Bureau, among others, the CPUC specifically authorized four financing elements: a construction funding charge, state revolving fund debt, securitized debt, and equity, and limited Cal-Am's equity investment to 27% with the use of securitized debt.

Staff Report Contention #32: The Staff Report asserts that Cal-Am currently lacks approval to use a shared key pipeline component owned by MCWD. (Staff Report, p. 81.) MCWD submitted a letter on November 13, 2019, similarly arguing that the existing agreements between Cal-Am and MCWD do not permit Cal-Am to use the pipeline. (MCWD Letter, p. 6.)

Cal-Am Response: On March 10, 2009, Cal-Am and MCWD entered into a Potable Water Wheeling Agreement ("Wheeling Agreement") for the construction and shared use of a pipeline and related appurtenances ("Shared Pipeline") to convey potable water along and within General Jim Moore Boulevard, from Coe Avenue in the City of Seaside to the border of the City of Del Rey Oaks near Plumas Avenue, approximately 1.85 miles south. The Wheeling Agreement allows Cal-Am to use any unused capacity in the Shared Pipeline to convey potable water that meets statutory and regulatory quality standards for domestic use and consumption, at a monthly wheeling charge of $2,000.

(See September 19, 2019 Cal-Am Response to August 22, 2019, Notice of Incomplete Application, pp. 1-4.)

The Shared Pipeline is not before the Commission as the Staff Report and MCWD fail to recognize that the Shared Pipeline is outside of the Coastal Zone and therefore is beyond the Commission's jurisdiction. (See, e.g., *Sierra Club*, *supra*, 35 Cal.4th at p. 860.) Further, as explained in Cal-Am's response to the Commission's August 22, 2019 Notice of Incomplete Application, the Wheeling Agreement and Water Code sections 1810-1814 provide Cal-Am with the legal right to use the Shared Pipeline while there is sufficient capacity available in the Shared Pipeline. (See September 19, 2019 Cal-Am Response to August 22, 2019, Notice of Incomplete Application, pp. 1-4.) Moreover, MCWD is obligated to adhere to the terms of the Wheeling Agreement and to "act in a reasonable manner consistent with the requirements of law to facilitate the voluntary sale, lease, or exchange of water[.]" (*Central San Joaquin Water Conservation Dist. v. Stockton East Water Dist.* (2016) 7 Cal.App.5th 1041, 1047.) Further, the Shared Pipeline has adequate capacity to serve CalAm's uses given that the Project will produce 6.4 mgd of desalinated water and the capacity in the Shared Pipeline is 15.9 mgd on an average day and 14.3 mgd at peak hour. (See September 19, 2019 Cal-Am Response to August 22, 2019, Notice of Incomplete Application, pp. 3-4.) MCWD's arguments to the contrary have been rejected by the CPUC and the California Supreme Court. (See Order Denying Petitions for Writ of Review, *Marina Coast Water District, et al. v. Public Utilities Commission*, Case No. S253585 (Aug. 28, 2019).)

MCWD made similar assertions regarding Cal-Am's pipeline use in a Staff Report where it recommended adoption of a resolution concluding that there is not sufficient unused capacity available in MCWD's pipeline to accommodate shared use for Project water. (See Staff Report for October 21, 2019 MCWD Agenda Item 11-A, pp. 5-6, attached hereto as **Exhibit 32**.) MCWD staff asserted then, as they do now, that the existing Wheeling Agreement between MCWD and Cal-Am does not permit Cal-Am to use the Shared Pipeline for transportation of Project product water. (*Id.*, p. 1.) As explained by Cal-Am in an October 21, 2019, response to the MCWD Staff Report, the only limitation in the Wheeling Agreement is that the pipeline be used to convey potable water meeting all statutory and regulatory quality requirements for human domestic use and consumption. (October 21, 2019 Cal-Am Letter to MCWD, p. 2, attached hereto as **Exhibit 33**.) The only relevant limitation in the California Water Code is that Cal-Am use the Shared Pipeline to convey potable water based on water quality standards, which will be achieved by Project water. (*Ibid.*) Moreover, Cal-Am explained that as MCWD does not currently use the pipeline at all, there is currently excess capacity in the pipeline, regardless of any capacity restraints that could possibly occur in the future. (*Ibid.*)

Nevertheless, if necessary, Cal-Am could construct a product water pipeline running parallel to the MCWD pipeline, within the same area and outside the Coastal Zone. Therefore, the Commission should not consider the MCWD pipeline as an issue of Project feasibility.

MCWD Contention: Cal-Am's use of the Shared Pipeline for the transportation of Project water would conflict with State Water Board's requirement that ASR water flow south to north in the

winter to be injected at the same time desalinated water would need to flow north to south in the same pipeline. (MCWD Letter, p. 6.)

Cal-Am Response: MCWD is simply incorrect in asserting that the State Water Board has imposed some regulatory requirement on directional flows within the Shared Pipeline. Instead, directional flow within the Shared Pipeline is dictated by water supply planning and a determination of when the Shared Pipeline will be used to convey desalinated Project water versus ASR flows. While numerous factors must be taken into account in determining which water source while be utilized at any given time, the State Water Board does not play any role in determining when the Shared Pipeline may be used for ASR water or Project product water.

3. Supply and Demand

Staff Report Contention #33: The Staff Report asserts that an "updated analysis" of Peninsula water supply and demand, set forth in the Stoldt Memo, demonstrates a decrease in customer demand in Cal-Am's service area, such that the PWM Expansion is a feasible alternative to the Project. (Staff Report, p. 82.) Based on updated data from 2018, the Stoldt Memo projects that current demand in the Monterey District service area is between 12,299 and 12,656 afy, rather than the 14,000 afy set forth in the CPUC's decision. (Id., pp. 87-89.) Stoldt cuts demand based on assumed reductions in existing demand, Pebble Beach water entitlements, water demand for hospitality industry rebounds, and allocations for legal lots of record. (Id., p. 87.) The Staff Report adopts these projections without any further analysis, and applies them to conclude that PWM Expansion is a feasible alternative to the Project, capable of meeting water demands on the Monterey Peninsula. Similarly, Public Water Now argues that the Stoldt Memo supports the implementation of the PWM Expansion. (See Public Water Now Letter, p. 1.)

Cal-Am Response: In addition to the responses to the Staff Report's analysis of supply and demand provided below, Cal-Am will provide the Commission with a separate response that accounts for additional reports prepared by Stoldt and other project opponents, including MCWD, since the release of the Staff Report. Nonetheless, Cal-Am provides initial responses below to the water supply and demand contentions in the Staff Report, which uses the Stoldt Memo and its modified supply and demand figures to support its conclusion that the PWM Expansion is a feasible Project alternative. As explained below, this conclusion is wholly improper and is unsupported by substantial evidence.

a. *The CPUC Made Binding Determinations of Supply and Demand*

The Staff Report's conclusions regarding supply and demand and its complete reliance on the Stoldt Memo ignore the conclusions of the CPUC, the agency that is charged by statute with exclusive jurisdiction to determine utility supply and demand. "[T]he jurisdiction to determine the adequacy of service actually being rendered by a public utility under its franchise is vested exclusively in the [CPUC] when it has elected to determine whether the service is inadequate." (See *Citizens Utilities Company of California v. Super. Ct.* (1976) 56 Cal.App.3d 399, 408; see also *City of Oakland v. Key System* (1944) 64 Cal.App.2d 427, 435 [exclusive jurisdiction vested in CPUC to

determine adequacy of service rendered by public utility].) Therefore, neither the Commission, nor MPWMD, has the authority to reverse course and make binding determinations as to the levels of supply and demand within Cal-Am's service area—that authority rests solely with the CPUC. (See CPUC Decision D.18-09-017, pp. 167-171, 194-195.)

Moreover, numerous parties, including MPWMD, participated in the supply and demand process before the CPUC and were given the opportunity to testify and present evidence ***under oath*** before the CPUC arrived at its decision. The CPUC considered all of this testimony to determine that Cal-Am's future customer demand is 14,000 afy. This determination from the CPUC constitutes the only unbiased analysis of Peninsula water supply and demand—by contrast, the analyses put forward by MCWD, MPWMD, and others, are the work of entities with specific motivations seeking to have the Project fail. As noted in the EIR/EIS, "[t]he [water] demand estimates provided by CalAm and others throughout this CEQA/NEPA process have been independently reviewed and assessed by the Lead Agencies." (Final EIR/EIS, p. 8.5-726.) More recently, the State Water Board explicitly stated that it "does not have a basis to conclude that the Public Utilities Commission's prior analysis and determinations regarding the water demand, sizing, reliability, or diversity of supply were unreasonable, invalid, or outdated." (See May 8, 2020 State Water Board Letter to John Ainsworth, Coastal Commission, p. 4.) Accordingly, it is the CPUC supply and demand levels that should be utilized by staff, not those proposed by the Stoldt Memo.

b. *The Staff Report Fails to Account for Critiques of the Stoldt Memo*

The Staff Report fails to acknowledge other letters received prior to publication of the Staff Report that refute key assumptions in the Stoldt Memo. Specifically, Cal-Am submitted a letter to the Commission, dated October 15, 2019, responding to the Stoldt Memo, which does not appear to have been included in the administrative record. As such, Cal-Am's October 15 letter is attached hereto as **Exhibit 34** and is hereby incorporated by reference. The Coalition of Peninsula Businesses also submitted a letter to MPWMD refuting key assumptions in the Stoldt Memo,[37] while Pebble Beach Company submitted correspondence to the Commission refuting Stoldt's claims. Neither of these letters from key stakeholders were mentioned in the Staff Report.

Moreover, since the release of the Staff Report, the engineering firm of Hazen & Sawyer, worldwide experts in drinking water and water supply, has conducted a thorough peer review of the Stoldt Memo (the "Hazen Memo"), refuting the flawed positions set forth by the Stoldt Memo—the Hazen Memo is also attached hereto as Exhibit 28. The Hazen Memo concluded that Stoldt's water supply assessments do not meet engineering practices of reliability and resiliency necessary to provide a reliable and adequate water supply under California law, and that the Project is necessary to provide a safe and reliable water supply to meet Peninsula demand, regardless of whether the PWM Expansion is ever developed. Further, a group of City Managers, representing the

[37] A copy of the Coalition for Peninsula Businesses' September 24, 2019, letter to MPWMD is attached hereto as **Exhibit 35**.

Monterey Peninsula cities of Monterey, Carmel, Del Rey Oaks, Sand City, and Pacific Grove, have voiced significant concerns to MPWMD regarding the supply and demand estimates put forth in the Stoldt Memo, pointing out that use of Stoldt's estimates and implementation of the PWM Expansion will result in "fewer economic opportunities for our residents and our children, increased rents, lower quality of life for our entire region and loss of basic rights for local governments to make majority based decisions." (See City Managers' May 14, 2020 letter to MPWMD is attached hereto as **Exhibit 36**.)

c. *The Stoldt Memo's Supply and Demand Estimates Are Flawed*

A summary of the Stoldt Memo's positions, and responses provided by Cal-Am, the Hazen Memo, and others, is provided below:

- **Current Demand**. Stoldt asserts that, based on updated data from 2018, existing customer demand in Cal-Am's service area should be reduced from the 12,000 afy decided upon by the CPUC, to 11,232 afy. (Staff Report, p. 87.) However, Stoldt's methodology for projecting existing demand based upon ten-year, five-year, and three-year averages is flawed and relies on projections that are inconsistent with the California Waterworks Standard and CPUC General Order 103-A, which require that demand be determined based on the maximum month demand in a ten-year period, rather than by simply taking the average of the maximum months over any given period. (See Ex. 34, p. 12; California Waterworks Standards, Cal. Code Regs., tit. 22, § 64554, subd. (b)(2)(A); see also CPUC Decision D.18-09-017, pp. 21-23.) Moreover, any argument that the addition of data from 2018 results in a decrease in average demand is undercut by Stoldt's own figures, which show an increase in demand in 2017 and 2018. (See Staff Report, p. 90.) The CPUC also has specifically rejected any projection of existing customer demand that assumes downward trends in water use on the Monterey Peninsula. (See CPUC Decision D.18-09-017, pp. 169-170.) The California Supreme Court also rejected these same arguments from the City of Marina in its denial of Marina's challenge to the CPUC's Decision. (See City of Marina Amended Petition for Writ of Review, p. 153, attached hereto as **Exhibit 37**; see also Order Denying Petitions for Writ of Review, *Marina Coast Water District, et al. v. Public Utilities Commission*, Case No. S253585 (Aug. 28, 2019).)

- **Pebble Beach Build-Out**. The Stoldt Memo also projects a decrease in the water allocated for build-out in the Pebble Beach area, from 325 afy to between 103 and 160 afy. (Staff Report, pp. 87-88.) Stoldt asserts that Pebble Beach demand is actually lower, around 299 afy, and is split between two categories—145 afy for expected build-out, which Stoldt argues was overstated by the CPUC, and 154 afy in "other entitlement demand," which Stoldt asserts will "go away" when a new water supply comes online. (*Ibid.*) However, the 154 afy in "other entitlement demand" will not simply "go away" when a new water supply comes online—rather, pursuant to MPWMD's Ordinance 109, that entitlement may be used by Pebble Beach for any lawful use. (See Ex. 34, p. 14.) Moreover, estimated demand for buildout cannot be reduced further, as long-term supply planning requires Cal-Am to ignore temporary reductions through conservation measures and part time use of homes, and instead plan for pending projects like the Spyglass Hotel. (*Ibid.*; see also Pebble Beach

Company Letter to CCC.) Indeed, Pebble Beach Company has expressly rejected the assumptions set forth in the Stoldt Memo, and has stated that they intend to "fully utilize" the entirety of their entitlement. (Pebble Beach Company Letter to CCC, p. 2.)

- **Economic Recovery**. Stoldt also asserts that Project demand to accommodate economic recovery and tourism bounce back on the Monterey Peninsula should be reduced from 500 afy to between 100 and 250 afy, arguing that tourism and occupancy rates have returned to pre-2001 levels without any increase in water use, thanks in large part to the implementation of conservation measures. (Staff Report, p. 88.) Both the Stoldt Memo and the Staff Report ignore the fact that MPWMD made nearly identical arguments before the CPUC, which the CPUC rejected in adopting 500 afy as the appropriate demand level for economic recovery. (See Ex. 34, p. 13.) Moreover, as explained by the Coalition for Peninsula Businesses, the occupancy statistics relied upon by the Stoldt Memo are county-wide, not Peninsula-specific. (See Ex. 35, p. 4).) Additionally, the 500 afy for economic recovery is not intended to include only a return to prior levels of occupancy on the Peninsula, but to also accommodate additional water increases as the rest of the Peninsula economy recovers, including a number of new lodging facilities that will be constructed in the next few years. (*Ibid.*)

- **Legal Lots of Record**. Stoldt argues that demand allocated for existing legal lots of record should be reduced from 1,180 afy to between 864 and 1,014 afy, which Stoldt alleges is due to implementation of conservation programs, and the possibility that some lots have already been built, are unbuildable, have been remodeled, or that general plans and housing elements have been revised. (Staff Report, p. 89.) However, Stoldt's assertions are based solely on speculation and are contradicted by MPWMD's own arguments before the CPUC. Specifically, during the CPUC process, MPWMD argued that 1,180 afy was a reasonable estimate of future water demand for legal lots of record but Stoldt fails to provide any reason for MPWMD now changing its position. (See Ex. 34, pp. 12-13.) Indeed, the opposite conclusion is much more likely—once the CDO is lifted and mandatory conservation measures are no longer in place, pent-up demand for housing on the Peninsula will drive up demand for water. The City of Monterey made arguments to this effect in a letter to MPWMD commenting on the Stoldt Memo, stating that demand for housing in Monterey, and related demand for additional water supplies, exceeds the Stoldt Memo's projections. (See February 4, 2020 Letter from City of Monterey to MPWMD, attached hereto as **Exhibit 38**.) The CPUC agreed with Cal-Am's positions regarding pent-up demand, stating that Cal-Am's projection for demand for legal lots of record at 1,180 afy was "reasonable" and that "development is halted pending adequate water." (See CPUC Decision D.18-09-017, p. 50.)

- **Future Demand**. As discussed above, the Stoldt Memo and the Staff Report's use of three-year, five-year, and ten-year demand averages to project present and future water demand is inconsistent with the California Waterworks Standards and CPUC General Order 103-A. (See Staff Report, pp. 86-87, 90-91; see also Ex. 34, p. 12; California Waterworks Standards, Cal. Code Regs., tit. 22, § 64554, subd. (b)(2)(A);

CPUC Decision D.18-09-017, pp. 21-23.) Further, the CPUC specifically rejected MPWMD's method of projecting demand based on the most recent five-year average, given the fluctuations in monthly and annual demand in the area over the last decade. (See CPUC Decision D.18-09-017, pp. 57-58.) If the Stoldt Memo instead used the maximum demand year to project demand, as is required, the Monterey Peninsula water supply in 2020 without desalination, but with PWM Expansion, would already be at a deficit of more than 200 afy, according to Stoldt's own tables. (See Ex. 34, p. 15.) Even assuming Stoldt's depressed demand figures, Peninsula water supply with the PWM Expansion, but without the Project, would only be able to meet Peninsula five-year demand for a maximum of three years before falling short. (See Ex. 28, pp. 10-11.) Without implementation of the Project, the gap between available water supplies and total Peninsula demand only will continue to widen over time, leading to ongoing moratoria on non-essential water uses.

d. *The Stoldt Memo is Contradicted by Stoldt's Prior Statements*

Many of the positions taken in the Stoldt Memo directly contradict arguments put forward by Stoldt during earlier proceedings related to the Project before the State Water Board. Specifically, the Stoldt Memo asserts that Monterey Peninsula demand estimates should be reduced due to implementation of various water conservation efforts, which Stoldt argues represent a permanent reduction in demand. (Staff Report, pp. 88-89.) However, in a December 14, 2015 letter to the State Water Board regarding proposed modifications to Cal-Am's diversion limits from the Carmel River, Stoldt explicitly argues that recent decreases in demand should not be used to justify reductions in Cal-Am's diversion limits, as such reductions were likely due to extensive water conservation campaigns carried out by Cal-Am and MPWMD. (See December 14, 2015 MPWMD Letter to State Water Board, p. 2, attached hereto as **Exhibit 39**.) Stoldt goes on to argue that it cannot be assumed that such reductions in demand are permanent. (*Ibid.*) Stoldt also notes that following periods of drought, such as the drought conditions currently seen on the Monterey Peninsula, demand for water typically rebounds as irrigation uses increase and conservation behaviors relax. (*Ibid.*) Moreover, as another example of Stoldt taking inconsistent positions, in a series of emails to Cal-Am employees and other interested parties regarding the State Water Board proceedings, Stoldt argues that depressed demand levels seen in recent years cannot be used to justify reductions in Cal-Am's diversions from the Carmel River, as: (1) drought awareness and corresponding cuts in water use are likely to fade; (2) economic activity on the Peninsula has been cut due to implementation of the CDO; and (3) demand rebounds are likely once drought conditions abate. (See March 20, 2016 Email from D. Stoldt to R. MacLean, attached hereto as **Exhibit 40**; see also March 17, 2016 Email from D. Stoldt to J. Burnett, as **Exhibit 41**.) Stoldt therefore has taken contrary positions on many of the assumptions used to justify the Stoldt Memo and, by extension, the Staff Report conclusion that the PWM Expansion is a feasible Project alternative. As a result, it is inappropriate for staff to rely on the Stoldt Memo's assumptions, particularly where supply and demand already has been evaluated and determined through an unbiased, public evidentiary process before the CPUC—the state agency charged with making utility supply and demand determinations.

e. *There Is No Evidence to Suggest PWM Expansion Can Meet Maximum Month Demand*

After describing Stoldt's "updated" demand figures, the Staff Report asserts that the PWM Expansion can serve as an alternative to the Project because the PWM Expansion can meet Cal-Am's maximum daily demand ("MDD") and peak hour demand ("PHD"). (Staff Report, p. 93; see also Exhibit 9, p. 1.) To reach this conclusion, staff relies on a one-page analysis of 10-year MDD and PHD prepared by Stoldt and included as Exhibit 9 to the Staff Report. (*Ibid.*) However, Stoldt's analysis does not demonstrate that the PWM Expansion can meet maximum month demand ("MMD") as required by the California Waterworks Standards (Cal. Code Regs., tit. 22, § 64554, subds. (a), (b)(2)). Rather, Stoldt only uses calculations based on the MMD from July 2012 to show that the PWM Expansion could meet the projected MDD and PHD from that one month. (See Staff Report, Exhibit 9.) As explained in the testimony of Ian Crooks and Richard Svindland before the CPUC, using only MDD and PHD to project demand is inappropriate in this case because public water systems must be able to "deliver water supplies at near MDD levels during dry years over a few maximum months of demands." (See September 27, 2017 Crooks Direct Testimony, pp. 6, 15-16, excerpts attached hereto as **Exhibit 42**.) The only way to ensure this capacity is by calculating demand based on MMD. (*Ibid.*) Failure to accommodate MMD, and thereby failing to accommodate uncertainty in water supply due to natural pressures such as climate change and drought, will mean that "water supplies will fall short over the duration of maximum month demands." (See October 13, 2017 Crooks Rebuttal Testimony, p. 9, excerpts attached hereto as **Exhibit 43**.)

Stoldt's conclusion that the PWM Expansion can meet MDD and PHD also relies on the availability of drought reserves to meet such demand—however, Stoldt also assumes that no drought conditions will occur on the Monterey Peninsula between now and 2034, allowing for the buildup of such reserves. (See Staff Report, Ex. 9 9, p. 2; see also *id.*, Ex. 10, p. 3.) As explained below, the assumption that the Peninsula will not experience drought conditions over any significant period is wholly untenable, given that California has experienced a multi-year drought in nearly every decade since 1917, and recharge of groundwater reserves is essentially unavailable under drought conditions. (See Section I.3.f, h, *infra*.)

f. *Supplies of ASR Water Assumed by Staff Are Not Guaranteed*

The Staff Report asserts that PWM Expansion is capable of providing a drought-proof supply to the Monterey Peninsula because of the potential for the PWM Expansion to provide additional aquifer storage and recovery ("ASR") water. The Staff Report assumes that ASR water supply is available each year, such that the Peninsula can build up a reserve of ASR water to compensate for extended drought conditions. (Staff Report, pp. 93-94; see also Exhibit 10.) However, the Staff Report ignores the fact that ASR recharge is unreliable and takes place intermittently, at best. Currently, ASR has the capacity to reinject roughly 1,300 afy, under ideal conditions— however, between 1997 and 2019, annual ASR reinjection only reached the 1,300 afy assumed by the Staff Report twice, averaging only 450 afy over a 22 year period. (See Table of ASR Injection

and Recovery Totals, attached hereto as **Exhibit 44**.) In fact, in 2014, 0 afy in ASR water was injected for storage. (*Ibid.*) As explained in the Hazen Memo, ASR water availability is reduced to 63% in a single dry year, and even further reduced to 4% following three dry years. (See Ex. 28, pp. 6-7.) During drought conditions, ASR water is essentially unavailable. (*Id.*, p. 8.) There is simply no guarantee that sufficient water is available for ASR reinjection in any given year. Further, assuming constant, maximum ASR water availability is inconsistent with the requirement that projections of supply must be based on an assessment of available water in dry and multiple dry water years, and must include the source's lowest anticipated daily yield. (See Wat. Code, § 10635, subd. (a); Cal. Code Regs., tit. 22, § 64554, subd. (k).) Without ASR, the PWM Expansion would yield only 9,994 afy in reliable supplies, below both the Stoldt Memo's 10-year and 5-year annual averages, when considering projected growth.

g. *PWM Expansion Cannot Supply Water to Meet Peninsula Regional Housing Goals*

Because the PWM Expansion would fail to provide a water supply sufficient to accommodate increased demand and population growth on the Monterey Peninsula, it also would depress the buildout of necessary affordable housing on the Peninsula, as dictated by the Regional Needs Housing Assessment ("RHNA") for the Monterey Bay Area.[38] At the December 17, 2019, meeting of the MPWMD Water Demand Committee, Stoldt provided a memorandum quantifying the RHNA goals for each jurisdiction on the Monterey Peninsula, and estimating the water supply required to meet these goals. A copy of Stoldt's memorandum regarding Monterey Peninsula RHNA goals and estimated water required to meet such goals is attached hereto as **Exhibit 45**. In that document, Stoldt estimated that a water supply of 190 afy will be needed to meet the Peninsula's RHNA goals. However, as explained in the Hazen Memo, Peninsula water supply with the PWM Expansion, but without the Project, will only be able to meet Peninsula demand, even assuming Stoldt's depressed five-year average demand estimates, for a maximum of three years. (See Ex. 28, pp. 10-11.) Based on projections in the Stoldt Memo, by 2024, demand for water will exceed the 10,000 afy supply that will be available with the PWM Expansion, leaving the Peninsula without any excess water supply to accommodate development of legal lots of record and regional housing growth. (*Ibid.*) Moreover, even assuming Stoldt's estimates, the PWM Expansion would not supply sufficient water to meet the RHNA goals as of 2020. Specifically, Stoldt's five-year average demand estimates project a 2020 demand of 9,825 afy and Stoldt finds that water supply with the PWM Expansion, but without the Project, would provide 9,994 afy. This leaves only 169 afy (9,994 – 9,825 = 169) to meet RHNA goals in 2020, but this is already less than the 190 afy set forth by Stoldt in his December 2019 memorandum. (See *id.*, pp. 9-10.) Therefore, even assuming the demand estimates set forth in the Stoldt Memo and the Staff Report, the PWM Expansion will not supply sufficient water to meet even the RHNA needs set forth in Stoldt's December 2019 memorandum.

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[38] The 2014-2023 RHNA Plan for the Monterey Bay area is available here: https://ambag.org/sites/default/files/documents/RHNP%202014-2023_Final_revised_PDFA.pdf.

h. *The Staff Report Relies on a Memorandum Doctored by Stoldt*

Finally, the Staff Report's assumptions regarding ASR supply are based entirely upon Exhibit 10 to the Staff Report, which is an excerpt from a draft technical memorandum prepared as an exhibit to the Draft SEIR for the PWM Expansion, which was released to the public on November 7, 2019. As explained in Cal-Am's November 11, 2019, letter to the boards of M1W and MPWMD, attached hereto as **Exhibit 46**, it appears that Stoldt intentionally manipulated Exhibit 10 to make it appear that the technical memorandum's authors had concluded the ASR reserve will be sufficient to meet a 4-year drought by 2034—possibly in an effort to influence the Commission's consideration of the Project. (See Staff Report, Ex. 10, p. 3.) As reported by Rob Wellington, legal counsel to M1W, in his November 7, 2019, memo to the M1W Board Chair and Board Members, Stoldt not only cut and pasted portions of the technical memorandum to create Exhibit 10, he also included the following concluding sentence that was not contained in the technical memorandum: "This shows that the built-up reservoir of ASR in storage is sufficient to meet a 4-year drought, and likely longer, as shown beginning in 2034."

Stoldt's added conclusion sentence is improper for a number of reasons. First, the purpose of the technical memorandum was to evaluate the PWM Expansion's impacts on groundwater, not to evaluate PWM Expansion's ability to meet Cal-Am's annual or monthly demands under drought conditions. Second, Figure 7 in the technical memorandum, which Stoldt used to support his conclusion in Exhibit 10, is based on the unrealistic assumption that no drought will take place between now and 2034. Such an assumption is contradicted by plain history—there has been a multi-year drought in California in virtually every decade since 1917. Finally, Stoldt's conclusion in Exhibit 10 is based on his own unverified calculations of demand in the Stoldt Memo, which, as explained herein, are entirely unsupportable. While Stoldt manipulated Exhibit 10 to make it appear as if the technical memorandum's authors had reached this conclusion regarding drought storage, the authors never reached such a conclusion, and apparently never authorized Stoldt to manipulate the memorandum in this way.

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Given the foregoing, the supply and demand estimates set forth in the Stoldt Memo, and in turn, in the Staff Report, cannot constitute substantial evidence to conclude that the PWM Expansion could serve as a feasible alternative to the Project.

4. PWM Expansion Conformity to Project Objectives

Staff Report Contention #34: The Staff Report concludes that PWM Expansion is capable of meeting all twelve primary and secondary objectives set forth by the CPUC in the Final EIR/EIS and Decision. (Staff Report, pp. 94-96.)

Cal-Am Response: The Staff Report's conclusion that the PWM Expansion can satisfy all twelve Project objectives as provided by the CPUC is not supported by substantial evidence. Because the PWM Expansion is not capable of satisfying the Project

objectives, it cannot be a feasible alternative to the Project. Each Project objective is discussed below.

- **Primary Objective 1**: Develop water supplies for the Cal-Am Monterey District service area to replace existing Carmel River diversions in excess of Cal-Am's legal entitlement of 3,376 afy, in accordance with SWRCB Orders 95-10 and 2016-0016.

    - Staff's conclusion that implementation of the PWM Expansion is sufficient to replace Carmel River diversions in excess of Cal-Am's entitlement is unsupported by the evidence. As explained above, in Cal-Am's October 15, 2019 letter, and in Hazen's January 2020 report, the PWM Expansion does not provide enough water to meet the demands of Cal-Am's Monterey District service area. Because PWM Expansion will not provide enough water to meet demand it therefore cannot, by definition, meet this Project objective. As explained by the CPUC:

> [T]he PWM Expansion Progress Report indicates that the PWM Expansion would satisfy the basic and key purposes of the Project (i.e., sufficient and reliable water supply) ***only in conjunction with construction of a desalination plant of some size within five to fifteen years***. Thus, the PWM Expansion would not substitute for a desalination plant, but would merely delay it and possibly (but not certainly) enable it to be smaller or to be operated differently.

(See CPUC Decision D.18-09-017, Appx. C, p. C-71 [emphasis added].) As the agency vested with the sole authority to determine proper levels of supply and demand for Cal-Am as a regulated public utility, the CPUC already has determined that PWM Expansion would not satisfy the water supply required by Cal-Am customers, and should only be examined as an "additional or supplemental source water supply" to the Project. (See CPUC Decision D.18-09-017, pp. 42-43.) Even under the Stoldt Memo's estimated demand numbers, and assuming continued strict water conservation, the water supply with the PWM Expansion, but without the Project, is barely sufficient to meet existing demand. (See Section I.3.c, *supra*.) As such, in the absence of the Project, PWM Expansion would not provide a sufficient, reliable water supply that would allow Cal-Am to replace its Carmel River diversions.

Moreover, the Staff Report drastically oversimplifies the process by which Cal-Am may be deemed to have satisfied the CDO. The 2016 State Water Board CDO provides that the conditions thereto, as well as conditions set forth in previous iterations of the CDO, "shall remain in effect until (a) Cal-Am certifies, with supporting documentation, that it has obtained a

permanent supply of water that has been substituted for the water illegally diverted from the Carmel River and (b) the Deputy Director for Water Rights concurs, in writing, with the certification." (See State Water Board Order WR 2016-0016, p. 27, attached hereto as **Exhibit 47**; see also May 8, 2020 Letter from State Water Board to John Ainsworth, Coastal Commission, p. 2.) Given the substantial uncertainties in the supply that could potentially be provided by the PWM Expansion, it is unlikely that without the Project, Cal-Am would be able to certify that a permanent water supply has been secured or obtain the required certifications from the State Water Board such that the CDO will be lifted.

- **Primary Objective 2**: Develop water supplies to enable Cal-Am to reduce pumping from the Seaside Groundwater Basin from approximately 4,000 to 1,474 afy, consistent with the adjudication of the groundwater basin, with natural yield, and with the improvement of groundwater quality.

    - The CPUC has previously determined that the PWM Expansion, without implementation of the Project, would not satisfy demand requirements in Cal-Am's service area. (See CPUC Decision D.18-09-017, p. 40.) As a result, the PWM Expansion, by definition, would put at risk Cal-Am's ability to reduce its pumping from the Seaside Groundwater Basin. As such, the CPUC has already determined that the PWM Expansion, without the Project, is incapable of ensuring this objective can be met.

- **Primary Objective 3**: Provide water supplies to allow Cal-Am to meet its obligation to pay back the Seaside Groundwater Basin by approximately 700 afy over 25 years as established by the Seaside Groundwater Basin Watermaster.

    - The Staff Report fails to provide any evidence that the PWM Expansion can provide water supplies sufficient for Cal-Am to pay back its extractions from the Seaside Groundwater Basin. (Staff Report, p. 94.) Moreover, the CPUC has already determined that the PWM Expansion could not "provide supply to allow for replenishment of water that Cal-Am previously pumped from the Seaside Basin in excess of Cal-Am's adjudicated right . . ." (See CPUC Decision D.18-09-017, p. 40.) As explained above, the PWM Expansion is incapable of supplying water sufficient to meet demand in Cal-Am's service area—given this supply shortfall, there is a significant risk that the PWM Expansion would not produce a water supply sufficient to allow Cal-Am cut its Seaside Groundwater Basin withdrawals to a level that permits Basin recharge. (See Section I.3.c, *supra*.)

- **Primary Objective 4**: Develop a reliable water supply for the Cal-Am Monterey District service area, accounting for the peak month demand of existing customers.

- As explained above, there is no evidence to suggest that the PWM Expansion, without the Project, can supply water sufficient to meet the Peninsula's MMD, in accordance with the California Waterworks Standards. (See Cal. Code Regs., tit. 22, § 64554, subds. (a), (b)(2); see also Section I.3.e, *supra*.) Moreover, M1W has failed to secure sufficient source water for the PWM Expansion—as such, the PWM Expansion simply cannot constitute a "reliable water supply" for the Monterey District service area and fails to satisfy this Project objective. (See Section I.2, *supra*.)

- **Primary Objective 5**: Develop a reliable water supply that meets fire flow requirements for public safety.

  - The Staff Report asserts that PWM Expansion can satisfy this Project objective because it is designed to meet both MDD and peak hour demands. However, as explained above, this conclusion is based solely on the Stoldt Memo's calculation of MDD and PHD, which fails to accommodate MMD, as required by the California Waterworks Standards. (See Cal. Code Regs., tit. 22, § 64554, subds. (a), (b)(2); see also Section I.3.e.) As such, there is no evidence to demonstrate that the PWM Expansion can provide a reliable water supply that meets relevant fire flow requirements.

- **Primary Objective 6**: Provide sufficient water supplies to serve existing vacant legal lots of record.

  - The Staff Report's conclusion that the PWM Expansion can provide sufficient water supplies to serve existing legal lots of record is based solely on the Stoldt Memo—as explained above, the Stoldt Memo uses an improperly depressed demand figure for legal lots of record, which, as recognized by the CPUC, fails to account for rebounds in development and corresponding increases in demand upon the easing of water restrictions on the Peninsula. (See Section I.3.c; see also CPUC Decision D.18-09-017, p. 50.) Moreover, in addition to the failure to account for the legal lots of record the PWM Expansion would not be able to satisfy the housing demand projections set forth by the City of Monterey. (See Ex. 38, February 4, 2020 City of Monterey Letter.) Therefore, the PWM Expansion does not meet this Project objective.

- **Primary Objective 7**: Accommodate tourism demand under recovered economic conditions.

  - The Staff Report's conclusion that the PWM Expansion could produce water sufficient to accommodate expected increases in tourism over the next two decades is based solely on the Stoldt Memo's depressed demand figures. The Stoldt Memo's estimates fail to account for the fact that hotel occupancy rates and tourism on the Monterey Peninsula have yet to return

to pre-2008 levels, and fail to consider additional water that will be needed for growth in tourism in the near future. (See Section I.3.c; Ex. 34, p. 13; Ex. 35, p. 4.) As such, the Staff Report has not provided sufficient evidence that the PWM Expansion can supply water required to accommodate increased tourism demand once the CDO is lifted.

- **Primary Objective 8**: Minimize energy requirements and greenhouse gas emissions per unit of water delivered.

    - The Staff Report concludes that PWM Expansion "more strongly conforms" to this objective than the Project, because the PWM Expansion would utilize 45 megawatts of electricity per year produced by landfill gas, while the Project would use around 38,000 megawatts of grid-based electricity per year. (Staff Report, p. 96.) However, as explained above, this comparison fails to take into account the Project's Mitigation Measure 4.11-1, implementation of which would result in the Project having net zero operational emissions from electricity consumption. (See Section E, *supra*.)

      Moreover, the PWM Expansion's proposal to utilize landfill gas as a power source is uncertain at this time. As discussed at the May 14, 2020, meeting of the M1W Recycled Water Committee, M1W is currently working to secure construction bids to build infrastructure that would allow M1W to convert landfill gas to electricity for the PWM project. (See Ex. 22, p. 1.) M1W has so far received construction bids that were twice as high as M1W's estimates and as a result, M1W was forced to reject these bids over budget concerns. (*Ibid.*) If M1W is unable to secure reduced bids or obtain additional funding for this infrastructure, it will be unable to implement the landfill gas power system. (*Ibid.*) Therefore, the Staff Report should not assume that the PWM Expansion would utilize landfill gas because that proposal is speculative at this time.

- **Primary Objective 9**: Minimize project costs and associated water rate increases.

    - The Staff Report's conclusion that PWM Expansion would better conform to this objective by minimizing project costs and water rate increases is unsupported by substantial evidence. In reality, the Original PWM Project has been plagued by significant cost overruns, resulting in drastic increases of up to 114% in projected costs per acre-foot of water. (See Section I.2.c, *supra*; Ex. 25, PWM Status Update Presentation.) The Original PWM Project is on track to deliver only 58% of the 3,500 afy allocated to Cal-Am's customers, and costs for Original PWM Project water will only continue to rise if M1W is unable to provide the promised allocation. (Section I.2.a, *supra*; Ex. 25, PWM Status Update Presentation.) There is every reason to believe that the PWM Expansion would face similar cost overrun issues, resulting in further increases in

water rates. Moreover, the PWM Expansion has not secured all necessary water rights, which could further increase project costs. Given the current state of the PWM Expansion, there is simply no certainty regarding its cost. Therefore, any comparison of PWM Expansion costs against costs associated with the Project are entirely speculative and cannot be made at this time.

- **Secondary Objective 1**: Locate key project facilities in areas that are protected against predicted future sea-level rise in a manner that maximizes efficiency for construction and operation and minimizes environmental impacts.

    - The Staff Report concludes that the Project slant well intake field "would likely be affected directly by sea level rise and the accompanying erosion of the shoreline," while stating that the PWM Expansion would take place inland, outside of the coastal zone. (Staff Report, p. 95.) However, as disused in Section B, the Project is not expected to face any impact from coastal erosion or rising sea levels during the economic life of the Project's slant wells and is entirely consistent with this Secondary Objective. (See Section B; see also AECOM Coastal Erosion Hazard Analysis.)

- **Secondary Objective 2**: Provide sufficient conveyance capacity to accommodate supplemental water supplies that may be developed at some point in the future to meet build out demand in accordance with adopted General Plans.

    - The Staff Report's conclusion that the PWM Expansion can satisfy this Project objective appears to be based solely on Exhibit 10 to the Staff Report, which is a doctored draft technical memorandum prepared as an exhibit to the Draft SEIR for the PWM Expansion. (Staff Report, pp. 95-96.) As explained above, reliance upon this doctored memo is wholly improper, and Exhibit 10 does not constitute substantial evidence to demonstrate that the PWM Expansion can meet this objective. (See Section I.3.h.) Moreover, Exhibit 10 does not speak to conveyance capacity.

- **Secondary Objective 3**: Improve the ability to convey water to the Monterey Peninsula cities by improving the existing interconnections at satellite water systems and by providing additional pressure to move water over the Segunda Grade.

    - The Staff Report fails to provide ***any*** evidence that the PWM Expansion will provide any improvements to existing water system connections or provide additional pressure to move water over the Segunda Grade.

Accordingly, because the PWM Expansion is not capable of satisfying the primary and secondary objectives set forth for the Project by the CPUC, it cannot be concluded to be a feasible alternative to the Project.

Staff Report Contention #35: The Staff Report evaluates the PWM Expansion against the criteria that the CPUC applied to evaluate the viability of the Original PWM Project as a viable Project alternative. (Staff Report, pp. 96-99.)

Cal-Am Response: As with other portions of the Staff Report, the conclusion that the PWM Expansion can meet all the criteria used to evaluate the viability of the Original PWM Project rests on a series of unsupported assumptions and in many cases simply ignores that significant questions remain regarding the feasibility of the PWM Expansion. The uncertainty surrounding the Staff Report's assessment of the PWM Expansion has become all the more pronounced in the wake of the M1W Board of Directors' decision to not certify the PWM Expansion Final SEIR. Moreover, the CPUC itself has stated that the PWM Expansion does not satisfy all of these criteria. (CPUC Decision D.18-09-017, Appx. C, p. C-70.) Each criterion is discussed separately below.

- **Criterion 1 – Final EIR**. *The Staff Report evaluates whether PWM Expansion has an approved EIR, is subject to a CEQA lawsuit, or is subject to a judicial stay. Staff concluded that although the PWM Expansion did not yet have a completed EIR, the EIR was unlikely to be lengthy or complex, given that it would be tiered off of the EIR for the Original PWM Project, and therefore would be unlikely to face legal challenge. (Staff Report, p. 96.)*

    - Contrary to the Staff Report's conclusion, the fact that the PWM Expansion did not have an approved EIR is a significant issue. The Draft SEIR for the PWM Expansion was issued on November 7, 2019, just a few days before the Commission's informational public hearing regarding the Project in Half Moon Bay. The comment period on the Draft SEIR ran until January 31, 2020, and on April 13, 2020, M1W released a Final SEIR. Many commenters submitted substantial concerns to M1W during the public comment period, pointing out numerous flaws in M1W's analysis of the potential environmental impacts of the PWM Expansion. Taking these comments in to account, the M1W Board of Directors denied certification of the Final SEIR on the PWM Expansion at the Board's April 27, 2020 meeting. (See Ex. 17, p. 1.) As such, CEQA approval for the PWM Expansion has not occurred and so PWM Expansion does not meet this feasibility criteria.

- **Criterion 2 - Permits**. *The Staff Report states that, like the Original PWM Project during the CPUC proceeding, the PWM Expansion has not obtained all of its needed permits. However, staff asserts that these permits will likely be new or amended versions of existing permits for the Original PWM Project and that the PWM Expansion sponsors expect to receive the permits in time to operate the facility near the CDO's December 2021 deadline. (Staff Report, pp. 96-97.)*

    - Contrary to the Staff Report conclusion, there have been no permits issued for PWM Expansion. Since the M1W Board rejected the SEIR, no discretionary permits for the PWM Expansion can be legally issued. Therefore, the PWM Expansion does not meet this criteria for consideration as a feasible alternative.

- **Criterion 3 – Source Water**. *The Staff Report claims that the PWM Expansion has sufficient legal certainty as to source waters because the PWM Expansion would use the same source waters as the Original PWM Project. (Staff Report, p. 97.)*

    - Contrary to the Staff Report, the source waters for the PWM Expansion are anything but secure, and the PWM Expansion cannot use the same source waters as the Original PWM Project. As explained above, M1W has yet to satisfy several conditions required for the PWM Expansion to utilize ARWRA source waters, there are significant disputes over source waters that M1W claims may be used by the PWM Expansion, and there is no evidence that PWM Expansion source water would be available during multiple drought years. (See Section I.2, *supra*.) Moreover, the City of Salinas has confirmed that its existing agreements with M1W limit M1W's use of the City's agricultural wash water to the Original PWM Project and that in the absence of further agreements, the City intends to use all available agricultural wash water for its own purposes. (See Ex. 27, p. 2.) The Staff Report fails to recognize these issues and—as such, there is not substantial evidence to demonstrate that the PWM Expansion can satisfy this feasibility criteria.

- **Criterion 4 - Water Quality and Regulatory Approvals**. *The Staff Report asserts that because the Original PWM Project and PWM Expansion will use the same treatment methods, the PWM Expansion will be able to treat wastewater to meet the standards set by the California Department of Health and the Regional Water Quality Control Board ("Regional Board"). As such, the Staff Report claims that the PWM Expansion will be able to obtain the corresponding water quality permits and begin operation by December 2021. (Staff Report, p. 97.)*

    - As noted above, as an initial matter, the M1W Board denied certification of the SEIR, and the PWM Expansion is not currently moving forward. Accordingly, it is not anticipated that the PWM Expansion will be able to seek approvals from the Department of Health or the Regional Board. In addition, even if the PWM Expansion were to move forward, there are significant concerns about the quality of PWM Expansion product water, specifically with respect to the inclusion of agricultural water runoff as source water and, therefore, whether approvals from the Department of Health or the Regional Board could ever be obtained. The inclusion of this source water may result in lingering pesticides or other chemical constituents in the PWM Expansion product water. (See Water Plus Conditional Joinder to Motion to Open a Phase 3 CPCN Proceeding, pp. 2-3 (attached hereto as **Exhibit 48**.) No agency has ever prepared an environmental analysis of the impacts from using wastewater contaminated with pesticides or other chemicals as source water for the PWM Expansion. As explained by the CPUC, "[w]hile the PWM Expansion Progress Report states that, after treatment, the water would meet or exceed drinking water standards, there has yet been no environmental analysis of this key technical feasibility issue." (See D.18-09-017, Appx. C, p. C-71.) While the PWM Expansion would utilize the same treatment technology as the Original PWM Project, there is no evidence that the PWM

Expansion would be able to treat wastewater to the standards imposed by the Department of Health and the Regional Board, and thereafter obtain the corresponding permits. As such, the PWM Expansion cannot satisfy this key feasibility criteria.

- **Criterion 5 – PWM Expansion Project Schedule Compared to Desalination Schedule**. *The Staff Report analyzed the ability of the PWM Expansion to comply with the construction schedule set forth for the Project, so as to meet the December 2021 CDO deadline. (Staff Report, pp. 97-98.) The Staff Report also stated that while there is some doubt about whether the PWM Expansion can meet the CDO deadline, there is "greater doubt" about whether the Project can meet the CDO deadline.*

    - As noted above, the M1W Board denied certification of the SEIR, and the PWM Expansion is not moving forward. Accordingly, based on the current status of the PWM Expansion, and considering the many delays experienced by the Original PWM project, the PWM Expansion cannot meet the December 2021 CDO deadline.

      The Original PWM Project has yet to produce a single drop of water and is behind schedule to begin water deliveries. (See Ex. 21, p. 3; see also Ex. 25.) Even if the PWM Expansion were to move forward in the future, it could experience even greater delays than the Original PWM Project, given the number of outstanding permits and agreements required for the Expansion. At this time, there is simply no evidence to support any schedule associated with the PWM Expansion moving forward.

      Finally, the assertion that there is "doubt" about the Project's schedule because of issues with the MCWD pipeline, the outfall line, and potential future litigation is misplaced. As discussed above, Cal-Am is already entitled to utilize the MCWD conveyance pipeline under an existing agreement—therefore, there will be no delays associated with Cal-Am's use of the pipeline. (See Section I.2, *supra.*) Further, the required Project outfall liner is not a part of this application before the Commission, and any potential delay associated with the CDP application for the liner is speculative. (See Section F, *supra.*) Moreover, the Staff Report's assumption that any Commission decision approving the Project would be subject to litigation is speculative and should not be used to justify a recommendation of denial. Based on the current status of the PWM Expansion as compared to the Project, it is clear that the Project is closer to achieving the CDO timeline, and the PWM Expansion does not meet this criterion.

- **Criterion 6 – Status of PWM Expansion Project Engineering**. *The Staff Report states that the PWM Expansion is well beyond the 10% design threshold, and thus satisfied this criteria. (Staff Report, p. 98.)*

- The status of the PWM Expansion's engineering and design is irrelevant to the feasibility of the PWM Expansion as an alternative because the M1W Board of Directors has denied certification of the SEIR for the project, and it is speculative to assume that M1W will move forward with the PWM Expansion because, as stated by M1W staff, funds are not available to address the multiple deficiencies with the analysis in the SEIR. (See Ex. 18; Ex. 17, p. 1.)

- **Criterion 7 – PWM Expansion Project Funding.** *The Staff Report evaluates PWM Expansion for its ability to obtain sufficient project funding via government loans. Staff notes that PWM Expansion would rely in part on a commitment from Cal-Am to purchase product water as well as a government loan through the U.S. EPA. (Staff Report, p. 98.)*

    - As noted above, the M1W Board denied certification of the SEIR and the PWM Expansion is no longer moving forward. Accordingly, there are no commitments for project funding. Further, if the PWM Expansion were to ever move forward, it would require a Water Purchase Agreement between Cal-Am and M1W, which would require CPUC approval, as was required for the purchase of Original PWM Project water. The Staff Report failed to account for that timing or process. Further, the Water Purchase Agreement between Cal-Am and M1W would need to be revised to include additional terms, such as more stringent performance guarantees to provide greater assurances to Cal-Am and its customers that the recycled water would be produced as promised, and greater protections in the event that recycled water is not or cannot be produced. (See November 3, 2019 Letter from Cal-Am to M1W Board of Directors, attached hereto as **Exhibit 49**.) The M1W Board has not confirmed that they are willing to take on the liability that would be required by those performance guarantees. In addition, the CPUC highlighted a lack of secure funding in its wholesale rejection of PWM Expansion as a Project alternative. (See CPUC Decision D.18-09-017, Appx. C, pp. C-71 to C-72.) Therefore, even if the PWM Expansion were to move forward, numerous questions remain about the viability of funding such that this criterion cannot be satisfied.

- **Criterion 8 – Reasonableness of Water Purchase Agreement Terms.** *The Staff Report notes that the CPUC found the 2016 Water Purchase Agreement between Cal-Am and the PWM sponsors for Original PWM Project water met this criteria, and asserts that PWM Expansion water would cost less than water produced by the Project. (Staff Report, p. 98.)*

    - The Staff Report does not reach any conclusion regarding PWM Expansion conformance with this criterion, and indeed cannot do so, given that Cal-Am and the PWM Expansion project sponsors have not reached any agreement regarding the purchase of PWM Expansion water. Indeed, as discussed above, before Cal-Am purchases a drop of water from a possible PWM Expansion, the parties would need to agree to additional performance

guarantees to ensure a continued water supply in the event that the PWM Expansion cannot fulfill its promised water supply or otherwise meet Peninsula demands. Accordingly, this criterion cannot be used to support the feasibility of the PWM Expansion.

- **Criterion 9 – Reasonableness of the PWM Expansion Project Revenue Requirement**. *The Staff Report asserts that greater certainty regarding PWM Expansion project costs exists at this point than at the time of the CPUC's Decision, providing certainty as to the reasonableness of expected revenue requirements. (Staff Report, p. 99.)*

    - Contrary to the Staff Report's assertion, there is even less certainty regarding PWM Expansion costs than in 2017. The Original PWM Project has incurred significant cost overruns, and continues to face numerous technical and construction obstacles, resulting in substantially increased water rates from what was projected. (See Ex. 25.) It is therefore likely that the PWM Expansion could face similar cost overruns and corresponding water rate increases. (See Sections H, I.2.c, *supra*; see also Ex. 25.) It is not currently possible to speculate as to the reasonableness of the PWM Expansion's project revenue requirements. Therefore, the PWM Expansion does not meet this feasibility criteria.

5. Overall Adverse Project Effects

Staff Report Contention #36: The Staff Report asserts that the PWM Expansion would have fewer overall adverse environmental effects than the Project, given that the PWM Expansion will be located outside the coastal zone, and given the PWM Expansion's use of electricity generated by landfill gases. (Staff Report, p. 99.)

Cal-Am Response: The Staff Report's conclusion that the PWM Expansion would have fewer environmental effects than the Project is unsupported and did not have the benefit of the environmental analysis prepared for the PWM Expansion that was released just prior to the Commission's November 2019 informational hearing concerning the Project. The environmental analysis conducted for the PWM Expansion, as discussed in various comment letters on the PWM Expansion Draft and Final SEIRs, has significant flaws and requires substantial additional analysis. (See Ex. 20, Cal-Am Comments on PWM Expansion Final SEIR; see also January 30, 2020 Cal-Am Comments on PWM Expansion Draft SEIR, provided separately to Commission staff.) In fact, based on these significant flaws, the M1W Board denied certification of the SEIR. (See Ex. 18, M1W Board of Directors Staff Report.) Consequently, the full scope of the PWM Expansion's environmental impacts remains unknown.

In addition, staff's statements do not accurately reflect the Project's environmental impacts, as discussed herein. First, contrary to the Staff Report's conclusion, the Project would not result in a substantial adverse impact to sensitive habitats during Project construction or operation with the implementation of all feasible and enforceable mitigation measures. (See Section A, *supra*.) Second, the Project is not anticipated to be

impacted by sea level rise of coastal erosion until near the 2120 planning horizon, well beyond the economic lifespan of the Project's wells. (See Section B, *supra.*) Third, the assertion that the Project's potential impacts on marine life and ocean water quality "have not yet been determined" is inaccurate—the CPUC, as lead agency, has already determined that the Project will not result in substantial adverse impacts to coastal waters or marine resources during Project construction or operation with the implementation of all feasible and enforceable mitigation measures. (See Section C, *supra.*) Fourth, as explained in Section E, *supra*, staff fails to account for the Project's incorporation of Mitigation Measure 4.11-1, which would result in net zero operational emissions from electricity consumption.

Therefore, the Staff Report's conclusion that the PWM Expansion would have fewer adverse environmental effects is not supported by substantial evidence.

Staff Report Contention #37: The Staff Report acknowledges that "an underlying environmental concern applicable to both projects is the potential effect of Cal-Am not having an adequate water supply project in place by December 2021," so as to allow the CDO to be lifted. Staff admits that missing that deadline, or interim deadlines, would result in reductions in Cal-Am's legal diversion limits from the Carmel River. Staff states that if this occurs, Cal-Am would have to seek an extension from the State Water Board to permit continued Carmel River withdrawals, which may cause further environmental harms to the River. However, the Staff Report dismisses that concern by alleging that "the Cal-Am project appears to have a higher risk of delay than does the PWM Expansion." (Staff Report, p. 99.)

Cal-Am Response: Contrary to the Staff Report, the PWM Expansion has a high risk of delay. In comparison, Cal-Am's Project already has received numerous approvals, including a Certificate of Public Convenience and Necessity from the CPUC and a Combined Development Permit from Monterey County. While the Project has received those approvals and is currently pending before the Coastal Commission, the PWM Expansion has obtained no approvals and is no longer moving forward as a result of the M1W Board's decision to deny certification of the PWM Expansion Final SEIR. In addition, given the current delays seen in implementation of the Original PWM Project, there are questions about how long it could take the Original PWM Project to achieve its water delivery obligations. Currently the Original PWM Project is expected to deliver only 58% of its 3,500 afy delivery target. (See Ex. 25, PWM Status Update Presentation; Section I.2.a, *supra.*) Given this information, there is substantial uncertainty about whether the PWM Expansion could achieve its water delivery targets, or how quickly it could come on line even if it were to move forward. It is virtually impossible that the PWM Expansion would meet the 2020 interim milestone or the CDO 2021 deadline. Accordingly, the assertion that the Project has a higher risk of delay than the PWM Expansion is not supported by the available facts.

6. "No Action" Alternative

Staff Report Contention #38: The Staff Report asserts that under a "no action" scenario, wherein the Commission does not approve the Project, the "most likely scenario" is that Cal-Am

would pursue the PWM Expansion, and the PWM Expansion could provide an adequate water supply to Cal-Am's service area. (Staff Report, p. 100.)

Cal-Am Response: Since the issuance of the State Water Board's 1995 order reducing Cal-Am's allowable withdrawal from the Carmel River by 10,730 afy, Cal-Am has been working to implement an alternative water supply to provide a reliable and sustainable water supply to the Monterey Peninsula, as well as to lift the State Water Board CDO. In the past 25 years, Cal-Am's efforts have included working on the possibility of a new dam and reservoir, as well as a different desalination project that was proposed in conjunction with MCWD and MCWRA. Cal-Am was forced to abandon the prior desalination project when a MCWD consultant violated conflict of interest laws. In order to fulfill its obligations under the CDO and provide a long-term solution to the Peninsula's water supply problems, Cal-Am moved forward with designing the Project on its own, and applied to the CPUC for its approval in 2012. In the course of reviewing the Project over six years, the CPUC analyzed, and rejected, eleven different alternatives to the Project, including the PWM Expansion. With the M1W Board of Directors' decision to deny the certification of the PWM Expansion Final SEIR, the PWM Expansion also can no longer be considered as an alternative option. The Project therefore remains the only possible option to satisfy the CDO's requirements and provide much-needed water to the Peninsula.

Moreover, if Cal-Am were to proceed with the PWM Expansion in lieu of the Project, given the significant shortfalls in production from the Original PWM Project (see Section I.2.a, *supra*), and the potential for the PWM Expansion to similarly fail to meet expected deliveries, there is a significant likelihood that Cal-Am would not be able to cease its withdrawals from the Carmel River in order to make up for shortfalls in supplies from the PWM project as a whole. As such, the Staff Report must consider as the "no action" alternative the reasonably foreseeable scenario in which Cal-Am is forced to continue pumping from the Carmel River to meet regional water demands or otherwise implement severe water rationing measures, along with any associated environmental, economic and environmental justice impacts.

J. Coastal Act Section 30260 Override for Coastal-Dependent Facility

As explained throughout this Attachment A, and contrary to the Staff Report's determinations, the Project is not inconsistent with the Coastal Act or LCP policies regarding ESHA, coastal hazards, coastal waters, or groundwater. (See Sections A through D *supra*.) Nonetheless, as the Commission found with the test slant well (CDP Nos. 9-14-1735 and A-3-MRA-14-0050), the Project satisfies the three requirements of Coastal Act section 30260, which allows the Coastal Commission to approve certain uses notwithstanding potential inconsistencies with applicable LCP policies. The Project is a coastal-dependent industrial facility and 1) alternative locations of the Project are infeasible or more environmentally damaging; 2) to not permit the Project would adversely affect the public welfare; and 3) the Project's environmental impacts have been mitigated to the maximum extent feasible. Staff's primary reason for determining that the Project does not satisfy Section 30260 is that the PWM Expansion is a feasible alternative to desalination, but as explained above in Section I, PWM Expansion is not feasible. Therefore, the

Commission is authorized under Coastal Act, section 30260 to approve the Project despite any potential inconsistency with LCP.

Staff Contention #39: Staff has determined that the Project qualifies as a coastal-dependent industrial facility under Coastal Act sections 30260 and 30101. (Staff Report, pp. 102-103.)

Cal-Am Response: Cal-Am agrees with staff that the Project is a coastal-dependent industrial facility. As the Staff Report explains, the Project is "coastal-dependent" because it must be located adjacent to Monterey Bay to extract primarily seawater from beneath the seafloor. (Staff Report, p. 102.) Further, the Project's Source Water Pipeline is necessary to convey that feedwater to the inland desalination facility. (*Ibid.*) Finally, the Project will use the existing M1W outfall to convey the facility's brine discharges into coastal waters. (*Ibid.*) Moreover, staff correctly determined that the Project is "industrial" because it is a water supply infrastructure project implemented by Cal-Am, a publicly regulated utility. (*Id.*, p. 103.)

Because the Project constitutes a coastal-dependent industrial facility, the Commission can apply Section 30260 to approve the Project notwithstanding any potential inconsistencies with LCP and Chapter 3 of the Coastal Act.

Staff Contention #40: Staff contends that the PWM Expansion is a feasible, less environmentally damaging alternative to the Project. According to staff, the PWM Expansion "fully meets the criteria of the Coastal Act's definition of feasibility." (Staff Report, p. 104.) Therefore, staff finds that the Project does not meet the first test of Section 30260.

Cal-Am Response: As a preliminary matter, Section 30260's plain language focuses on "***alternative locations***," ***not alternatives to an entire project***. (See Pub. Resources Code, § 30260 [emphasis added].) Staff's current interpretation of Section 30260 goes against the Commission's long-standing interpretation of "alternative locations" as alternative sites to the proposed project, not completely separate and distinct alternative projects. (See, e.g., Staff Report for Test Slant Well, App. No. 9-14-1735, A-3-MRA-14-0050, pp. 3, 57 [evaluating on- and off-site alternative locations for the test slant well].) Here, the PWM Expansion is not an alternative location to the Project; it is a wholly separate project. Staff's misinterpretation and incorrect application of Coastal Act section 30260 is not entitled to deference. (See *S. Cal. Edison Co. v. Pub. Util. Com.* (2000) 85 Cal.App.4th 1086, 1105 [finding that "an agency's interpretation of a regulation or statute does not control if an alternative reading is compelled by the plain language of the provision"]; *Motor Vehicle Mfrs. Assn. of United States, Inc. v. State Farm Mut. Auto. Ins. Co.* (1983) 463 U.S. 29, 42 [holding no deference warranted for agency's change from its "settled course of behavior"].)

The Final EIR/EIS thoroughly analyzed alternative locations for the Project's subsurface intake slant wells and associated Project infrastructure, concluding that the Project's proposed location offers environmental advantages to alternative sites, such as use of an existing outfall, no construction on the seafloor, avoiding impingement and entrainment of an open water intake, and less than significant impacts to groundwater resources, surface water resources and marine biological resources. (Final EIR/EIS, §§ 5.1-5.6.) As

the Staff Report acknowledges, "Cal-Am selected a site where it could obtain its source water using subsurface intakes, ***which is the state's preferred method for seawater desalination facilities, due to their limited or non-existent adverse effects on marine life***." (Staff Report, p. 104 [emphasis added].) Cal-Am also selected to site the slant well network on the previously disturbed CEMEX site, "rather than a completely undeveloped coastal location where it may have caused additional adverse effects."[39] (*Ibid.*) Thus, the CEMEX site is the least environmentally damaging location feasible for the Project.

Moreover, staff cites Coastal Act section 30233 regarding fill in coastal waters as a basis for evaluating whether alternative projects are less environmentally damaging. (See Staff Report, p. 104.) However, as explained above in Section C, staff's interpretation of Coastal Act section 30233 is incorrect. Coastal Act section 30233 allows diking, filling, or dredging of open coastal waters only "where there is no feasible less environmentally damaging alternative." The Project does not involve the "diking, filling, or dredging" of coastal waters. (See Pub. Resources Code, § 30233.) The Project's underwater monitoring equipment and single buoy do not constitute "fill" as contemplated by section 30233 because the equipment uses anchors placed on the seafloor. The equipment does not involve the installation of permanent structures in the seafloor or the fill the ocean with sediment, earth, or similar substance.

Finally, as explained above in Section I.2, the PWM Expansion is not feasible. Significant questions remain regarding the adequacy of the PWM Expansion's environmental review, economic feasibility, and ability to secure sufficient water supplies and provide a certain quantity of product water.

Because the PWM Expansion is not feasible, and the CEMEX site is the best available location for the Project, the Project satisfies the first test of Coastal Act section 30260.

Staff Contention #41: Staff asserts that the Project would not promote the public welfare for three reasons: (1) the Project would impact ESHA, public access, and groundwater supplies; (2) the PWM Expansion can provide a water supply adequate for current demand and future growth and will allow Cal-Am to meet its CDO obligations; and (3) the Project would create economic hardships for communities of concerns due to high water rates. (Staff Report, p. 105; see also Addendum, pp. 7, 9.) Therefore, staff finds that the Project does not meet the second test of Section 30260.

Cal-Am Response: "Public welfare" is not defined in the Coastal Act, but it generally includes "the economic welfare, public convenience and general prosperity of the

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[39] In fact, the Project's slant wells will be sited at the exact same location on the CEMEX site as the proposed wellfield for the Regional Desalination Project—the Project's predecessor. The Regional Desalination Project would have been jointly implemented by Cal-Am, MCWRA, and MCWD, with MCWD owning the desalination facility and infrastructure. (See CPUC Decision D.10-12-016, 2010 Cal. PUC LEXIS 548, at *2.) As such, any claims by MCWD—or even Marina—the Project is inappropriately located at the CEMEX site is belied by their prior support of the former Regional Desalination Project at this location. (See MCWD presentation regarding the Regional Desalination Project, attached hereto as **Exhibit 50**, pp. 4, 25.)

community.'" (*Miller v. Bd. of Pub. Works* (1925) 195 Cal. 477, 487.) Under Coastal Act section 30260, the evaluation of what would adversely affect the public welfare requires a balancing of interests: "[the] protection and preservation of coastal natural resources and the need for some coastal development." (*Gherini v. Cal. Coastal Com.* (1988) 204 Cal.App.3d 699, 708; see also *Marina Coast Water Dist. v. Cal. Coastal Com.* (2016) 2016 WL 6267909, at *12, *23.) Not permitting the Project would adversely affect the public welfare for several reasons.

As a preliminary matter, the Staff Report acknowledges that Cal-Am must obtain a new water supply under the CDO. (Staff Report, p. 104.) The Staff Report fails to appreciate, however, that without the Project, a deficit between available water supplies and total demand will result and worsen over time, potentially leading to prohibitions on all or specified non-essential water uses. (See Section I.3.c *supra*.) Without the Project, Cal-Am would fail to meet the CDO milestones, which could have harmful consequences for Cal-Am, its customers, the community, and the regional economy. (Final EIR/EIS, pp. 5.4-10 to 5.4-11 [potential rationing of and restrictions on water usage].) The Project would provide a water supply to replace that obtained from the Carmel River, benefiting the river watershed (Final EIR/EIS, p. 4.6-126); would prevent further seawater intrusion into the SVGB (*id.*, p. 4.4-92; D.18-09-017, Appx. C, p. C-75); and would provide sufficient water to enable cities on the Monterey Peninsula to accommodate planned growth and existing legal lots of record. (See Section I.3.)

Moreover, the Project will not impact public or beach access following any restoration at the CEMEX site, as described above in Section F. Similarly, the Project will not significantly impact ESHA following the implementation of all feasible and enforceable mitigation measures. (See Section A *supra*.) Nor will the Project adversely affect groundwater supplies in the SVGB, as described above in Section D.

Further, as explained throughout this Attachment A, the PWM Expansion is not a feasible alternative to the Project. (See Sections I.2.) The CDO requires that Cal-Am "certif[y], with supporting documentation, that is has obtained a permanent supply of water that has been substituted for the water illegally diverted from the Carmel River." (See Ex. 49, p. 27.) The PWM Expansion is neither an adequate nor permanent water supply sufficient to meet the Peninsula's water needs, and M1W has not demonstrated permanent water rights necessary for PWM Expansion operation. Therefore, absent another source from which Cal-Am can obtain water—such as the Project—Cal-Am cannot meet its CDO obligations or supply sufficient water to its service district.

Finally, as explained above in Section H, the Final EIR/EIS evaluated whether the Project would result in a disproportionately high and adverse impact on minority or low-income populations. (Final EIR/EIS, pp. 4.20-16 to 4.20-19.) As discussed above and in the Final EIR/EIS, Cal-Am has a rate assistance program for qualifying water consumers that will help defray increased water costs associated with the Project. "These programs would reduce the burden of increased prices on low-income households in the Monterey District." (*Id.*, p. 4.20-18.) Based on substantial evidence in the record, the Final EIR/EIS concluded the Project would not result in significant environmental justice impacts. (*Ibid.*) In fact, the Final EIR/EIS identified benefits to CCSD, a disadvantaged

community, in the form of high quality water for the same price that pumping degraded water would otherwise cost. (*Id.*, p. 4.20-19.)

Because not permitting the Project would adversely affect the public welfare, contrary to the Staff Report conclusion, the Project satisfies the second test of Coastal Act section 30260.

Staff Report Contention #42: Staff claims that impacts from "several project components are not yet fully mitigated." (Staff Report, p. 105.) In particular, staff contends that the Project's ESHA, groundwater, and coastal hazard impacts have not been "fully mitigated," and that Cal-Am's CDP application fails to identify necessary work to the outfall liner, which will result in environmental impacts. (Ibid.) Therefore, staff finds that the Project does not meet the third test of Section 30260.

Cal-Am Response: The Coastal Act and its regulations do not require that impacts be "fully mitigated," as staff represents, but rather requires that impacts are mitigated to the "***maximum extent feasible***."[40] (See, e.g., 14 Cal. Code Regs., § 13053.5, subd. (a); see also *id.*, §§ 13328.1, 13356, subd. (b)(2), 13540, 13666.4.) Similarly, the LIP—which the Commission certified in 1982—states that, for CDPs, the City's Planning Commission shall consider "feasible mitigation measures which substantially reduce significant impacts of the projects as described in any applicable EIR." (LIP, p. 24.) Here, and as explained throughout this Attachment A, the Project's impacts have been mitigated to the maximum extent feasible.

For instance, the MMRP imposes a wide range of robust mitigation measures designed to mitigate the Project's environmental impacts to terrestrial biological resources in the coastal zone to the maximum extent feasible. (See Final EIR/EIS, pp. 4.6-170 to 4.6-195, 4.6-216 to 4.6-220, 4.12-37 to 4.12-38, 4.14-38; see also *id.*, Appx. D.) The Final EIR fully analyzed impacts to ESHA and determined that, ***with mitigation, there would be no significant physical impacts to ESHA***. (See Final EIR/EIS, § 4.6.) Consistent with the MMRP, Cal-Am prepared the HMMP, which describes all the Project's mitigation requirements in the Coastal Zone and identifies performance standards and success criteria for restoration, long-term monitoring methods, adaptive management and corrective action. (See Section A *supra*.)

In addition, as explained above, in May 2020, AECOM provided a technical response to staff's coastal hazards concerns, attached hereto as **Exhibit 5**. AECOM's analysis demonstrates that the Project conforms to the LCP policies regarding coastal hazards by mitigating potential impacts caused by sea level rise and coastal erosion. (See Section B *supra*.)

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[40] As explained above, "feasible" means "capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technological factors." (See Pub. Resources Code, § 30108.) The City's Zoning Ordinance definition of "feasible" is substantively identical to the Coastal Act's definition. (Marina Municipal Code, § 17.41.110.)

Moreover, as described above in Section D, the Project will have a less than significant impact to groundwater supplies in the SVGB. Not only is mitigation not required for less than significant impacts (CEQA Guidelines, § 15124.6, subd. (a)(3)), but additional modeling is not expected to change the Final EIR/EIS's conclusions. (See Section D *supra*.) The consultant retained by Commission staff, Weiss Associates, even acknowledges that the Final EIR/EIS's modeling was conservative. (See Weiss Report, pp. 19-20.) Thus, staff's assertions that mitigation may be required—or that additional modeling will change the Final EIR/EIS's conclusions—are unsupported.

Finally, the M1W outfall work is a wholly separate project that may be separately conditioned when M1W applies for a CDP for that work. Although Cal-Am is currently in discussions with M1W to determine how best to implement the outfall work contemplated in the EIR/EIS, M1W owns and controls the outfall; Cal-Am cannot compel M1W to apply for the outfall work in conjunction with this pending CDP application. Thus, Cal-Am appropriately did not include the outfall work in its CDP application.

Nevertheless, Cal-Am remains willing to work with staff on developing measures and special conditions that would ensure consistency with applicable Coastal Act policies if staff identifies specific concerns it believes need to be addressed further.

ATTACHMENT B

RESPONSES TO COMMISSIONER QUESTIONS FROM NOVEMBER 14, 2019, HEARING

A. Scope of Commission's Authority

Questions from Commissioner Rice: We know there are other agencies involved in permitting the Project who have authority that is different from the Commission's. What is the scope of the Commission's authority for this Project? For instance, which issues (particularly those raised in public comment) are irrelevant or outside the scope of the Commission's evaluation of the Project? (Transcript of Nov. 14, 2019, Commission Hearing,[41] pp. 325:24-327:1.)

Cal-Am Response: The Commission's jurisdiction is limited to the Project components located in the Coastal Zone, which are specifically identified in the Staff Report.[42] Further, the Commission is only responsible for assessing the Project's consistency with the Coastal Act and applicable LCPs in determining whether to approve or deny Cal-Am's CDP application. (See Pub. Resources Code, § 30200; see also *Charles A. Pratt Construction Co. v. Cal. Coastal Com.* (2008) 162 Cal.App.4th 1068, 1075.) Thus, the Commission's review is limited to Project components within the Coastal Zone and potential impacts to Coastal Zone resources.

The Commission does not have jurisdiction to consider the reasonableness of Cal-Am's water rates or the public need for the Project—both of which fall squarely within the CPUC's statutory jurisdiction to regulate public utilities. (See Pub. Util. Code, § 701 ["The [CPUC] may supervise and regulate every public utility in the State and may do all things . . . which are necessary and convenient in the exercise of such power and jurisdiction."].) The CPUC evaluated the Project's potential impacts on Cal-Am's water rates and the appropriate water supply and demand figures for Cal-Am's Monterey District service area over a six-year administrative process, during which it received evidence and testimony submitted under oath. (See also Attachment A, Sections H, I.)

Moreover, the issue of water rights is not for the Commission to decide. Cal-Am's water rights for the Project are wholly separate from the Project's potential impacts to groundwater resources and, thus are not relevant to the Project's consistency with the Coastal Act's groundwater protection policies. The State Water Board—not the Commission—is the state agency with primary responsibility for the regulatory and adjudicatory functions of the state regarding water resources. (Water Code, § 174; Pub. Resources Code, § 30412.) The State Water Board determined that Cal-Am could

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[41] The transcript is attached hereto as **Exhibit 51**.)

[42] Specifically, the Commission has jurisdiction over those Project components in the Coastal Zones of the City of Seaside, County of Monterey, and the Commission's retained jurisdiction in an area of deferred certification within the County. (Staff Report, p. 4.) Further, the Commission has appellate jurisdiction over the City of Marina's decision to deny a local coastal development permit for those Project components in the Marina Coastal Zone. (*Ibid.*)

develop the necessary water rights to operate the Project. (See CPUC Decision D.18-09-017, p. 80.)

The Commission also should defer to the State Water Board on matters of water quality, consistent with Coastal Act section 30412. (See Pub. Resources Code, § 30412 ["The commission shall not . . . take any action in conflict with any determination by the State Water Resources Control Board or any California regional water quality control board in matters relating to water quality or the administration of water rights."].) The State Water Board has reviewed the existing groundwater record for the Project, and concluded that the modeling "already conducted, revised, and relied upon by the Public Utilities Commission . . . provides a conservative overprediction of the volume of shallow, inland water that the Project would capture during full operation." (See Letter from Eileen Sobeck, State Water Board, to John Ainsworth, Coastal Commission (May 8, 2020), p. 3.) As a result, "State Water Board staff's opinion remains that the groundwater impacts of the Project will not be any greater than those stated, analyzed, and mitigated under the Public Utilities Commission's certified Final EIR," even if additional modeling is conducted. (*Id.*, p. 3.)

Finally, because the Commission's jurisdiction does not extend outside of the Coastal Zone, the Commission is limited to considering alternatives within its jurisdiction. (See Pub. Resources Code, §§ 21002.1, subd. (d), 30260; see also Attachment A, Section I.) Under Coastal Act section 30260, the Commission has the authority to consider only "alternative ***locations***" for coastal-dependent facilities, not alternative projects. (See Pub. Resources Code, § 30260 [emphasis added].) The PWM Expansion project is not located within the Coastal Zone, and thus, is outside of the Commission's jurisdiction. (See, e.g., Pub. Resources Code, § 21002.1, subd. (d); CEQA Guidelines, §§ 15042, 15096, subd. (g)(1) ["When considering alternatives and mitigation measures, a responsible agency is more limited than a lead agency. A responsible agency has responsibility for mitigating or avoiding only the direct or indirect environmental effects of those parts of the project which it decides to carry out, finance, or approve."]; *RiverWatch v. Olivenhain Mun. Water Dist.* (2009) 170 Cal.App.4th 1186, 1207 ["If the responsible agency finds that any alternatives or mitigation measures within its powers are feasible and would substantially lessen or avoid a significant effect of the project, the responsible agency may not approve the project as proposed, but must adopt the feasible mitigation measures or alternatives."] [emphasis added]; *Sierra Club v. Cal. Coastal Com.* (2005) 35 Cal.4th 839, 860 [holding that neither the Coastal Act nor CEQA allow the Commission to consider impacts of projects located outside the Coastal Zone]; *Schneider v. Cal. Coastal. Com.* (2006) 140 Cal.App.4th 1339, 1347 [concluding that the Coastal Act did not permit the Commission to consider ocean boaters' right to view coastline from the ocean].)

In sum, the scope of the Commission's authority in determining whether to approve or deny the coastal development permits extends to evaluating those Project components located within the Coastal Zone and whether they will impact Coastal Zone resources.

B. Role of Other Agencies

Questions from Commissioners Rice and Groom: What role is the CPUC playing? What is the status of the CPUC's approval? (Transcript, pp. 325:24-327:1, 329:24-330:19.)

Cal-Am Response: The CPUC is the constitutionally established state agency charged with regulating investor-owned utilities, like Cal-Am, and reviewed the Project as the lead agency under CEQA for over six years. (See Final EIR/EIS, p. 1-3.) The CPUC, in conjunction with the Monterey Bay National Marine Sanctuary, prepared the EIR/EIS to evaluate the Project's environmental impacts and potential Project alternatives. Based on the EIR/EIS' analysis and conclusions, the CPUC approved a Certificate of Public Convenience and Necessity ("CPCN") for the Project and certified the EIR/EIS in September 2018. Following its approval of the Project, as the lead agency the CPUC oversees Cal-Am's compliance with the MMRP. (CPUC Decision D.18-09-017, p. 161.)

Further, the CPUC is charged by statute with exclusive jurisdiction to oversee Cal-Am's ratesetting and determine utility supply and demand. "[T]he jurisdiction to determine the adequacy of service actually being rendered by a public utility under its franchise is vested exclusively in the [CPUC] when it has elected to determine whether the service is inadequate." (See *Citizens Utilities Company of California v. Super. Ct.* (1976) 56 Cal.App.3d 399, 408; see also *City of Oakland v. Key System* (1944) 64 Cal.App.2d 427, 435 [exclusive jurisdiction vested in CPUC to determine adequacy of service rendered by public utility].) Therefore, only the CPUC has the authority to make binding determinations as to the levels of supply and demand within Cal-Am's service area. (See CPUC Decision D.18-09-017, pp. 167-171, 194-195.)

See Section C below for a discussion of the CPUC's role vis-à-vis the PWM Expansion.

Questions from Commissioners Rice and Groom: What role is the State Water Board playing? (Transcript, pp. 325:24-327:1, 329:24-330:19.)

Cal-Am Response: The State Water Board regulates Cal-Am's water withdrawals from the Carmel River. In 1995, the State Water Board issued an order finding that Cal-Am was diverting more water from the Carmel River than it was legally allowed. (See Ex. 52, State Water Board, Order WR 2009-0060, pp. 1-2.) Recognizing Cal-Am's obligation to provide water to the people and businesses on the Monterey Peninsula to protect public health and safety, the State Water Board ordered Cal-Am to immediately limit its diversions of water from the Carmel River system, and to diligently implement various actions to address the situation and develop water from other sources of supply. (See *id.*, pp. 36-37.)

In 2009, the State Water Board adopted a CDO in which it set a compliance schedule requiring Cal-Am to take actions necessary to reduce its diversions from the Carmel River and ultimately terminate the withdrawals by December 31, 2016. (See *id.*, p. 57.) The CDO also imposed a moratorium on new service connections and certain increases in use until Cal-Am obtained sufficient alternative water supplies. (See *id.*, p. 59.) In 2016, the State Water Board approved an amended CDO that would maintain Cal-Am's effective

diversion limit from the Carmel River from the start of water year 2015-2016 until December 31, 2021, as long as Cal-Am meets defined Project approval and construction milestones. (See Ex. 47, State Water Board, Order WR 2016-0016, p. 19.)

Currently, the State Water Board oversees Cal-Am's compliance with the CDO's milestones. (*Id.*, pp. 20-21.) Indeed, the State Water Board has the power to lift the current moratorium on new water service connections and increases in use provided that Cal-Am certifies that it has secured sufficient permanent water supplies for its Monterey service district. (See *id.*, p. 27.)

Further, the State Water Board oversees issues of water quality and preservation of water resources. (See Section A *supra*.)

See Section C below for a discussion of the State Water Board's role vis-à-vis the PWM Expansion.

C. Alternatives

Questions from Commissioner Mann: What alternative locations were evaluated for the Project's slant wells? Why are alternative locations of the slant wells infeasible? Why is the CEMEX site the environmentally superior alternative location? (Transcript, p. 322:14 – 322:19.)

Cal-Am Response: In analyzing the Project as proposed, the Final EIR/EIS assessed the feasibility of a series of alternatives at two different locations, each of which would avoid the need to construct the slant well system at the CEMEX site. These two alternatives involved the construction of intake systems at a site on Potrero Road site and a site at Moss Landing. (See Final EIR/EIS, pp. 5.4-2 to 5.4-3.)

First, the Potrero Road alternative, as evaluated in the Final EIR/EIS, involved construction of the same type of slant well system as proposed for the CEMEX site, but located instead at a site at the western end of Potrero Road in northern Monterey County. (See Final EIR/EIS, pp. 5.3-13, 5.4-12, 5.4-59.) Under this alternative, the desalination plant, brine discharge, product water pipelines, and ASR components would be identical to the proposed Project. (*Id.*, p. 5.4-12.)

The Final EIR/EIS found that a Project utilizing a slant well system located at Potrero Road would be infeasible because it would draw a greater volume of water from the SVGB than the proposed Project, given the unique hydrology of the Potrero Road area. (Final EIR/EIS, pp. 5.4-14, 5.4-59.) Under the Return Water Settlement Agreement Cal-Am is required to return product water to the SVGB based on the amount of water drawn from the SVGB. Given the increased draw from the SVGB that would result from slant wells at Potrero Road, the amount of water that Cal-Am would be obligated to return to the SVGB would result in a remaining water supply that would be insufficient to meet recovered tourism demand or serve vacant legal lots of record, as required by the Project objectives set forth by the CPUC. (*Ibid.*) Moreover, slant wells at Potrero Road would capture groundwater that would otherwise flow into Elkhorn Slough—resulting in

significant and unavoidable impacts on marine and terrestrial biological resources. (*Id.*, p. 5.6-6.)

Second, the Final EIR/EIS analyzed a series of alternatives involving construction of open ocean intake systems at a site located to the southwest of the Moss Landing Harbor, including: (1) an alternative that would retain most Project components but would utilize open ocean intakes that would be located at the Moss Landing site; (2) the Monterey Bay Regional Water Project, a desalination facility proposed by DeepWater Desal, LLC that would produce over three times more product water than the Project; and (3) the People's Moss Landing Water Desalination Project, a desalination project proposed by Moss Landing Green Commercial Park, LLC. (See Final EIR/EIS, pp. 5.4-17, 5.4-21, 5.4-40.)

The Final EIR/EIS found that a proposed intake alternative at Moss Landing would involve "additional permitting complexity associated with the construction and operation of an open-water intake due to entrainment and impingement of marine organisms," which would hinder Cal-Am's ability to implement the alternative before the CDO deadline. (Final EIR/EIS, pp. 5.4-21, 5.4-39, 5.4-50.) The Final EIR/EIS also concluded that open ocean intakes at the Moss Landing Site would involve the following increased impacts as compared to the Project: (1) significant and unavoidable impacts to marine habitat and biological resources associated with construction and operation of the intakes; (2) potentially significant impacts related to the open ocean intakes' potential to cause underwater landslides and interfere with oceanic processes; and (3) significant and unavoidable impacts to marine biological resources caused by intake and entrainment of marine life. (*Id.*, p. 5.6-4.)

In comparing the above alternative locations to the proposed Project, the Final EIR/EIS concluded that siting intake systems at either Potrero Road or the Moss Landing site would not "offer an overall environmental advantage over the proposed project," due to the impacts described above. (See Final EIR/EIS, p. 5.6-6.) The Final EIR/EIS noted that siting the slant well system at the CEMEX site would avoid the groundwater impacts associated with siting a similar intake system at the Potrero Road site. (*Ibid.*) Specifically, unlike the aquifers underlying the Potrero Road site, the 180-FTE and 400-Foot Aquifers below the CEMEX site are heavily intruded by seawater (*Id.*, p. 4.4-34.) Siting the slant wells at the CEMEX site therefore ensures that the Project slant wells will extract seawater-intruded groundwater that is otherwise unusable. As such, the Final EIR/EIS selected the Project, with slant wells located at the CEMEX site, as the environmentally superior alternative. (*Id.*, p. 5.6-8.) The CPUC later affirmed this decision, concluding that no other alternatives are feasible, capable of meeting Project objectives, or reducing significant impacts of the Project. (See CPUC Decision D.18-09-017, pp. 79-80.)

Finally, as explained in Attachment A *supra*, the CEMEX site is the least environmentally damaging location feasible for the Project, as siting the slant wells at the CEMEX site enables Cal-Am to obtain Project source water using subsurface intakes, thereby preventing impingement or entrainment of marine life, and also allows Cal-Am to construct the slant wells in areas previously disturbed by sand mining operations,

rather than in undeveloped locations on the coast. (See Attachment A, Sections A, B, J; see also Staff Report, p. 104.)

Questions from Commissioner O'Malley: Is staff's finding regarding the feasibility of the PWM Expansion driven by the CDO deadline? (Transcript, p. 325:10-325:16.)

Cal-Am Response: The Staff Report claims that the PWM Expansion can be operational in sufficient time to meet the CDO's December 2021 deadline and used that conclusion to support a finding that the PWM Expansion is a feasible project alternative. (See Staff Report, p. 80.) However, the PWM Expansion is not feasible because the M1W Board has since denied certification of the project's Final SEIR and did not approve the project, and M1W has confirmed that it does not have the funds to remedy the faults in the SEIR. (See Ex. 17, M1W Letter to Cal-Am re: Pure Water Monterey Project – Cost, Operational Performance and Status (June 8, 2020), p. 1; Ex. 18, M1W Board of Directors Staff Report (May 20, 2020).) Moreover, M1W currently estimates a roughly eight month delay in implementation of the first phase of the PWM (the "Original PWM Project"), which both imposes additional delays on the PWM Expansion and indicates it likely will face similar delays. (See Ex. 21, Cal-Am Comments on Cost, Operational Performance and Status of PWM Expansion (May 9, 2020), p. 1.) Indeed, the Original PWM Project is currently plagued by a number of technical issues, including sinkholes or subsidence around the shallow injection wells, injection wells running at less than half of their planned capacity, and an inability to utilize planned source waters, all of which are resulting in significant increases in projected PWM water rates. (See Attachment A, Section I.2.a.) It is likely that the PWM Expansion could experience even greater delays than the Original PWM Project, given the additional permits and source water agreements needed for the Expansion. The State Water Board recently expressed concern in a letter to the Commission that the timeline for implementation of the PWM Expansion has been delayed well beyond the CDO deadline. (See Letter from Eileen Sobeck, State Water Board, to John Ainsworth, Coastal Commission (May 8, 2020), at pp. 4-5.) Therefore, staff's conclusion that the PWM Expansion can be completed by the CDO is not substantiated by the available evidence and cannot support a finding of feasibility. (See Attachment A, Section I.2.b.)

Questions from Commissioner Rice: What are the next steps with respect to the PWM Expansion SEIR and what is the timeline for finalization of that document? Does it impact the CPUC's decision going forward? Does it impact the State Water Board's role going forward? (Transcript, pp. 326:17-327:1.)

Cal-Am Response: The PWM Expansion is no longer moving forward, as the M1W Board has denied certification of the Final SEIR. (See Ex. 18, M1W Board of Directors Staff Report (May 20, 2020).) The M1W Board rejected certification of the Final SEIR due to deficiencies in the environmental analysis of: source water for the PWM Expansion; water supply and demand; impacts to agricultural water supplies; and because the SEIR failed to evaluate the PWM Expansion either as an alternative to or a cumulative project with the Project. (*Ibid.*) The M1W Board has stated that these deficiencies will need to be corrected before the Board decides to move forward with the Project. However, M1W "[s]taff has noted that the [M1W] does not have additional

budget funds at this time for dealing with any additional deficiencies that have been identified . . . or could be identified in the future. [M1W] has suspended all of the remaining contracts on these matters to prevent further consultant expenditures." (*Ibid.*; see also Attachment A, Section I.2.) Moreover, there remains significant doubt regarding the availability of source waters for the PWM Expansion—so long as M1W fails to obtain secure and adequate source waters, the PWM Expansion remains infeasible. (See Attachment A, Section I.2.a.)

Should the M1W Board ever secure the funds needed to correct the substantial inadequacies in the PWM Expansion SEIR, and obtain all necessary source water rights, the Expansion would require the implementation of a Water Purchase Agreement between Cal-Am and M1W. (See Attachment A, Section I.2.) As with purchase of Original PWM Project water, this Water Purchase Agreement would require CPUC approval. (*Ibid.*) Moreover, to account for the numerous uncertainties surrounding the proposed PWM Expansion, the Water Purchase Agreement would need to include additional terms beyond those included in the Original PWM Project agreement, including more stringent performance guarantees to provide greater assurances to Cal-Am and its customers that the recycled water would be produced in specified amounts, and greater protections in the event that recycled water is not or cannot be produced. (*Ibid.*) Again, these terms would all be subject to CPUC approval, assuming the M1W Board ever decides to move forward with the PWM Expansion after correcting the Final SEIR. Such protections are even more critical given that the Original PWM Project is on track to produce only 2,030 afy, or only 58% of the 3,500 afy that was planned and allocated for Cal-Am's customers. (See Ex. 25, Pure Water Monterey: Injection Wells Facilities Status Presentation, M1W Recycled Water Committee Meeting (June 18, 2020).) There are no additional water supplies that can make up for that shortfall, apart from the Project.

Further, unlike the PWM Expansion, the CPUC has already certified the Final EIR/EIS and issued a CPCN for the Project. In issuing that decision, the CPUC explicitly determined that the PWM Expansion "would satisfy the basic and key purposes of Project (i.e., sufficient and reliable water supply) ***only in conjunction with construction of a desalination plant of some size within five to fifteen years***," and therefore ordered that the PWM Expansion be considered as an ***addition***, to the Project, not as an alternative. (See CPUC Decision D.18-09-017, Appx. C, p. C-71 [emphasis added].) The CPUC's decision has been upheld by the California Supreme Court and is now final. Neither the Commission's decisions with respect to the Project, nor any decision on the part of M1W to move forward with the PWM Expansion, has ***any*** impact on the Project's approval status before the CPUC.

With respect to the State Water Board—should the PWM Expansion move forward instead of the Project, the PWM Expansion would need to satisfy the requirements of the 2016 State Water Board CDO for a new permanent water supply before Cal-Am may be deemed to have satisfied the CDO. (See Attachment A, Section I.4.) Specifically, the 2016 State Water Board CDO states that the conditions thereto, as well as conditions set forth in previous iterations of the CDO, "shall remain in effect until (a) Cal-Am certifies, with supporting documentation, that it has obtained a permanent supply of water that has

been substituted for the water illegally diverted from the Carmel River and (b) the Deputy Director for Water Rights concurs, in writing, with the certification." (See Ex. 47, State Water Resources Control Board, Order WR 2016-0016 (July 19, 2016), p. 27; see also Letter from Eileen Sobeck, State Water Board, to John Ainsworth, Coastal Commission (May 8, 2020), at p. 2.)

As discussed above, there are significant uncertainties regarding the feasibility of the PWM Expansion and its ability to serve as an adequate water supply for Cal-Am's service area. Indeed, the PWM Expansion is not capable of providing a sufficient water supply to meet Monterey Peninsula water demand. Even assuming the depressed demand figures utilized by the Staff Report, Peninsula water supplies with the PWM Expansion, but without the Project, would only be able to meet Peninsula demand for a maximum of five years before falling short. (See Attachment A, Section I.3.c; see also Ex. 28, Hazen Memo, pp. 10-11.) That analysis also assumes that the Original PWM Project would provide a full 3,500 afy. As demonstrated in M1W staff's June 18, 2020 presentation to the M1W Recycled Water Committee, the Original PWM Project is only providing 2,030 afy, which means even existing demand cannot be met without desalination. Moreover, neither the Staff Report nor M1W has demonstrated that existing Peninsula water supplies plus PWM Expansion can meet maximum month demand (MMD) as required by the California Waterworks Standards (Cal. Code Regs., tit. 22, § 64554, subds. (a), (b)(2)). (See Attachment A, Section I.3.e.) Given these substantial issues, it is highly unlikely that Cal-Am could obtain the required certifications from the State Water Board needed to lift the CDO without the Project. (See Attachment A, Section I.4.)

Questions from Commissioner Brownsey: What is going to be the source of the water recycling? Are there drought conditions that could stress the system? How would that impact the Salinas Aquifer? (Transcript, p. 328:9-328:15.)

Cal-Am Response: The sources of water available for the PWM Expansion are discussed in more detail in Attachment A, Section I.2.a. As discussed therein, there remains significant uncertainty surrounding the availability of source waters for the PWM Expansion, which raises serious doubts that the PWM Expansion can be accomplished in a successful manner. First, M1W has failed to commit to a consistent list of source waters for the PWM Expansion, so the certainty of source waters is very difficult to ascertain. (Ex. 20, Cal-Am Letter to Monterey One Water re: PWM Expansion Final SEIR (Apr. 24, 2020), pp. A-16, A-21.) These issues were raised by multiple commenters on the PWM Expansion's SEIR, including from the City of Salinas, which controls the use of the City's agriculture produce wash water. (PWM Expansion Final SEIR, Comments F1-I to F-3.) The City of Salinas has publicly confirmed it has not granted M1W the rights or approvals necessary for the PWM Expansion to utilize the City's agriculture produce wash water beyond the scope of the Original PWM Project and "the City intends to use available agriculture wash water for its own purposes[.]" (*Id.* at F1.) Other significant concerns surround the availability of source waters for the PWM Expansion, including the reliability of certain source waters under an existing agreement between M1W and the MCWRA referred to as the ARWRA. This agreement sets forth the responsibilities for construction, operation, and financing of new source water for the Original PWM Project. (PWM Expansion Final SEIR, Comment H-3.)

However, M1W has yet to satisfy several conditions required to utilize ARWRA source waters and its ability to do so is uncertain. (Ex. 20, pp. A-16 to A-17.) Thus, M1W's reliance on disputed rights to agricultural produce wash waters and ARWRA source waters results in an overestimation of available water supplies.

Though each of these issues is individually important, Commissioner Brownsey's concern regarding water supply availability during drought years is particularly critical because multiple dry years are very common in California. It is certain that California will experience another drought in the coming years, but the PWM Expansion's SEIR does not analyze that project during multi-year drought conditions, as required by the CEQA Guidelines, and has not established that the PWM Expansion is drought resilient. (CEQA Guidelines, Appx. G, § XIX(b); Ex. 20, Cal-Am Letter to Monterey One Water re: PWM Expansion Final SEIR (Apr. 24, 2020), p. A-20.) Therefore, serious questions remain as to the feasibility of the PWM Expansion as a viable alternative to the Project during extended drought conditions and the extent to which PWM Expansion would impact the SVGB under such constraints. The M1W Board acknowledged the substantial deficiencies with the SEIR's analysis of source waters and included this issue as one of its reasons for denying certification of the Final SEIR. (Ex. 19, M1W Board of Directors Agenda (May 21, 2020); see Ex. 18, M1W Board of Directors Staff Report (May 20, 2020).)

The PWM Expansion also has the potential to result in seawater intrusion in the SVGB, however these impacts have not been fully evaluated by M1W in the Final EIR for the PWM Expansion. (January 30, 2020 Cal-Am Comments on PWM Expansion Draft SEIR , p. 17; Ex. 20, Cal-Am Letter to Monterey One Water re: PWM Expansion Final SEIR (Apr. 24, 2020), p. A-9.) The EIR for the PWM Expansion evaluated impacts to groundwater resources without considering the impact the PWM Expansion would have if the Project is not built. The Project would benefit the SVGB by reducing existing and preventing additional seawater intrusion. If the PWM Expansion Project is seen as a replacement for the Project—and the Project is not built—then the Project's benefits to the SVGB will not occur and further seawater intrusion of the coastal aquifers can be expected.

Questions from Commissioner Hart: Will the PWM Expansion be able to provide the water that staff assumes will be available? (Transcript, pp. 331:4-332:2.)

Cal-Am Response: Based on the available evidence, the PWM Expansion is not capable of producing the 2,250 afy that staff has assumed. As discussed in detail below, there have been significant complications in development of the Original PWM Project that have resulted in a much lower water production than initially estimated, which raise substantial questions regarding the technology to be used by the PWM Expansion. In addition, there are substantial concerns about the availability of PWM Expansion source waters as discussed above. These issues raise significant doubt as to the PWM Expansion's ability to provide 2,250 afy. (See Attachment A, Section I.2.)

For example, while PWM Expansion will utilize the same technologies that are currently being implemented in the Original PWM Project, there are serious concerns with that

project's ability to produce the water it has agreed to provide. (See Attachment A, Section I.2.a.) Indeed, sinkholes or subsidence are affecting the Original PWM Project's shallow injection wells, which may not be repairable, certain deep wells are experiencing injection refusal and are functioning at rates of 60% or less, and some of the source waters identified and intended for treatment by the Original PWM Project have not been utilized since startup. (See Ex. 21, Cal-Am Comments on Cost, Operational Performance and Status of PWM Expansion (May 9, 2020), pp. 3-4; Ex. 22 Staff Report for May 14, 2020 M1W Recycled Water Committee Meeting, Agenda Item #5; Ex. 23 Staff Report for April 16, 2020 M1W Recycled Water Committee Meeting, Agenda Item #5; Ex. 24, Final Minutes from March 16, 2020 MPWMD Regular Board Meeting, p. 3.) Moreover, M1W recently confirmed that current injection rates for the Original PWM Project are only half of the planned capacity rate for the Original PWM Project injection wells. As a result, M1W may propose to add a new deep injection well to the project, further delaying implementation of the Original PWM Project and causing additional increases to water rates. (See Ex. 25, Pure Water Monterey: Injection Wells Facilities Status Presentation, M1W Recycled Water Committee Meeting (June 18, 2020).) Given these significant obstacles, the Original PWM Project is currently capable of producing only 2,030 afy of the planned 3,500 afy allocated for Cal-Am's customers. (*Ibid.*) These issues raise significant uncertainties regarding the use of this same technological approaches for the PWM Expansion.

Further, as discussed above, there is significant uncertainty regarding the availability of source water for the PWM Expansion—without such source waters, the PWM Expansion cannot, by definition, provide a sufficient water supply. (See Attachment A, Section I.2.a.) Moreover, even if the PWM Expansion could produce the water supplies discussed in the Staff Report, such supplies are inadequate to meet demand on the Monterey Peninsula, as assessed by the CPUC. (See *id.*, Section I.3-4.) Only the Project, not the PWM Expansion, has been proven capable of providing a reliable, drought-proof water supply. (See CPUC Decision D.18-09-017, Appx. C, p. C-71 [concluding that the PWM Expansion would only satisfy Project objectives "in conjunction with construction of a desalination plant of some size within five to fifteen years."].)

Questions from Commissioner Gold: What is the reliability of the PWM Expansion source water? How is the region's wastewater accounted for? Does it all go to M1W? Or is some additional wastewater available as source water for the Expansion? (Transcript at 335:7-335:16.)

Cal-Am Response: Source water reliability for the PWM Expansion is discussed in detail in Attachment A, Section I.2.a. As discussed above, there is significant uncertainty surrounding the availability of source waters for the PWM Expansion, including the reliability of certain source waters under the ARWRA between M1W and MCWRA, M1W's inability to commit to a consistent list of source waters for the PWM Expansion, disputed rights to agricultural produce wash waters and overestimation of water supplies during drought years. The extent that wastewater flows are available for the PWM Expansion is not readily apparent or proven. For instance, as discussed in Attachment A, Section I.2.a, M1W's ability to use a portion of such water is governed by the ARWRA, under which M1W previously contractually granted certain rights to municipal

wastewater to MCWRA. Under the ARWRA, certain wastewater flows from outside of M1W's 2001 service area boundary are to be evenly divided between M1W and MCWRA. (PWM Expansion Final Supplemental EIR/EIS, Appendix M, p. 3-10.) Though the PWM Expansion relies on the use of such water for recycling, M1W has admitted that "[t]hese flows have not previously been individually metered" and therefore the associated quantities cannot be reasonably relied upon for a specific quantity. (*Id.* at p. 3-10.) Moreover, multiple outstanding conditions are required to be completed before the ARWRA can become effective. (Draft SEIR, p. 4.18-5.) Therefore, the reliability of certain ARWRA source waters is speculative due to the significant conditions precedent that must be met for the sources of water to become fully secured. (Ex. 20, Cal-Am Letter to Monterey One Water re: PWM Expansion Final SEIR (Apr. 24, 2020) , pp. A-16 to A-17.)

Further, the source waters identified for the PWM Expansion remain uncertain since they have been modified by MIW throughout the environmental review process without adequate analysis or justification, raising doubts as to their reliability and ultimately the feasibility of the PWM Expansion. For instance, the Final SEIR for the PWM Expansion increasingly relies upon the availability of certain municipal wastewater flows even though it acknowledges that such flows have not been previously metered and that the estimates are based in part upon assumptions. (Final Supplemental EIR for the PWM Expansion, pp. 3-11 to 3-12.) When questioned about the reliability of such water supplies, M1W elected to evaluate source water scenarios where such sources are not used by the PWM Expansion, rather than demonstrate their reliability. (*Id.*, Responses to Comments VV-93 to VV-94 and VV-96 to VV-99.) M1W's inability to establish and rely on a stable, consistent set of source waters confirms that the project lacks a definite source water supply and raises serious questions about the PWM Expansion's feasibility and M1W's ability to accomplish the project in a successful manner. In part because of concerns associated with the reliability and availability of source waters, the M1W Board denied certification of the SEIR for the PWM Expansion. (See Ex. 18, M1W Board of Directors Staff Report (May 20, 2020); Ex. 17, M1W Letter to Cal-Am re: Pure Water Monterey Project – Cost, Operational Performance and Status (June 8, 2020), p. 1.)

Regarding how the region's wastewater is accounted for, according to the Final SEIR for the PWM Expansion, "[r]elative contributions of municipal wastewaters from M1W's geographic areas that enters the M1W headworks and is metered there include: 51% from the Salinas urban area, 3% from Moss Landing and Castroville, 45% from the Monterey Peninsula, Marina, and Fort Ord areas." (PWM Expansion Final Supplemental EIR/EIS, Appendix M, p. 2.) While the majority of these municipal flows are from areas within M1W's service area, some are received from beyond that boundary.

In response to the question concerning the availability of "some additional wastewater" for the PWM Expansion, M1W has not demonstrated the availability of additional sources of wastewater for the PWM Expansion, much less the availability and reliability of the water sources evaluated in the SEIR for the PWM Expansion.

D. Environmental Justice

Question from Commissioner Mann: What would Cal-Am's water rates be if the Project is not operated at full capacity? (See Transcript, pp. 322:10-323:7; also see Staff Report, p. 92.)

Cal-Am Response: As approved by the CPUC, the Project is intended to function at 86% capacity, producing 6,252 afy of water per year in normal years. (See Ex. 42, Direct Testimony of Ian Crooks to the CPUC Errata Version (Sept. 27, 2017).) This "provides a reasonable 14% operational reserve capacity to meet maximum day/month demands, dry weather reserves, variable water return percent, and additional supply for other system supply constraints in availability" to ensure water supply reliability. (*Ibid.*) During dry years, a "water supply shortfall can be covered by increasing desalination plant output to 100% and peaking other system supplies . . . depending on operational variables and regulatory availability." (*Ibid.*) Accordingly, the CPUC's ratesetting determination already considers that the Project will run at 86% capacity.

Further, as described in Attachment A, Section H, *supra*, staff's assumption that Project water would cost $6,100 per acre foot is incorrect. The CPUC decision expressly states that the "cost per acre-foot (AF) for the 6.4 mgd plant 'under the Tier 2 and PTM caps (inclusive of the 3,500 of GWR water) is $4,265 per AF and $4,472 per AF respectively." (CPUC Decision D.18-09-017, p. 123, fn. 332; see also Ex. 14, Rebuttal Testimony of Jeffrey T. Linam (Oct. 13, 2017).) These costs assume the Project is operating at 86% capacity. There is no reasonable basis for staff's reliance on a projected per acre foot cost of $6,100 per year.

Questions from Commissioner Brownsey: Why are Cal-Am's water rates, as included in a 2017 study, among the highest out of a survey of 500 public and private companies? How do water conservation and reduction of use have the unintended consequence of increasing water prices? (See Transcript, pp. 328:16-329:4.)

Cal-Am Response: The numbers provided in Food & Water Watch's 2017 study are misleading and do not reflect actual average water use in Monterey. As discussed in Attachment A, Section H, *supra*, the study wrongly assumed that the average water use of a single-family residential household in Monterey is 60,000 gallons per year. (Staff Report, p. 73.) The correct average use is 44,000 gallons per year. (Ex. 12, p. 1.) Conservation pricing generally charges higher tiered rates for higher than average levels of water use to discourage excessive use of water. Therefore, under conservation pricing, assuming a baseline of 60,000 gallons per year—16,000 gallons per year above the actual average water use in Monterey—artificially skews the average cost of water above actual costs. (*Ibid.*) Applying the correct usage model into a monthly estimate utilizing a 5/8-inch meter, the average monthly water bill is about $78 (or $936 annually), rather than the approximately $100 per month cited in the Food & Water Watch study for 2017. (*Ibid.*) Additionally, Food & Water Watch relies on sources that explicitly warn against the sort of rate comparison employed by the study. (See Attachment A, Section H, *supra*.) As such, the Commission should not rely on the Food & Water Watch study and instead should credit the CPUC's thorough ratesetting determination for the Project as

reasonable and just. (See CPUC Decision, D.18-09-017, pp. 19-20, 123-24; Pub. Util. Code, §§ 451, 454.)

In addition, water conservation and reduction in water use can have the unintended consequence of increasing water prices because water utilities generally have high fixed costs associated with infrastructure, improvements, staff, and maintenance. This situation is not unique to Cal-Am; on average, about 70 percent of a water utility's revenue is devoted to fixed costs. When sales are reduced as a result of water conservation, the variable costs go down, but the fixed costs remain, so the cost of each unit of water must increase to support the fixed costs and keep the water utility's finances stable. While customers who conserve will always pay less than those who do not, they may not see substantial reductions in monthly bills due to conservation because the fixed costs remain.

Question from Commissioner Groom: Is there a water rate chart or analysis available for the Commission to review? (See Transcript, pp. 329:24-330:19.)

Cal-Am Response: The ratemaking framework approved by the CPUC was developed through a lengthy briefing process and included input from ratepayers and community organizations. (See CPUC Decision, D.18-09-017, pp. 19-20, 123-124; see also Section H, *supra*.) The rates ultimately approved by the CPUC were based on extensive collaboration: "Sixteen parties (a sub-set of parties, including the applicant, ratepayer advocates, environmental groups, and public water agencies)" contributed to the process. A description of the ratemaking framework and the process is provided in the CPUC decision. (CPUC Decision, D.19-09-017, pp. 77, 88-99; see also *id.*, Appendix F.) As stated above, the CPUC found that costs per acre foot would be between $4,265 and $4,472. (*Id.*, p. 123, fn. 332.)

In addition, Cal-Am's rate schedule for Monterey County is based on use: single family; multi-family; and non-residential.[43] For each use, the rates feature pricing tiers with price in the first tier being the lowest. Each tier has a certain amount of water allocated to it and if the user uses more water than is allocated to a particular tier, the user moves to the next higher priced tier associated with a greater consumption of water. Cal-Am's water rate schedule in Monterey County for single-family residences effective January 2020 is as follows:

[43] Cal-Am's Monterey Rate Schedules are available at: https://amwater.com/caaw/customer-service-billing/billing-payment-info/water-rates/monterey-district

Residential Customers:	Base Rate Per 100 gal (CGL)	
For the first 29.9 CGL	$1.0078	(I)
For the next 29.9 CGL	$1.5117	|
For the next 44.9 CGL	$3.5274	|
For the next 67.3 CGL	$6.5508	|
For all water over 172.0 CGL	$8.0625	(I)

(See Regular and LIRA Rates, Ex. 15.) Cal-Am also offers a low income ratepayer assistance ("LIRA") program that discounts rates for qualifying households by up to 30%.[44] The water rate schedule in Monterey County for the LIRA program effective January 2020 is as follows:

Residential Customers:	Base Rate Per 100 gal (CGL)	
For the first 29.9 CGL	$0.7055	(I)
For the next 29.9 CGL	$1.0582	|
For the next 44.9 CGL	$2.4692	|
For the next 67.3 CGL	$4.5856	|
For all water over 172.0 CGL	$8.0625	(I)

(*Ibid.*)

E. Coastal Waters

Questions from Commissioner O'Malley: Is there sufficient wastewater available for mixing with the Project's brine discharges? What impact would highly concentrated brine discharges have on the receiving marine environment? What is the process for the Project's brine discharge? Will it comingle with wastewater? Where will the water for brine dilution come from? (See Transcript, p. 324:4-18.)

Cal-Am Response: The Project's potential environmental impacts from brine discharges were analyzed in detail in the Final EIR/EIS. The Final EIR/EIS incorporates mitigation measures developed jointly by various parties as part of the "Brine Discharge Settlement," including *inter alia*, Surfrider Foundation ("Surfrider"), Monterey Peninsula Regional Water Authority ("MPRWA"), Monterey Regional Water Pollution Control Agency, and Cal-Am. (CPUC Decision 18-09-017, p. 116.) Due largely to the leadership and direction of Surfrider in the settlement process, the Brine Discharge Settlement creates standards and conditions for the collection of relevant, long-term water quality data to determine and ensure compliance with defined water quality standards. (Brine Discharge Settlement at Section 3.) It also requires implementation of specific corrective actions if salinity standards are exceeded, before Cal-Am can continue to

[44] For example, for a household of 4 persons to qualify for LIRA rates, the total gross income from all sources must be less than $52,400. Exhibit 15 provides further detail on qualifying households.

discharge brine. (*Id.* at Sections 4.4-4.6.) Accordingly, the Project's brine discharges and associated mitigation measures, which are described below, were thoroughly evaluated by and reflect the interests of multiple stakeholders.

As discussed in the Final EIR/EIS, the Project will generate approximately 9 mgd of brine that will be discharged through MIW's existing ocean outfall. (Final EIR/EIS, p. 5.5-61.) Depending on the season, the Project will utilize treated wastewater flowing from the MIW Regional Wastewater Treatment Plant for mixing with brine discharges. (*Ibid.*) During the non-irrigation season (November through March), when the highest wastewater flows occur, brine would be combined and discharged with varying amounts of secondary wastewater. (*Ibid.*) During the irrigation season (April through October), when the secondary treated wastewater may be treated and distributed to irrigators, it is possible that only brine would be discharged from the Project. (*Ibid.*) Nevertheless, as described below, the Project would ensure that applicable water quality and salinity standards are met year-round. (*Id.* at p. 5.5-64.)

Due to the varying amount of wastewater available for mixing throughout the year, the Final EIR/EIS evaluated four discharge scenarios for water quality impact: brine only, brine with wastewater, high brine only, and high brine with wastewater. (*Id.* p. 5.5-61.) As expected, the worst case condition for dilution would be when only brine is discharged during the irrigation season. (*Id.* at p. 5.5-64.) In all scenarios modeled, the applicable Ocean Plan salinity limit would be met. (*Ibid.*) As discussed in detail in Section 4.3 of the Final EIR/EIS, brine generated at the desalination plant would flow through a 1,100-foot-long diffuser resting above the ocean floor at approximately 90 to 110 feet below sea level. (*Id.* at p. 4.3-70.) The diffuser would be equipped with 172 2-inch diameter ports through which the brine stream discharge. (*Ibid.*) As a result of this process, the diffuser would disperse the brine stream, "thereby minimizing differences in salinity and other water quality parameters between the discharged brine and the surrounding water." (*Id.* pp. 4.3-70 to 71.) Moreover, Project discharges, "would not violate water quality standards, waste discharge requirements, or otherwise degrade the water quality (including hypoxia) of receiving waters in Monterey Bay by increasing salinity levels." (*Ibid.*)

Furthermore, in order to comply with applicable monitoring and reporting requirements for operation of new desalination facilities, the project would implement Mitigation Measure ("MM") 4.3-5 (Implement Protocols to Avoid Exceeding Water Quality Objectives). (Final EIR/EIS, p. 4.3-104; see also Attachment A, Section C.) In addition to implementing routine monitoring and reporting, MM 4.3-4 also includes corrective actions that would be required to be implemented if data indicates deleterious effects to receiving water quality or marine biological resources. (*Id.* at 4.3-93.) Accordingly, any Project impacts relating to brine discharges have been thoroughly studied in the Final EIR/EIS and mitigated, where necessary, to the extent feasible.

Questions from Commissioner Escalante: Have the state agencies vested with authority over marine protected areas expressed any concerns about marine protected areas in the vicinity of the Project? What are the Project's impacts to marine protected areas, such as the Elkhorn Slough and the Pacific Grove? (See Transcript p. 333:16-23.)

Cal-Am Response: Aside from the Coastal Commission, state agencies vested with authority over the marine protected areas within the Project's footprint include the California Department of Fish and Wildlife (CDFW), the California Fish and Game Commission, the State Water Board and the California State Lands Commission (CSLC). (See Final EIR/EIS, pp. 4.5-37, 4.5-39, 4.5-42.) The CDFW, State Water Board, and CSLC each commented on the Draft EIR/EIS for the Project. (Final EIR/EIS, Ch. 8.4.)

In its comments on the Draft EIR/EIS, CDFW requested that "special status biological resources should be evaluated and addressed prior to Project implementation, in order to comply with State law[]." (*Id.* at p. 8.4-6.) As discussed in further detail below, the Final EIR/EIS evaluated such potential impacts in detail and concluded that the Project would not result in a significant impact on marine biological resources with implementation of the mitigation measures identified. (Final EIR/EIS, pp. 4.5-47, 5.5-134.) With respect to Project impacts on marine species, the State Water Board confirmed that "[s]lant wells are… the preferred intake technology in the Ocean Plan because they minimize or eliminate intake and mortality of marine life." (*Id.* at p. 8.4-22.) As such, State Water Board concluded that "CalAm's construction and maintenance plan for the slant wells appears to avoid impacts to marine life" and "[o]verall, it appears that the MPWSP has been sited and designed in a manner that would result in minimal impacts to marine life and is consistent with the intent of the Ocean Plan to protect marine life and water quality." (*Ibid.*) CSLC's comments did not concern Project impacts on marine resources. (*Id.*, pp. 8.4-17 to 8.4-20.)

As noted above, the Final EIR/EIS evaluated potential impacts to marine protected areas. (See Final EIR/EIS, Ch. 4.3, 4.5.) Significantly, the Final EIR/EIS was prepared jointly with the Monterey Bay National Marine Sanctuary ("MBNMS"), which served as the NEPA lead agency for the Project. (*Id.* at ES-2.) The MBNMS is the federal agency charged with overseeing specified marine area offshore of California's central coast, including areas impacted by the Project. As such, the Final EIR/EIS reflects the analysis and conclusions of MBNMS staff. The Final EIR/EIS concluded that the Project would not result in a significant impact on marine biological resources. (Final EIR/EIS, p. 4.5-47, 5.5-134.) For instance, with respect to special status marine species in these areas, Section 4.5.1.3 identified certain mammals, birds, turtles and fish that may be impacted by the Project. (*Id.*, pp. 4.5-10 to 4.5-25.) Impact 4.5-1 determined that the Project would not result in a substantial impact upon any such species or on any natural community or habitat identified in any applicable local or regional plans, policies or regulations. (*Id.*, pp. 4.5-47, 5.5-135.) Additionally, the Final EIR/EIS confirmed that there are no known marine species in Monterey Bay with population numbers suspected of dropping below self-sustaining levels (except for the California Sea otter). (*Id.*, p. 5.5-135.) Accordingly, Final EIR/EIS determined that the Project "would not cause a fish or marine wildlife population to drop below self-sustaining levels and would not interfere

with the movement of any native marine resident or migratory fish or marine wildlife species in MBNMS." (*Ibid.*)

F. Groundwater

Questions from Commissioner Brownsey: Is groundwater data missing that could impact how the Salinas Valley Groundwater Basin aquifers have been characterized? If so, does that impact the Project? (Transcript, pp. 327:23-329:13.)

Cal-Am Response: As explained above in Attachment A, Section D, the Commission has sufficient information regarding the Project's potential impacts to groundwater supplies in the SGVB to determine that the Project conforms to the groundwater protection provision of Coastal Act Section 30231. The EIR/EIS consultant team performed over six years of fieldwork, data analysis, and groundwater modeling, and the modeling and its results were subject to substantial peer review and public comment. (See, e.g., Letter from Eileen Sobeck, State Water Board, to John Ainsworth, Coastal Commission (May 8, 2020), at p. 3.) Based on the extensive data and peer-reviewed modeling, the Final EIR/EIS conservatively analyzed the Project's potential impacts to groundwater supplies in the SVGB, finding that such impacts would be less than significant. (See Final EIR/EIS, pp. 8.2-86, 8.2-97, 4.4-64, 4.4-90 to 4.492.) Any additional, non-peer reviewed modeling is unnecessary and would not change the Final EIR/EIS's conclusions. (See Staff Report Addendum, Ex. 7, pp. 19-20 [Weiss Associates confirmed the Final EIR/EIS's modeling was conservative].) Nonetheless, Cal-Am has consented to additional modeling work by Weiss Associates for purposes of moving the Project forward through the Commission process.

Questions from Commissioner Brownsey: How do the slant wells work? When the slant wells withdraw water, do they extract fresh water? What basin is that water coming from? What is the impact on Marina's water? (Transcript, pp. 327:23-329:13.)

Cal-Am Response: The Project's slant wells would extend from the wellheads (the surface components) located on the CEMEX site to beneath Monterey Bay at a fourteen-degree angle. (See Final EIR/EIS, pp. 3-9, 3-18.) The slant wells would withdraw water from the groundwater aquifers that extend beneath the ocean floor. (*Id.*, pp. 3-9, 3-20.)

As explained in detail in Attachment A, Section D, the Project will withdraw primarily seawater from the Salinas Valley Groundwater Basin. (See *id.*, pp. 4.4-4.4-92, 8.5-561.) This "feedwater" would be "a combination of brackish groundwater representing the ambient conditions in the water bearing sediments of the Dune Sand and 180-FTE Aquifers at the coast, and the seawater that is drawn in through the aquifer sediments to recharge the capture zone."[45] (*Id.*, p. 8.2-3.) As shown in Final EIR/EIS, Table 8.2.8-1, copied below, TDS and chloride concentrations in the Project's monitoring wells show

[45] "The capture zone is the localized region that would contribute source water to the slant wells." (Final EIR/EIS, p. 8.2-3; see also *id.*, p. 4.4-52.)

that the water within the capture zone is substantially exceeds applicable standards for human consumption or irrigation without treatment. (See Final EIR/EIS, p. 8.2-48.)

TABLE 8.2.8-1
TOTAL DISSOLVED SOLIDS CONCENTRATIONS IN MPWSP MONITORING WELLS LOCATED WITHIN THE SLANT WELL CAPTURE ZONE

Well Number	Sample Date	Aquifer	Total Dissolved Solids (TDS) (mg/L)	Chloride (mg/L)
			California Drinking Water Standard: 500 mg/L[a]	California Drinking Water Standard: 250 mg/L[a]
MW-1S	2/13/15	Dune Sand	26,600	14,504
MW-1M	2/14/15	180-FTE	30,900	16,037
MW-3S	2/25/15	Dune Sand	23,400	11,680
MW-3M	2/24/15	180-FTE	28,500	14,686
MW-4S	3/7/15	Dune Sand	11,900	5,497
MW-4M	3/6/15	180 FTE	17,900	9,751

NOTES:
[a] California Secondary Maximum Contaminant Level (Cal. Code Regs., tit. 22, § 64449)
SOURCE: Geoscience, 2015

As Project pumping continues, the ocean water percentage of the Project's feedwater will reach 96 to 99%. (*Id.*, p. 4.4-56.) Any fresh water (i.e., water with less than 500 mg/L TDS (Final EIR/EIS, p. 4.4-31)) will be returned to the Basin as part of Cal-Am's obligations under the Return Water Settlement Agreement and Monterey County Water Resources Agency Act. (See CPUC Decision D.18-09-017, pp. 104-105, 110; see also Attachment A, Section D.)

Further, Project pumping will not impact the City of Marina's water supplies. Marina's municipal wells are over 2 miles outside of the Project's capture zone. (See Final EIR/EIS, p. 4.4-75.) Further, Marina's municipal wells are screened in the Deeper Aquifer, but the Project will extract contaminated groundwater from the Dune Sands Aquifer and the 180-Foot Aquifer of the SVGB. (*Ibid.*) There are no known potable groundwater supply wells currently operating in the 180-Foot and 400-Foot Aquifers within the area of potential impacts of the Project's slant wells. (Final EIR/EIS, p. 8.5-633.) Therefore, the Project will not adversely impact Marina's municipal water supply.

G. Water Supply and Demand

Questions from Commissioners Brownsey and Gold: Why is there a divergence of views on water demand? (Transcript, p. 329:6-329:13.) How do we reconcile the differences in the water demand estimates put forth by various parties? (Transcript, pp. 334:21-335:6.)

Cal-Am Response: The estimates of supply and demand that diverge from the CPUC's conclusive supply and demand determination are being put forward by Project opponents in an attempt to derail the Project. These alternative supply and demand estimates all

suffer from significant flaws. Importantly, the CPUC is the agency charged by statute with exclusive jurisdiction to determine utility supply and demand and its determinations reflect a six year process. (See Attachment A, Section I.3; see also *Citizens Utilities Company of California v. Super. Ct.* (1976) 56 Cal.App.3d 399, 408; see also *City of Oakland v. Key System* (1944) 64 Cal.App.2d 427, 435.) Indeed, many of the entities now claiming to have re-calculated Peninsula supply and demand were parties to the CPUC's proceedings on the Project, and made substantially the same arguments in support of their positions then that they are now advancing before the Commission. (See Attachment A, Section I.3.a.) The CPUC considered the testimony of those parties and the evidence presented, and nevertheless determined that Cal-Am's future customer demand is 14,000 afy. *(Ibid.*; see also CPUC Decision D.18-09-017, p. 171.) Following the CPUC's decision, Project opponents, including MCWD, challenged that decision, including its findings on supply and demand, before the California Supreme Court—the Supreme Court wholly rejected those challenges and affirmed the CPUC's decision. Commission staff, MPWMD, and the various Project opponents lack authority to second-guess the binding supply and demand determinations handed down by the CPUC. (See CPUC Decision D.18-09-017, pp. 167-171, 194-195.) Moreover, many of the positions taken in the Stoldt Memo, upon which the Staff Report relies, directly contradict arguments put forward during earlier proceedings related to the Project before the State Water Board. (See Attachment A, Section I.3.d.) Accordingly, there is no need to reconcile the disparate estimates of supply and demand—rather, staff must utilize the supply and demand levels calculated by the CPUC.

As described in detail in Attachment A, each of the supply and demand estimates put forward by various entities and Project opponents is deeply flawed, and do not constitute substantial evidence to conclude that Peninsula supply and demand should be reassessed from the levels set by the CPUC. (See Attachment A, Section I.3.)

Question from Commissioner Escalante: Is there more room for water conservation in Cal-Am's service area? (Transcript, p. 333:3-333:15.)

Cal-Am Response: As a result of both the State Water Board CDO and long-standing drought conditions, water users in Cal-Am's service area are already burdened by "extreme conservation and moratorium measures." (See CPUC Decision D.18-09-017, pp. 52-53.) Indeed, the MPRWA has stated that "the Monterey Peninsula is already one of the most efficient water use communities in the state," and that the Cal-Am service area is already "drought hardened," a fact that the CPUC recognized in its decision on the Project. (*Id.*, p. 28.) Moreover, multiple entities, including MPWMD and the Monterey County Hospitality Association, have argued that additional conservation measures "would force economic stagnation upon the region, and can result in harm to the health and safety of the community." (See Final EIR/EIS, p. 5.5-358.) As such, "meaningful additional conservation will not be a reasonable option" to address the Monterey Peninsula's ongoing water crisis. (CPUC Decision D.18-09-017, p. 28 [quoting testimony provided by MPRWA].)

H. Agriculture

Question from Commissioner Groom: What are the Project's potential impacts to agriculture? (See Transcript, pp. 329:24-330:19.)

Cal-Am Response: The CPUC determined that the Project would boost the economic vitality of the agricultural industry in the region by improving long-term water supply reliability and water infrastructure. (CPUC Decision, D.18-09-017, Appx. C, pp. C-74 to C-75; see also *id.*, pp. 159 [Project "reflects community values . . . by supporting agriculture"].) Rather, without the Project, "the lack of water supply would adversely affect the region's economic vitality, including the County's 'four pillars' – agriculture, tourism, education, and research – by substantially reducing the reliability of water resources and water infrastructure" in the region. (*Id.*, p. 67.)

The Project specifically will provide desalinated product water to the Castroville Community Services Department ("CCSD") and Castroville Seawater Intrusion Project ("CSIP") as part of the CPUC-approved "Return Water Settlement Agreement." (See Attachment A, Section D, *supra.*) CCSD provides municipal and domestic water service to customers in the disadvantaged agricultural community of Castroville. (See, e.g., Ex. 11, Declaration of Eric Tynan, *MCWD v. County of Monterey*, Case No. 19CV003305.) CSIP similarly serves agricultural operations in the region to allow farmers to "safely irrigate their crops and reduce pumping of seawater-tainted groundwater."[46] Project water supplied to CCSD and CSIP will support and improve regional agricultural operations that are currently threatened by saltwater intrusion and a lack of reliable water supplies. (See, e.g., Final EIR/EIS, p. 8.6-414 [letter from Salinas Valley Water Coalition and Monterey County Farm Bureau stating that the Project, with implementation of the Return Water Settlement Agreement, would not cause agricultural impacts]; Ex. 11, p. 4 [describing CCSD's dire need for Project water].) The CCSD Manager has stated that "halting construction of the MPWSP will severely prejudice CCSD and the disadvantaged community of Castroville that despretately needs a new, reliable long-term water supply." (Ex. 11, p. 4.) The Monterey County Farm Bureau, which represents farmers and agricultural operations in the Salinas Valley, has explicitly supported the Project with implementation of the Return Water Settlement Agreement. In contrast, the Monterey County Farm Bureau has raised concerns that the PWM Expansion could capture water discharged in the Salinas Valley that could be used for agriculture and instead reuse it elsewhere, and has recommended that the PWM Expansion be put on hold. (SEIR for PWM Expansion, p. 4-593.) The City of Salinas, MCWRA, and private agricultural operators have raised similar concerns that the PWM Expansion would come at the expense of the Salinas Valley agricultural community. (See, e.g., *id.*, pp. 4-4 to 4-5; 4-42 to 4-44; 4-195.) Cal-Am will provide additional detail on potential impacts to the agricultural community from the PWM Expansion in an

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[46] Monterey County Water Resources Agency, Monterey County Water Recycling Projects (CSIP/SVRP), https://www.co.monterey.ca.us/government/government-links/water-resources-agency/projects-facilities/castroville-seawater-intrusion-project-salinas-valley-reclamation-project-csip-svip.

Environmental Justice technical analysis that will be submitted separately to the Commission.

As for direct impacts, the EIR/EIS found that there would be no impacts to agriculture from construction of the slant wells. (See Final EIR/EIS, § 4.16.) The agriculture related concern raised by Project opponents is that alleged saltwater intrusion resulting from the Project's operations may impact regional agriculture. These concerns are not based in fact. All available evidence indicates that seawater intrusion will not occur. If anything, the CPUC concluded that the Project will work to prevent further saltwater intrusion. (See Final EIR/EIS, pp. 4.4-92, 8.5-561; HWG Response to Coastal Commission (Feb. 20, 2020), at p. 2; see also Section I.D, supra.)

Further, the Project will neither extract nor impact water that could otherwise be used for agricultural purposes. As fully discussed in Attachment A, Section D, the State Water Board has reviewed the existing groundwater record and the Weiss Report, and in its May 8, 2020 letter, concluded that the modeling "already conducted, revised, and relied upon by the [CPUC] . . . provide a conservative overprediction of the volume of shallow, inland water the Project would capture during operation." (See Letter from Eileen Sobeck, State Water Board, to John Ainsworth, Coastal Commission (May 8, 2020), p. 3.) The State Water Board further stated that the Project's groundwater impacts "have already been resolved by the Public Utilities Commission, after extensive environmental review and consideration of evidence and testimony over a multi-year adjudicative proceeding." Although MCWD and others have claimed that pockets of "fresh water" exist that may be impacted by the project, these pockets are either hydraulically disconnected from the Project's capture zone or are composed of water unfit for agricultural irrigation. (Final EIR/EIS, p. 8.2-61; CPUC Decision D.18-09-017, Appx. J, pp. 15, 19-21; see also Attachment A, Section D.) As determined by the CPUC, the enhanced water supply reliability provided by the Project will benefit agricultural operations in the region and there is no evidence that regional agriculture will be negatively impacted.

I. Coastal Act Section 30260 Override

Questions from Commissioner O'Malley: If the Commission finds that the Project is inconsistent with Coastal Act or LCP policies, but that the Project satisfies the tests of Section 30260, is approval of the Project mandatory or discretionary? Similarly, if the Commission finds that the PWM Expansion is feasible, does the Commission still have discretion to approve the Project under Section 30260? (See Transcript, pp. 324:21-325:19.)

Cal-Am Response: Section 30260 is discretionary. Section 30260 provides that "[c]oastal-dependent industrial facilities shall be encouraged to locate or expand within existing sites and shall be permitted reasonable long-term growth where consistent with [the Coastal Act]." (Pub. Resources Code, § 30260.) If a proposed coastal-dependent industrial facility is inconsistent with a Coastal Act or LCP policy, Section 30260 provides that the facility "***may nonetheless be permitted***" if three criteria are met: "(1) alternative locations are infeasible or more environmentally damaging; (2) to do otherwise would adversely affect the public welfare; and (3) adverse environmental

effects are mitigated to the maximum extent feasible." (Ibid. [emphasis added].) In MCWD's lawsuit challenging the Commission's approval of the test slant well under section 30260, the Sixth District Court of Appeal upheld the Commission's exercise of discretion to approve the test slant well notwithstanding potential impacts to ESHA. (See *MCWD v. Cal. Coastal Com.* (2016) 2016 Cal.App.Unpub.LEXIS 8028.)

Further, the Commission does not have the authority to consider the PWM Expansion as an alternative to the Project under Section 30260. As explained in Attachment A, Section J, the first test of section 30260 is whether "alternative ***locations*** are infeasible or more environmentally damaging." (Pub. Resources Code, § 30260 [emphasis added].) The PWM Expansion is not an alternative location to the Project components located within the Coastal Zone, but rather a wholly separate proposed project. The Final EIR/EIS evaluated alternative locations to the Project components located within the Coastal Zone and concluded, based on substantial evidence, that the proposed location of Project infrastructure, including the slant wells on the CEMEX site, is the environmentally superior alternative. (See Section C *supra*; see also Final EIR/EIS, Ch. 5.)

Acting as lead agency under CEQA, the CPUC also considered certain project alternatives outside of the Coastal Zone, like the PWM Expansion. The CPUC specifically rejected the PWM Expansion as infeasible for "myriad independent reasons." (CPUC Decision D.18-09-017, Appx. C, p. C-17.) The CPUC noted that by September 2018, the PWM Expansion was already far behind schedule and there was not "sufficient certainty concerning short- and long-term availability of source water supplies for the PWM Expansion." (*Id.*, p. C-71; see also Attachment A, Section I.2, for a discussion of the infeasibility of the PWM Expansion.) Further uncertainty has arisen since the CPUC's decision about the Original PWM Project's ability to deliver the amount of water it is obligated to provide, along with related technical issues, which substantially call into question the PWM Expansion's feasibility. Coupled with the fact that the M1W Board has denied certification of the PWM Expansion's Final SEIR, these issues further support the CPUC's conclusion that the PWM Expansion is not a feasible alternative to the Project.

ATTACHMENT C

PROPOSED SPECIAL CONDITIONS

1. **Outfall Construction.** PRIOR TO THE COMMENCEMENT OF PROJECT OPERATION, Permittee shall demonstrate that a Coastal Development Permit or Amendment has been obtained authorizing Project-related construction on the Monterey One Water outfall.

2. **Public Access Plan.** PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the Permittee shall submit to the Executive Director for review and written approval a Public Access Plan indicating the location of construction and maintenance areas, staging areas, and access corridors on the CEMEX site. The Public Access Plan shall indicate:

    a. The specific location of all construction areas, all staging areas, and all access corridors, to be used for both construction and ongoing maintenance for those Project components on the CEMEX site. All such areas within which construction or maintenance activities are to take place shall be minimized to the maximum extent feasible in order to have the least impact on public access, including by using, as feasible, inland areas for staging and storing heavy equipment and materials.

    b. Construction and maintenance equipment, materials, or activity shall not occur outside the staging area and construction corridors identified in the plan required by this condition.

    c. No overnight storage of equipment or materials shall occur on sandy beach or within public parking areas. In addition, no motorized equipment will be allowed on the sandy beach at any time. During the construction stages of the Project, the Permittee shall not store any construction materials or waste where it will be or could potentially be subject to wave, wind, rain or tidal erosion and dispersion.

    d. The specific area to remain as open space following completion of construction, showing how and where public access will be possible. Following completion of construction and during Project operations, the Permittee shall ensure the area enclosed by Project fencing does not occupy more than approximately 0.25 acres aboveground.

    e. Commitment to modify this plan, as required by the Executive Director, to minimize impacts on public access, in light of any future restoration and access plan prepared pursuant to the CEMEX Settlement Agreement.

3. **Dune Migration and Wind Blown Sand.** By acceptance of this permit, the Permittee agrees to monitor and report on the risk of impacts to the wellheads at the CEMEX site from dune migration and wind-blown sand to the Executive Director as follows and shall implement corrective measures as reviewed and approved by the Executive Director:

a. Permittee shall conduct annual monitoring of the rate of dune migration and risk from wind-blown sand to the wellheads at the CEMEX site. An annual monitoring report shall be provided no later than June 30 each year to the Executive Director.

b. As necessary, the annual monitoring report shall include recommendations for the implementation of dune restoration and/or stabilization efforts which could include, but are not limited to, measures such as: the removal of invasive non-native plants; the reestablishment of native dune species; recontouring and stabilization of blowout areas; redirecting/consolidating footpaths; and sand removal. Any proposed dune restoration and stabilization activities must be reviewed and approved by the Executive Director prior to implementation by the Permittee.

c. If based on the annual monitoring report it is determined that dune restoration and stabilization efforts will not eliminate impacts from dune migration and wind-blown sand during the useful life of the wellheads at the CEMEX site, and the Permittee determines that the at-risk well(s) are necessary for the continued operations of the project, beginning at least 5 years prior to the anticipated exposure of the wellheads to such risks, Permittee shall implement the planning and permitting necessary to propose one or more of the following measures:

    i. Sand fencing;

    ii. Constructing physical protective barriers;

    iii. Raising or relocating the impacted well head; or

    iv. Other measures as may be agreed upon with the Executive Director.

    If any of these measures employed would result in impacts to ESHA, ESHA impacts shall be fully mitigated at a 3:1 ratio consistent with the project's HMMP.

d. If the Permittee determines that an at risk wellhead is no longer necessary for the project, instead of permitting any of the measures identified in subsection (c), the Permittee may abandon the well in accordance with Mitigation Measure 4.2-10.

Luster, Tom@Coastal

From:	Ian Crooks <Ian.Crooks@amwater.com>
Sent:	Friday, June 26, 2020 2:59 PM
To:	Ainsworth, John@Coastal
Cc:	Sobeck, Eileen@Waterboards; John Forsythe; Luster, Tom@Coastal
Subject:	Cal Am Response to June 15, 2020 MPWMD Letter
Attachments:	2020.6.26 CAW letter to Ainsworth.pdf

Dear Mr. Ainsworth,

Please find attached California American Water Company's response to a letter sent to you dated June 15, 2020 from MPWMD.

Sincerely,

Ian C. Crooks
California American Water
Vice President, Engineering
O: 619-446-4786
M: 831-236-7014
ian.crooks@amwater.com

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CALIFORNIA
AMERICAN WATER

Ian Crooks
Vice President, Engineering
655 W Broadway #1410
San Diego, CA 92101

ian.crooks@amwater.com

June 26, 2020

VIA ELECTRONIC MAIL

Mr. Jack Ainsworth
Executive Director
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105
John.Ainsworth@coastal.ca.gov

RE: Application No. 9-19-0918 and Appeal No. A-3-MRA-19-0034; California American Water Company's Response to June 15, 2020 Monterey Peninsula Water Management District letter

Dear Mr. Ainsworth,

We have recently become aware of a letter to you dated June 15, 2020 from the Monterey Peninsula Water Management District (MPWMD) Board of Directors, encouraging the Coastal Commission to deny California American Water's application for a coastal development permit for the slant wells and related infrastructure supporting Cal Am's proposed desalination facility. In that letter, MPWMD claims that expansion of the Pure Water Monterey recycled water project (Expansion Project) is a feasible alternative to desalination and can be constructed in about 20 months. MPWMD also states that the Expansion Project has less environmental impact than the desalination facility, is sufficient to lift the State Water Board's Cease and Desist Order (CDO), provides sufficient water for the next 20-30 years, and saves ratepayers about $1 billion compared to desalination over a 30-year lifecycle. These statements are inaccurate and must be corrected.

First, the Pure Water Monterey project is a facility owned and operated by Monterey One Water, not MPWMD. And in a letter from its Board chair, Monterey One Water explicitly informed Cal Am that Monterey One Water's Board denied certification of the Final Supplemental Environmental Impact Report (SEIR) for the Expansion Project, and denied conditional approval of the Project (see Attachment 1). In so doing, Monterey One Water also declined to respond to Cal Am's questions and concerns about the feasibility of the Expansion Project and the project's ability to lift the CDO. In light of Monterey One Water's statements, any assumption by MPWMD about the future viability of the Expansion Project, and especially that it feasibly could be approved and constructed in 20 months, is unfounded. Indeed, MPWMD's Board chair and general manager were both copied with the Monterey One Water letter, and MPWMD's failure to acknowledge the current status of the Expansion Project in its letter is a glaring omission.

Further, some of Monterey One Water's expressly stated reasons for refusing to certify the Expansion Project's Final SEIR include the SEIR's inadequate review of environmental impacts to the Salinas Valley Groundwater Basin and to agricultural water supplies. MPWMD's statement that the Expansion Project has less environmental impact than desalination is entirely speculative, if not false, and is not supported by any evidence. Moreover, as the water supplier

for the Monterey Peninsula, Cal Am must advance water supply projects that are feasible. Given the position of Monterey One Water, the Expansion Project is not feasible.

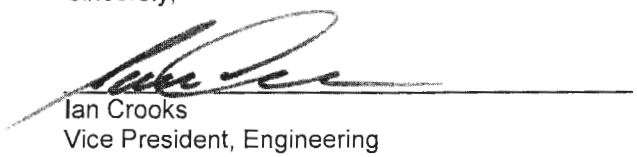
Second, substantial disagreement about rights to the source waters for the Expansion Project have been raised by the owners of those source waters, the Monterey County Water Resources Agency and the City of Salinas. The State Water Board's CDO is very clear that Cal Am must certify that a *permanent* water supply is in place to replace Carmel River withdrawals before the CDO can be lifted. With significant uncertainty over future source water availability, and Monterey One Water's inability to guarantee the amount of water produced by the Expansion Project, the Expansion Project cannot reasonably be considered to be a permanent water supply, and it is misleading to suggest that the State Water Board has suggested otherwise.

Third, Cal Am has repeatedly pointed out defects in the assumptions made in MPWMD's supply and demand analysis, as have city managers on the Peninsula, and many others. Although MPWMD continues to ignore these concerns, it is clear that the Expansion Project simply does not provide sufficient water to meet the needs of the Peninsula without continued and even more drastic restrictions on water use. This is made abundantly clear by the only unbiased determination about the Peninsula's water supply and demand—that by the California Public Utilities Commission in 2018 which, after six days of evidentiary testimony before three administrative law judges, determined that desalination was needed to provide sufficient water to meet the Peninsula's demand. The State Water Board has recently affirmed the CPUC's findings, after reviewing the available documents on Monterey Peninsula water supply and demand, finding that it had no basis to conclude that the CPUC's determinations regarding the water demand, sizing, reliability, or diversity of supply were unreasonable, invalid, or outdated. Moreover, the *only* contrary analyses are those proffered by parties with ulterior motives whose clear mission is to block desalination--MPWMD, the City of Marina and Marina Coast Water District. MPWMD is currently pursuing condemnation of Cal-Am's Monterey system, and board approval to send the June 15, 2020 letter to the Coastal Commission advocating denial of the desalination project permit was made by a narrow 4-3 vote of the Board of Directors. And, to date, the City of Marina and Marina Coast Water District have collectively filed eight lawsuits trying to stop Cal Am's project—five of which have been unsuccessful, three others are still pending. It is not surprising that they and their paid consultants support MPWMD's conclusions.

Finally, MPWMD provides no basis for its statement that the Expansion Project will save ratepayers $1 billion over 30 years. The initial phase of the Pure Water Monterey project is well behind schedule, underperforming, and substantially over budget. Additional funding is lacking to address the significant operational deficiencies, such as the need for new injection wells to replace existing wells that are failing to operate at expected capacity. Based on current operations, the Pure Water Monterey project would deliver only 2,030 acre-feet per year, or only 58% of the 3,500 acre-feet per year that was planned and allocated for Cal-Am's customers (see Attachment 2, excerpts from presentation by Monterey One Water staff at June 18, 2020 Recycled Water Committee meeting). This means that MPWMD's already deficient supply projections, which require a full 3,500 acre-feet per year from Pure Water Monterey, cannot be achieved. Further, while Monterey One Water has been able to provide water cost estimates only for the first three years of operation, and has not provided any estimates about the project's total capital cost, the cost per acre-foot will increase substantially if less than 3,500 acre-feet per year is delivered. According to Monterey One Water, at current production volumes, the cost per acre-foot of Pure Water Monterey water will be $3,678, more than double the initial estimates of $1,720 per acre-foot. And even if higher production objectives are achieved, Monterey One Water's most recent cost estimates are up to $2,933 per acre-foot, nearly 75% more than initial estimates. MPWMD's attempt to compare the cost of the Expansion Project to desalination, when the total cost of the first phase of Pure Water Monterey is unknown and subject to potentially severe fluctuation, is pure speculation.

For nearly twenty-five years, certain vocal factions on the Monterey Peninsula and surrounding communities have vigorously resisted and continue to resist development of a new water supply, leaving the Peninsula dependent on the Carmel River, and with a stagnant economy. The State Water Board has warned that there could be dire consequences if a reliable and sustainable water supply is not promptly developed. Desalination will supply the water the community needs to ensure that the threatened species who call the Carmel River home are protected, the existing moratorium on service connections and increases in use is lifted, economies may recover, and communities are able to address their severe housing issues. The Expansion Project will not.

Sincerely,



Ian Crooks
Vice President, Engineering
California-American Water Company

cc: Eileen Sobeck, SWRCB (Eileen.Sobeck@Waterboards.ca.gov)
John Forsythe, CPUC (john.forsythe@cpuc.ca.gov)
Tom Luster, California Coastal Commission (tom.luster@coastal.ca.gov)

ATTACHMENT 1

Pure Water Monterey
A Groundwater Replenishment Project

June 8, 2020

VIA ELECTRONIC MAIL

Richard Svindland, President
California American Water
655 W. Broadway, Suite1410
San Diego, CA 92101

Re: Pure Water Monterey Project - Cost, Operational Performance and Status

Dear Mr. Svindland:

This letter is in response to your May 9, 2020 correspondence, providing clarification and corrections to certain misconceptions. It does not respond to the merits and/or potential feasibility of the proffered Expanded Pure Water Monterey Project in Section D. of that correspondence, given Monterey One Water Board's April 27, 2020 action [1] denying certification of *Final Supplemental Environmental Impact Report;* and, [2] denial of Conditional Project Approval.

We all agree that the Pure Water Monterey Project is a critical component of the overall Monterey Peninsula Water Supply Project and that it is in the best interests of all parties and their constituents to ensure its full operation at the earliest possible date – M1W is employing best commercial efforts toward that important objective. It was thus disheartening to learn, two months after a March 9, status meeting among representatives of California American Water ["Cal Am"]; the Monterey Peninsula Water Management District ["MPWMD"]; and M1W that Cal Am claims that it "has repeatedly requested detailed information about the current status of the project, anticipated start dates, and any issues that may further delay the project."

A. **Pure Water Cost Analysis** -- On April 29, 2020, M1W responded in writing[1] to your April 20, 2020 letter and provided additional financial information requested after the March 9, 2020 meeting between Cal Am, MPWMD, and M1W, where we provided back-up data supporting the 3-year summary of estimated costs. Apparently, it was not in the format desired by Cal Am. A revised financial table is attached which includes original projections from 2016.

B. **Pure Water Monterey Start Date** – We confirm that the Performance Start Date provided in the April 29, 2020 letter to Cal Am remains the same (on or about August 10, 2020).

[1] April 29, 2020; Letter from M1W and MPWMD to California American Water

c. **Pure Water Monterey Current Operations Status** – Within 60 calendar days following the Performance Start date, M1W will provide its Monthly Operations Report on Delivery Point Water Deliveries to Cal Am. Please note that this is not an enumerated requirement in the *Water Purchase Agreement* between Cal Am, MPWMD, and M1W. Reporting on source water percentages is not germane given that all waters are treated together before purification.

D. **Expanded Pure Water Monterey Project** – Discussed in first paragraph above.

E. **Conclusion** – M1W notes Cal Am's desire for an independent project audit of the Pure Water Monterey Project. An audit is not an enumerated requirement in the *Water Purchase Agreement* between Cal Am, MPWMD, and M1W; it necessarily would have to be accomplished at Cal Am's sole cost and expense. An audit could be performed reasonably after the Performance Start Date to avoid bogging down operations personnel during commencement of full operations. With concurrence of the MPWMD, M1W would be willing to enter into an amendment to the *Water Purchase Agreement* between Cal Am, MPWMD, and M1W for an audit, with the scope defined, and an auditor selected, by consensus.

M1W, however, is concerned that Cal Am apparently has not yet initiated the Tier 1 Advice Letter filing with the California Public Utilities Commission ["CPUC"]. Sufficient justification exists and has been provided to you to support the initial $1,720/acre-ft amount ["soft cap"]. Because the CPUC Division of Water and Audits (DWA) must receive (electronically only during COVID-19) a protest or response within 20 days of the date the Advice Letter is served on the Service List, it is prudent to begin this process as soon as possible. We request Cal-Am propose an effective date to implement the Tier 1 approval consistent with the current projected Performance Start Date. Insofar as the time for review by DWA staff is 30 days from the service date, it is best to complete this aspect of the process by June 12th. Such a date will enable approval and implementation by July 7th .

Immediately upon CPUC approval of such [the "soft cap"], we encourage Cal-Am to file a Tier 2 Advice Letter seeking approval of the actual 2020-21 Company Water Rate. This timing would result in submission by July 8th and certainly no later than July 10th. While a Tier 2 advice letter carries the same 20-day protest or response period, the requested effective date cannot occur before 30 days from the service date. We ask that Cal-Am take all steps needed to support implementation of this rate by the Performance Start Date. As an alternative, Cal-Am could tender both the Tier 1 and Tier 2 advice filings simultaneously. This approach would allow more response time in the event a protest is filed with respect to either request.

Lastly, in order to avoid future communication issues among the parties, we suggest a monthly meeting among the principals, with notes taken, be held to resolve any contractual or high-level operational issues.

Please contact me directly with your reply.

Pure Water Monterey
A Groundwater Replenishment Project

Sincerely,

Ron Stefani
M1W Board Chair

Attachment

Cc: Chair Alvin Edwards – MPWMD
General Manager David Stoldt – MPWMD
Dave Laredo, Legal Counsel – MPWMD
Paul A. Sciuto, General Manager – M1W
Rob Wellington, Legal Counsel – M1W
Ian Crooks, VP Engineering, Cal-Am

Pure Water Monterey
Company Water Rate Calculation
Estimated for FY 2019-20 through 21-22

	2016 Estimate	2019-20	2020-21	2021-22
Projected Revenues from Recycled Water Sales	6,290,893	3,941,000	9,402,600	11,014,000
Projected Expenses				
Power	809,030	742,000	1,583,000	1,925,000
Chemicals	723,694	683,000	1,445,000	1,749,000
Labor	492,212	362,000	1,025,600	1,077,000
Lease / Insurance	53,734	81,000	82,000	87,000
Parts/Material/Other	539,557	150,000	318,000	385,000
Capital Outlay	Unknown			200,000
Interest on loans for fronting of PWM reserves / electrical hookups	Not Anticipated			210,000
Funding of Replacement Fund Reserve	Unknown	650,000	431,000	463,000
Wastewater Charges	84,731	87,000	120,000	320,000
Overhead Allocation from Wastewater Fund	Unknown	86,000	120,000	320,000
Allocable Debt Service - MCWRA	151,117			
Allocable Debt Service - MCWD	300,930	94,000	366,000	366,000
Allocable Debt Service - MPWMD	3,135,888	1,006,000	3,912,000	3,912,000
Total Projected Costs	6,290,893	3,941,000	9,402,600	11,014,000
Less Costs Attributable to MCWD/MCWRA	452,047	94,000	366,000	1,249,671
Net Costs Attributable to MPWMD	5,838,846	3,847,000	9,036,600	9,764,329
MPWMD Cost Allocation	179,507	-	-	-
Cost Per Acre Foot	$ 1,720	$ 2,198	$ 2,442	$ 2,639
Based on Acre Feet	3,500	1,750	3,700	3,700

ATTACHMENT 2

Monterey One Water

PURE WATER MONTEREY

Injection Wells Facilities Status
RWC Meeting - June 18, 2020

Kennedy Jenks Consultants Todd Groundwater

Planned & Current Injection Rates

Wells		Planned Capacity, gpm	Early Injection Rates, gpm	Current Injection Rates, gpm
	VZW-1B	500	50	0
	VZW-2	500	350	0
Vadose Zone Wells	Subtotal	1,000	400	0
	DIW-1	1,000	950	775
	DIW-2	1,000	950	625
Deep Injection Wells	Subtotal	2,000	1,900	1,400
	Total IWF	**3,000**	**2,400**	**1,400**
Required Injection Rate		**2,800**	**2,800**	**2,800**

Estimated Annual Recharge at Current Rates: 2,030 AFY

Cost of PWM Water

Estimated Recharge	Planned 1st Year	Current Status	After Final DIW Commissioning/VZW Restart	Add DIW-3
AFY	3,750	2,030	2,760	3,750
$/AF	$2,442	$3,678	$2,993	$2,508

Th3a & 4a

A-3-MRA-19-0034 / 9-19-0918

California-American Water

CORRESPONDENCE – APPLICANT

Packet 2
Updated
September 11, 2020

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Milan	

September 11, 2020

Th3a & 4a

VIA EMAIL AND FEDEX

Chair Padilla and Honorable Commissioners
California Coastal Commission
Energy and Ocean Resources Unit
455 Market Street, Suite 300
San Francisco, CA 94105

Re: September 17, 2020, Special Meeting Agenda Items Th3a & 4a: Monterey Peninsula Water Supply Project, Coastal Development Permit Application No. 9-19-0918, and Appeal No. A-3-MRA-19-0034

Dear Chair Padilla and Honorable Commissioners:

On behalf of California-American Water Company ("Cal-Am"), this letter responds to Coastal Commission ("Commission") staff's August 25, 2020, Staff Report regarding the coastal development permit ("CDP") application for and local CDP appeal of the Monterey Peninsula Water Supply Project ("Project"), which are Agenda Items Th3a and 4a at the Commission's upcoming September 17, 2020, special meeting.

While we appreciate Commission staff's efforts in reviewing the Project and preparing the Staff Report, we fundamentally disagree with its overarching conclusion that the Pure Water Monterey Groundwater Replenishment Project ("PWM Expansion") is a feasible alternative to the Project. Staff's conclusion overlooks a number of viability issues with the PWM Expansion most significantly that ***a water supply with the PWM Expansion but without the Project simply will not provide sufficient water supply to the Monterey Peninsula even utilizing the most conservative demand estimates submitted to the Commission by the Monterey Peninsula Water Management District*** ("MPWMD"). Only the Project provides a long-term water supply for the Monterey Peninsula that will meet even MPWMD's low projections of customer demand, provide for the development of affordable housing, avoid water rationing and ongoing service connection moratoria, and boost the region's economic vitality by substantially enhancing the reliability of water resources and water infrastructure. The Monterey Peninsula needs this Project now, and we urge you to approve the Project.

The Staff Report's denial recommendation is based on its determination that the PWM Expansion is feasible. But without the PWM Expansion it is clear from the Staff Report that by imposing Special Conditions the Project would be consistent with the Coastal Act and the City of Marina's Local Coastal Program ("LCP"). While the Project would result in an inconsistency with some Coastal Act and LCP policies related to ESHA, Cal-Am is proposing Special Conditions over and above the already robust mitigation measures included in the Project's

EIR/EIS that will mitigate impacts to ESHA to the maximum extent feasible. Accordingly this inconsistency can be overcome with the override provision in Coastal Act section 30260, which allows coastal-dependent industrial facilities like the Project to be approved despite any Coastal Act or LCP inconsistencies.

To ensure that the Commission has an accurate record upon which to assess the Project in advance of the September 17, 2020, special meeting, and a mechanism to approve the Project at the meeting, we have provided an alternate Staff Report with proposed Special Conditions and Findings ("Applicant's Staff Report") as **Attachment A** to the this letter.[1] **Attachment A** also provides a series of proposed Special Conditions in an effort to help address several of Commission staff's stated concerns regarding the Project and Coastal Act consistency. We also have provided fulsome responses to the Staff Report and Marina Coast Water District's ("MCWD") August 14, 2020, submittal, which are provided as **Attachments B and C**, respectively, to this letter**.** **Attachment D** is a standalone document containing the Applicant's proposed motions and resolutions, recommending approval of the Project. Immediately on the following page we have summarized our positions on the major issue areas identified in the Staff Report.

We appreciate the Commission's consideration of Cal-Am's CDPs for this critically important Project. We respectfully request that the Commission examine Cal-Am's CDP application and Appeal No. A-3-MRA-19-0034 objectively and approve the CDPs at its special meeting on September 17, 2020 using the motions and resolutions in **Attachment D**. Thank you for your consideration and we look forward to presenting the Project to you next week.

Very truly yours,



Duncan Joseph Moore
of LATHAM & WATKINS LLP

Attachments

cc: Rich Svindland, Ian Crooks and Kathryn Horning, California-American Water Company
Alison Dettmer, California Coastal Commission
Tom Luster, California Coastal Commission

[1] The Applicant's Staff Report is a redline against the August 25, 2020, Staff Report.

SUMMARY OF CAL-AM POSITIONS

The Staff Report reaches several incorrect conclusions regarding the Project's impacts and consistency with the Coastal Act and the City of Marina LCP, which are addressed in detail in the Attachments and summarized below.

- **Alternatives:** While Cal-Am disagrees with the position that the Commission can evaluate wholesale project alternatives located outside of its jurisdiction, the PWM Expansion is not a feasible alternative to the Project because (a) ***there is not an adequate supply of source water for the PWM Expansion*** to produce its promised 2,250 acre-feet per year; and (b) even with PWM Expansion operating at 100% capacity ***there is insufficient supply due to the unreliability of Aquifer Storage and Recovery ("ASR")***, particularly in drought years. If the PWM Expansion were constructed in the absence of the Project, the Peninsula would experience ***a significant water supply deficit***, even under the most conservative future demand estimates presented by MPWMD. This supply deficit would be staggering in drought periods, the implications of which are entirely overlooked by the Staff Report. Simply put, only the Project is capable of meeting the Peninsula's water demand needs.

  In concluding that the PWM Expansion is a feasible alternative, the Staff Report also ignores significant ongoing technical issues faced by the first phase of the Pure Water Monterey project that raise additional questions regarding the PWM Expansion's viability and timing. Further, the Staff Report ignores that the M1W Board of Directors' denied certification of the PWM Expansion's Final Supplemental Environmental Impact Report due to ***an inadequate environmental impacts analysis***, and work on the PWM Expansion has been ordered to halt. For all of these reasons, the PWM Expansion cannot meet the basic objectives set forth for the Project by the CPUC, and cannot constitute a feasible alternative to the Project.

- **Environmentally Sensitive Habitat Areas ("ESHA"):** The Staff Report concludes that the Project could impact 35 acres of ESHA. Based on a more detailed biological assessment including changes resulting from the California Public Utilities Commission's ("CPUC") approval of a smaller sized project than was studied in the Final Environmental Impact Report/Environmental Impact Statement ("EIR/EIS"), AECOM has confirmed Project construction and maintenance will permanently impact only 2.2 acres of ESHA and temporarily impact 15.3 acres, for a total of 17.5 acres—*half the amount* identified in the Staff Report. Further, Cal-Am has submitted a proposed Habitat Mitigation and Monitoring Plan ("HMMP") through which it proposes to restore approximately 23.7 acres on the CEMEX site, including 1.8 acres beyond the amount required to benefit the success of the restoration. Although staff determined that the Project would be inconsistent with Marina LCP's Habitat Protection Policies regarding development in primary habitat, with the implementation of the mitigation identified in the EIR/EIS, Cal-Am's HMMP, and the Special Conditions proposed in **Attachment A**, potential impacts to ESHA would be mitigated to the maximum extent feasible. Thus, the Commission may approve

the Project under Coastal Act section 30260, which allows for coastal-dependent industrial facilities like the Project to be approved despite potential LCP inconsistencies.

- **Wetlands and Vernal Ponds ESHA:** The Staff Report determines that Project pumping would "likely" impact vernal ponds in Marina, but staff's conclusion relies entirely on information provided by Marina. The Staff Report does not address the robust analysis that Cal-Am provided, which demonstrates that the vernal ponds at issue are unlikely to be impacted by Project pumping. Nonetheless, through a Special Condition set forth in **Attachment A**, Cal-Am proposes to implement a comprehensive Adaptive Management Program in which the ponds would continue to be evaluated before Project operations begin. If it is determined that there would be potential impacts from Project pumping, the Adaptive Management Program requires Cal-Am to implement wetland resiliency, enhancement, or restoration activities approved by the Commission to ensure that there would be no adverse effects associated with the Project.

- **Coastal Hazards:** The Staff Report determines that the existing test slant well site could be impacted by coastal erosion by 2060, but staff's conclusion fails to consider any reduction in coastal erosion as a result of the CEMEX site closure and an end to existing sand mining operations. Using reasonable estimates of reduction in coastal erosion, AECOM's analysis confirms that the *Project's slant wells, including the test slant well, will not be impacted by coastal erosion until near the 2120 planning horizon*. Moreover, AECOM's analysis of dune recession confirms that only two of the Project's seven slant wells could be at risk from sand burial within their economic lives of 20 to 25 years, but through a Special Condition proposed in **Attachment A**, that risk would be mitigated. Because the slant wells would be protected for their economic lives from both coastal erosion and dune recession, staff does correctly conclude that the Project is consistent with the LCP and Coastal Act policies. Further, although staff raises concerns about relocation of the wells after their expected economic lives, such speculation is premature and does not affect a finding of LCP and Coastal Act consistency.

- **Coastal Waters and Marine Resources:** The Staff Report wrongly characterizes the potential diffuser retrofit to the Monterey One Water ("M1W") ocean outfall, the Project's installation of monitoring buoys, and the replacement of clamps on the nearshore portion of the outfall as involving the placement of "fill" in coastal waters, providing no justification for this conclusion. As Cal-Am has repeatedly explained, potential modifications to the M1W outfall to retrofit its existing diffuser are not part of Cal-Am's CDP application and would be addressed through a separate CDP application to be submitted by M1W. Moreover, the proposed monitoring equipment and buoy would be temporarily attached to the seafloor by anchor and installation would be complete in a matter of hours, involving minimal seafloor disturbance. Further, the WEKO clamp replacement would occur roughly 100 feet from the shoreline and the Staff Report has not identified any aspect of the work that would occur in coastal waters. Accordingly, the Staff Report incorrectly determined that

these project components would involve placing fill in coastal waters. Additionally, the Staff Report erroneously contends that it is unclear what effects the desalination plant would have on water quality or marine life. These issues were extensively analyzed in the Final EIR/EIS and any potential environmental impacts would be less than significant with mitigation. Nonetheless, as a further precaution, Cal-Am proposes a Special Condition in **Attachment A** that would require Cal-Am to demonstrate that all discharges comply with the California Ocean Plan and applicable water quality requirements.

- **Groundwater:** The Staff Report's analysis of potential groundwater impacts is not properly focused on the requirements of Coastal Act Section 30231. Rather, staff alleges that because Project pumping could potentially capture a higher percentage of groundwater than was determined in the EIR/EIS, Cal-Am could be required to return more water to the Salinas Valley Groundwater Basin ("SVGB"), thereby increasing the costs of water and resulting in public welfare impacts. First, that conclusion is incorrect. The evidence demonstrates that under reasonable assumptions, the EIR/EIS' conclusions on the amount of return water were correct. Second, even in the unlikely scenario where larger amounts of return water are required, Cal-Am's customers would not be charged higher rates; pursuant to the CPUC's decision, Cal-Am would be required to absorb those added costs. With respect to the Project's potential environmental impacts to groundwater supplies in SVGB, the Project will both prevent further seawater intrusion in the SVGB and help protect water levels in the Seaside Groundwater Basin against seawater intrusion and the irreversible loss of basin storage. Further, the Staff Report confirms that "*neither the Final EIR/EIS nor the Commission's independent hydrogeologist found evidence that impacts [to MCWD's water supply wells] are reasonably foreseeable*." (Staff Report, p. 68 [emphasis added].) Because the Project will not adversely affect or deplete groundwater supplies in the SVGB—and in fact would *benefit* both the SVGB and Seaside Groundwater Basin—the Project is consistent with Coastal Act Section 30231.

- **Public Access:** The Staff Report asserts that Project operation could result in adverse effects to public access and recreation, but the Project footprint will be *de minimis* and would not impede beach use or access at any time. Specifically, under regular operations, Project infrastructure within fenced areas will occupy only about 0.06 percent (approximately 0.25 acres) of the CEMEX site (approximately 400+ acres) and during recommended maintenance activities (occurring approximately every five years over a period of 9 to 18 weeks) an additional approximately 0.25 acres would be occupied. Despite this *de minimis* presence, to further minimize any public access or recreation impacts, Cal-Am proposes a Special Condition in **Attachment A** requiring the preparation and approval of a Public Access Plan that would be subject to modification at the direction of the Executive Director, depending on the final approved use of the remainder of the CEMEX site.

- **Environmental Justice:** The Staff Report contends that the Project would disproportionately burden communities of concern through higher water rates and that

a feasible alternative could provide water without such impacts. Staff inappropriately disregards many Project benefits to low income communities—including the severely disadvantaged community of Castroville—and to the Monterey Peninsula generally. The Project will provide a reliable drought-proof water supply necessary for economic growth and much-needed affordable residential development to meet State-mandate housing goals. Moreover, staff does not consider that the CPUC carefully evaluated Cal-Am's water rates throughout its six-year administrative process and determined the rates to be just and reasonable. To further offset costs to low income customers, Cal-Am has proposed a Special Condition in **Attachment A** to increase the discount afforded to eligible low income Monterey Peninsula customers through its Customer Assistance Program ("CAP")[2] from 30% to 50%, to increase enrollment in the CAP by launching a pilot program to enroll residents of multi-family housing to ensure more eligible customers can participate in the CAP, and to contribute up to $250,000 to the United Way to assist customers in Cal-Am's Monterey service territory who may have financial difficulties paying monthly bills if the additional CAP discount is not approved before desalination facility costs affect Cal-Am's ratepayers. As conditioned, the Project is consistent with the Commission's Environmental Justice Policy.

- **Coastal Dependent Override**: Notwithstanding any potential inconsistencies with the City of Marina LCP or Coastal Act policies, the Commission can approve the Project under Coastal Act section 30260. The Project is a coastal-dependent industrial facility and, as demonstrated in **Attachment A**, (1) alternative locations of the Project are infeasible or more environmentally damaging; (2) to not permit the Project would adversely affect the public welfare; and (3) the Project's environmental impacts have been mitigated to the maximum extent feasible.

[2] Previously referenced as the Low-Income Ratepayer Assistance ("LIRA") program.

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Th3a & 4a

Appeal Filed:	May 22, 2019
49th Day:	Waived
Permit Filed:	October 28, 2019
180th Day:	April 25, 2020
Extension[1]	September 25, 2020
Staff:	T. Luster-SF
Staff Report:	August 25, 2020
Hearing Date:	September 17, 2020

STAFF REPORT: DE NOVO APPEAL
and
CONSOLIDATED COASTAL DEVELOPMENT PERMIT

Appeal No:	**A-3-MRA-19-0034**
Local Government:	City of Marina
Decision:	Denial
Application No.:	**9-19-0198**
Applicant:	**California American Water Company**
Applicants:	**California American Water Company, Brian LeNeve, Castroville Community Services District, and Commissioners Howell and Uranga**
Project Location:	Wellfield at the site of the CEMEX, Incorporated sand mining facility in the City of Marina, Monterey County, and pipelines and associated infrastructure within the Cities of Marina and Seaside, the County of Monterey, and the Commission's retained jurisdiction.
Project Description:	Construct and operate a slant well field, associated water transmission pipelines and related infrastructure

Note: These are not Commission Staff's Recommended Findings

[1] On April 16, 2020, Governor Newsom signed Executive Order N-52-20, which, among other things, suspended certain Coastal Act and Permit Streamlining Act deadlines for a period of 60 calendar days. Cal-Am also provided a 90-day extension, as allowed under the state's Permit Streamlining Act.

	within the coastal zone to support a proposed desalination facility located inland of the coastal zone.
Staff Recommendation:	~~Denial~~Approval with conditions of De Novo Permit; ~~Denial~~Approval with conditions of Regular Permit

Note: These are not Commission staff's Recommended Findings

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SEE ATTACHED INDEX

Note: These are not Commission staff's Recommended Findings

I. MOTIONS & RESOLUTIONS

A. DETERMINATION FOR APPEAL A-3-MRA-19-0034

Motion

I move that the Commission approve Coastal Development Permit A-3-MRA-19-0034 for the development proposed by the applicant subject to conditions.

Staff recommends a YES vote. Passage of this motion will result in conditional approval of the permit and adoption of the following resolution and findings. The motion passes only by affirmative vote of a majority of the Commissioners present.

Resolution to Approve with Conditions CDP on Appeal

The Commission hereby approves Coastal Development Permit A-3-MRA-19-0034 and adopts the findings set forth below on the ground that the development as conditioned will be in conformity with the City of Marina Local Coastal Program and Coastal Act access and recreation policies. Approval of the permit complies with the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the development on the environment, or 2) there are no further feasible mitigation measures or alternatives that would substantially lessen any significant adverse impacts of the development on the environment.

B. DETERMINATION FOR CDP 9-19-0918

Motion

I move that the Commission approve Coastal Development Permit Application No. 9-19-0918 for the development proposed by the applicant subject to conditions.

Staff recommends a YES vote. Passage of this motion will result in conditional approval of the permit and adoption of the following resolution and findings. The motion passes only by affirmative vote of a majority of the Commissioners present.

Resolution

The Commission hereby approves Coastal Development Permit 9-19-0918 and adopts the findings set forth below on the ground that the development as conditioned will be in conformity with the policies of Chapter 3 of the Coastal Act. Approval of the permit complies with the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the development on the environment, or 2) there are no further feasible mitigation measures or alternatives that would substantially lessen any significant adverse impacts of the development on the environment.

Note: These are not Commission staff's Recommended Findings

II. STANDARD CONDITIONS

1. Notice of Receipt and Acknowledgement. The permit is not valid and development shall not commence until a copy of the permit, signed by the Permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.

2. Expiration. If development has not commenced, the permit will expire two years from the date on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.

3. Interpretation. Any questions of intent of interpretation of any condition will be resolved by the Executive Director or the Commission.

4. Assignment. The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.

5. Terms and Conditions Run with the Land. These terms and conditions shall be perpetual, and it is the intention of the Commission and the Permittee to bind all future owners and possessors of the subject property to the terms and conditions.

III. SPECIAL CONDITIONS

1. Evidence of Other Agency Approvals. The Permittee shall provide to the Executive Director a copy of each of the following approvals or documentation from the relevant agency that such approval is not needed:

    a. PRIOR TO COMMENCEMENT OF PROJECT OPERATION, a negotiated agreement or memorandum of understanding between the Permittee and Monterey One Water regarding the connection, use, and repair and maintenance of the ocean outfall for discharge of water produced from the project.

    b. PRIOR TO COMMENCEMENT OF PROJECT OPERATION, an amendment to Monterey One Water's NPDES permit allowing discharges through the ocean outfall and, if necessary, any modifications to the outfall required to satisfy Ocean Plan water quality objectives.

    c. PRIOR TO COMMENCEMENT OF CONSTRUCTION BENEATH STATE TIDELANDS, a lease from the California State Lands Commission.

2. Final Plans. PRIOR TO COMMENCEMENT OF CONSTRUCTION, the Permittee shall submit to the Executive Director for review and approval final plans for the project components located in the coastal zone. The Permittee shall undertake development in accordance with the approved

Note: These are not Commission staff's Recommended Findings

plans and any changes shall be reported to the Executive Director. No material changes within the coastal zone shall occur without a Commission approved amendment to this coastal development permit unless the Executive Director determines that no amendment is necessary.

3. Outfall Construction. PRIOR TO THE COMMENCEMENT OF PROJECT OPERATION, Permittee shall demonstrate that discharges from the outfall would comply with the Ocean Plan and applicable water quality requirements by demonstrating that (1) a Coastal Development Permit or Amendment has been obtained and implemented for any necessary work on the Monterey One Water outfall; and/or (2) Permittee has implemented other measures consistent with Final EIR/EIS Mitigation Measure 4.3-5, as necessary, outside of the Commission's jurisdiction.

4. Outfall Lining. PRIOR TO THE COMMENCEMENT OF PROJECT OPERATION, Permittee shall demonstrate that it or its designee has obtained all approvals authorizing Project-related repair and maintenance work on the Monterey One Water outfall, including, but not limited to, excavation permits from the County, and has implemented such repair and maintenance work on the portion of the outfall within the coastal zone. Permittee shall ensure the installation of a protective liner within the Monterey One Water outfall by application of a spray liner throughout the pipeline's interior from an access point outside of the coastal zone and extending to the beach junction box. The work shall not involve any groundbreaking activities within the coastal zone or result in the discharge or disposal of waste through the Monterey One Water outfall. Permittee shall submit a complete application for a new or amended permit for any alternative installation method for the outfall liner that would involve groundbreaking activities or disturbance within the coastal zone, which must be reviewed and approved by the Commission prior to the commencement of operation of the Project.

5. CEMEX Site HMMP Implementation. PRIOR TO PERMIT ISSUANCE, Permittee shall prepare and submit a final plan providing for the implementation of the HMMP, which shall be reviewed and approved by the Executive Director. The final plan shall select one of the following options:

   a. Cal-Am shall develop, fund and cause the HMMP to be implemented on the CEMEX site. Cal-Am would begin to implement the HMMP's restoration and monitoring work prior to the transfer of the CEMEX site to a Commission-approved entity with the approval of CEMEX and the Executive Director. Once the CEMEX site is transferred to an entity approved by the Commission pursuant to the CEMEX Settlement Agreement, and subject to approval by that entity, Cal-Am may either continue to implement the HMMP restoration and monitoring work or may establish an endowment to fund the remaining HMMP restoration and monitoring work at the CEMEX site, including long-term mitigation efforts. If Cal-Am continues to implement the HMMP, as part of the Commission's approval of the future purchaser of the CEMEX site pursuant to the CEMEX Settlement Agreement, the Commission shall ensure that the future

Note: These are not Commission staff's Recommended Findings

purchaser consents to Cal-Am's continued implementation of the HMMP. If Cal-Am establishes an endowment to fund the remaining HMMP restoration and monitoring work, then as part of the Commission's approval of the future purchaser of the CEMEX site pursuant to the CEMEX Settlement Agreement, the Commission shall ensure that the purchaser continues implementation of the HMMP on the CEMEX site as a condition of purchase;

b. Cal-Am would fund the HMMP implementation, but actual HMMP implementation would be undertaken by a Commission-approved entity. Cal-Am funding would cover full implementation of the HMMP, inclusive of long-term mitigation efforts. As part of the Commission's approval of an entity to undertake HMMP implementation, the Commission shall ensure that the Commission-approved entity shall implement the HMMP on the CEMEX site. In addition, as part of the Commission's approval of the future purchaser of the CEMEX site pursuant to the CEMEX Settlement Agreement, the Commission shall ensure that the purchaser consents to implementation of the HMMP on the CEMEX site by the Commission-approved entity as a condition of purchase; or

c. Cal-Am would fund an endowment, equal to the cost of HMMP implementation (full implementation of the HMMP, inclusive of long-term mitigation efforts), to contribute to the purchase of the CEMEX site by a Commission-approved entity. As part of the Commission's approval of the future purchaser of the CEMEX site pursuant to the CEMEX Settlement Agreement, the Commission shall ensure that the purchaser implements the HMMP on the CEMEX site as a condition of purchase.

6. Agricultural Runoff Plan. PRIOR TO PERMIT ISSUANCE, Permittee shall prepare and submit a final plan for Executive Director review and approval providing for the discontinuation or alternative management for the agricultural runoff drainage on the CEMEX site to ensure such runoff does not adversely affect or interfere with restoration activities on the site.

7. Vernal Pond Adaptive Management Program: PRIOR TO PERMIT ISSUANCE, the Permittee shall submit to the Executive Director for review and approval a Vernal Pond Adaptive Management Program that includes the following:

a. Stage 1: Supplemental data collection and near-term monitoring to determine whether there is a connection between vernal ponds within the drawdown zone of the Project and the Dune Sand Aquifer. The results of Stage 1 shall be submitted to the Executive Director for review and approval;

b. Stage 2: If the results of Stage 1 determine that there is a connection between the vernal ponds within the drawdown zone of the Project and the Dune Sand Aquifer, the program would evaluate the degree to which the Project's pumping would affect the ponds. The results

Note: These are not Commission staff's Recommended Findings

of Stage 2 shall be submitted to the Executive Director for review and approval; and

c. Stage 3: Based on the results of Stage 1 and Stage 2, Stage 3 would develop a Wetland Resiliency, Enhancement, Restoration, and Monitoring Plan (Plan). If Stage 3 is necessary, the Permittee shall apply for and obtain the Commission's approval of the Plan in the form of an amendment to this permit. The Plan would require compensation for potential impacts and would include the following:

i. The Plan would provide no less that 1:1 mitigation if impacts can be mitigated on-site. If off-site mitigation is necessary the Plan would provide for 1:1 mitigation for wetland creation; 3:1 mitigation for wetland restoration; and 4:1 mitigation for wetland enhancement.

ii. The specific creation, restoration, or enhancement measures that will be used at each site, including grading and planting plans, the timing of the mitigation measures, monitoring that will be implemented to establish baseline conditions and to determine whether the sites are meeting the applicable site specific success criteria. The Plan shall also identify contingency measures that will be implemented should any of the sites not meet the site specific success criteria. The success criteria developed for specific sites will ensure that the mitigation ratios in Section (c)(i) are achieved.

iii. "As-built" plans for each site and annual monitoring reports for no less than five years or until the sites meet performance criteria.

iv. Legal mechanism(s) proposed to ensure permanent protection of each site – e.g., conservation easements, deed restriction, or other methods.

8. Dune Migration and Wind Blown Sand. By acceptance of this permit, the Permittee agrees to monitor and report on the risk of impacts to the wellheads at the CEMEX site from dune migration and wind-blown sand to the Executive Director as follows and shall implement corrective measures as reviewed and approved by the Executive Director:

a. Permittee shall conduct annual monitoring of the rate of dune migration and risk from wind-blown sand to the wellheads at the CEMEX site. An annual monitoring report shall be provided no later than June 30 each year to the Executive Director.

b. As necessary, the annual monitoring report shall include recommendations for the implementation of dune restoration and/or stabilization efforts which could include, but are not limited to, measures such as: the removal of invasive non-native plants; the reestablishment of native dune species; recontouring and

Note: These are not Commission staff's Recommended Findings

stabilization of blowout areas; redirecting/consolidating footpaths; and sand removal. Any proposed dune restoration and stabilization activities must be reviewed and approved by the Executive Director prior to implementation by the Permittee.

c. If based on the annual monitoring report it is determined that dune restoration and stabilization efforts will not eliminate impacts from dune migration and wind-blown sand during the useful life of the wellheads at the CEMEX site, and the Permittee determines that the at-risk well(s) are necessary for the continued operations of the project, beginning at least 5 years prior to the anticipated exposure of the wellheads to such risks, Permittee shall implement the planning and permitting necessary to propose one or more of the following measures:

   i. Sand fencing;

   ii. Constructing physical protective barriers;

   iii. Raising or relocating the impacted well head structures; or

   iv. Other measures as may be agreed upon with the Executive Director.

   If any of these measures employed would result in impacts to ESHA, ESHA impacts shall be fully mitigated at a 3:1 ratio consistent with the project's HMMP.

d. If the Permittee determines that an at risk wellhead is no longer necessary for the project, instead of permitting any of the measures identified in subsection (c), the Permittee may abandon the well in accordance with Mitigation Measure 4.2-10.

9. Slant Well Permit Amendment. In conjunction with Permittee's obligation to submit to the Executive Director an annual monitoring report as specified in Special Condition 8, the Permittee shall inform the Executive Director of the projected need to relocate or replace the slant wells due to risk from coastal hazards. An amendment to this Permit shall be required for relocation or replacement of the permitted slant wells. The Permittee shall return to the Commission for an amendment concerning well relocation or replacement 24 years from the commencement of operations, unless the Executive Director determines that no amendment is required. The amendment application shall identify the proposed plan for any replacement or relocation of the permitted slant wells.

10. Public Access Plan. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the Permittee shall submit to the Executive Director for review and written approval a Public Access Plan indicating the location of construction and maintenance areas, staging areas, and access corridors on the CEMEX site. The Public Access Plan shall indicate:

Note: These are not Commission Staff's Recommended Findings

a. The specific location of all construction areas, all staging areas, and all access corridors, to be used for both construction and ongoing maintenance for those Project components within the Permittee's easement areas on the CEMEX site. All such areas within which construction or maintenance activities are to take place shall be minimized to the maximum extent feasible in order to minimize potential impacts on public access, including by using, as feasible, inland areas for staging and storing heavy equipment and materials.

b. Construction and maintenance equipment, materials, or activity shall not occur outside the staging area and construction corridors identified in the plan required by this condition.

c. Except for as specifically authorized by the plan, no overnight storage of equipment or materials shall occur on sandy beach or within public parking areas. During construction associated with the outfall clamps, for larger materials that would be too difficult to move off of the beach on a daily basis, the Permittee shall submit as part of the plan a list of all materials that would be too difficult to move. For such materials, the Permittee shall include within the Public Access Plan a contingency plan for moving the materials in the event of a tidal surge. The Public Access Plan will provide for tidal monitoring during construction associated with the outfall clamps. In addition, no motorized equipment will be allowed on the sandy beach at any time, except for as needed for construction associated with the outfall clamps. During the construction stages of the Project, the Permittee shall not store any construction materials or waste where it will be or could potentially be subject to wave, wind, rain or tidal erosion and dispersion (subject to the provision above regarding construction of the outfall clamps).

d. The specific area to remain as open space following completion of construction, showing how and where public access will be possible. Following completion of construction and during Project operations, the Permittee shall ensure the area enclosed by Project fencing does not occupy more than approximately 0.25 acres aboveground.

e. The requirement that the Permittee modify this plan, as may be required by the Executive Director, to address any future restoration and access plan prepared pursuant to the CEMEX Settlement Agreement and ensure that public access impacts are minimized to the maximum extent feasible while ensuring Project operations.

11. Visual Resources. PRIOR TO COMMENCEMENT OF CONSTRUCTION, the Permittee shall submit to the Executive Director for review and approval a Facility Design and Screening Plan. The Facility Design and Screening Plan shall include the following:

a. Identifies all structures and fencing in the coastal zone, including heights and dimensions. Project components within the coastal

Note: These are not Commission staff's Recommended Findings

zone shall be no taller than 10 feet in height;

b. Provides the color palette and material specifications for all structures and fences in the coastal zone, which shall conform to the following:

i. structures shall be muted in color with earth-tone finishes to reduce contrast with the ground surface and increase compatibility with the visual setting and ensure that that structures blend in with the surrounding landscape; and

ii. fencing shall be used to screen project components and shall be designed to be minimally intrusive, and blend in with the surrounding habitat;

c. Native plants, trees, or shrubs shall be used whenever practicable to screen views and shall be designed to be consistent with the Project's HMMP.

The Permittee shall implement the Facility Design and Screening Plan approved by the Executive Director.

12. Lighting Plan. PRIOR TO COMMENCEMENT OF CONSTRUCTION, the Permittee shall submit for Executive Director review and approval a Lighting Plan prepared by a qualified engineer that includes the following:

a. Identifies all lighting and associated infrastructure proposed for use during the project, such as towers, poles, electrical lines, etc. The Lighting Plan shall identify the locations, heights, dimensions, and intensity of the lighting and associated lighting infrastructure.

b. Evaluates the effects of project lighting and associated infrastructure on wildlife in the project area and describes proposed measures to avoid or minimize any adverse effects. These measures may include shielding project lighting from off-site locations, directing lighting downward, using the minimum amount of lighting necessary to ensure project safety, and other similar measures.

c. Affirms that all lighting structures and fixtures installed for use during the project and visible from public areas, including shoreline areas of Monterey Bay, will be painted or finished in neutral tones that minimize their visibility from those public areas.

The Permittee shall implement the Lighting Plan as approved by the Executive Director.

13. Enhanced Monterey Customer Assistance Program. PRIOR TO PROJECT CONSTRUCTION, the Permittee shall:

Note: These are not Commission staff's Recommended Findings

a. Develop and submit for approval to the California Public Utilities Commission an increase from the current 30% discount to a 50% discount on water bills for Permittee's Monterey Main Service Territory customers enrolled in the Permittee's Customer Assistance Program (previously known as the Low-Income Ratepayer Assistance program).

b. If the California Public Utilities Commission's approval of the increased discount described in Special Condition 13(a) is not granted by the time Permittee's customer bills are impacted by costs related to the Project, then Permittee shall make an additional contribution of up to $250,000 to the United Way to enhance the United Way's Hardship Benefit Program that assists Permittee's customers who face difficulties making water bill payments.

c. Seek approval from the California Public Utility Commission to participate in the Commission's multi-family pilot program that is designed to enroll residents of master-metered multi-family housing in qualifying customer assistance programs like Permittee's Customer Assistance Program.

14. Liability for Costs and Attorneys Fees. The Permittee shall reimburse the Commission in full for all Commission costs and attorneys fees – including (a) those charged by the Office of the Attorney General; and (b) any court costs and attorneys fees that the Commission may be required by a court to pay – that the Commission incurs in connection with the defense of any action brought by a party other than the Permittee against the Commission, its officers, employees, agents, successors, and assigns challenging the approval or issuance of this permit, the interpretation and/or enforcement of permit conditions, or any other matter related to this permit. The Commission retains complete authority to conduct and direct the defense of any such action against the Commission.

15. Assumption of Risk, Waiver of Liability and Indemnity by the Permittee.

a. By acceptance of this permit, the Permittee acknowledge and agrees: (i) that the site may be subject to hazards, including but not limited to waves, storms, flooding, landslide, erosion, and earth movement, all of which will worsen with future sea level rise; (ii) to assume the risks to the permittee and the property that is the subject of this permit of injury and damage from such hazards in connection with this permitted development; (iii) to unconditionally waive any claim of damage or liability against the Commission, its officers, agents, and employees for injury or damage from such hazards; (iv) to indemnify and hold harmless the Commission, its officers, agents, and employees with respect to the Commission's approval of the project against any and all liability, claims, demands, damages, costs (including costs and fees incurred in defense of such claims), expenses, and amounts paid in settlement arising from any injury or damage due to such hazards; and (v) that the mean high tide line is ambulatory in nature and may migrate inland

Note: These are not Commission Staff's Recommended Findings

due to sea level rise; thus, the development and associated shoreline protection may become located on public trust lands at some point in the future and, if so, may require a lease from the State Lands Commission and/or may need to be removed if it substantially interferes with public access or other public trust resources.

b. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the Permittee shall submit a written agreement, in a form and content acceptable to the Executive Director, incorporating all of the above terms of this condition.

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IV. FINDINGS & DECLARATIONS

A. PROJECT DESCRIPTION, LOCATION, AND OBJECTIVES

California American Water Company ("Cal-Am") proposes to construct and operate the Monterey Peninsula Water Supply Project ("MPWSP," or "Project") which would consist of a desalination facility, a well field, water transmission pipelines, pump station, and other related infrastructure to provide approximately 6,250 acre-feet per year (or about

6.4 million gallons per day)[2] of potable water to its customers in the Monterey Peninsula area (see Exhibit 1 – Project Location). The desalination facility itself would be located outside the coastal zone at a site about two miles inland within the jurisdiction of Monterey County. As described below in Section II.C – Jurisdiction and Consolidated Permit Review, these Findings include Commission consideration of several actions, including a consolidated CDP application for portions of the Project within the City of Seaside, the County of Monterey, and the Commission's retained jurisdiction within a portion of the County that does not have a certified Local Coastal Program ("LCP"), along with de novo review of an appeal of the City of Marina's decision to deny a CDP for portions of the Project within its certified LCP jurisdiction.

Project description

As described by Cal-Am and in the proposed Project's Final Environmental Impact Report/Environmental Impact Statement ("Final EIR/EIS") prepared by the California Public Utilities Commission ("CPUC") and Monterey Bay National Marine Sanctuary ("MBNMS"), the primary components of the proposed Project within the coastal zone include a well field that would be located at the site of the CEMEX sand mining facility on the shore of Monterey Bay within the City of Marina's LCP jurisdiction, several water transmission pipelines that would be located within the LCP jurisdictions of the Cities of Marina and Seaside and the County of Monterey, and an existing outfall that Cal-Am would modify, which is located within the City of Marina's LCP jurisdiction and the Commission's retained jurisdiction (see Exhibit 2 – Project Layout). All of these main components would be located in whole or in part within environmentally sensitive habitat areas ("ESHAs") or would result in effects on other coastal resources, as described in the Findings below.

Well field: The well field would consist of seven slant wells that would extract up to about 16 million gallons per day ("mgd") of a mix of seawater from beneath the bay floor, intruded seawater from beneath the shoreline, and brackish water that includes a blend of seawater and freshwater from the underlying aquifer system. The proposed well field is within an approximately 30-acre easement Cal-Am purchased within the CEMEX sand mining facility, which is located in an extensive area of coastal dunes along the shoreline of Monterey Bay in the northern portion of the City of Marina (see Exhibit 3 – Proposed Project Well Field). Parts of the site have been used for sand mining since 1906, though the site continues to provide **some** significant areas of sensitive habitat along with areas disturbed due to mining activities.

[2] Water planning documents generally refer to water use as measured in acre-feet per year or in gallons per day. A million gallons per day equals about 1,100 acre-feet per year. In the Monterey area, which has one of the lowest rates of residential water use in the state, water use averages about 0.2 acre-feet per year, or under 200 gallons per day, for a single-family home. For purposes of these Findings, water supply and demand figures will be presented in acre-feet per year and well field operations will be presented as million gallons per day.

Note: These are not Commission staff's Recommended Findings

The wells would be located on several fenced well pads, each containing one or two wells. Each location would include a concrete well pad, an enclosure for electrical equipment, mechanical piping, and a rip-rap basin for disposing of pumped water during maintenance activities. Each location would be within a graded area of between about 5,200 and 6,000 square feet. The well field would also include two surge tanks. The overall developed area for these components would total ~~up to just under an~~approximately 0.25 acre within the CEMEX site. The well field would also include about 2,000 linear feet of graded but unpaved access road providing access to each well pad from the existing CEMEX access road.

Desalination facility: Cal-Am would transport water from the well field through its proposed Source Water Pipeline to its desalination facility that would be located outside the coastal zone and adjacent to a regional wastewater treatment facility operated by Monterey One Water (formerly the Monterey Regional Water Pollution Control Agency). Cal-Am would treat the source water from the well field to create two main streams of potable water – the majority would be sent several miles south in new and existing pipelines to Cal-Am's customers in the Monterey Peninsula area, and up to several hundred acre-feet per year could be sent several miles north to the community of Castroville.[3] The facility would also create an approximately 10 mgd brine discharge that would be routed to an existing ocean outfall currently used by the wastewater treatment facility.

Water delivery pipelines: The proposed Project includes four new pipelines within the coastal zone:

- The Source Water Pipeline would extend east from the well field at the CEMEX site, which is within the City of Marina's LCP jurisdiction, and enter the County's LCP jurisdiction. It would run parallel to the CEMEX access road to the intersection with Lapis Road, where it would turn north to the intersection of Del Monte Boulevard, where it would turn to the southeast and run about 800 feet to the intersection of Charles Benson Road. Most of these pipeline segments would be within the ~~right-of-way~~right-of- way of the Transportation Agency for Monterey County ("TAMC"). The pipeline would then turn east and exit the coastal zone and continue to the desalination facility. A total of 5,365 linear feet of this 42-inch pipeline would be within the County's coastal zone.
- The Desalination Water Pipeline would be constructed along part of the same route as the Source Water Pipeline. Starting at the desalination facility, it would run west along Charles Benson Road and then enter the County's coastal zone at the same location described above and follow the same alignment as the Source Water Pipeline along Del Monte Boulevard and Lapis Road and continue further south to the City of Marina. About 7,207 linear feet of this pipeline would be within the coastal zone.
- The Transmission Main Pipeline would connect to the Desalination Water Pipeline to transport water further south to an existing pipeline in the City of Seaside that ~~Cal-Am~~Cal-Am would rely on to transport the water to its customers in the Monterey Peninsula area.[4] Several thousand feet of this Transmission Main Pipeline would be within the coastal zone.

[3] Part of the potable water would also be sent north through a new pipeline to the City of Castroville pursuant to a Settlement Agreement that ensures any "non-seawater" – i.e., the proportion of water the slant wells remove from the aquifer that is not fully seawater – is returned to the groundwater basin. This project component is described in more detail ~~in Sections II.J and II.O~~ below.

[4] A dispute exists over whether Cal-Am currently has approval to use this existing pipeline~~. The pipeline's majority owner, the Marina Coast Water District, has determined that the pipeline does not have sufficient capacity for Cal-Am's proposed use, though Cal-Am disagrees with that determination and asserts that it has the authority to use the pipeline. This issue is described further in the Assessment of Alternatives in Section II.O below~~, which is discussed in Section

Note: These are not Commission staff's Recommended Findings

- The Castroville Pipeline would connect to the Desalination Water Pipeline at Lapis Road and run to the north until it leaves the coastal zone. A portion of the pipeline would be attached to the Monte Road Bridge to cross the Salinas River. This location is just outside the coastal zone, though construction would occur within the coastal zone.[5]

Outfall modifications: Cal-Am would direct its brine discharge from the desalination facility through an outfall owned by Monterey One Water, a public agency in Monterey County. The outfall is currently used to discharge treated wastewater from Monterey One's regional wastewater treatment facility in northern Monterey County to about 11,000 feet offshore in Monterey Bay. The outfall terminates at a diffuser that is about 1,000 feet long and that has over 100 ports through which the discharge reaches ocean waters. Cal-Am may be required to modify the diffuser system so that its discharge conforms to Ocean Plan requirements~~.~~ **however, this modification is not currently before the Commission and would instead come before the Commission as part of an application from Monterey One Water**.[6] Cal-Am would also install monitoring buoys anchored to the seafloor to provide baseline and ongoing data related to water quality and biological resources in the area of the discharge.

Cal-Am must also install, prior to starting desalination facility operations, about 20 corrosion-resistant clamps within the nearshore portion of the outfall to replace existing clamps that would not provide sufficient protection to the outfall from the desalination brine. This installation would involve work on the beach ~~and possible placement of fill in coastal waters~~. Additionally, Cal-Am must install an approximately two-mile long liner within the existing wastewater outfall to prevent its facility's discharge from corroding the outfall line. Pursuant to an agreement between Cal-Am and Monterey One Water, the liner would be installed by Monterey One Water. The CPUC included this Project component as a required mitigation measure in its Final EIR/EIS and analyzed the foreseeable impacts of the liner work~~. However, Cal-Am did not include this aspect of the work needed for this Project in its~~**, however, this work is not under consideration in this** CDP application. ~~Because it is not certain how Monterey One would undertake this liner work, there is not a complete, final description of the work at this point. However, the~~**The** Final EIR/EIS **for the Project** described and analyzed the probable impacts of this **liner** work, ~~and~~**before concluding that it would result in less-than significant impacts with mitigation.** Cal-Am has since provided information to the Commission showing ~~another potential~~**an alternative, less-impactful** method for completing the **outfall liner** work. In order to ensure that these Findings describe all potential aspects of and impacts from the Project, the potential impacts of this work, ~~based on currently known information,~~ is generally described herein. The outfall liner ~~would~~**work may** need further approvals from Monterey One Water and possibly other agencies~~, including the City of Marina~~.

Project timing

IV.O. In any case, Cal-Am has indicated that, if needed, it could construct another pipeline parallel to this shared pipeline, in order to convey project water, which would be located outside of the coastal zone.

[5] The coastal zone boundary runs along the centerline of the bridge, and the pipeline would be installed inland of the boundary.

[6] The Regional Water Quality Control Board is reviewing Cal-Am's proposed project to determine whether it would be consistent with Ocean Plan requirements applicable to seawater desalination facilities. See Section ~~II~~**IV**.I of these Findings.

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Project construction would occur over an approximately two-year period. Cal-Am anticipates that its desalination facility would have an operating life of about 60 years (until about 2080) and that the slant wells would have **economic/**operational lives of 20 to 25 years (until about 2040 to 2045)**, at which point Cal-Am anticipates drilling new. Near the end of the economic/operational lives of the** slant wells**, Cal-Am may need to pursue approval from the Commission of modifications to the existing wells or alternate wells** to continue supplying source water for its facility **as specified in Special Condition 9**. Coastal resource issues related to the slant wells' expected operating life are described below in Sections **II**IV.H and **II**IV.O of these Findings.

Project objectives

The Project's primary purpose is to provide Cal-Am a source of water to serve its customers' current and future demands while reducing Cal-Am's reliance on water from the Carmel River.

As stated in the Final EIR/EIS, the primary Project objectives are:

1) Develop water supplies for Cal-Am's Monterey District service area to replace existing Carmel River diversions in excess of Cal-Am's legal entitlement of 3,376 acre-feet per year, in accordance with SWRCB Orders 95-10 and 2016-0016;
2) Develop water supplies to enable Cal-Am to reduce pumping from the Seaside Groundwater Basin from approximately 4,000 to 1,474 acre-feet per year, consistent with adjudication of the groundwater basin, natural yield, and improvement of groundwater quality;
3) Provide water supplies to allow Cal-Am to meet its obligation to pay back the Seaside Groundwater Basin by approximately 700 acre-feet per year over 25 years as established by the Seaside Groundwater Basin Watermaster;
4) Develop a reliable water supply for the Cal-Am Monterey District service area, accounting for the peak month demand of existing customers;
5) Develop a reliable water supply that meets fire flow requirements for public safety;
6) Provide sufficient water supplies to serve existing vacant legal lots of record;
7) Accommodate tourism demand under recovered economic conditions;
8) Minimize energy requirements and greenhouse gas emissions per unit of water delivered; and
9) Minimize project costs and associated water rate increases.

The Final EIR/EIS also included the following Secondary Project objectives:

1) Locate key project facilities in areas that are protected against predicted future **sea-level**sea-level rise in a manner that maximizes efficiency for construction and operation and minimizes environmental impacts;
2) Provide sufficient conveyance capacity to accommodate supplemental water supplies that may be developed at some point in the future to meet build out demand in accordance with adopted General Plans; and
3) Improve the ability to convey water to the Monterey Peninsula cities by improving the existing interconnections at satellite water systems and by providing additional pressure to move water over the Segunda Grade.

Note: These are not Commission staff's Recommended Findings

B. PROJECT BACKGROUND

This section discusses two main components of the area's history and background relevant to the proposed Project – a recent history of water issues in the Monterey area and background on the site of Cal-Am's proposed well field at the CEMEX sand mining facility. It refers to several entities involved in the area's relatively complex water management and delivery systems, including the following:

- **California-American Water Company ("Cal-Am"):** Cal-Am, the applicant and one of the appellants in this matter, is a private, investor-owned company that supplies water for areas on and near the Monterey Peninsula. Its service area includes the Cities of Monterey, Seaside, Sand City, Carmel-by-the-Sea, and Del Rey Oaks, and nearby portions of Monterey County. Cal-Am's rates are regulated by the California Public Utilities Commission ("CPUC"), which in 2018 approved Cal-Am's request to include the costs of its proposed desalination project in its water rates.
- **Monterey Peninsula Water Management District ("MPWMD"):** MPWMD is a public agency whose main functions are to augment the regional water supply through integrated management of surface and ground water, conservation, and water reuse and reclamation. MPWMD's service area overlaps Cal-Am's to a large degree, and includes areas within the Cities of Carmel-by-the-Sea, Del Ray Oaks, Monterey, Pacific Grove, Seaside, and Sand City, along with other nearby areas. ~~**For purposes of these Findings, one of MPWMD's important functions is to assist Cal-Am in developing a legal water supply.**[7]~~
- **Monterey One Water:** Monterey One Water is a regional, public agency primarily involved with collection, conveyance, and treatment of waste water within its service area, which includes much of the region between Moss Landing to the north, Pacific Grove to the west, and Salinas to the east. For purposes of these Findings, one of Monterey One Water's important roles is its management of the Pure Water project, which ~~**provides the foundation for the Pure Water Expansion that the Commission has identified as a feasible alternative to Cal-Am's proposed Project**~~**was designed to provided 3,500 afy to Cal-Am**.
- **Marina Coast Water District ("MCWD"):** MCWD provides potable water to about 35,000 people in and near the City of Marina. Over the next several decades, it is projected to serve about twice that number of people, due to the expected development of the nearby former Fort Ord Army Base. MCWD obtains its water from wells within the Salinas Valley Groundwater Basin, ~~**the same aquifer system that**~~**but from deeper aquifers than the aquifers** Cal-Am would use as the source for its proposed well field.
- **Castroville Community Services District ("CCSD"):** CCSD provides water and sewer service, along with storm water management, street maintenance, and other services to the community of Castroville in northern Monterey County. It relies primarily on water provided by wells withdrawing water from the Salinas Valley Groundwater Basin. The CCSD is outside of Cal-Am's service area, but would be involved in Cal-Am's proposed Project because it would receive potable water from Cal-Am based on a Return Water Agreement developed among ~~Cal-Am~~Cal- Am and other entities within the Salinas Valley Groundwater Basin. This is more fully described in Sections ~~II~~IV.N ~~and II.O~~ of these Findings.

~~[7] See MPWMD's website at https://www.mpwmd.net (accessed August 6, 2020).~~

Note: These are not Commission staff's Recommended Findings

- **Monterey County Water Resources Agency ("MCWRA"):** MCWRA manages, protects, stores, and conserves water resources in Monterey County. It operates a number of facilities in the area to store and convey various water supplies and is involved in flood control, managing seawater intrusion, and stream maintenance programs.

- **Seaside Groundwater Basin Watermaster: The Seaside Groundwater Basin Watermaster was created by the decision, as amended, entered in the case of *California American Water Company v. City of Seaside*, et al. Monterey County Superior Court, filed February 9, 2007, Case No. M66343 (the "*Seaside* Decision"). The *Seaside* Decision was made for the purposes of managing and protecting the Seaside Groundwater Basin for the benefit of the businesses, individuals, and public agencies that overlie or extract groundwater from the Seaside Groundwater Basin. The primary mission of the Seaside Groundwater Basin Watermaster is to protect the basin from overdraft and to ensure that the basin is not irreparably damaged by seawater intrusion.[7] Cal-Am has rights to native groundwater in the Seaside Groundwater Basin. The Seaside Groundwater Basin also serves as the repository for reclaimed water from the Pure Water Monterey recycled water project, and the place of storage for Carmel River water diverted under the Aquifer Storage and Recovery program.**

Recent History of Water Issues in Monterey Area

The Monterey area has had long-standing difficulties with its water supply. The area has no imported water sources, and local supplies have sometimes been insufficient to provide the expected amount of water**, a problem the desalination Project is designed to address**. Over the past several decades, a number of water supply projects have been proposed, but for various reasons have not reached fruition.

Cal-Am has provided water to the Monterey Peninsula area since 1966. Its primary source of water has been a series of wells along the Carmel River that draw water from the aquifer underlying the river. Cal-Am also shares a network of wells in the Seaside Groundwater Basin with other water users.

In 1995, the State Water Resources Control Board ("State Water Board") issued an order (Order 95-10)[8] that substantially reduced the amount of water Cal-Am was able to legally withdraw from the Carmel River. Cal-Am had previously been pumping an annual average of about 10,370 acre-feet per year from the river, but the State Water Board determined that Cal-Am had a legal right to withdraw no more than 3,376 ~~acre-feet~~acre- feet annually. The State Water Board's Order required Cal-Am to take any of several steps to address this issue – obtain the necessary appropriative rights, obtain water from other sources that would allow it to reduce its use of Carmel River water, and/or obtain water from other entities that have the rights to use Carmel River water. The Order also directed Cal-Am to reduce its Carmel River Basin water use in part by maximizing its use of water from the Seaside Groundwater Basin.

Note: These are not Commission staff's Recommended Findings

[7] **October 4, 2019, Seaside Groundwater Basin Watermaster letter to Coastal Commission.**

[8] See State Water Resources Control Board, Order No. WR 95-10, Order on Four Complaints Filed Against the California-American Water Company, Carmel River, Monterey County, July 6, 1995.

Around the same time, ~~the Monterey Peninsula Water Management District (~~MPWMD~~)~~ proposed constructing a new dam on the Carmel River; however, local voters rejected the dam's financing plan and the dam was not built. Shortly thereafter, two species in the Carmel River watershed were listed as "threatened" under the federal Endangered Species Act – the red-legged frog in 1996 and the steelhead trout in 1997, which severely limited any future consideration of dams on the river.

In 1998, state legislation directed the CPUC to develop a water supply plan for the Monterey Peninsula that did not include a dam.[9] In 2002, the CPUC completed its plan, known as "Plan B", which included a 9,400 acre-foot per year desalination facility at Moss Landing and an Aquifer Storage and Recovery ("ASR") system that would store about 1,300 acre-feet per year of Carmel River water in the Seaside Basin. Plan B served as the basis for a 2004 application by Cal-Am to the CPUC for the proposed Coastal Water Project, which included a desalination facility at the Moss Landing Power Plant, transmission pipelines from Moss Landing to the Monterey Peninsula, a reservoir, pump stations, and ASR facilities. During the CPUC's review, the State Water Board's Division of Water Rights in 2009 issued a Cease-and-Desist Order to Cal-Am that required Cal-Am to significantly reduce its Carmel River withdrawals by 2016, thereby increasing the urgency of selecting and constructing a water supply project.[10] Nonetheless, several concerns were raised about the desalination facility's proposed use of a power plant open water intake and the resulting significant adverse effects on marine life, the distance of the facility from the service area, and the associated increased transmission costs, among others. These concerns led to the development of alternative water supply proposals, including one developed by regional stakeholders known as the "Regional Water Project, Phase I." This alternative**, which was a joint project between MCWRA, MCWD, and Cal-Am,** proposed moving the desalination facility closer to the Monterey Peninsula and using vertical and slant wells instead of an open water intake. In December 2010, the CPUC certified an Environmental Impact Report for this Regional Water Project**, which included intake wells in substantially similar locations on the CEMEX site as Cal-Am's currently pending Project,** and approved several agreements among stakeholders that established project partner responsibilities regarding construction, ownership, operations, maintenance, and payments. However, in 2012, the CPUC voted to end its review of the project due to several problems ~~and disputes.~~**, including a dispute over whether project-related agreements, including the project's Water Purchase Agreement, were void due to a MCWD Board Member's alleged conflict of interest. Ultimately, the California Court of Appeal found these agreements were void because the Board Member, who was also being paid as a consultant to advocate for these agreements, had a financial interest in the agreements when they were negotiated and entered into.[11]**

In ~~2013~~**2012**, Cal-Am and other stakeholders proposed the initial version of the currently proposed Project, the Monterey Peninsula Water Supply Project (MPWSP or Project) as a replacement for the defunct Regional Water Project. In April 2013, Cal-Am filed an application with the CPUC for the MPWSP, which included slant wells that would be located at the CEMEX site, a desalination facility to be located about two miles inland adjacent to a regional

[9] AB 1182 required the CPUC to consult with Cal-Am and a number of affected parties to prepare a contingency water supply plan that did not rely on a new dam.

[10] The Order established a schedule for Cal-Am to reduce its reduce its Carmel River well water withdrawals from its 2009 volume of 10,730 acre-feet per year to no more than 3,376 acre-feet per year by 2016.

[11] ***California-American Water Co. v. Marina Coast Water Dist.*, (2016) 2 Cal. App. 5th 748, 764-66.**

Note: These are not Commission staff's Recommended Findings

wastewater treatment facility, pipelines, and the other related facilities needed to produce and deliver water to Cal-Am's service area on the Monterey Peninsula. The CPUC, in conjunction with the Monterey Bay National Marine Sanctuary, prepared a joint Environmental Impact Review/Environmental Impact Statement ("Final EIR/EIS") to meet requirements of the California Environmental Quality Act and National Environmental Policy Act. In September 2018, the CPUC certified the Final EIR and issued its Certificate of Public Convenience and Necessity for the proposed Project (see Exhibit 4). **Throughout this process, the CPUC engaged federal, state, and local agencies, members of the public, and other stakeholders.**

After the CPUC issued the its decision, MCWD and Marina applied for rehearing of the CPUC decision. In January 2019, the CPUC denied the rehearing applications in full, concluding that MCWD and Marina had failed to demonstrate legal error. In February 2019, MCWD and the City of Marina petitioned for writs of review before the California Supreme Court, challenging the CPUC's decision and the Final EIR/EIS. On August 28, 2019, the Supreme Court denied the petitions for writs of review and affirmed the CPUC's decision.[12] The CPUC's decision and Final EIR/EIS are therefore final and valid and not subject to further challenge.

The **CPUC's** decision allowed Cal-Am to recover reasonable construction and operational costs of its proposed Project from ratepayers. It also required Cal-Am to construct a smaller desalination facility than it had initially proposed – a 6.4 mgd facility instead of a 9.6 mgd facility – and to purchase water from the Pure Water project, a water recycling and aquifer recovery and storage project that was being developed by two public water agencies, the Monterey Peninsula Regional Water District and Monterey One Water. This Pure Water project is now **technically** operating, **although at reduced capacity due to technical challenges with its deep and shallow injection wells,** and as described below in Section ~~II~~**IV**.O ~~– Assessment of Alternatives~~, would serve as the base project for the Pure Water Expansion ~~that the Commission has identified as a feasible and less environmentally damaging alternative to Cal-Am's proposed Project.~~**which is also described below. The Pure Water project was delayed about 8 months in its water deliveries.**

Cal-Am then submitted two CDP applications: one to the City of Marina for Project components proposed within the City's coastal zone, and another, consolidated CDP application for components of the proposed Project within the Commission's retained jurisdiction and those within the coastal zone of the County of Monterey and the City of Seaside. In March 2019, the City denied Cal-Am's request for a permit and Cal-Am and others appealed that decision to the Commission. In November 2019, the Commission found substantial issue existed with respect to the appeal, but continued both the de novo appeal and the consolidated permit review until a subsequent hearing, now scheduled for September 17, 2020.

Background and history of the CEMEX sand mining facility: As noted above, the location of Cal-Am's proposed well field has been used for sand mining for over a century, most recently by its current owner, CEMEX. The site includes sedimentation ponds, sand mining equipment and related infrastructure, accessways, and stockpile areas, some of which have remained in relatively the same location for several decades and some of which have moved within the site due to changing production levels, shifts in the surrounding dunes, changes in sand delivery to

[12] Order Denying Petitions for Writ of Review, *Marina Coast Water District, et al. v. Public Utilities Commission*, Case No. S253585 (Aug. 28, 2019).

Note: These are not Commission staff's Recommended Findings

the site from the Bay, and other factors. In the mid-1980s, the Monterey Peninsula Water Pollution Control Agency (now Monterey One Water) constructed the outfall Cal-Am proposes to now use along the southern portion of the CEMEX site.

In July 2017, the Commission, CEMEX, the City of Marina, and the State Lands Commission approved a Settlement Agreement that will result in an end to sand mining at the site, transfer of the site to another entity, ~~and development and implementation of a plan to conduct extensive~~removal and restoration ~~at the site to improve dune habitat and provide~~activities, and public access opportunities. This Agreement acknowledges that existing legal interests on the site would remain in effect, which at the time included Cal-Am's option to purchase or obtain an easement over the portion of the site needed for Cal-Am's proposed well field and pipelines. Cal-Am has since exercised its option and has obtained an approximately 30-acre easement on the CEMEX site.

Note: These are not Commission staff's Recommended Findings

C. JURISDICTION AND CONSOLIDATED PERMIT REVIEW

Project components would be located in several local jurisdictions both within and outside of the coastal zone, as well as within the Commission's retained permit jurisdiction. As noted above, the desalination facility and segments of the water transmission pipelines would be located outside the coastal zone within the County of Monterey's jurisdiction. The pipelines would be located within the certified LCP jurisdictions of Monterey County and the Cities of Seaside and Marina, and within an area of deferred certification where the Commission has permit jurisdiction. The Project's proposed well field would be located largely within the City of Marina's LCP jurisdiction, while those subsurface portions of the wells that extend seaward beyond the mean high tide line, along with modifications to the existing outfall, would be within the Commission's retained permit jurisdiction. All Project components within the coastal zone and outside the City of Marina are being evaluated herein pursuant to consolidated permit review, as provided by Coastal Act Section 30601.3. The standard of review for these components is Chapter 3 of the Coastal Act.

The other Project components that are within the City of Marina's LCP jurisdiction are evaluated herein pursuant to appeals of the City's decision denying Cal-Am's CDP application to construct and operate slant wells, a water transmission pipeline, and associated infrastructure that would be located within the City's LCP jurisdiction.[~~11~~13] On November 14, 2019, the Commission found that substantial issue existed with respect to these appeals. The standard of review for these Project components is the City's certified LCP, which consists of its Local Coastal Land Use Plan (LCLUP) and its Local Coastal Program Implementation Plan (LCPIP). The relevant policies and measures of these documents are codified in the Chapter 17.41 of the City's Municipal Code under "Coastal Zoning" and are implemented through requirements and development standards identified in the Ordinance.[14] In addition, the Commission analyzes whether Project components located between the first public road and the sea are consistent with the public access and recreation policies of the Coastal Act.

Cal-Am and some other commenters have questioned the Coastal Commission's jurisdiction to analyze, as part of its Coastal Act review, water rights, water supply and demand, the public need for the Project, and some related issues. Cal-Am asserts that "only the CPUC has the authority to make binding determinations as to the levels of supply and demand within Cal-Am's service area." It also asserts that "the issue of water rights is not for the Commission to decide," and that the Commission should defer to the State Water Board on questions related to water

[~~11~~13] On March 7, 2019, the City's Planning Department denied Cal-Am's CDP application. Cal-Am appealed the decision to the City Council, but then withdrew that appeal and instead appealed directly to the Commission. On May 13, 2019, the City issued its Final Local Action Notice, which started a 10-working day appeal period, during which the Commission received five valid appeals. Pursuant to Coastal ~~Acct~~Act Section 30621, the Commission must hear an appeal within 49 days of the date an appeal is filed, unless the applicant waives that 49-day period, which Cal-Am did on May 30, 2019.

[14] **Chapter 17.41 of the City's Municipal Code has never been certified by the Commission. In 2008, the City submitted an LCP amendment to repackage the LCP's existing ordinance chapters into a stand-along "Coastal Zoning" chapter, and modify specific LCP provisions for coastal development, referred to as LCP Amendment No. MAR-MAJ-1-06 Part 2. On April 10, 2008, the Commission extended the deadline to act for one year, to April 11, 2009. (https://documents.coastal.ca.gov/reports/2008/4/Th13c-4-2008.pdf.) On March 20, 2009, the City withdrew LCP Amendment No. MAR-MAJ-1-06 Part 2. See June 1, 2009, Letter from M. Watson to C. di Iorio.**

Note: These are not Commission Staff's Recommended Findings

rights and water quality. As explained below, the Commission, CPUC, and State Water Board all have separate, but sometimes overlapping roles, with regard to Cal-Am's proposed Project.

The Commission has the authority and duty to analyze whether aspects of the Project within the coastal zone are consistent with the Coastal Act and/or the City of Marina's LCP. As a responsible agency under CEQA, the Commission must also consider the Final EIR/EIS certified by the CPUC, analyze the environmental effects of the portions of the Project within the coastal zone, and consider whether there are feasible mitigation measures or alternatives available **within the Commission's jurisdiction** that would lessen or avoid any such significant impacts.[~~12~~15] As part of its Coastal Act review in this case, the Commission must consider whether the Project will have groundwater effects, whether there are feasible project alternatives, whether denial of the Project would adversely affect the public welfare, and whether the Project would cause an unequal distribution of environmental burdens. (See Coastal Act §§ ~~30231, 30233, 30260, 30604~~**30231, 30260, 30604**(h).) To make these findings—and particularly the public welfare and feasibility findings—**certain interested parties have argued that** the Commission needs to consider whether the Project's full water supply is needed and whether an alternative water supply project is feasible and would provide sufficient water. ~~It~~**These parties have argued that the Commission** also must consider whether there are uncertainties regarding Cal-Am's water rights or other issues that might cause Cal-Am's Project to be unsuccessful or significantly delayed, thereby affecting whether approval of the Project, versus an alternative, would truly benefit the public welfare.

In analyzing these issues, the Commission should consider, and may rely on, information and conclusions reached by the CPUC in its ratemaking proceeding for ~~Cal-Am~~**Cal- Am**, and on advice provided by the State Water Board. The CPUC has exclusive jurisdiction to set rates for regulated water utilities, and also has expertise in water supply and demand issues as well as the fairness of water customers' rates. ~~The~~ **However, since the CPUC issued its determinations of water supply and demand in Cal-Am's Monterey service area in 2018, various interested parties, including the MPWMD and MCWD, have put forward revised projections of supply and demand. As a result, the Commission considers these revised estimates of supply and demand for purposes of examining potential feasible alternatives to the Cal-Am Project.**

Further, the State Water Board has expertise in water rights and water quality issues, and it advised the CPUC on water rights issues during the CPUC's proceedings. The ~~**Commission, however, is not legally required to accept and use the CPUC's water supply and demand numbers; rather, the Commission has independent authority to review the issues above based on current evidence in order to make the necessary findings under the Coastal Act. Unlike some energy projects within the jurisdiction of the State Energy Commission,**~~

~~[12] On March 7, 2019, the City's Planning Department denied Cal-Am's CDP application. Cal-Am appealed the decision to the City Council, but then withdrew that appeal and instead appealed directly to the Commission. On May 13, 2019, the City issued its Final Local Action Notice, which started a 10-working day appeal period, during which the Commission received five valid appeals. Pursuant to Coastal Acct Section 30621, the Commission must hear an appeal within 49 days of the date an appeal is filed, unless the applicant waives that 49-day period, which Cal-Am did on May 30, 2019~~[15] **The Commission need not create a separate document to carry out its CEQA obligations; rather, the Commission uses its certified regulatory program in lieu of needing to adopt a separate environmental impact report or other CEQA document. (See Pub. Res. Code § 21080.5; 14 Cal. Code Regs. § 15251(c).) Thus, the analysis in these Findings satisfies the Commission's CEQA obligations**.

Note: These are not Commission staff's Recommended Findings

~~over which the Commission has a statutorily prescribed, and more limited, role (see Coastal Act § 30413), the Coastal Act does not limit the Commission's role with respect to projects that also fall under the CPUC's jurisdiction. The CPUC has exclusive jurisdiction to determine whether to issue a certificate of public convenience and necessity and permit Cal-Am to recover certain rates from its customers if it builds this project. However, other agencies, including the Commission, may conduct their own analyses of water demand and supply if it is pertinent to their own decision-making pursuant to their own authority.[13] The~~ Coastal Act does prescribe limits on the Commission's jurisdiction ~~vis-a-vis~~vis-à-vis the State Water Board, stating that the Commission may not act in a manner that conflicts with any determination by the State or a Regional Water Board "in matters relating to water quality or the administration of water rights." (Coastal Act § 30412(b).) ~~However~~**As such, the Commission generally defers to the State Water Board on matters of water quality and water rights. Therefore, the Commission's discussion of Cal-Am's ability to develop water rights for the Project is intended for informational purposes in developing a complete understanding of the Project. Similarly, the Commission's discussion of the Project's impact on water quality is intended to inform the Commission's findings regarding Project consistency with the Coastal Act and Marina LCP policies regarding coastal waters. Therefore**, the Commission's action here complies with ~~that provision~~**Coastal Act section 30412**, as it does not impose a conflicting water quality limit on Cal-Am's Project nor ~~deal with~~**contradict** the State Water Board's administration of water rights. ~~Indeed, as~~**As** the State Water Board acknowledged in its advice letter to the CPUC, the Board does not issue permits for projects that seek to obtain ocean water or percolating groundwater, nor does it adjudicate appropriative groundwater rights.[14]**[16]** At the CPUC's request, it did issue an opinion regarding Cal-Am's potential to obtain groundwater rights, but that was provided in an advisory capacity and "is not binding on any party or entity."[15] ~~In any event, the~~ **[17] The** Commission's ~~discussion of Cal-Am's potential ability to obtain groundwater rights does not conflict with~~**findings here are not intended to contradict** the State Water Board's ~~advisory opinion on that issue, as both agencies acknowledge there is uncertainty regarding the extent to which Cal-Am will be able to develop such rights.~~ **authority in this respect.**

The Regional Water Board also has not yet issued any permit that would authorize ~~Cal-Am's~~**Cal- Am's** proposed ocean discharge, so Commission ~~denial~~**approval** of the Project does not conflict with any such permit.

Other Agency Approvals & Consultations

The Project would be additionally subject to the following discretionary permits and approvals:

- **Monterey One Water:** Cal-Am will need to obtain authorization from Monterey One Water

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~~[13] For example, the Monterey Peninsula Water Management District is responsible for water supply and demand planning on the Monterey Peninsula and has written a letter to the Coastal Commission encouraging it to deny Cal-Am's Project in part because it disagrees that the region's demand is as high as stated in the CPUC's proceedings.~~

[14]**[16]** See https://www.cpuc.ca.gov/Environment/info/esa/mpwsp/~~feir-eis/Individual_Appendices/Appendix_B2.pdf,~~ **feir-eis/Individual_Appendices/Appendix_B2.pdf,** pp. 33, 35, 53, 116.

~~[15] Id., p. 53.~~

[17] Id., p. 53.

Note: These are not Commission staff's Recommended Findings

for connection to, and use of, the agency's ocean outfall.

- **Monterey County:** Cal-Am obtained an encroachment permit from the County for construction of its pipelines within County jurisdiction. It also received a use permit from the County that allowed Cal-Am to start construction of the desalination facility; however, that permit has been stayed by the County Superior Court.
- **State Lands Commission:** Cal-Am will need to obtain a lease of state tidelands from the State Lands Commission. Cal-Am has submitted a lease application that is currently under review by State Lands Commission staff.
- **Central Coast Regional Water Quality Control Board ("Regional Water Board"):** Cal-Am will need to obtain a National Pollution Discharge Elimination System ("NPDES") Permit allowing it to discharge brine through the ~~MRWPCA~~Monterey One Water outfall and to modify that outfall to allow the discharge. Cal-Am will also need to obtain approval from the Regional Water Board to ensure Cal-Am's use of groundwater from the Salinas Groundwater Basin is consistent with the Regional Water Board's adopted Basin Plan.
- **California Department of Transportation ("CalTrans"):** Cal-Am has obtained encroachment permits from CalTrans for the segments of its pipelines that would be constructed within CalTrans rights-of-way.
- **Transportation Agency of Monterey County ("TAMC"):** TAMC has approved an Easement Purchase Agreement with Cal-Am for portions of the pipelines within TAMC rights-of-way.
- **Monterey Bay National Marine Sanctuary:** The Sanctuary has not yet issued a Record of Decision for its Final Environmental Impact Statement, though Cal-Am will also be subject to authorization from the Sanctuary to allow discharges into Sanctuary waters and drilling and disturbance of submerged lands within the Sanctuary.[~~16~~18]
- **Other landowners:** Cal-Am is negotiating with several private landowners along sections of its proposed pipeline routes, several of whom have stated that they would not consider providing approval until after the Coastal Commission's decision on the proposed Project.

Tribal consultation: During the Project's CEQA review, the CPUC requested information from the Native American Heritage Commission ("NAHC") regarding potential tribal cultural resources that the Project might affect. The NAHC did not identify any such resources, though it provided a list of Native American contacts that might have additional information about such resources. The Project area is within the traditional lands of the Ohlone/Costanoan-Esselen Nation. Coastal Commission staff contacted the Nation requesting consultation, though did not receive a response. The Final EIR/EIS notes, however, that consultation would be ongoing throughout the Project.

D. [OMITTED IN ORIGINAL]

E. FINDINGS ON COASTAL DEVELOPMENT PERMIT DETERMINATION AND DE NOVO HEARING

Because the Commission found, in November 2019, that the appeal of the City of Marina's denial of Cal-Am's CDP application for portions of the proposed Project within the City's LCP jurisdiction raises substantial issue, the Commission now reviews that portion of the Project de novo. Cal-Am has also applied for a consolidated CDP for portions of its proposed Project within the Commission's retained jurisdiction and within the certified LCP jurisdictions of the City of

[~~16~~18] The Sanctuary also served as lead agency under the National Environmental Policy Act ("NEPA") for the project's Environmental Impact Statement.

Note: These are not Commission staff's Recommended Findings

Seaside and the County of Monterey. The findings below address all portions of the Project within these jurisdictions, using the Coastal Act as the standard of review for those Project components within the Commission's consolidated permit jurisdiction and using the City of Marina's certified LCP and Coastal Act public access and recreation policies as the standard of review for Project components within the City's LCP jurisdiction.

Note: These are not Commission staff's Recommended Findings

F. ENVIRONMENTALLY SENSITIVE HABITAT AREAS – TERRESTRIAL

Coastal Act Section 30240 states:

> (a) Environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on those resources shall be allowed within those areas.
> (b) Development in areas adjacent to environmentally sensitive habitat areas and parks and recreation areas shall be sited and designed to prevent impacts which would significantly degrade those areas, and shall be compatible with the continuance of those habitat and recreation areas.

Coastal Act Section 30107.5 states:

> Environmentally sensitive area" means any area in which plant or animal life or their habitats are either rare or especially valuable because of their special nature or role in an ecosystem and which could be easily disturbed or degraded by human activities and developments.

Relevant City of Marina LCP Provisions

LCLUP Policy 19:

> Promote reclamation and protection of native dune habitat and vegetation.

LCLUP Policy 25:

> Protect the habitat of recognized rare and endangered species found in the Coastal dune area.

LCLUP Policy 26:

> Regulate development in areas adjacent to recognized rare and endangered species or their habitats so that they will not threaten continuation of the species or its habitat.

LCLUP Policy 41:

> Give priority to coastal-dependent development on or near the shoreline and to ensure environmental effects are mitigated to the greatest extent possible.

LCLUP Exhibit A states:

> **Primary habitat.** This term includes all of the environmentally sensitive habitat areas in Marina. These are as follows:
>
> 1. ~~1.~~ Habitat for all identified plant and animal species which are rare, endangered, threatened, or are necessary for the survival of an endangered species. These species will be collectively referred to as "rare and endangered."
> 3. ~~3.~~ All native dune vegetation, where such vegetation is extensive enough to perform the special role of stabilizing Marina's natural sand dune formations.
> 4. ~~4.~~ Areas otherwise defined as secondary habitat that have an especially

Note: These are not Commission staff's Recommended Findings

valuable role in an ecosystem for sensitive plant or animal life., as determined by a qualified biologist approved by the City. [Resolution No. 2001-118 (October 16, 2001); approved by CCC November 14, 2001]

Secondary habitat. This term refers to areas adjacent to primary habitat areas within which development must be sited and designed to prevent impacts which would significantly degrade the primary habitat. The secondary habitat area will be presumed to include the following, subject to more precise determination upon individual site investigation:

1. ~~1.~~ The potential/known localities of rare and endangered plant species as shown on LUP p. 71 ("Disturbed Vegetation" map).
2. ~~2.~~ The potential wildlife habitats as shown on LUP p. 75 ("Potential Wildlife" map).
3. ~~3.~~ Any area within 100 feet of the landward boundary of a wetland primary habitat area.

Rare and endangered species. This term will apply to those plant and animal species which are rare, endangered, threatened or are necessary for the survival of such species. The Environmental Analysis Report prepared for the Marina Local Coastal Program identified such species in the dune habitat areas. While future scientific studies may result in addition or deletion of species, the list presently includes:

1. ~~1.~~ Smith's Blue Butterfly **(**Shijimiaeoides enoptes smithi**)**[~~17~~19]
2. ~~2.~~ Globose Dune Beetle **(**Coelus globosus**)**
3. ~~3.~~ Black Legless Lizard **(**Anniella pulchra nigra**)**
4. ~~4.~~ Salinas Kangaroo Rat **(**Dipodomys Heermanni Goldmani**)**
5. ~~5.~~ Seaside Painted Cup **(**Castilleja latifolia ssp. Latifolia**)**
6. ~~6.~~ Monterey Spine Flower **(**Chorizanthe pungens var. pungens**)**
7. ~~7.~~ Eastwood's Ericameria **(**Ericameria fasciculate**)**[sic][~~18~~20]
8. ~~8.~~ Coast Wallflower **(**Erysimum ammophilum**)**
9. ~~9.~~ Menzies' Wallflower **(**Erysimum menziesii**)**
10. ~~10.~~ Coastal Dunes Milk Vetch **(**Astragalus tener var. titi**)**
11. ~~11.~~ Dune Gilia **(**Gilia tenuiflora var. arenaria**)**
12. ~~12.~~ Wild Buckwheat **(**Eriogonum latifolium**)***
13. ~~13.~~ Wild Buckwheat **(**Eriogonum parvifolium**)***
14. ~~14.~~ Bush Lupine **(**Lupinus ssp.**)+**

~~*~~ * only within the range of Smith's Blue Butterfly.
+ only within the range of the Black Legless Lizard.

LCLUP Habitat Protection Policies include:

- Before any use or change in use, areas identified as potential habitat for rare and endangered plant or animal species shall be investigated by a qualified biologist to determine the physical extent of the primary habitat areas for the specific rare and endangered plants and animals on that site.

Note: These are not Commission Staff's Recommended Findings

[~~17~~19] This name has been updated since publication of the LCP – it is now *Euphilotes enoptes smithi*.

[~~18~~20] The correct spelling is *Ericameria fasciculata.*

- Primary habitat areas shall be protected and preserved against any significant disruption of habitat values and only uses dependent on those resources shall be allowed within those areas. All development must be sited and designed so as not to interfere with the natural functions of such habitat areas. Management and enhancement opportunities should be incorporated into use or development proposals; potential impacts shall be fully mitigated, including the assurance of long-term mitigation and maintenance of habitat through the use of appropriate acreage replacement/restoration ratios for any unavoidable direct impacts to habitat areas.

- Potential secondary or support habitat areas to the primary habitats identified on the site should also be defined. Secondary habitat investigation should include identification of the role and importance of the secondary area to the primary habitat area and should stress the impact of use or development in the secondary area on the primary habitat. All development in this area must be designed to prevent significant adverse impacts on the primary habitat areas. In concert with State law, City ordinances shall require environmental review and appropriate mitigation of identified impacts for all development in the ~~Coastal Zone~~coastal zone, including the assurance of long term mitigation and maintenance of habitat through the use of appropriate acreage replacement/restoration ratios for any unavoidable direct impacts to habitat areas.

- Available evidence indicates that dune vegetation is more resilient than previously thought, and areas damaged by illegal use or negligence shall be considered restorable and eligible for restoration.

- Where habitats of rare and endangered species are located on any parcel, owners and/or operators shall, at such time that development is proposed, develop and execute a Management Plan which will protect identified rare and endangered plant and animal communities. Each plan shall be drawn up by a qualified biologist in co-operation with the property owner/developer.

LCLIP Regulations for Coastal Conservation and Development District Policy (b)(2):

Regulations for coastal conservation and development uses shall be specified in the Coastal Development Permit. The permit-issuing body may approve Permit applications if the following factors, where relevant, are found to apply: …

b. ~~b.~~ Development is limited to already-disturbed areas.
c. ~~c.~~ Rare and endangered plant and animal habitats are adequately protected
d. ~~d.~~ Grading and roadway construction and are the minimum necessary for the development. **…**
g. All significant adverse environmental effects are either avoided or adequately mitigated.

~~**Summary**~~

Summary

Cal-Am's proposed Project would disturb up to ~~several dozen~~ **17.5**[21] acres of ESHA or would

[21] **Impact acreages have been updated since the Final EIR/EIS based on subsequent design drawings prepared for the smaller desalination project that was selected as well as the completion of more detailed design for the Project's components. In additional, subsequent biological resources assessments have been conducted as provided in the Habitat Mitigation and**

Note: These are not Commission staff's Recommended Findings

otherwise adversely affect, or have the potential to adversely affect, a number of sensitive plant and animal species (see Exhibit 5 – Special Status Species and Natural Communities That Could Be Significantly Impacted During Construction of the Proposed Facilities). The project's primary area of long-term ESHA disturbance would be at the site of Cal-Am's proposed well field on the CEMEX site within the City of Marina's LCP jurisdiction, where the initial construction activities would result in adverse effects to up to about ~~nine~~8.4 acres of coastal dune habitat (2.2 acres of permanent impacts and 6.2 acres of temporary impacts), all of which is considered ESHA. ~~There would also be~~Included within the 2.2 acres of permanent impacts are post-construction and operational impacts resulting from building concrete pads at the six well head locations ~~that would cover a total of about an acre of that habitat,~~ along with the ongoing activities needed to maintain those well sites every few years~~, which would disturb about six acres of ESHA~~. Cal-Am expects the wells to have economic/operating lives of about 20 to 25 years, as well operations generally result in lower yields over time. ~~They would also eventually be affected by coastal erosion and dune recession and would need to be relocated at that time, likely further from the shoreline, which~~At present, it is too speculative to assess where or how Cal-Am would replace or relocate its wells after their 25-year operating life. For example, technological advancements over the next 25 years could enable the location of alternative wells in locations that are not feasible today, such as further from the coast. At the time Cal-Am needs to decommission the wells authorized by this permit, Cal-Am would need to apply to the Commission for authorization to replace or relocate the wells, and the Commission would need to consider whether the proposal would result in additional ESHA impacts~~, as the ESHA at the site currently extends several thousand feet further inland. Changing the locations in response to lower yield could allow Cal-Am to move the wells close to their current positions, but parallel to the shoreline instead of further inland, but that, too, would result in additional ESHA impacts and would subject them to higher risk of coastal erosion and dune recession.~~ based on the proposed well locations (see Special Condition 9).

In other parts of the Project footprint within the Commission's consolidated permit jurisdiction in the County of Monterey, City of Seaside, and the area of deferred certification, Cal-Am's installation of its various pipelines could result in temporary construction-related impacts to up to about ~~two dozen~~9.1 acres of ESHA and other areas that include known or potential occurrences of sensitive plant and animal species, their habitats, and/or communities.[~~19~~22]

The Findings below first assess impacts to terrestrial ESHA within the City of Marina, where the standard of review for purposes of the appeal of the City's denial of Cal-Am's CDP application, is the City's LCP. The Findings next assess other affected areas within the coastal zone of Monterey County, the City of Seaside, and the Commission's retained jurisdiction, where the standard of review, under the Commission's consolidated permit review, is Chapter 3 of the Coastal Act and specifically Section 30240, which establishes allowable and prohibited uses in ESHA and areas adjacent to ESHA. The Findings then separately evaluate expected and

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Monitoring Plan Monterey Peninsula Water Supply Project Part One – Coastal Zone, prepared by AECOM (June 2020) ("HMMP").

[~~19~~22] The project's Final EIR/EIS included mitigation measures meant to avoid ~~some of~~or reduce these impacts~~, but they allow for the impacts to occur if project activities cannot avoid affecting these sensitive areas and species that may be identified during~~. Some of the measures include pre-construction surveys~~. Until those detailed studies occur, it is not known how extensive the~~, which will inform the extent of actual impacts to ESHA ~~would be~~.

Note: These are not Commission staff's Recommended Findings

potential impacts to vernal ponds within the City of Marina, which the City's LCP includes in its definition of ESHA.

The Commission's Findings below show that the Project components both within the City of Marina and within the Commission's consolidated permit review jurisdiction are ~~not consistent~~inconsistent with Coastal Act and LCP provisions that require development within ESHA to be dependent on the protected habitat resources. ~~Proposed project components within the City are additionally not consistent with LCP provisions requiring that habitat of rare and endangered species be protected, that development be designed to avoid impacts to ESHA, and that the adverse effects of allowable development~~Through Special Conditions 5 and 6, the Project's potential impacts to ESHA would be mitigated to the ~~greatest extent possible~~maximum extent feasible, but the Project would nonetheless remain inconsistent with the habitat protection policies in the LCP and Coastal Act. However, because the proposed Project is a coastal-dependent industrial facility, the Commission finds that the Project can be considered for approval, despite its non-conformity to these ESHA policies, pursuant to Coastal Act Section 30260, which allows for approval of such facilities that are otherwise inconsistent with relevant Coastal Act policies. The LCP similarly allows for approval of otherwise non-consistent coastal-dependent industrial development if it is a use allowed pursuant to Coastal Act 30260.[~~20~~23] The Findings regarding ESHA are provided immediately below and Section II.P of these Findings provides the Commission's determination regarding Coastal Act 30260.

ESHA within the City of Marina
Cal-Am's proposed well field and a portion of its Source Water Pipeline would be located on a 30-acre easement and an access easement within the CEMEX site in the City of Marina (see Exhibit 3 – Proposed Project Well Field). The Commission's 2014 Findings regarding Cal-Am's test well project at this same location determined that this area consisted of Environmentally Sensitive Habitat Area ("ESHA"). More recent surveys conducted pursuant to the CPUC's CEQA review confirmed the continuing presence of several special-status species within the proposed well field, and a July 2017 site visit by the Commission's ecologist concluded with a recommendation that the full site be considered ESHA.

ESHA determination under the LCP: The City's LCP establishes two types of habitat – "primary" and "secondary" – and describes the different levels of required habitat protection and allowable uses in each. The LCP states that primary habitat "includes all of the environmentally sensitive habitat areas in Marina" and defines it as being the "potential locale for rare and endangered plan [sic] and animal species and identified, at the time of development, by a qualified biologist as supporting rare and endangered plant and animal species." The LCP further states that "primary habitat areas shall be protected and preserved against any significant disruption of habitat values and only uses dependent on those resources shall be allowed within those areas." The LCP's "primary habitat" definition and its related provisions are similar to the Coastal Act's definition of ESHA, which is "any area in which plant or animal life or their habitats are either rare or especially valuable because of their special nature or role in an ecosystem and which could be easily disturbed or degraded by human activities and developments."[~~21~~24] The LCP's use limitations in those primary habitat areas are also similar to

[~~20~~23] In an unpublished decision stemming from a challenge to the Commission's approval of Cal-Am's test wells, the Sixth District Court of Appeal upheld the Commission's finding that Section 30260 is incorporated in the City's LCP.

[~~21~~24] See Coastal Act Section 30107.5.

Note: These are not Commission staff's Recommended Findings

the Coastal Act's, in that both allow only those uses that are dependent on the habitat resources. Because the LCP's policies derive from the authority of the Coastal Act, we read its policies regarding primary habitat to be consistent with those of the Coastal Act.[~~22~~25]

The LCP's other category – secondary habitat – is defined as those areas "adjacent to primary habitat on which the primary habitat area is dependent or from which the primary area can be influenced by drainage, erosion, human, equestrian or vehicle use or other factors." The LCP requires that direct and potential impacts to both primary and secondary habitat be fully mitigated. While the LCP includes maps of areas presumed to be primary or secondary habitat, it notes that the actual determination of habitat type and category for a particular location must be based on a site-specific biological study.[~~23~~26]

For several reasons, the area of coastal dune habitat where the proposed well field would be located is **conservatively** considered an area of primary habitat, and therefore ESHA. First, and as detailed below, although it would be in a previously disturbed area of the CEMEX site that consists largely of compacted and sparsely vegetated sand dunes, it nonetheless provides habitat for at least three threatened or endangered species, as described below. Additionally, a number of other special-status species are known to exist or have the potential to exist within the footprint or in adjacent areas of the dunes. The presence of these special-status species confirms that the proposed Project footprint includes primary habitat and is therefore ESHA.

This type of dune habitat is easily disturbed by human activity. Nonetheless, and as described herein, even though this area is disturbed, degraded dune habitat generally has the ability to restore itself or be restored. The proposed well field area consists of the same substrate as the rest of the dune habitat and is contiguous to less disturbed or undisturbed areas. Barring ongoing disturbance or development, the well field site ~~would~~**could** soon be colonized by dune biota, either from the adjacent areas or from buried seed stock. The presence of the above-noted threatened or endangered species in the proposed Project area provides further evidence that this degraded and historically manipulated area still provides valuable coastal dune habitat and could likely support other rare or threatened species if not further disturbed.

Further, the City's LCP acknowledges that disturbed dune habitat is resilient and relatively easy to restore.[~~24~~27] The LCP also requires that the reclamation and protection of native dune habitat be promoted, and that habitat for rare and endangered species, such as this dune habitat, be protected (see LUP Policies 19 and 25). The Commission, too, has previously found that even degraded dunes can provide habitat for rare and threatened dune species and that degraded

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[~~22~~25] The LCP derives its statutory authority from the Coastal Act, and all of its provisions, including the policies above, must be read consistent with and understood to conform to the Coastal Act as a matter of law (McAllister v. California Coastal Commission (2009) 169 Cal.App.4th 912, 931).

[~~23~~26] The LCLUP policies regarding Rare and Endangered Species – Habitat Protection includes the following statement: "In Marina's Coastal Zone, the foredune, dune and grassy inland areas all contain potential habitat for rare and endangered plants and animals. The precise range for each plant and animal is not known because intensive site-specific study throughout the area was not financially possible. However, the potential for various rare and endangered habitats has been identified and mapped (see Environmental Capability section) to provide a guide to the locations where more intensive study is required. Because site-specific study is needed in many areas before any development can take place the following policies apply to all of the areas indicated on the map or meeting the definitions of Exhibit "A" as being potential habitats for rare and endangered plants and animals."

[~~24~~27] See the fourth paragraph of the LCLUP Habitat Protection Policies.

Note: These are not Commission Staff's Recommended Findings

dune areas can constitute ESHA.[25][28] Thus, interpreting the LCP's definition of primary habitat consistent with the Coastal Act, the Commission finds that the coastal dune area in which the well head portions of the proposed Project would be located ~~constitutes~~**could constitute** ESHA and **generally** meets the description of primary habitat under the LCP.

As noted above, the LCP limits uses within primary habitat to those dependent on the resources,[26][29] and any development within those areas is limited to that which is sited and designed to not interfere with the natural functions of the habitat. The LCP also requires that all adverse effects in primary habitat be fully mitigated. Although the project is proposed to be located in portions of the CEMEX site that have been subject to disturbance, the entire area in which the well field would be located ~~is~~**could be considered** primary habitat and ESHA under the LCP. ~~The~~**Although the** proposed Project is not a resource-dependent use, ~~**so it cannot be approved consistent**~~**as described below, Cal-Am would implement the CPUC's Mitigation Monitoring and Reporting Program and the Habitat Mitigation and Monitoring Plan required by Mitigation Measures 4.6-1n. The Habitat Mitigation and Monitoring Plan for the Coastal Zone prepared by AECOM (June 2020) ("HMMP") would ensure that the proposed Project would not result in substantial adverse effects on sensitive natural communities in the Coastal Zone, including ESHA, during Project construction and operation. Nonetheless, the proposed Project remains inconsistent** with the LCP's habitat protection policies. Importantly, the Final EIR/EIS identified the project's inconsistency with these LCP provisions as a significant and unavoidable impact.[27][30] **As described in Section IV.P of these Findings, the proposed Project can be considered for approval, despite its non-conformity to these ESHA policies, pursuant to Coastal Act Section 30260.**

Site background and habitat characteristics: The CEMEX site consists primarily of central foredune habitat, which is one of the most important, vulnerable, and geographically constrained environmentally sensitive habitat types in California. The California Natural Diversity Database ("CNDDB") classifies it as "critically imperiled," this qualifying it as ESHA.[28][31] Dunes form only under certain conditions where adequate sand supply and appropriate wind energy and direction allow. They are a dynamic habitat subject to extremes of physical disturbance, drying, and salt spray. The winds and shifting sands in dune habitat can cause the habitat characteristics and the species at any given location to change on a relatively short or shifting timescale, so a particular area of dune habitat may have relatively higher or lower resource values over time. The changing and often harsh conditions found in coastal dune habitat support plant and animal species that have evolved strategies adapted to these conditions – for example, many dune plants have seeds that can remain dormant for extended periods of time until conditions allow for them to germinate. Many of the plant and animal species adapted to these geographically constrained and relatively harsh conditions have become uncommon and are considered rare, endangered, or have a similar special status. At the same time, their ability to withstand these conditions or to remain dormant for long periods, allows dune habitat, even severely disturbed dune habitat, to either be restored or to restore itself relatively easily. The

[25][28] See, for example, Commission actions in the Asilomar Dunes system (including Youssef (CDP ~~3-11-068~~**3-11-68**) and Goins (CDP 3-11-020)), City of Grover Beach LCP Amendment 1-12, Part 1 (Grover Beach Lodge), Koligian (Commission denial of CDP application A-3-PSB-10-062), and California Department of Parks and Recreation (CDP 3-11-003).

[26][29] LCLUP Habitat Protection Policy, paragraph 2.

[27][30] See Final EIR/EIS, Section 4.6 – Terrestrial Biological Resources.

[28][31] The CNDDB ranks this habitat type as G1 S1.2, which makes it "critically imperiled" both globally and within the state.

Note: These are not Commission staff's Recommended Findings

habitat values in dune areas are therefore best understood in terms of the overall complex of dunes of which they are a part, and the Commission has typically found coastal dune habitat to be ESHA even when it is disturbed, due to its rarity, its important ecosystem functions, and its support of sensitive species.[29][32]

Despite more than 100 years of active sand mining, the coastal dune habitat at the CEMEX site provides habitat for over two dozen sensitive species, including several listed as endangered or threatened. The habitat within and adjacent to ~~Cal-Am's~~Cal-Am's proposed well field and pipeline route primarily includes the Central Dune Scrub vegetation community, which also qualifies as ESHA in part due to its CNDDB ranking,[30][33] and which includes a number of plant and animal species of special concern that have evolved and adapted to the desiccating, salt-laden winds and nutrient poor soils of this area. Between 2012 and 2016, consultants for Cal-Am and the CPUC conducted several biological surveys of the site.[31][34] These biological investigations, along with a 2017 site visit by the Commission's ecologist, identified several special-status plant and animal species present within or adjacent to the proposed Project area.[32][35] Species present on the site that are listed as threatened or endangered include:

- **Monterey spineflower** (*Chorizanthe pungens* var. *pungens*) an annual herb listed as federally-threatened under the Endangered Species Act (ESA). It also has a California Rare Plant Rank of 1B.2. It has been observed throughout the CEMEX site, including the proposed well field area.
- **Smith's blue butterfly** (*Euphilotes enoptes smithi*), a ~~federally endangered~~federally-endangered species, also ranked by CDFW as S1, is obligate to two host plant species throughout its life cycle – coast buckwheat (*Eriogonum latifolium*) and seacliff buckwheat (*E. parvifolium*) – that grow in these coastal dunes. While the butterfly's flight season is only from mid-June to early September each year, larvae consume the plants' flowers and seeds and pupate directly on or beneath the plants, where they overwinter until the following flight season. The surveys identified both the butterfly and coast buckwheat within the CEMEX site, including along the access road where Cal-Am's Source Water Pipeline would be built.
- **Western snowy plover** (*Charadrius nivosus nivosus*), is listed as threatened under the federal ESA and is considered a Species of Special Concern and ranked S2 by the CDFW. The shoreline along the CEMEX site is within designated critical habitat for the species and much of the site provides nesting, roosting, or foraging habitat. Nests are more common in the foredunes or on the beach, but also have been found inland of the foredune area where the well field would be located and where they may become more common as shores continue to erode and succumb to sea level rise.

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[29][32] This has been the Commission's approach to dune protection at other locations, for example, in the Asilomar Dunes area in Pacific Grove and the in the Del Monte Forest.

[30][33] The CNDDB ranks this habitat type as G2 S2.2, which is "imperiled" at both the global and state levels.

[31][34] See survey dates and findings in Section 4.6 – Terrestrial Biological Resources of the project's Draft EIR/EIS.

[32][35] Along with direct observation during site visits, the presence of sensitive species was supported by historical documentation describing the presence of various sensitive species and communities at the site.

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The site also serves as habitat for a number of other special-status species, including several plants on California's Rare Plant Inventory. The sand-loving wallflower (*Erysimum ammophilum*) is eligible for state listing and is considered rare, with a moderate to high degree and immediacy of extirpation (California Rare Plant Rating [CRPR] of 1B.2). It has been observed within the proposed well field area. The site also includes ocean bluff milkvetch (*Astragalus nuttallii* var. *nuttallii*; CRPR 4.2) and branching beach aster (*Corethrogyne leucophylla*; CRPR 3.2), which are included on the California Rare Plant Inventory as species of concern. Other special-status species are known to occupy nearby areas or have the potential to occur at the project site, though they were not identified within the project footprint during these surveys. Plant species include the federally-endangered Robust spineflower (*Chorizanthe robusta* var. *robusta*; CRPR 1B.1), the state- and federally-endangered Menzies' wallflower (*Erysimum menziesii*; CRPR 1B.1), the federally-endangered and state-threatened Sand gilia (*Gilia tenuiflora* ssp. *arenaria*; CRPR 1B.2), and the state-endangered Seaside bird's-beak (*Cordylanthus rigidus* var. *littoralis*; CRPR 1B.1). Two reptiles – the California legless lizard (*Anniella pulchra*; S2) and the coast horned lizard (*Phrynosoma coronatum*; S3), which are considered Species of Special Concern – could also be present. Most recently, Cal-Am reported occurrences of Peninsula coast range shoulderband snail (*Helminthoglypta nickliniana awania – S1*), globose dune beetle (*Coelus globosus – G1G2/S1S2*), and American badger [burrows] (*Taxidea taxus – S3; CDFW SSC*).[~~33~~36]

Native plants found within the area include California sagebrush (*Artemisia californica*), coast buckwheat (*Eriogonum latifolium*), deerweed (*Acmispon glaber*), California lilac (*Ceanothus* spp.), mock heather (*Ericameria ericoides*), silver dune lupine (*Lupinus chamissonis*), and sandmat manzanita (*Arctostaphylos pumila*; CRPR 1B.2). The site also includes native foredune species, such as beach evening primrose (*Camissonia cheiranthifolia*), yellow sand verbena (*Abronia latifolia*) and beach bur (*Ambrosia chamissonis*). The access road to the CEMEX site has adjacent stands of Coyote Brush Scrub (*Baccharis pilularis* Shrubland Alliance), which is not necessarily considered a rare plant community though particular vegetation associations within it can meet that designation. Ongoing sand mining and processing operations appear to have contributed to invasive vegetative species dominating several areas within the CEMEX site, particularly iceplant (*Carpobrotus* spp.). In some areas, a thick cover of iceplant has helped prevent establishment or re-establishment of native species.

Location and impacts of proposed Project components within ESHA: Cal-Am's well field would be located on an area of this coastal dune habitat immediately landward of the foredunes that separate the well sites from the shoreline. This habitat had been disturbed during earlier sand mining activities at CEMEX when this area had been used for storage. The mining activities are now confined to a much smaller area and are scheduled to end this year, pursuant to provisions of a 2017 Settlement Agreement between CEMEX, the Coastal Commission, State Lands Commission, and the City of Marina (Order CCC-17-CD-02, or "Settlement Agreement").

This Settlement Agreement requires CEMEX to stop sand mining by December 31, 2020, conduct reclamation activities **in specified areas of the site**, and transfer the property to a non-profit or government entity with a deed restriction that ensures protection of the site for public access, open space, and habitat. The future uses anticipated at the site are restoration, low-impact passive recreation, public access, and public education. The Settlement Agreement also recognized existing legal rights at the site, which included a recorded easement and option for Cal-Am to use and eventually purchase or acquire an easement over the approximately 30-acre area on which it planned to build the well field, along with a 30-foot wide easement along the

[~~33~~36] See Exhibit 8 – Cal-Am's proposed Habitat Mitigation and Monitoring Plan, June 2020.

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CEMEX access road for the Source Water Pipeline. In 2018, Cal-Am exercised this option to obtain a permanent 30-acre easement and the access easement.

Within this 30-acre easement, Cal-Am would disturb about ~~nine~~8.4 acres during construction of six separate well pads, an access road, and part of the Source Water Pipeline, which would continue inland along the easement. Cal-Am expects that ~~several~~6.2 of these acres – those that would be used for staging and materials storage – would be ~~restored within five years after~~areas where restoration work would begin concurrent with Project construction ~~is complete~~. Cal-Am has suggested these be considered temporary impacts and be subject to a reduced mitigation requirement. ~~However, the~~The Commission generally considers ~~such~~ impacts to be temporary ~~only~~ where 1) the vegetation is recovered to a comparable age, size, structure, and cover relative to pre-construction conditions within 12 months of disturbance, and 2) the proposed activities do not include significant ground disturbance such as grading, trenching, or others that would kill vegetation, disrupt native seedbanks, alter topography or soil horizons, etc. Cal-Am proposes that temporary impacts be defined as construction impacts that can be fully restored to pre-disturbance conditions for most species following completion of construction, such as impacts from construction staging, laydown, trenching areas, and other work space that will not be occupied by permanent facilities during Project operation. Due to the type of proposed activities and the ~~expected five-year recovery period,~~fact that restoration will begin concurrent with Project construction, sequencing work to ensure that impacts are temporally limited, in this particular instance the Commission finds that these impacts would ~~not~~ be considered temporary. ~~Additionally, the~~The well head sites and the expected need to conduct maintenance at the well sites every few years would ~~result in ongoing impacts to about six of these acres, which could lead to ongoing disturbance during the expected recovery periods. Further, there would likely be more future losses due to the need to relocate the wells after their expected 20- to 25 year operating lives or due to sea level rise and coastal erosion~~occur within areas identified as permanent impacts which would occur over 2.2 acres. These impacts are further detailed below:

- **Well and access road construction:** This work would involve use of heavy equipment, including drill rigs and motor vehicles, that ~~would~~could cause soil compaction, noise effects, potential for fuel spills, crushing of native vegetation, and disturbance of seed banks within the work site. Each well site would be developed within a graded area of a few thousand square feet and would include concrete pads, electrical equipment, and other similar project components. Cal-Am would grade, but not pave, a road to allow access to the well sites. As noted above, ~~the Commission generally considers impacts to be temporary if the affected area is restored within about 12 months; however,~~ in this instance, ~~these~~ adverse construction-related effects that are not in areas of permanent impacts would be ~~more than~~considered temporary, ~~as they are expected to take about 15 months, with the follow-up restoration expected to take up to five years.[34]~~because restoration will begin concurrent with Project construction and work will be sequenced to ensure that impacts are temporally limited.[37]

~~[34] Mitigation measures in the Final EIR/EIS would require temporary impacts to be restored within a five-year period following the impact.~~

[37] Mitigation measures in the Final EIR/EIS require temporary impacts to be restored within a five-year period following the impact.

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Additionally, ~~because~~although the drilling work for each well needs to be done continuously, ~~Cal-Am would likely need to meet its expected project deadlines by doing some of this~~ well construction has been designed to occur outside of western snowy plover critical habitat. The Final EIR/EIS concluded that Project construction would not result in direct impacts to such habitat.[38] Further, Cal-Am cannot perform construction or maintenance work during ~~all or parts of~~ the breeding and nesting season of the Western snowy plover~~, thereby disturbing individuals that may be close to the construction area or preventing individuals from using nearby areas for nesting. While these direct and indirect impacts to plovers could be avoided by conducting all work during non-breeding/nesting season (i.e., from October 1 to February 28), the Final EIR/EIS anticipates that Cal-Am would be conducting work during breeding/nesting seasons and includes a number of mitigation measures meant to reduce potential impacts that could occur to nearby plovers or active nest sites.[35]~~ without first obtaining approval from the U.S. Fish and Wildlife Service and subject to conditions.[39] If Cal-Am applies for and obtains that approval, the Commission anticipates that the U.S. Fish and Wildlife Service would condition the proposed Project construct and maintenance work to avoid or minimize impacts to western snowy plover.

~~—~~Smith's blue butterflies similarly ~~stand to~~could be subjected to disturbance and impacts across all stages of their life history (larvae, pupae and adult) given their obligation to their sessile host plants. However, the Final EIR/EIS identifies Mitigation Measure 4.6-1f to avoid and minimize potential impacts to Smith's blue butterflies during proposed Project construction and maintenance.

- **Spoils from well drilling:** Cal-Am expects to remove about 1,000 cubic yards of spoils during well drilling and its CDP application had initially proposed spreading the spoils evenly in an approximately two-inch thick layer throughout eight nearby acres of ESHA. However, Commission staff identified this spoils spreading as an avoidable impact and recommended that Cal-Am consider transporting the spoils offsite to an appropriate disposal location. Cal-Am's June 30, 2020 letter to Commission staff modified this spoils spreading approach and confirmed that ~~Cal-Am~~Cal- Am would dispose of these spoils at the nearby Monterey Peninsula Landfill. This would represent a de minimus reduction in the Landfill's capacity, as Cal-Am has calculated the 1,000 cubic yards as being less than two one-thousandth of one percent of the Landfill's remaining capacity. This modification would require additional truck trips, though Cal-Am estimates no more than one trip every two to three days during the expected seven-month well construction period, for a total of between 70 and 105 total trips.

[38] See Final EIR/EIS, p. 4.6-197.

~~[35] The Final EIR/EIS provides that well construction should be conducted during non-breeding season unless otherwise allowed by the U.S. Fish and Wildlife Service. It presumes, though, that construction will occur during that season and includes a number of mitigation measures such as conducting nesting surveys, providing visual barriers between construction and any nests, etc.~~

[39] The Final EIR/EIS provides that well construction should be conducted during non-breeding season unless otherwise allowed by the U.S. Fish and Wildlife Service. It presumes, though, that construction will occur during that season and includes a number of mitigation measures such as conducting nesting surveys, providing visual barriers between construction and any nests, etc.

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- **Maintaining ~~or relocating~~ well sites:** Cal-Am anticipates having to conduct maintenance at the well sites about every five years and that the area of disturbance – for access, staging, presence of construction equipment, etc. –would ~~total about six acres for each event. This is the same area that would be significantly disturbed and characterized as a permanent impact during the initial construction phase. And even if the latter were not the case, although each maintenance event could be considered relatively short-term, the overall effect would be ongoing, re-disturbance of the area that would prevent adequate restoration and natural community successional processes from occurring between events, which would represent a greater than temporary adverse effect to these areas of habitat~~**be located within a 1.2 acre area—which is included within the 2.2 acres identified as an area of permanent impacts.**

An additional ~~adverse~~ impact ~~would~~**could** result from the need for Cal-Am to protect or relocate its well sites due to the effects of sea level rise and coastal erosion. As the nearby shoreline erodes inland, the beach and foredunes at the CEMEX site ~~would~~**could** also move inland and ~~would be expected to~~**could** maintain approximately the same profile as they now have. In response to a study done early during the CPUC's CEQA review that showed coastal erosion likely affecting the proposed well sites during their operating life, Cal-Am located them several hundred feet further inland than initially proposed. However, because that study was based on earlier versions of state guidance and science on sea level rise, Commission staff requested that Cal-Am provide an updated study using currently applicable guidance and projections. This more recent study, which Cal-Am provided in October 2019, showed that the well sites would likely be protected from the direct effects of coastal erosion over their proposed 25-year operating**/economic** life~~, though it also showed that those well sites could be affected by the~~**. The risk from** inland recession of the foredunes occurring in response to erosion and sea level rise **is expected to be relatively minor** (this is further detailed in these Findings' Section ~~II~~**IV**.H~~ – Coastal Hazards). Essentially, as~~**). As** the shoreline erodes inland, the beach profile, including the foredunes, ~~would~~**could** also move inland, resulting in the well sites being **potentially** buried beneath the dune sands. ~~When or before this occurs, Cal-Am would need to protect those sites by erecting barriers around the well pad, conduct grading to keep the sands away from the well pads, or relocate the wells further inland to areas that also constitute ESHA. Those areas inland of the currently proposed well sites are also within the area slated for restoration under the above-referenced CEMEX Settlement and are outside of Cal-Am's 30-acre easement, so relocation would require Cal-Am to obtain additional legal interest to any sites further inland—which is something it is not clear that Cal-Am will be able to do – and would likely interfere with restoration efforts expected in those areas as part of the CEMEX Settlement. As noted above, Cal-Am could possibly move the wells parallel to their currently proposed locations, which could allow them to maintain their expected yield, but would also result in additional ESHA impacts, as well as subject them to higher risks from coastal erosion and dune recession. Either of these approaches – protection or relocation – would therefore cause additional and longer-term, though unquantified, disturbance of ESHA.~~**However, because expected dune recession due to sea level rise would not impact the well sites during their 25-year operating/economic life, Cal-Am would not need to relocate the wells further inland during that period. As discussed above, at present it is too speculative to assess where or how Cal-Am would replace or relocate its wells after their 25-year operating/economic life. Potential future ESHA impacts would need to be assessed when Cal-Am seeks approval from the Commission for well replacement or relocation based on the selected alternative well locations. Such locations may depend on**

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technological advancements for subsurface intakes that could occur over the next 25 years and enable alternative wells in alternate locations that are not feasible today.

In May 2020, the Commission adopted new principles that direct regulatory agencies to consider, for planning purposes, a scenario of 3.5 feet of sea level rise occurring by 2050. ~~**This is about 25% higher than the highest of the Commission's other sea level rise scenarios and would likely result in the wells being buried or subject to erosion several years sooner than previously anticipated**~~**Using those projections and recommendations, the slant wells will be unaffected by 3.5 feet of sea-level rise in 2050 and therefore the Project is consistent with the new state principle** (see also the coastal hazards analyses provided in Section ~~II~~**IV**.H of these Findings).

Other terrestrial ESHA within the City of Marina: As noted above, Cal-Am would construct a Source Water Pipeline from the well field to the desalination facility. This pipeline would be installed mostly within undeveloped lands along the CEMEX access road and Lapis Road. The Final EIR/EIS notes that this construction could result in temporary impacts to up to about 11.8 acres of ESHA. Cal-Am would also construct a Desalination Water Pipeline from the desalination facility to its Transmission Main Pipeline to the south. The Final EIR/EIS states that the Desalination Water Pipeline could result in construction impacts in the City of up to 16.9 acres of ESHA in the coastal zone, though some of this area of impact would likely overlap with some of the areas affected by the Source Water Pipeline construction. **Cal-Am's further evaluation of potential ESHA impacts within the City based on subsequent design drawings and additional biological resource assessments that were reviewed for the HMMP determined that the impact areas had been reduced in size and determined that pipeline construction within the Marina coastal zone could impact up to 4.5 acres of ESHA (an additional 4.6 acres of ESHA could be impacted associated with pipeline construction outside of the City of Marina for a total temporary impact from pipeline construction of 9.1 acres).** Details of these ESHA impacts are further described below as part of a fuller description of the various pipeline routes and their effects.

ESHA within the Commission's consolidated permit jurisdiction

Project components within the coastal zone but outside of the City of Marina (and therefore within the Commission's consolidated permit review jurisdiction) consist primarily of sections of Cal-Am's several water distribution pipelines, most of which would be built in undeveloped areas along existing transportation routes in the City of Seaside and the County of Monterey. ~~**The**~~**In the absence of a more detailed assessment of ESHA, the** Final EIR/EIS ~~**notes**~~**assumed** that all of ~~**these**~~**the** undeveloped areas within the coastal zone ~~**should be assumed to be considered**~~**were potential** ESHA, due to the known or potential presence of rare or sensitive species or due to their habitat types.[~~36~~40] **Subsequently, more detailed biological assessments were prepared, which were utilized for the HMMP and show the specific areas of ESHA in these undeveloped areas.** The Findings below describe these areas more specifically to better characterize locations of ESHA within these areas likely to be disturbed during pipeline construction.

The Final EIR/EIS evaluated biological resources within the pipeline route corridors and mapped areas of sensitive species and communities or special habitats within those corridors. The mapped corridors include a "project area" in which construction-related activities would be

[~~36~~40] **Final EIR/EIS p. 4.6-36.** Additionally, the County of Monterey's LCP, which the Commission may use for guidance, also identifies some of the habitat types that ~~**would**~~**could** be affected by pipeline construction as sensitive habitats – for example, maritime chaparral, coastal dunes, and others.

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expected to occur, and a "study area," which is a 50-foot buffer around the project area. Depending on the location, the full mapped corridor could be up to about 250 feet wide. Many of the habitats within these areas ~~readily~~ qualify as ESHA – for example, the Commission has generally found that areas of central dune scrub, silver dune lupine-mock heather scrub, dune mat, sandmat manzanita chaparral, and oak woodland are ESHA. **As noted above, subsequent to the completion of the Final EIR/EIS additional biological assessments, surveys, and reports were prepared which were utilized for the HMMP.** These pipeline segments and the expected effects on habitat and terrestrial biological resources within the pipeline ~~study~~ areas **based on the HMMP acreages** are described below~~. The acreage figures provided below are based on potential impacts to areas of ESHA within those corridors, and while the actual location of the pipelines would not necessarily affect all the areas of ESHA within the full Study Area corridor width, there are some segments where the ESHA characteristics extend across the entire corridor, making direct impacts unavoidable~~. Additionally, most of the pipelines would be installed using conventional open trench methods, which due to equipment access, sidecasting or stockpiling of soil, and other factors, ~~would~~**could** result in a larger area being affected than just the width of the pipeline trenches. ~~Some pipeline components, such as access or egress pits, would be wider than the trenches – up to about 35 feet in width. The Final EIR/EIS identifies some, but not all, of the effects expected from these associated activities, which in some areas of the corridors, would result in greater direct and indirect adverse effects on ESHA than just the actual pipeline location.~~**Accordingly, the Project area provided for in the HMMP includes the locations were pipelines and facilities will be installed, proposed staging areas, access routes, and a 25-foot work area on both sides of the centerline of most pipelines and around facilities. The Project work area limits along the proposed Castroville pipeline segment are larger and set at 30 feet from the centerline on each side.**

Four pipeline segments would be within the County of Monterey's coastal zone, ~~including:~~**as described below. Cal-Am's further evaluation of the potential ESHA impacts within the County's coastal zone as part of its HMMP determined that pipeline construction could impact up to a total of 4.6 acres of ESHA within this area.**

- **Source Water Pipeline:** About 5,365 linear feet of this pipeline would be within the County's coastal zone, including sections along the easternmost portion of the CEMEX access road, and along Lapis Road, Del Monte Boulevard, and part of Charles Benson Road. ~~Pipeline~~**Portions of pipeline** construction along the CEMEX access road and Lapis Road would be within areas of disturbed coastal dune habitat and has the potential to disturb several special-status species, including Monterey spineflower, branching beach aster, ocean bluff milkvetch, and coast buckwheat. ~~The Final EIR/EIS identifies ESHA impacts of up to 11.8 acres during construction, though some of these overlap with areas within the City of Marina's LCP jurisdiction.~~

- **Desalination Water Pipeline:** About 7,207 linear feet of this pipeline would be within the County's coastal zone, including sections along Charles Benson Road, Del Monte Boulevard, and Lapis Road, where it would enter the City of Marina. The route traverses areas of disturbed coastal dunes, including areas of central dune scrub and coyote brush scrub as well as ruderal habitat and developed areas. The Final EIR/EIS notes that pipeline construction could adversely affect at least three special-status species

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observed along the route – Monterey spineflower, Kellog's horkelia,[37][41] and coast buckwheat~~. The Final EIR/EIS identifies construction impacts of up to 16.9 acres of ESHA, though similar to the Source Water Pipeline above, some of this would occur within the City of Marina's LCP jurisdiction~~. The Final EIR/EIS also states that the Source Water and ~~the~~ Desalinated Water pipelines could potentially impact ~~about 0.2 acres of this~~ Smith's blue butterfly habitat, which it notes would be a significant adverse effect.

- **Transmission Main Pipeline:** Several thousand linear feet of this pipeline would be located within the coastal zone. It would traverse areas of coastal dune that include stands of central dune scrub, coyote brush scrub, coast live oak woodland, and northern coastal scrub. The Commission generally recognizes oak woodlands as ESHA. Construction could adversely affect a number of special-status species observed along the route, including sandmat manzanita, the federally-threatened Monterey spineflower, Menzies' wallflower, Kellogg's horkelia, Monterey Coast paintbrush, branching beach aster, south coast branching phacelia, Michael's rein orchid, and Monterey ceanothus.[38]~~The Final EIR/EIS identifies pipeline construction as resulting in up to about 5.4 acres of ESHA impacts (including some within the City of Marina).~~[39][42]

- **Castroville Pipeline:** A short segment of this pipeline would be located within the County's coastal zone. Most of the area traversed by the pipeline consists of agricultural land, non-native grassland, developed areas, and ruderal habitat, though it also includes areas of central dune habitat and coyote brush scrub. The Final EIR/EIS notes that construction could adversely affect Monterey spineflower and branch beach aster~~, and could result in construction impacts to about 0.4 acres of ESHA~~.

In the City of Seaside, about 320 linear feet of the Transmission Main Pipeline would be located within the City's coastal zone. The habitat along the route includes relatively small and discontinuous areas of coyote brush scrub, silver dune lupine-mock heather scrub, and Monterey pine woodland, along with areas of landscape plantings and ruderal vegetation.

Within the Commission's retained jurisdiction, there would be about 1,290 linear feet of the Transmission Main Pipeline bordering the Fort Ord Dunes State Park, which is an area of deferred certification within Monterey County and an area for which the Commission has

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[37][41] Kellog's horkelia (*Horkelia cuneata* var. *sericea*) has a California Native Plant Society Rare Plant Ranking of 1B.1, meaning that it is rare throughout its range and seriously threatened.

~~[38] Monterey Coast paintbrush (Castilleja latifolia ssp. latifolia) has a California Rare Plant Ranking (CRPR) of 4.3; south coast branching phacelia (Phacelia ramosissima var. austrolitoralis) ranks 3.2; Michael's rein orchid (Piperia michaelii) ranks 4.2; and Monterey ceanothus (Ceanothus rigidus) ranks 4.2. These species are currently either on the California Native Plant Society's Review or Watch Lists.~~

~~[39] The Final EIR/EIS also describes an optional alignment for this Transmission Main Pipeline that would affect up to 5.7 acres of ESHA~~[42] Monterey Coast paintbrush (Castilleja latifolia ssp. latifolia) has a California Rare Plant Ranking (CRPR) of 4.3; south coast branching phacelia (Phacelia ramosissima var. austrolitoralis) ranks 3.2; Michael's rein orchid (Piperia michaelii) ranks 4.2; and Monterey ceanothus (Ceanothus rigidus) ranks 42. These species are currently either on the California Native Plant Society's Review or Watch Lists.

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previously determined to be ESHA.[40][43] The Final EIR/EIS identified areas of ESHA within this Study Area corridor.

As part of pipeline installation, Cal-Am would establish several construction staging areas ~~covering a total of 6.6 acres~~. Most of ~~these~~the staging areas ~~are~~would occur in paved areas but ~~are adjacent to~~some staging would also occur within the 9.1 acres of pipeline construction areas that ~~have~~Cal-Am's HMMP identified as having the potential to provide habitat for special-status species~~, though they have not yet been described as ESHA~~. Exhibit 6 (which is Table 4.6-3 from the Final EIR/EIS) provides a description of ~~these~~construction staging areas and the potentially affected species.

In sum, a total of up to about ~~two dozen~~4.6 acres of ESHA could be affected by pipeline construction within areas of the Commission's consolidated permit review jurisdiction~~. The actual area of direct and indirect impact would likely be less, though, as noted above, some areas would unavoidably be subject to direct impacts resulting from pipeline construction. Cal-Am has since provided a June 2020 Habitat Mitigation and Monitoring Plan ("HMMP")[41] that suggests the Project's ESHA impacts would be somewhat lower – approximately two acres of permanent impacts and about 15 acres of temporary impacts, though as noted elsewhere herein, the actual extent of impacts would likely require additional field investigation closer to project implementation. Additionally, while some of the construction impacts might be able to qualify as temporary – i.e., not be subject to significant ground disturbance and able to be restored adequately within 12 months – many areas would not meet these criteria, including those affected by trenching and other areas including more mature vegetation that would not be fully restored within that period. Such impacts would therefore be considered "greater than temporary" or permanent. The HMMP, for example, uses a different threshold to distinguish between the two categories, so it is likely the actual permanent impacts would be greater than it describes~~ and 4.5 acres within the City of Marina's jurisdiction for a total of 9.1 acres of temporary impacts. Similar to the well field described above, these pipelines are not dependent on the habitat resources within the ESHA and are therefore inconsistent with the Coastal Act's Section 30240 ESHA provision that requires development within ESHA be dependent on those resources. However, because the proposed Project is a coastal-dependent industrial facility, the Commission may consider approving the project despite this non-conformity, if it meets the three-part test of Coastal Act Section 30260. This review is provided in Section ~~II~~IV.P of these Findings.

~~Additional project impacts~~

Additional project impacts

Replacement of WEKO seal clamps: One other aspect of the Project is the replacement of some clamps ~~on~~located at joints in the nearshore portion of the existing outfall line, which is necessary to protect the offshore portion of the outfall from corrosion. The clamp

[40][43] See CDP 3-14-1613, California Department of Parks and Recreation. The Commission's Findings (at page 28) stated: "…three habitats [central foredune, central dune scrub & central maritime chaparral] and the areas occupied or likely to be occupied by the various rare or otherwise sensitive species described occur within the proposed project area, which as a whole constitutes ESHA under the Coastal Act. Despite a legacy of past military use and the presently degraded state, the site continues to demonstrate significant ecological value."

~~[41] See AECOM, Habitat Mitigation and Monitoring Plan – Monterey Peninsula Water Supply Project, Part One – Coastal Zone, prepared for California American Water, June 2020.~~

Note: These are not Commission staff's Recommended Findings

replacement is included as one of the mitigation measures required by the Final EIR/EIS and must occur before Cal-Am begins its facility operations. This work is proposed to occur during the treatment facility's low flow period in the summer, when most of its discharge is treated and used for agricultural irrigation. However, this ~~would~~could be during the Western snowy plover breeding and nesting season and ~~would~~could occur within the plover's critical habitat area on the beach. **But as described in Cal-Am's local CDP application, the work would be performed late in the snowy plover nesting season when eggs would have already hatched.** As described in the Final EIR/EIS **and Cal-Am's local CDP application**, the installation work would likely require ~~heavy~~ equipment on the beach and foredune area, excavation of some amount of beach and dune habitat, installation of temporary fencing to protect the work area, and other activities that would result in temporary noise, disturbance, and occupancy of this ~~critical~~ habitat area for a 6 – 8 week period ~~during a critical time period for the species~~. The activities could **temporarily** disturb ~~approximate~~**approximately** a half acre between the dunes and the beach. **However, beach access would remain open, except during extreme high tide events. Any clamp replacement materials and equipment placed on the beach would be removed by sunset each day that work occurs, with the exception of limited larger equipment for which daily removal would be impracticable. All accessways impacted by construction activities would be restored to pre-construction condition or better within 3 days of construction completion.**

The Final EIR/EIS analyzed the potential secondary impacts of the clamp replacement work. The Final EIR/EIS identified all feasible mitigation measures, the implementation of which would reduce each potential impact of the clamp replacement work to less-than-significant levels. These mitigation measures include, for example, utilization of a lead biologist to oversee the implementation of protective measures, environmental awareness training for construction workers, and additional measures to protect a variety of local species, including the Western Snowy Plover. The mitigation measures avoid or limit the proposed Project's potential impacts to Primary and Secondary Habitats by avoiding or minimizing the amount and duration of habitat disturbance, and the work would not conflict with existing adjacent land uses. Such activities would not conform to Coastal Act Section 30240 (if the work is done in the Commission's retained jurisdiction) or LCP provisions that mirror that Section (for any work in the City's permitting jurisdiction) because it would be non-resource-dependent activity that would occur in ESHA. **Nonetheless, because the proposed Project is a coastal-dependent industrial facility, the Commission may approve the Project under Coastal Act Section 30260. This review is provided in Section IV.P of these Findings.**

~~**One necessary Project component that Cal-Am did not include in its**~~**Installation of protective outfall liner: Although it is not a part of this** CDP application ~~**and that it has not yet fully described is**~~**, a related Project component involves the installation of** an approximately two-mile long liner ~~**that must be installed**~~ within the existing ocean outfall pipeline to prevent the desalination facility discharge from corroding the outfall line (see description in Section ~~II~~**IV.**~~I~~**A**). The liner is included as one of the mitigation measures required by the Final EIR/EIS and must be installed before Cal-Am begins its facility operations.[~~42~~44] Pursuant to an agreement between Cal-Am and Monterey One Water, the operator of the wastewater treatment plant, the liner is to be installed by Monterey One Water~~; however,~~

[~~42~~44] The Final EIR/EIS imposed Mitigation Measure 4.13-5b requiring Cal-Am to install the liner to protect the outfall from corrosion, described some of the potential impacts that might occur during installation, and noted that the work would be subject to other mitigation measures meant to reduce impacts to terrestrial biological resources.

Note: These are not Commission staff's Recommended Findings

~~neither entity has committed to a final design or applied for the needed permits for this work~~.

~~Although not yet fully described or evaluated, preliminary analysis provided in the~~The Final EIR/EIS anticipates that part of the liner installation would be done from the beach (and at or near the boundary between the City of Marina's LCP jurisdiction and the Commission's retained jurisdiction). Draft information provided by Cal-Am shows that work could require digging access pits at two sites along the outfall route within the City of Marina that consist of ESHA. Work is proposed to occur during the treatment facility's low flow period in the summer, when most of its discharge is treated and used for agricultural irrigation. The excavation pit at each access point would be located directly above the outfall pipe and would not exceed a size of 12 feet by 25 feet. Soils would be stockpiled within the existing outfall right-of-way, and topsoil would be stored in a separate pile for use in restoration following installation. Because the work would need to occur during low-flow times for the wastewater plant, it would need to happen in late summer, which would be during the Western ~~snowy plover~~Snowy Plover breeding and nesting season and might occur within the plover's critical habitat area on the beach. The installation work would likely require heavy equipment on the beach and foredune area, excavation of some amount of beach and dune habitat, installation of temporary fencing to protect the work area, and other activities that would temporarily result in noise, disturbance, and occupancy of this ~~critical~~ habitat area ~~during a critical time period~~. However, the work at any given portion of the pipeline would not exceed 7 to 10 days.

~~for the species. Such activities~~As part of the proposed Project's CEQA review, the Final EIR/EIS analyzed the potential secondary impacts of the outfall liner work. The Final EIR/EIS identified all feasible mitigation measures, the implementation of which would reduce each potential impact of the outfall liner work to less-than-significant levels. These mitigation measures include, for example, utilization of a lead biologist to oversee the implementation of protective measures, environmental awareness training for construction workers, and additional measures to protect a variety of local species, including the Western Snowy Plover. The mitigation measures avoid or limit the proposed Project's potential impacts to Primary and Secondary Habitats by avoiding or minimizing the amount and duration of habitat disturbance, and the work would not conflict with existing adjacent land uses. Nonetheless, the Commission finds that the outfall liner work considered in the Final EIR/EIS would not conform to Coastal Act Section 30240 (if the work is done in the Commission's retained jurisdiction) or LCP provisions that mirror that Section (for any work in the City's permitting jurisdiction) because ~~they~~ it would be non-resource-dependent activity that would occur in ESHA. However, because the proposed Project is a coastal-dependent industrial facility, the Commission may approve the Project under Coastal Act Section 30260. This review is provided in Section IV.P of these Findings.

~~On~~Nevertheless, on August 18, 2020, ~~Commission staff received a letter from Cal-Am describing a possible~~Cal-Am provided information to the Commission regarding a feasible, less-impactful alternative method for completing the outfall liner work. The alternative liner installation method ~~that~~ would be done almost entirely within the outfall pipe and would involve no ground disturbance within the coastal zone of the City or the County. Cal-Am has obtained preliminary engineering and design work for this option, which would involve digging an access pit outside of the coastal zone and having workers enter the 60- inch diameter pipeline from there, with no need to access the pipeline anywhere within the coastal zone. Workers would install a smaller, bypass pipeline inside of the main pipe, clean the pipe and replace existing seals with concrete, and then spray on a resin coating. They would vacuum

Note: These are not Commission staff's Recommended Findings

out any waste product so that it would not enter the ocean through the outfall. ~~Because Monterey One Water has not chosen a final design for lining the outfall, nor has it applied for or received any necessary permits, it is unknown whether this option will ultimately be feasible. If it was feasible, it would appear to avoid any impacts related to ESHA and would avoid having the liner work cause a non-resource dependent use in ESHA.~~**Under this proposed spray-lining method, Cal-Am would not build or expand any existing structure related to the outfall pipeline.**

Because there is a less impactful feasible alternative, Special Condition 4 requires Cal-Am to implement the proposed spray-lining method prior to the commencement of Project operations or to obtain an amendment to this CDP or a new CDP should Cal-Am need to implement a different method to install the outfall liner. Because operation of the proposed Project may not commence until Cal-Am has obtained all authorizations and approvals for work on the outfall, Special Condition 4 guarantees that approval of the current CDP application will not result in any adverse impacts to ESHA from the installation of the outfall liner.

Mitigation measures

The Final EIR/EIS includes a number of mitigation measures meant to avoid or reduce ~~some of~~ these known or potential impacts to ESHA (see Exhibit 7 – Summary of Final EIR/EIS Terrestrial Biology Mitigation Measures). ~~However, they would not result in mitigation "to the greatest extent possible," as required by the LCP.~~ They include several commonly required measures, such as requiring the presence of a biologist to oversee implementation of protective measures, conducting environmental awareness training and education to construction personnel, conducting pre-construction surveys and ongoing monitoring, and numerous best management practices. They also include Mitigation Measure 4.6-1n that requires Cal-Am to submit, prior to construction, a comprehensive Habitat Mitigation and Monitoring Plan ("HMMP") that describes ~~Cal-Am's~~**Cal- Am's** proposed mitigation, including providing mitigation success criteria, implementation plans, maintenance, monitoring, and reporting plans, and contingency measures needed to address restoration and compensatory mitigation on all sensitive habitats and species affected by the project. It also anticipates that Cal-Am would coordinate with several resource agencies (including staff of the Commission, California Department of Fish and Wildlife, Regional Water Quality Control Board, U.S. Army Corps of Engineers, and U.S. Fish and Wildlife Service) to determine the full suite of mitigation measures that would ultimately be needed.

To ensure mitigation "to the greatest extent possible," as required by the LCP, Cal-Am submitted in June 2020 a draft HMMP (see Exhibit 8 – Cal-Am proposed Habitat Mitigation and Monitoring Plan, June 2020)[~~43~~**45**] that describes several alternative proposed mitigation approaches, including:

- restoration to be conducted by Cal-Am prior to property transfer to a Commission-approved entity, and, subsequent to transfer, funding an endowment to continue the restoration work;
- funding for a Commission-approved entity to implement the HMMP; or,
- funding an endowment comparable to HMMP implementation cost to put towards

[~~43~~**45**] Cal-Am previously submitted an October 2, 2019 "Mitigation Strategy Overview for CalAm Monterey Peninsula Water Supply Project," which provided a preliminary proposal of mitigation measures proposed for its expected impacts at the CEMEX site. The current HMMP supersedes this previous document.

Note: These are not Commission staff's Recommended Findings

purchase of the site with implementation of the HMMP a requirement of the purchase.

~~Elements of these alternatives could provide some acceptable mitigation for Cal-Am's Project impacts, but at this time, they involve a number of uncertainties that make it difficult to evaluate potential mitigation success. For example, it is not clear whether any mitigation actions that occur before the upcoming property transfer would coordinate appropriately with the expected site-wide restoration program contemplated in the Settlement Agreement. Similarly, neither the timing nor the funding needed for these proposed future mitigation approaches can be predicted at this time.~~

Because the CEMEX site has not yet been purchased by an approved entity, Cal-Am proposed alternatives for HMMP implementation. Each of these alternatives provides acceptable mitigation for Cal-Am's Project impacts. Because there is some uncertainly at this time regarding the closure of the CEMEX site and subsequent transfer to a purchaser, Special Condition 5 requires that Cal-Am prepare and submit a final plan selecting one of the alternatives to implement the HMMP at the CEMEX site. Selection of the final implementation approach shall occur in consultation with the Executive Director.

More specifically, the HMMP ~~proposes a number of measures that are not consistent with past Commission-approved mitigation plans. For example, along with the above-referenced concerns about many of Cal-Am's proposed "temporary" impacts actually falling within the Commission's category of "permanent" or "long-term" impacts, it does not include adequate mitigation for those impacts – e.g., it treats the loss of woody vegetation such as oaks and manzanita as temporary rather than permanent. It also proposes 1:1 restoration of sensitive plants, such as spineflower, despite the lack of demonstrated success in restoring that species. Additionally, instead of proposing the use of relevant reference sites to determine whether the proposed mitigation is meeting success standards, it proposes using a success criterion of 70% of site baseline conditions. This is problematic, since the site is already somewhat disturbed and not providing the habitat values that would be expected of a fully functioning reference site. The HMMP also proposes what are primarily "semi-quantitative" monitoring methods that are presented without a statistical framework and are based on relatively lenient performance criteria.~~ provides for approximately 6.6 acres of restoration for 2.2 acres of potential permanent impacts, at a 3:1 mitigation ratio, and in-kind and in-place mitigation at a 1:1 ratio for approximately 15.306 acres of potential temporary impacts. In addition, Cal-Am has proposed to remove an additional 1.825 acres of iceplant on the CEMEX site and restore the area with native vegetation. The HMMP further provides that restoration at the CEMEX site would include re-establishment, rehabilitation, and enhancement of habitats through the removal of existing invasive species populations and reintroduction of native species indigenous to dune habitat. The HMMP also requires Cal-Am to implement long-term management activities to remove newly emerging invasive vegetation and protect the restored and existing native habitats.

~~Importantly, the HMMP proposes that most of the restoration activities take place within the CEMEX North Mitigation Area, which is already expected to benefit from preservation~~

Note: These are not Commission staff's Recommended Findings

~~pursuant to the aforementioned Settlement Agreement. While Cal-Am's proposed mitigation in that area would result in restoration of degraded dune habitat and could provide significant improvements to that area of dune ecosystem, its location in an already preserved area would result in a net loss of dune habitat footprint.~~

Some commenters suggest that the areas in which the HMMP proposes restoration activities – that is, the CEMEX North Mitigation Area – is already expected to benefit from preservation pursuant to the aforementioned Settlement Agreement. Cal-Am's proposed mitigation in this area would result in restoration of degraded dune habitat and would provide significant improvements to that area of dune ecosystem because no restoration or enhancement of the area is otherwise proposed, required or funded under the Settlement Agreement. The Settlement Agreement requires CEMEX to transfer title to a Commission-approved entity to either manage the property for conservation uses or use the property for allowable activities, such as the proposed Project. The Settlement Agreement does not require the future purchaser to use or manage the property for ESHA preservation or restoration. However, in its HMMP, Cal-Am has proposed areas for restoration that have not been identified for restoration under the Settlement Agreement.

Another key concern is the proposed restoration of an area described as a "valley" within the dunes, which is primarily covered by invasive species such as iceplant and non-native grasses supported by soils high in organics, and surrounded by more typical dune habitat with the potential to support sensitive native species. This valley's invasive species appear to be a result of, and supported by, sustained agricultural runoff being pumped through a pipeline from a nearby farm into the dunes, which has created a nearly foot-deep layer of organic soil on top of the dune habitat. ~~The HMMP proposes that it would use this water supply as necessary to irrigate the dune vegetation it plants as part of its dune restoration; however, this raises concerns about using that water (and any contaminants that may be in it) to restore dune ESHA, an ecosystem that has evolved to function with minimal hydrologic input in a low-nutrient substrate. The HMMP does not provide adequate support for such a proposal and it is not clear that, if used, it would be sustainable. It may also bring with it adverse impacts of its own, including the potential presence of contaminants in the water and continual support for non-native or invasive species in the restoration area.~~ In a memorandum dated August 19, 2020, AECOM provided some additional information regarding the valley and agricultural runoff.[46] As explained in AECOM's memorandum, the HMMP proposes that the agricultural runoff into the dunes be discontinued, that all the invasive vegetation associated with the agricultural runoff be removed, and the entire dune area impacted by the agricultural runoff by restored with coastal dune habitat. AECOM notes that discontinuation or alternative management strategies for the agricultural runoff would occur as part of implementation of the HMMP. Because there is some uncertainty regarding the discontinuation or alternative management strategies for the agricultural runoff, Special Condition 6 requires Cal-Am to submit a plan for Executive Director review and approval prior to permit issuance, which will detail the

[46] Monterey Peninsula Water Supply Project: CEMEX North Dunes – Agricultural Runoff Drainage System Observations and Options. AECOM (August 19, 2020).

Note: These are not Commission staff's Recommended Findings

plan for the discontinuation or alternative management for the agricultural runoff.

~~Were it not for the Coastal Act and LCP nonconformity noted above, the Commission could require additional mitigation to allow the project to conform to other relevant LCP policies and Coastal Act requirements. However, because this nonconformity results in no ability for the project to be fully consistent with the LCP's ESHA provisions, there is no need to identify special conditions in this section of the Findings that would allow it to be only partially consistent~~Although the Commission has identified and imposed all feasible mitigation measures to avoid or reduce impacts to ESHA to the maximum extent feasible, the City's LCP and Coastal Act Section 30240 limit uses within ESHA, including primary habitat, to those dependent on the resources. As described throughout these Findings, the proposed Project is not a resource-dependent use, so it cannot be approved consistent with the City's LCP habitat protection policies and Coastal Act Section 30240. Nonetheless, because the proposed Project is considered a coastal-dependent industrial facility, the Commission has the discretion to apply the three tests of Coastal Act Section 30260 and approve the project notwithstanding its inconsistencies with ~~Coastal Act and~~the City's LCP provisions. ~~However, as~~As described in the section of these Findings regarding Section 30260, the Commission has concluded that the project ~~does not meet~~meets the ~~first two~~ tests of Section 30260~~;~~, and thus, ~~there is no need to~~determine whether the ~~project's ESHA impacts could, pursuant to the third test on that section, be mitigated to the maximum extent feasible~~can be approved under Section 30260.

Conclusion

Based on the discussion above, the Commission finds that, with Special Conditions 5 and 6, the Project components, as proposed in the City's jurisdiction, ~~do not conform to~~remain inconsistent with provisions of Habitat Protection policies in the City's LCLUP, including LCLUP Policies 25, 26, and 41 and those requiring that only uses dependent on habitat resources be allowed within primary habitat areas. The Commission also finds that, with Special Conditions 5 and 6, the Project components, as proposed in the Commission's consolidated permit jurisdiction, ~~do not conform to~~remain inconsistent with the Coastal Act's ESHA policies.

However, with implementation of the HMMP, potential impacts to ESHA would be mitigated to the maximum extent feasible. Further, because the proposed Project is considered a coastal-dependent industrial facility, the Commission has discretion to approve the project notwithstanding its inconsistencies with the City's LCP under Coastal Act Section 30260.

Note: These are not Commission staff's Recommended Findings

G. WETLANDS AND VERNAL POND ESHA

Section 30231 Biological productivity; water quality

> The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface waterflow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.

LCLUP Exhibit A states:

> **Primary habitat.** This term includes all of the environmentally sensitive habitat areas in Marina. These are as follows:
>
> ~~2~~1. Habitat for all identified plant and animal species which are rare, endangered, threatened, or are necessary for the survival of an endangered species. These species will be collectively referred to as "rare and endangered."
>
> 2. Vernal ponds and their associated wetland vegetation. The Statewide Interpretive Guideline for Wetlands and Other Wet Environmentally Sensitive Habitat Areas (California Coastal Commission, February 14, 1981) contains technical criteria for establishing the inland boundary of wetland vegetation...
>
> **Secondary habitat.** This term refers to areas adjacent to primary habitat areas within which development must be sited and designed to prevent impacts which would significantly degrade the primary habitat. The secondary habitat area will be presumed to include the following, subject to more precise determination upon individual site investigation:
>
> ~~2~~1. The potential/known localities of rare and endangered plant species as shown on LUP p. 71 ("Disturbed Vegetation" map).
>
> 2. The potential wildlife habitats as shown on LUP p. 75 ("Potential Wildlife" map).
>
> 3. Any area within 100 feet of the landward boundary of a wetland primary habitat area.
>
> **Rare and endangered species.** This term will apply to those plant and animal species which are rare, endangered, threatened or are necessary for the survival of such species. The Environmental Analysis Report prepared for the Marina Local Coastal Program identified such species in the dune habitat areas. While future scientific studies may result in addition or deletion of species, the list presently includes:
>
> 1. Smith's Blue Butterfly (Shijimiaeoides enoptes smithi)[~~44~~47]
> 2. Globose Dune Beetle (Coelus globosus)
> 3. Black Legless Lizard (Anniella pulchra nigra)
> 4. Salinas Kangaroo Rat (Dipodomys Heermanni Goldmani)
> 5. Seaside Painted Cup (Castilleja latifolia ssp. Latifolia)
> 6. Monterey Spine Flower (Chorizanthe pungens var. pungens)

Note: These are not Commission staff's Recommended Findings

[~~44~~47] This name has been updated since publication of the LCP – it is now Euphilotes enoptes smithi.

7. Eastwood's Ericameria (Ericameria fasciculate)[sic][45][48]
8. Coast Wallflower (Erysimum ammophilum)
9. Menzies' Wallflower (Erysimum menziesii)
10. Coastal Dunes Milk Vetch (Astragalus tener var. titi)
11. Dune Gilia (Gilia tenuiflora var. arenaria)
12. Wild Buckwheat (Eriogonum latifolium)*
13. Wild Buckwheat (Eriogonum parvifolium)*
14. Bush Lupine (Lupinus ssp.)+

* only within the range of Smith's Blue Butterfly.
+ only within the range of the Black Legless Lizard.

LCLUP Habitat Protection Policies include:

> Before any use or change in use, areas identified as potential habitat for rare and endangered plant or animal species shall be investigated by a qualified biologist to determine the physical extent of the primary habitat areas for the specific rare and endangered plants and animals on that site.
>
> Primary habitat areas shall be protected and preserved against any significant disruption of habitat values and only uses dependent on those resources shall be allowed within those areas. All development must be sited and designed so as not to interfere with the natural functions of such habitat areas. Management and enhancement opportunities should be incorporated into use or development proposals; potential impacts shall be fully mitigated, including the assurance of long term mitigation and maintenance of habitat through the use of appropriate acreage replacement/restoration ratios for any unavoidable direct impacts to habitat areas.

LCP Policy 24 states:

> To protect and encourage the restoration of the vernal ponds to their original state and allow only those uses adjacent which will reinforce and conserve the unique habitat qualities of these ponds.

Summary

The Coastal Act and the City's LCP include provisions that require protection of wetlands. Coastal Act Section 30231, for example, requires that biological productivity in wetlands and other coastal waters be maintained and restored through various means, including preventing the depletion of groundwater. Vernal ponds are generally considered wetlands for purposes of the Coastal Act;[1] however, the City's LCP further specifies that vernal ponds are a type of primary habitat and are thereby considered ESHA. Vernal ponds are relatively rare and often biologically important seasonal wetlands used during avian migration and amphibian breeding seasons. The LCP also includes wetland areas associated with vernal ponds as primary habitat, and therefore ESHA.

The LCP requires that these vernal ponds and their associated wetland areas be protected against any significant disruption, that development be sited and designed to prevent significant degradation of those areas, and that all development be sited and designed to not interfere with the natural functions of these habitat areas. Further, the City's Comprehensive Management Plan, which it developed in conjunction with the Commission as part of developing its Local

[45][48] The correct spelling is Ericameria fasciculata.

Note: These are not Commission staff's Recommended Findings

Coastal Program, clarifies the importance of these areas by stating: “Seasonal and permanent wetlands are critical habitat for a variety of wildlife species, and the near-coastal proximity of the ponds promotes use by species associated with the bay shoreline and other coastal wetlands.”[2]

The LCP and other City and County planning documents identify several areas within the expected groundwater drawdown zone of Cal-Am’s well field as vernal ponds and wetlands (see Exhibit 9 – Map of Area Wetlands). Among the closest, approximately 1,000 feet from the nearest the well field, are several dozen acres on either side of Highway One south of Lapis Road, known as the Armstrong Ranch Ponds. They are within the County’s coastal zone and are designated “Habitat Reserve and Other Open Space.” This complex of vernal ponds is generally dry at the surface for part of the year and floods in the spring during periods of precipitation, though they are occupied ~~year-round~~year- round by marsh vegetation species. They also represent an important habitat feature for a number of avian species, particularly during migration season, and provide breeding habitat for any of several amphibian species. Other smaller biologically important vernal ponds are in the drawdown zone and within the City of Marina, though somewhat further from the well field.

The Final EIR/EIS identified several vernal ponds and wetlands at and near the CEMEX site and near the various project pipeline routes. It acknowledged that some construction activities, such as inadequate runoff or dust control measures, could adversely affect some of ~~these~~the vernal pond/wetland areas, but noted that the document’s mitigation measures would reduce potential adverse impacts to less than significant. It also presumed that, while several of ~~these areas~~the vernal ponds and wetlands were in areas that would experience a drawdown of groundwater levels resulting from Cal-Am’s pumping from its well field, ~~these areas~~the vernal ponds and wetlands were “hydrologically disconnected” from the underlying groundwater and would therefore not be affected by the pumping.

After the conclusion of the CEQA review, and after the Commission’s November 2019 hearing, Commission staff received an April 2020 analysis provided by the City of Marina that described many of these wetland areas as “groundwater dependent ecosystems” (“GDEs”) and identified potential adverse effects to them due to the groundwater drawdown.[3] GDEs include various types of wetland areas with hydrology supported entirely or in part by underlying groundwater. They include permanent, seasonal, and temporary wetlands (including vernal ponds) that change in extent and depth in response to changes in underlying groundwater elevations.

The City’s GDE review identified several previously unknown potential adverse effects on several nearby vernal ponds and their associated wetlands. It included data and analyses indicating that several of these areas do not appear to be the “perched” wetlands presumed during CEQA review, but appear to be connected to the underlying groundwater within the shallow Dune ~~Sands~~Sand Aquifer that underlies this area. The GDE review described data collected from Cal-Am’s monitoring wells closest to some of these areas during Cal-Am’s approximately two-year pump test, which included about two dozen events where groundwater drawdown and recovery was correlated with the start and stop of pumping activities. At the Armstrong Ranch vernal pond complex, the City’s review identified a relatively immediate groundwater drawdown/response of about one foot. The review also notes that the groundwater underlying these areas has variable salinity levels (from slightly brackish to nearly the same as seawater), suggesting it has sources other than the primarily fresh water that would be expected from precipitation. It also notes that the overlying habitat includes vegetative species that have adapted to this range of salinity variation.

Note: These are not Commission staff’s Recommended Findings

Later, in June 2020, Commission staff received a report from the Commission's independent hydrogeologist that described additional groundwater modeling conducted in addition to that done previously as part of CEQA review and by Cal-Am (this report is more thoroughly described in Section ~~II~~IV.J of these Findings). Part of the additional modeling was meant to identify expected groundwater drawdown levels beneath nearby vernal ponds and wetlands that could result from Cal-Am's longer-term pumping operations. This report identified such drawdowns of between about two to four feet beneath the closest of these features – at the Armstrong Ranch Ponds – and attenuating at more distant features – for example, to just under one foot drawdown at the Lake Drive Pond within the City. These drawdown levels appear to be fairly consistent with those the City identified in its above-referenced GDE review; for example, Cal-Am's test well pumping at about three mgd showed a one-foot drawdown at the Armstrong Ranch vernal pond complex, whereas modeling based on Cal-Am's full proposed 16 mgd shows about a four-foot drawdown.

The City then provided a July 2020 report updating the 1994 CVCMP with a current assessment of hydrologic conditions and biological resources at six of the seven vernal ponds within or adjacent to its jurisdiction.[~~46~~49] While the report did identify some ~~limited~~ changes to the ponds including new pockets of wetland vegetation supported by freshwater runoff and expanded willows, it also concluded that all six areas revisited have remained approximately as described in the original CVCMP. ~~Importantly, it~~The report also determined that they should all be considered GDEs on the basis of a suite of ecological indicators accounting for source water quality, growth patterns, and vegetation condition in summer months, and that as GDEs, these sensitive habitats would be vulnerable to any significant changes in groundwater levels.

Finally, Cal-Am provided an August 2020 report that analyzed the vernal ponds and concluded that the vernal ponds are likely not groundwater dependent or if they are groundwater dependent they are supported from a perched source and not from the Dune Sand Aquifer from which the Project will pump source water.[50] The analysis evaluated existing monitoring wells, conducted water quality sampling, researched surface water conditions, examined historical aerial imagery, and reviewed previously prepared analyses regarding the vernal ponds. The analysis explained that the urban development that has occurred adjacent to many of the vernal ponds has altered the existing functions of the ponds. The analysis also described how the Armstrong Ranch Ponds have been affected by agricultural irrigation and historic use as a cattle pasture. In addition, the analysis found that none of the vernal ponds showed any influence of tidal changes, which would be expected if the ponds were hydrologically connected to the Dune Sand Aquifer. Based on this analysis, the August 2020 report concludes that the source of water for the vernal ponds is most likely surface water and not the Dune Sand Aquifer.

While the August 2020 report submitted by Cal-Am concludes that the vernal ponds are unlikely to be dependent on the Dune Sand Aquifer and therefore unlikely to be affected by Project pumping, the report nevertheless proposes an Adaptive Management Program that would include ongoing evaluation of the ponds to more conclusively determine

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[~~46~~49] See WRA Environmental Consultants, Biological Resource and Groundwater Dependency Analysis of Marina Vernal Ponds, prepared for City of Marina, July 30, 2020.

[50] See Geoscience and AECOM, Understanding the Influence of Subsurface Aquifer Drawdown Upon Surface Waters and Wetlands for the Proposed Monterey Peninsula Water Supply Project, prepared for Cal-Am, August 18, 2020.

Note: These are not Commission staff's Recommended Findings

whether the ponds are hydrologically connected to the Dune Sand Aquifer and to what extent Project pumping might affect the ponds. Under the Adaptive Management Program, if Project pumping were determined to have an impact on the vernal ponds, the program proposes a Wetland Resiliency, Enhancement, Restoration, and Monitoring Plan that would mitigate and/or offset for any potential adverse effects to the ponds.

~~Effects of drawdowns~~

Conclusion

~~These~~The recent analyses~~, although not comprehensive, strongly suggest that the identified drawdowns~~ are inconclusive regarding whether groundwater drawdowns from Project pumping could adversely affect the functions and values ~~at up to several dozen acres of these~~of the vernal ponds and wetlands~~, primarily at the Armstrong Ranch Ponds, and possibly at other nearby wetlands. It~~. If drawdowns were to adversely affect the vernal ponds, it is difficult to ~~precisely~~ determine the specific nature and magnitude of expected effects, as they would vary by vegetation and wildlife species, by temporal changes in precipitation and natural variation in groundwater levels, by the location in the landscape of the wetland features, and various other factors. ~~Nonetheless, the~~If there were a hydraulic connection between the Dune Sand Aquifer and the vernal ponds, groundwater drawdowns would most likely result in the following types of adverse effects:

- Reduction of surface water extent and depth. This would reduce the habitat functions and values that would be present absent Cal-Am's pumping.

- Temporal losses of vernal pond functions and values, including shifts in the timing of surface flooding as well as reduced durations of flooding. ~~Drawdown would likely result in a groundwater-supported vernal pond that normally would exist for six or eight weeks during breeding and nesting season might instead last for two or four weeks, and/or shift to later in the season, thereby reducing available habitat and food sources during periods that many resident and migratory species would otherwise rely on.~~

- Reduction of wetted area around the root zones of marsh or aquatic vegetation. Some vegetative species in these areas may have relatively shallow roots and may rely on groundwater being available within a certain elevation range. Others may have deeper roots but be dependent on natural and gradual fluctuations in groundwater elevations. ~~More rapid declines in groundwater elevations may leave some root systems "stranded" and lead to reduced plant vitality or even death.~~

- Reduction in species diversity. Less surface area and more confined root zones could also lead to fewer microhabitats and niches for associated plant species to occupy, contributing to increased competition for limited resources and likely, reduced opportunities for dependent wildlife species as well.

- Reduction in habitat resilience. When a system is already stressed, it becomes less capable of absorbing further stress including environmental change. For example, drought could have devastating effects on a compromised system that is already suffering from reduced water availability.

~~Cal-Am has suggested that it could monitor some of these areas to determine first, whether they were groundwater dependent, and if so, what changes might be associated with any pumping-related drawdowns. However, and importantly, it would be difficult to monitor the actual effects the expected drawdown would have on these wetland and vernal pond areas, in part due to the complex interactions among changing groundwater~~

Note: These are not Commission staff's Recommended Findings

~~elevations, different amounts of precipitation and other water sources, the presence of different species with different responses to those changes, as well as the lack of adequate reference sites or baseline data for many of these areas.[5] It would likewise be difficult to provide adequate mitigation for any adverse effects, in part due to the potential extent of the effects – which could cover up to several dozen acres of wetlands and vernal ponds – and also due to the difficulty in identifying sites where creating or restoring wetland or vernal ponds could be successful and would not result in the conversion of other sensitive habitats.~~

~~With these likely impacts resulting from Cal-Am's pumping of groundwater, the proposed Project cannot be found consistent with the provisions of Coastal Act Section 30231 and the above-referenced provisions of the LCP. Specifically, due to the reasonably foreseeable groundwater drawdowns, the evidence does not demonstrate that the Project would ensure that "[p]rimary habitat areas [will] be protected and preserved against any significant disruption of habitat values," or that it will ensure the maintenance of the biological productivity and the quality of coastal wetlands.~~

To address potential wetland and vernal pond impacts, Special Condition 7 requires Cal-Am to implement an Adaptive Management Program that would ensure the monitoring of the vernal ponds to determine first, whether they are groundwater dependent, and if so, what changes might be associated with any Project pumping-related drawdowns. If the additional analysis determines that there would be adverse effects from pumping-related drawdowns, Special Condition 7 requires Cal-Am to implement a Wetland Resiliency, Enhancement, Restoration, and Monitoring Plan to mitigate and/or offset those effects to the vernal ponds. For each stage of the Adaptive Management Program, Cal-Am would be required to submit the required analysis to the Executive Director for review. In addition, if the Wetland Resiliency, Enhancement, Restoration, and Monitoring Plan is necessary Cal-Am would be required to apply for and obtain the Commission's approval of an amendment to this Coastal Development Permit prior to implementation of the Wetland Resiliency, Enhancement, Restoration, and Monitoring Plan. If possible the Wetland Resiliency, Enhancement, Restoration, and Monitoring Plan would address impacts entirely on-site. On-site measures could include providing supplementary water, supplementing infiltration, modifying pond outlet or overflow to encourage deeper ponding, or enhancing the ponds with a vegetation management program. If it is not possible to entirely mitigate and/or offset potential effects on-site (e.g. lack of access or site control, site constraints, etc.) Cal-Am would implement measures off-site to mitigate and/or offset any remaining impacts that could not be addressed on-site. For off-site mitigation the following mitigation ratios would apply depending upon whether creation, restoration, or enhancement is proposed: off-site wetland creation 1:1 ratio; off-site wetland restoration 3:1 ratio; and/or off-site wetland enhancement 4:1 ratio.

While implementation of Special Condition 7 ensures that any impacts to vernal ponds are mitigated to the maximum extent feasible, at this time it cannot be concluded whether mitigation could be implemented that would entirely avoid impacts to the vernal ponds. As noted as part of the Adaptive Management Program, it is possible that impacts would need to be mitigated off-site. Therefore, the Project could be inconsistent with the Coastal Act and LCP's provisions that require the protection of existing vernal ponds and wetlands. Accordingly, for the reasons described above, the Commission finds that the Project, as conditioned, will be inconsistent with the provisions of Coastal Act Section 30231 and the above-referenced provisions of the LCP. Nevertheless, because the proposed Project is a coastal-dependent industrial facility, the Commission finds that

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the Project can be considered for approval despite its potential non-conformity to these Coastal Act policies, pursuant to Coastal Act Section 30260, which allows for approval of such facilities that are otherwise inconsistent with relevant Coastal Act policies. The LCP similarly allows for approval of otherwise non-consistent coastal-dependent industrial development if it is a use allowed pursuant to Coastal Act 30260. Section IV.P of these Findings provides the Commission's determination regarding Coastal Act 30260.

Note: These are not Commission staff's Recommended Findings

H. COASTAL HAZARDS

Coastal Act Section 30253 states, in relevant part:

> New development shall do all of the following:
> (a) ~~(a)~~ Minimize risks to life and property in areas of high geologic, flood, and fire hazard.
> (b) ~~(b)~~ Assure stability and structural integrity, and neither create nor contribute significantly to erosion, geologic instability, or destruction of the site or surrounding area or in any way require the construction of protective devices that would substantially alter natural landforms along bluffs and cliffs~~...~~ ...

The LCLUP states:

> Before development is permitted in the Coastal Zone, a geotechnical report appropriate to the specific proposal shall be prepared for that development in the dunes or in the vicinity of any vernal pond. The report shall include at least geologic and seismic stability, liquefaction potential, identification of an appropriate hazard setback to protect the economic life of structures, and specific recommendations on drainage, irrigation and mitigation of identified problems.
>
> Report contents shall comply with guidelines of the California Division of Mines and Geology.
>
> ~~...~~ ...
>
> No new development shall be permitted which will require the construction of shoreline protection structures unless such development is in accordance with the provisions of the "Small Boat Harbor" section of this Land Use Plan, or when such structures are necessary to serve coastal dependent uses (as defined in the Coastal Act) or to protect publicly owned beaches from erosion.

The LCLUP states:

> Tsunami Hazard: Tsunamis are seismic sea waves, often erroneously called "tidal waves." Because of the height and depth of the Coastal dunes in Marina, inland areas are not within the tsunami hazard zone. The areas most subject to tsunami in Marina are the sandy beaches and dunes. With an adequate tsunami warning system, there is no significant tsunami threat to beach users. Since there is little development within the tsunami run-up zone, there is little present threat. Future development should not occur in the tsunami run-up zone (on the sandy beaches and foredune area).

The LCP's North of Reservation Road Planning Area requires proposed development consider:

> Public safety and vulnerability to wave erosion.
>
> Tsunami and other coastal hazards.

Note: These are not Commission staff's Recommended Findings

The LCLIP states:

> **Standards for Coastal Protection Structures:** Except for a few facilities associated with sand mining, there currently is little capital investment to be threatened by erosion along Marina's shoreline. The face of the dunes is subject to wave erosion, so future development shall be placed beyond the area vulnerable both to wave erosion and tsunami hazard. This setback shall be great enough to protect the economic life of the proposed development (at least 50 years) and be east of the tsunami hazard zone. The exact extent of this setback shall be determined by a qualified geologist, selected from an approved list compiled and maintained by the City. Because of variation from site to site, the setback line shall be determined at the time development of a site or parcel is proposed.
>
> Protective structures are not recommended in Marina; however, if they should ever be necessary, standards shall be established to insure that the type of protection, location, design and other factors are considered. In determining if it is suitable to issue a coastal permit for a shoreline structure, the following shall be addressed: (1) alternatives to a protective structure shall be determined and evaluated by appropriate specialists first; and (2) an EIR/EIS shall be required on the proposed structure. The EIR/EIS shall address specific issues of Local Coastal Land Use Plan concern, construction and maintenance. The environmental evaluation and mitigations shall be prepared by qualified specialists and shall address at a minimum the following specific issues and design considerations.

Summary
Both the Coastal Act and the LCP generally require that development be sited and designed to avoid and minimize risks associated with coastal hazards, and specifically requires that development be sited with the setback needed to provide protection from these hazards for the full expected economic life of any structures. Although Cal-Am's desalination facility would be located outside of the coastal zone and away from these hazards, Cal-Am's proposed wells could be subject to several of them, including coastal erosion and dune recession, both of which would be exacerbated by sea level rise and climate change. However, with the wells' limited 20- to 25-year expected operating**/economic** lives **and distance from the shoreline**, the risk from these hazards would be expected to be relatively minor. These hazards are addressed below.

Coastal erosion and sea level rise
Background: The well field would be just inland of the actively eroding shoreline of Monterey Bay, with the existing test well located about 600 feet inland and the other proposed wells to be located about 800 feet inland. The Bay shoreline near Cal-Am's proposed well field has exhibited **some of** the highest annual erosion rates in the state, due in part to relatively high levels of wave energy and the easily erodible sand that makes up most of the Bay shoreline. The area has experienced, and will likely continue to experience, storm-driven erosion that results in losses of as much as 100 feet of beach during a single event. Erosion along this stretch of shoreline also results in the recession inland of the dune system located adjacent to the beach. As the beach erodes, the dune profile moves inland, though not necessarily at the same rate as the shoreline or with the same dune profile.

Along with the natural shoreline processes that drive coastal erosion in this area, a substantial additional contributor has been the sand mining that has occurred at the CEMEX facility for many decades. CEMEX's removal of more than 100,000 cubic yards of sand annually from the

Note: These are not Commission staff's Recommended Findings

nearshore area served to reduce the sand supply along the shoreline, thereby exacerbating the ongoing natural erosive processes. ~~As detailed below, although the~~**In 2017, the Commission approved the CEMEX Settlement which will result in the end of** sand mining operations ~~have ended, the shoreline is expected to continue having a relatively high erosion rate.~~**at the site in 2020. A major factor in seeking to end sand mining operations at the site was based on the Commission's finding that the rate of shoreline retreat and dune erosion within the area would likely reduce significantly once sand mining operations ceased.**

In recognition of the area's **historically** high erosion potential, the LCP requires that development be located inland of areas near the shoreline that are vulnerable to erosion. The Final EIR/EIS included an assessment of the effects of sea level rise and coastal erosion on the proposed well field and the most seaward sections of the Source Water Pipeline.

Coastal erosion studies during early stages of the project's environmental review showed that the then-proposed well field could be affected by coastal erosion expected during the project's operating life. Cal-Am then relocated the proposed well heads about 400 feet further inland to their currently proposed location. For these new locations, the Final EIR/EIS modeled "stand-alone" expected erosion rates as well as those same rates when accompanied by 100-year storm events. It found that expected erosion by 2060 would remove about 300 feet of the beach and dune profile and that adding a 100-year storm event would remove an additional 130 feet for a total of 430 feet. This analysis showed that most of the well field would escape erosion until 2060, although the existing test well that Cal-Am proposes to convert to a permanent well would likely be affected sooner, as it is about 200 feet closer to the current shoreline than the other wells.

To address the anticipated erosion hazard, the Final EIR/EIS included a mitigation measure requiring Cal-Am to monitor the rate of coastal retreat and to determine, based on the identified and expected annual erosion rate, when there are no more than five years before the wells would become exposed due to erosion.[~~47~~51] At that point, Cal-Am would be required to start the planning and permitting needed to abandon the wells in accordance with state well destruction requirements, and upon receipt of the necessary approvals, Cal-Am would remove the wells. As noted above, Cal-Am expects its wells to have useful lives of only about 20 to 25 years before they need to be **replaced or** relocated, so it does not expect that they would be affected by erosion.[~~48~~52]

However, this analysis was done in 2016 and was based on sea level rise guidance and scenarios that have been superseded by more recent state and Commission guidance that anticipates more rapid, and greater, sea level rise.[~~49~~53] For example, the projections used in the Final EIR/EIS anticipated sea level rise of 15 inches by 2040 and 28 inches by 2060, whereas the currently applicable projections for the Monterey Bay area anticipate a range of sea level rise in 2040 of between about 15 and 20 inches and a 2060 range of 31 and 46 inches (increases of up to 33% and 64%, respectively). The assessments were also done before completion of the CEMEX Settlement, which requires CEMEX to permanently stop its sand

[~~47~~51] See Final EIR/EIS Mitigation Measure 4.2-10.

[~~48~~52] The limited operating life is due to wells such as these experiencing reduced yields due to a slow build-up of fine sediments in or near the screened intake portion of the well casing.

[~~49~~53] See the Ocean Protection Council's State of California Sea-Level Rise Guidance 2018 Update and the Coastal Commission's 2018 Sea Level Rise Policy Guidance and November 7, 2018 Science Update.

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mining operations by the end of 2020, so they do not reflect what the expected erosion rates will be after CEMEX ceases removing large amounts of sand from this stretch of shoreline.

Prior to the Commission's November 2019 hearing on this proposed Project, Commission staff requested that Cal-Am provide an updated assessment of expected sea level rise and coastal erosion based on current state guidance and projections and on site conditions expected without sand mining. In response, Cal-Am provided an October 2, 2019 technical memorandum – *Updated Coastal Erosion Hazard Analysis for CalAm Monterey Peninsula Water Supply Project*, prepared by AECOM. This technical memorandum assesses expected sea level rise and coastal erosion effects on Cal-Am's proposed well field and Source Water Pipeline using low, medium-high, and extreme risk aversion scenarios for the years 2040, 2060, and 2120. It includes the high GHG emission scenario for each to provide a more conservative assessment of expected effects. It also considers the effects of both a 100-year and 500-year storm event on site erosion to provide additional conservatism. To reflect the expected site conditions resulting from the closure of the CEMEX sand mining operations, it assumed a 60% reduction in the historical retreat rate along the stretch of shoreline.[~~50~~54] For each of the several scenarios, the memorandum separately describes the expected effects on the test slant well, which Cal-Am proposes to convert to a long-term well for the project and is located about 600 feet from the current shoreline, and on the rest of the well heads that would be constructed about 800 feet from the current shoreline. **Using the extreme risk aversion scenario and the 500-year storm event, the most conservative of the approaches in the analysis, the memorandum concluded that the slant wells (including the test slant well) would not be at risk from coastal erosion until near the 2120 planning horizon.**

The Commission's coastal engineer reviewed the Final EIR/EIS and Cal-Am assessments and prepared a technical memorandum describing that review and its conclusions (see Exhibit 10 – Coastal Hazards Technical Memorandum). The review concluded that under the above **extreme** scenarios, both the test well site and the other well sites would likely be safe from erosion through 2040, that the test well site could be at risk by 2060 **from a 100-year storm event**, and that both the test well site and other well sites would likely be at risk by 2120. **The Commission's technical memorandum did not account for any reduction in coastal erosion from the end of sand mining at the CEMEX site. When factoring in a reasonable reduction in coastal erosion due to the fact that large amounts of sand will no longer be exported from the site, as provided in the October 2, 2019 technical memorandum prepared by AECOM, the well field is projected to be safe using the extreme risk aversion scenario and 500-year storm event until near the 2120 planning horizon.**

Since ~~then, however~~**these analyses were prepared**, California has developed a new principle calling for permitting agencies to consider, for planning purposes, an increase in sea level of 3.5 feet by 2050.[~~51~~] ~~Compared to the Commission's above-referenced current sea level rise~~

[~~50~~54] This assumed 60% reduction is derived from studies and a sand budget analysis presented in two documents prepared, in part, to identify the effects of those mining operations on erosion along the Monterey Bay ~~Shoreline~~**shoreline**. See ~~Environmental~~**environmental** Science Associates and Phillip Williams and Associates~~,~~ Evaluation of Erosion Mitigation Alternatives for Southern Monterey Bay, prepared for the Monterey Bay Sanctuary Foundation and the Southern Monterey Bay Coastal Erosion Working Group, May 30, ~~2020~~**2012**, and Young, Robert, An evaluation of the ongoing impacts of sand mining at the CEMEX Lapis Sand Plant in Marina, California on the Southern Monterey Bay Shoreline, 2017.

~~[51] See Ocean Protection Council, Strategic Plan to Protect California's Coast and Ocean 2020 – 2025, February 2020.~~

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~~guidance, this would result in expected sea level rise projections occurring several years sooner than previously anticipated. For example, instead of reaching the above-referenced 31- to 46-inch range of increase by 2060, it would be expected by about 2045 to 2050. Commission staff requested Cal-Am provide additional analysis showing the expected site conditions under this most recent state guidance. Essentially, using these projections, the well field could be at risk by 2045 to 2050 instead of 2060. However, with Cal-Am's~~ [55] As the Executive Director stated in the May 22, 2020 letter endorsing this new principle, this is not a new sea level rise projection and is, in general, accounted for by utilizing and implementing the projections and recommendations in the Commission's Sea Level Rise Policy Guidance, which was used by AECOM and staff to evaluate the potential impacts to the Project. Using those projections and recommendations, the slant wells will be unaffected by 3.5 feet of sea-level rise in 2050, and therefore the Project is consistent with the new state principle. Further, with Cal-Am's reliance on an expected 20- to 25-year operating life for the wells, this accelerated timeline is not likely to result in a substantial change to the expected risks from coastal erosion.

~~With the test well site~~In addition, when accounting for reductions in coastal erosion from the cessation of sand mining at the CEMEX site, none of the well sites would be at risk from ~~these expected long-term~~coastal erosion ~~scenarios, the project could include development in an area subject to wave erosion during~~within the next 50 years. ~~This presents some tension~~ Accordingly, the Project is consistent with LUP and IP policies that generally require setbacks adequate to protect new development for "the economic life of the proposed project (at least 50 years)." ~~The LUP has an exception to this policy allowing construction of shoreline protection structures when necessary to serve a coastal-dependent industry, which might apply to the test well portion of this project. However, Cal-Am is not proposing any such structures, and the LCP's standards for approving such structures require several analyses not included as part of the proposed Project, including an assessment of alternatives to any such protective structure and review of any proposed protective structure through an Environmental Impact Report. Without an adequate setback to allow for 50 years of protection, and without these analyses being completed, this component of the proposed~~ Even without accounting for reductions in coastal erosion from the cessation of sand mining the wells sites would not be at risk during their 20-25 year economic life.

The Project ~~could be inconsistent~~is also consistent with LCP policies related to coastal erosion ~~unless~~because there is a requirement to remove the ~~test well when it becomes threatened.~~slant wells when they become threatened. Mitigation Measure 4.2-10 requires Cal-Am to monitor and remove the slant wells five years prior to any anticipated exposure. For reliability purposes, the Project will be constructed with seven wells, but does not need all seven to be operating in order to maintain the Project's permitted water deliveries. Operation of five is sufficient. Thus, in the event that wells need to be decommissioned early due to coastal hazards, the Project could continue to supply water to the Monterey Peninsula.

Cal-Am expects that its wells would operate for ~~no more than~~about 20 to 25 years and then may need to be replaced or relocated, which would ~~presumably~~ allow them to avoid coastal hazards related to erosion. ~~Although this~~This allows for conformity with the LCP's coastal hazards provision related to the expected economic life of the development~~, it creates a~~

[55] See Ocean Protection Council, Strategic Plan to Protect California's Coast and Ocean 2020 – 2025, February 2020.

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~~concern that Cal-Am's desalination facility may not be able to operate for its expected 60-year operating life because Cal-Am does not currently have a legal interest in locations further inland where Cal-Am might be able to relocate its wells. Additionally, much of that inland area is expected to be restored as a result of the above-referenced Settlement Agreement. These issues are described in more detail below and in Section II.O – Assessment of Alternatives.~~.

The Commission also considered the effects of expected dune recession on the well sites.[52] As noted above, the site's foredunes will recede inland as a consequence of shoreline erosion and at some point will occupy the same area as the well sites. The initial review, conducted in October 2019, concluded that the risk of this occurring would be low before 2040, but would increase thereafter. Additionally, dune height is likely to increase along with the increases in sea level – for example, as sea level elevates by its expected 15 to 20 inches by 2040, the duneface could experience a similar height increase and an inland migration of the profile. The issue of well site burial was examined not as a risk in itself, but since it could lead to the need for greater maintenance of the well heads and thus greater site disturbance. It is difficult to estimate exactly when these backshore adjustments would occur as there would very likely be a lag time between changes in sea level and changes to the beach and then changes to the back shore. With these uncertainties it is difficult to estimate when the dune profile might shift inland; however, the well sites have been located inland of and at a lower elevation than the dune crests, and inland migration of the profile could eventually cover the well sites. The review concluded that risk is low that any of the well sites could be buried by 2040 but that the risk would increase over time. **This review did not consider that the risk of dune recession will be reduced by the cessation of sand mining at the CEMEX site, did not include any modeling of the back profile, and covered the potential for burial only in general terms.** Because of differences in the elevations of the well heads and variations in the dune profile – i.e., the dunes seaward of some well sites are higher or contain greater volumes of sand than those seaward of other well sites – the timing and amount of burial would likely vary among the well sites. The review ~~concludes~~**concluded** that the test well head would experience the greatest risk from dune erosion; however, since the more inland well field is 12 to 15 feet lower than the frontal dune, the well field might be more at risk from the inland shift of the dune profile.

Overall, **when considering reductions in coastal erosion from the end of sand mining at the CEMEX site,** no appreciable erosion risks are anticipated to occur at the test well or the well ~~field areas by 2040. There are small risks to the test well site from storm-related erosion between 2040 and 2060. There are also~~**fields until near 2120. Based on the Commission's initial review, there are** small risks to the test well site and the well field site from possible sand burial that would be minimal through 2040. There is a small chance that **some of** the well field site might experience ~~several feet of~~ sand burial between 2040 and 2060. Beyond 2060, it becomes more likely that significant burial could occur. ~~Again, however, this October 2019 review was completed before the state's adoption of the recent planning principle of expecting 3.5 feet of sea level rise by 2050, so any expected risks would happen several years sooner.~~**These effects may be much less severe after sand mining operations at the CEMEX site end.**

~~In June 2020, Cal-Am~~**To supplement the Commission's initial analysis of sand burial, AECOM** provided an updated analysis of expected dune recession that **further** details **and**

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[52] ~~Neither the Final EIR/EIS nor the AECOM technical memorandum assessed risk from this hazard.~~

Note: These are not Commission staff's Recommended Findings

clarifies the various mechanisms involved in this type of sand movement.[56] It concluded that the primary mechanism – dune blowouts, which involves the wind being funneled through gaps in the dune and causing higher rates of erosion in and near those gaps – could result in two of the seven proposed well head sites being affected by sand burial within about 20 to 25 years. It also found, though, that this effect could be reduced or delayed through measures such as removal of invasive vegetation and re-establishment of native dune vegetation to stabilize the dunes, installing sand fences or elevating the well head sites, either of which would likely require additional CDP review and approval. S~~Cal-Am also proposed a special condition that would include~~pecial Condition 8 is included to require the "soft" measures referenced above – removal of invasive species and re-establishment of native vegetation – along with annual monitoring of the dunes and well heads to identify the rate of dune recession. Once the identified rate of recession showed that the well heads could be buried within five years, Cal-Am s~~would~~hall return to the Commission with any proposed development, such as sand fencing, elevating or relocating the wells, etc., for additional review and permitting.

Similar to the above coastal erosion scenarios, the risk to the wells from this erosive process of dune recession could create some tension regarding conformity to the LCP provision that requires identification of an adequate hazard setback to protect the economic life of the structures (for a 50 year minimum) and specific recommendations to mitigate any identified problems. However, Cal-Am has estimated that these proposed wells would operate for about 25 years (i.e., until about 2045) but ~~would~~could then need to be replaced or relocated further inland. Importantly, and as noted above, Cal-Am does not have legal interest in property further inland, so it has no locations available to site the wells after this expected initial 25 years of operations. This expected operating life of 20-25 years allows for conformity to the above-referenced LCP requirement that development include setbacks adequate to protect it during its expected operating life~~, but as noted above, this limited operating life raises concerns about whether Cal-Am would be able to operate its desalination facility for only 20-25 years instead of its proposed 60-year operating life (this is discussed further in Section II.O – Assessment of Alternatives). It also makes the currently proposed locations inconsistent with the previously-referenced Final EIR/EIS project objective to "locate key project facilities in areas that are protected against predicted future sea-level rise in a manner that maximizes efficiency for construction and operation and minimizes environmental impacts," which is also described Section II.O below.~~.

~~It is not clear that Cal-Am would be able to obtain the additional legal interest needed to move its wells further inland. However, the areas of CEMEX inland of Cal-Am's current proposed well sites are largely slated for reclamation and restoration as dune habitat. With~~At present, it is too speculative to assess where or how Cal-Am may relocate its wells after their 25-year operating life. Within this 25-year operating period ~~and no~~, technical advancements may be made that would allow the replacement of the wells or development of alternative wells in alternative locations ~~known to be available~~that are not feasible today. Thus, with this 25-year operating period, future well sites and operations beyond that period would be considered speculative. However, to ensure that the Project remains consistent with the LCP's coastal hazards provisions, Special Condition 9 requires Cal-Am to return to the Commission for a permit amendment should there be a

[56] Response to Coastal Commission Comments on Inland Dune Migration, Profile Shifts, and Wind-Blown Sand as a Coastal Hazard at Cal-Am's Proposed Wellhead Sites in the City of Marina Coastal Zone, p. 3 (Exhibit 9 in Latham and Watkins Letter to Tom Luster, dated June 30, 2020).

Note: These are not Commission staff's Recommended Findings

need to replace or relocate any slant wells, no later than 24 years from the commencement of operations, unless the Executive Director deems it unnecessary.

Regarding tsunami hazards, the LCP recognizes the area's high erosion potential and requires that development be located inland of areas near the shoreline that are vulnerable to tsunami runup. Cal-Am has proposed locating the well heads inland of the tsunami runup zone identified in the LCP and at an elevation of approximately 30 feet (NAVD88), which would be above the most recently identified maximum tsunami runup estimate of about 18 feet, both now and under projections of several feet of sea level rise.[5357]

Conclusion

The above-referenced analyses show that the proposed well site locations would allow the wells to avoid hazards from coastal erosion during their expected operating/economic life and are therefore consistent with the above-referenced LCP provisions. However, ~~the currently proposed locations are near the most inland extent of Cal-Am's easement and could not be moved out of the hazard zone unless Cal-Am was able to obtain additional legal interest for areas further inland. The terms of the above-referenced CEMEX Settlement may prevent Cal-Am from obtaining additional legal interest on the CEMEX lands, which include the area immediately inland of Cal-Am's property at the site. Thus, although the Project is consistent with the hazard policies of the LCP, this uncertainty about the Project's long-term feasibility is considered in the analysis of alternatives and the Section 30260 override analysis regarding the public welfare finding.~~two of the wells could be subject to sand burial from the erosive process of dune recession due to blowouts. Special Condition 8 would avoid any potential sand burial by requiring Cal-Am to implement various soft measures as well as a monitoring program.

For the reasons described above, the Commission finds that the Project, as conditioned, will be carried out in a manner that is consistent with the relevant coastal hazards provisions of the LCP.

Note: These are not Commission staff's Recommended Findings

[5357] See Wood, et~~.~~ al., Community Exposure to Tsunami Hazards in California: U.S. ~~Geology~~Geological Survey Scientific Investigations Report 2012-5222, 2013.

I. PROTECTION OF COASTAL WATERS AND MARINE RESOURCES

Coastal Act Section 30230 states:

> Marine resources shall be maintained, enhanced, and, where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner that will sustain the biological productivity of coastal waters and that will maintain healthy populations of all species of marine organisms adequate for long-term commercial, recreational, scientific, and educational purposes.

Coastal Act Section 30231 states:

> The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface waterflow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.

Coastal Act Section 30233 states, in relevant part:

> **(a)** ~~**(a)**~~ The diking, filling, or dredging of open coastal waters, wetlands, estuaries, and lakes shall be permitted in accordance with other applicable provisions of this division, where there is no feasible less environmentally damaging alternative, and where feasible mitigation measures have been provided to minimize adverse environmental effects, and shall be limited to the following:
> (1)New or expanded port, energy, and coastal-dependent industrial facilities~~...~~**...**

LCLUP Policy 16:

> To insure the protection of marine resources for long-term commercial, recreational, scientific and educational purposes.

LCLUP Policy 17:

> To insure protection and restoration of the ocean's water quality and biological productivity.

These Coastal Act and LCP policies require generally that development protect marine resources, ocean water quality and biological productivity. These findings separately address the proposed Project's expected effects on coastal waters and marine biological resources resulting from its source water intakes and its discharges. ~~**Additionally, because the proposed Project would involve placement of structures in coastal waters, these Findings address the Project's conformity to the alternatives analysis required pursuant to Coastal Act Section 30233.**~~

Effects of intake on coastal water quality and marine biology

Note: These are not Commission staff's Recommended Findings

Cal-Am has specifically selected subsurface slant wells to obtain source water for its proposed desalination facility. The state's Ocean Plan includes provisions applicable to seawater desalination facilities that require, where feasible, that those facilities use wells or other types of subsurface intakes instead of open water intakes to avoid the adverse entrainment and impingement effects on marine life caused by open water intakes.[5458]

Cal-Am's proposed slant wells would extend beneath coastal dunes and the beach to extract primarily seawater from the underlying aquifers. ~~Cal-Am's~~The hydrogeological modeling conducted as part of the ~~site~~CPUC's EIR/EIS for the Project and its proposed wells shows that the expected area of drawdown from ~~its wells~~Project pumping would extend some distance offshore and would be expected to induce seawater to be drawn into the wells through the overlying sand and sediments. The depth of the wells – down to about 200 feet below the seafloor – and the relatively large area from which they would induce this drawdown, along with the maximum pumping rate of about 2,500 gallons per minute from each well, would result in the seawater being drawn through the seafloor at an essentially undetectable rate, so any effects that might occur to marine life in the overlying ocean water column or benthic habitat would be imperceptible (see Section ~~II~~IV.~~I~~J for a separate discussion on the proposed Project's expected effects on nearby groundwater resources).[5559] Importantly, staff of the Central Coast Regional Water Quality Control Board has determined that Cal-Am's proposed slant well system meets the Ocean Plan requirement that the proposed Project's intakes constitute the "best intake technology feasible to minimize the intake and mortality of all forms of marine life."[5660]

Effects of discharge on coastal water quality and marine biology

Cal-Am would direct the brine discharge from its desalination facility through an outfall owned by Monterey One Water. The outfall is currently used to discharge treated wastewater from Monterey One's regional wastewater treatment facility in northern Monterey County to about 11,000 feet offshore in Monterey Bay. The outfall terminates at a diffuser that is about 1,000 feet long and that has over 100 ports through which the discharge reaches ocean waters.

For its proposed discharge, Cal-Am would first route the brine from its facility to an approximately three-million-gallon mixing tank at the wastewater treatment facility where it would blend with treated wastewater before being discharged through the outfall. The current rate of discharge of treated wastewater through the outfall varies significantly over the course of a year – from close to zero gallons per day during the summer months to up to about 17 mgd in the winter – as the treatment facility uses the wastewater to produce recycled water that is

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[5458] Entrainment occurs when small organisms, such as plankton, fish eggs, larvae, etc., are pulled into an open-water intake. It results in essentially 100% mortality due to the organisms being subjected to filters and high pressures within the ~~facilities~~facility's pre-treatment or treatment systems. Impingement occurs when larger fish or other organisms are caught on an intake's screening system and are either killed or injured.

[5559] See State Water Resources Control Board, Water Quality Control Plan – Ocean Waters of California, revised 2019. Available at: ~~https://www.waterboards.ca.gov/water_issues/programs/ocean/docs/oceanplan2019.pdf (assessed~~ https://www.waterboards.ca.gov/water_issues/programs/ocean/docs/oceanplan2019.pdf (accessed August 10, 2020).

[5660] See January 15, 2019 letter from John Robertson, Executive Officer of the Central Coast Regional Water Quality Control Board to Coastal Commission's Tom Luster regarding Cal-Am's conformity to Ocean Plan provisions Chapter III.M.2.b and III.M.2.d(1) and Water Code section 13142.5(b) regarding intakes.

Note: These are not Commission staff's Recommended Findings

routed to agricultural operations for irrigation during much of the growing season. At the desalination facility's expected production capacity of 6.4 mgd of potable water, it would contribute about ~~10~~9 mgd of brine to these discharge flows. Depending on the time of year, that volume would represent anywhere from about not quite half to 100% of the volume of total effluent conveyed through the outfall. **Nevertheless, the Final EIR/EIS confirmed that both the "brine only" discharges and the combined discharges would comply with Ocean Plan water quality objectives for all assessed constituents.**

The treatment facility's discharge is currently regulated through a National Pollutant Discharge Elimination System ("NPDES") permit that would need to be amended to allow Cal-Am to use the outfall for its discharge.[~~57~~61] Regional Water Board staff is currently reviewing Cal-Am's proposed discharge to determine what requirements are needed to ensure that the characteristics of the combined discharges under the various flow regimes would meet water quality objectives and be protective of water quality and marine life. Regional Water Board staff is also reviewing what measures are needed for the discharge to be consistent with the state's Ocean Plan Amendment applicable to discharges from seawater desalination facilities. ~~**One potential requirement still being evaluated is whether Cal-Am or Monterey One Water would need to modify the outfall's existing diffuser**~~ **Mitigation Measure 4.3-5, discussed in further detail below, presents multiple potential strategies[62] that may be employed** to ensure that the expected salinity concentrations from both the stand-alone brine discharge and the combined brine and treatment plant discharges conform to the Ocean Plan standard that requires seawater desalination facility discharges into ocean waters **to** not exceed two parts per thousand over natural background salinity levels as measured no further than 100 meters from the discharge points.[~~58~~63] Modeling conducted to date shows that this area would likely be much smaller, with the 100% brine discharge expected to meet this salinity standard just a few dozen feet from the discharge points, well within the allowable distance.[64]

The discharge would also be limited in its allowable concentrations of other constituents, such as metals, dissolved oxygen, and various contaminants. The Final EIR/EIS identified potential exceedances of several contaminants under certain operational scenarios and uncertainty about whether some constituents would meet the necessary Ocean Plan objectives.[~~59~~] ~~**It is therefore unclear at this time as to what effects the proposed desalination facility would have on water quality and marine life and what structural or operational changes might be needed to ensure Cal-Am's discharge would meet the relevant Ocean Plan objectives, and**~~

[~~57~~61] Order No. R3-2018-0017, approved on December 6, 2018 by the Central Coast Regional Water Quality Control Board, acknowledges that Monterey One Water anticipates discharging Cal-Am's brine waste through its outfall, but states that Monterey One Water will need to submit a new application for the Board's consideration and approval prior to any such discharge.

[62] **One potential strategy under consideration is retrofitting the existing outfall diffuser.**

[~~58~~63] Natural background salinity in ocean water generally ranges from about 30 to 35 parts per thousand.

[64] **See Final EIR/EIS, p. 4.3-79 ("In all cases, the Ocean Plan salinity limit of 2 ppt is met at the edge of the ZID, the length of which ranges from approximately 10 to 39 feet for the dense discharge scenarios… well within the Ocean Plan receiving water limitation for salinity of 2 ppt at a distance of 328 feet from the diffuser.").**

[~~59~~] ~~**The Final EIR/EIS noted that under certain operating scenarios, the project could result in exceedances of water quality standards for ammonia and cyanide, along with possible exceedances for up to 10 other constituents of the brine discharge.**~~

Note: These are not Commission staff's Recommended Findings

~~thereby minimize its potential adverse effects. It is also not clear at this time as to the type and extent of mitigation that may be needed to~~ [65]

To address these potential ~~adverse effects.~~exceedances~~Cal-Am, in its June 30, 2020 letter, acknowledges that~~ the Final EIR/EIS ~~determined that the brine discharge could result in exceedances of several of the state's water quality standards, though Cal-Am also contends that the Final EIR/EIS's~~imposes Mitigation Measures 4.3-4 and 4.3-5. Consistent with Ocean Plan requirements, Mitigation Measure 4.3-4 requires Cal-Am to implement a monitoring and reporting plan that will ensure that operational discharges from the Project are in compliance with applicable Ocean Plan water quality objectives and salinity standards. The plan will be approved by the Regional Water Board and MBNMS prior to implementation. Additionally, monitoring will be conducted for one year prior to the commencement of operational discharges and will continue until at least five years after operational discharges commence. A draft of this Plan is currently under review by the Regional Water Board, as discussed further below. As a further precaution, Mitigation Measure 4.3-5 ~~would ensure that the discharge meets those standards. This mitigation measure~~ prevents Cal-Am from discharging brine into coastal waters until it can demonstrate that it has implemented any additional design features, engineering solutions, and/or operational measures needed to ensure compliance~~, which Cal-Am notes could include additional design features, operational changes, diffuser retrofits, or other similar measures. Cal-Am's letter also notes that any potential structural changes are not included in this CDP application, but would be addressed through a separate CDP application to be submitted by Monterey One Water, the owner of the outfall.~~ with Ocean Plan water quality objectives. With implementation of these mitigation measures, the Final EIR/EIS determined that impacts relating to water quality standards, waste discharge requirements, or ocean water quality, as a result of brine discharges from the Project, would be less than significant.

~~The Ocean Plan requires dischargers to prepare for Regional Board approval a~~As noted above, a draft of the monitoring and reporting plan is under review that describes measures that would be implemented to ensure ~~the~~that discharges are meeting all relevant requirements. ~~A draft of this Plan is currently under review, along with consideration of~~ In addition, the Regional Water Board is considering what operational or design changes might allow the discharges to meet the required objectives. Potential operational changes include modifying the treatment methods, treating the discharges before they are routed to the outfall, or augmenting the flows to increase dilution prior to discharge (although the Ocean Plan Amendment generally prohibits flow augmentation for seawater desalination discharges). Potential design changes include retrofitting the existing diffuser system to allow additional dilution of the discharge, which would involve adding one or more additional structures to the existing outfall. Construction impacts associated with these changes are expected to be minor and temporary. The Final EIR/EIS described these changes to the diffuser as the most effective and reasonable strategy for ensuring compliance. The Final EIR/EIS additionally concluded that secondary construction and operational impacts of the diffuser retrofit would be less than significant.

Potential retrofitting of the existing diffuser, which may be necessary to implement Mitigation Measure 4.3-5, is not included in this CDP application, but would be addressed

[65] The Final EIR/EIS noted that under certain operating scenarios, the project could result in exceedances of water quality standards for ammonia and cyanide, along with possible exceedances for up to 10 other constituents of the brine discharge.

Note: These are not Commission staff's Recommended Findings

through a separate CDP application to be submitted by Monterey One Water, the owner of the outfall. In order to ensure that construction of the outfall complies with applicable Coastal Act requirements, the Commission imposes Special Condition 3, which requires, prior to operation of the Project, that the applicant demonstrate that discharges from the outfall would comply with the Ocean Plan and applicable water quality requirements through obtaining and implementing a Coastal Development Permit or Amendment for work on the Monterey One Water outfall, and/or implementing other measures consistent with Final EIR/EIS Mitigation Measure 4.3-5, as necessary, outside of the Commission's jurisdiction.

~~Determining whether~~Ensuring that the proposed Project ~~can~~would conform to Ocean Plan requirements would also require that Cal-Am install several monitoring buoys offshore before Cal-Am starts discharging its effluent. This is needed to establish baseline conditions on which to evaluate potential effects of the discharge. The currently proposed plan would include four buoys to be located at different distances from the outfall to measure salinity and other water quality parameters. They would include a seafloor anchor, a package of sensors, floats, and other equipment, all of which would extend about ten feet above the seafloor. Cal-Am would also install a telemetry buoy consisting of a seafloor mooring, ballast chain, a cable riser, and necessary instrumentation, which would extend through the water column to the water surface. It would transmit data from the other buoys to allow near real-time monitoring.

Cal-Am ~~is~~would also ~~required to~~ replace the existing clamps within the nearshore portion of the outfall with corrosion-resistant clamps that would prevent its brine discharge from damaging the outfall. Although these clamps would be inside the outfall, Cal-Am would need to conduct installation activities on the beach ~~and possibly within coastal waters~~, at a distance of roughly 100 feet from the shoreline. Work is expected to involve heavy equipment on the beach, as well as a generator, 20-foot container box for equipment storage, a staging and work area, temporary fencing, and possibly excavation around the outfall's existing junction box on the beach. Work would be scheduled during the outfall's low flow summer season, but would require installation of a bypass line that would reroute outfall flows at the junction box for discharge into the nearby coastal waters for the 6 – 8 week period of time that the work would take. ~~Although this installation is generally described in~~According to the Final EIR/EIS, ~~it is not clear what effects the concentrated direct discharge would have in the~~flows in the outfall during this period would be *de minimis*. As such, any adverse impacts to nearshore waters~~, as the discharge would normally be routed through the outfall's numerous offshore diffusers. However, that discharge would occur for only 6 – 8 weeks during the treatment plant's lowest flow time of year~~ resulting from temporary discharge during the 6-8 week construction period would be negligible. The Final EIR/EIS additionally includes a mitigation measure to ensure that impacts from clamp replacement would be less than significant.[66] The mitigation measure includes generally avoiding construction work seaward of the mean high water line and keeping construction vehicles as high on the upper beach as possible to avoid contact with ocean waters and intertidal areas. As a further precaution, construction activities that result in a discharge of materials, polluted runoff, or wastes to the beach of the adjacent marine environment would also be prohibited. The need to conduct work during the low flow summer period would also coincide with the end of the Western snowy plover ~~breeding and nesting season. As noted previously, this area of beach is designated as critical habitat for the plover, and work would represent a significant disturbance during a critical period~~

[66] See Final EIR/EIS Mitigation Measure 4.13-5a.

Note: These are not Commission staff's Recommended Findings

~~of the plover's life cycle. Finally, and although specific work plans have not been provided, the installation may include placement of fill in coastal waters via grading, placement of the bypass discharge line, or other components of the installation activities.~~nesting season. Construction is designed to occur during late summer/early fall, when snowy plover eggs are expected to have hatched. This timing would limit the extent to which construction work would interfere with the snowy plover's breeding and nesting season, and minimize any associated adverse impacts.

~~Any of these Project aspects – a potential diffuser retrofit, the~~In light of the foregoing, the Commission concludes that neither the proposed buoy installation~~, or~~ nor the WEKO clamp replacement ~~–~~would involve placing fill in coastal waters ~~in~~ .[67] Public Resources Code section 30108.2 defines "fill" as "earth or any other substance or material, including pilings placed for the purposes of erecting structures thereon, placed in a submerged area." In considering whether Coastal Act Section 30233 applies, the Commission typically considers projects installing permanent structures or placement of sediment or similar material on the seafloor, not temporary anchors, and assesses whether those structures can be modified or arranged differently to avoid impacts on the chosen project site.[68] Of particular relevance, the Commission previously elected not to invoke Coastal Act section 30233 under similar circumstances when considering the use of temporary anchors for the recommissioning of the Charles E. Meyer Desalination Facility in Santa Barbara.[69] As described above, the work required for each of these Project aspects is temporary in nature and limited in scope, and potential impacts to receiving coastal waters, if any, would be minimal. Accordingly, the Commission concludes that diffuser retrofit, buoy installation, and the WEKO clamp replacement would not involve placing fill in coastal waters.

~~the form of new or modified structures~~Even if these Project aspects were to involve the placement of fill in coastal waters, as some commenters have suggested, they would be consistent with applicable Coastal Act requirements. Pursuant to Coastal Act Section 30233, ~~any such~~ fill is allowed only if it meets a three-part test: 1) that there is no feasible less environmentally damaging alternative; 2) that feasible mitigation measures have been provided to minimize adverse environmental effects, 3) and that it be for certain specified purposes, including a new or expanded port, energy, or coastal-dependent industrial facility. The two tests related to alternatives and mitigation are similar to tests found in Coastal Act Section 30260, which is applied in Section ~~II~~IV.P of these Findings. ~~Those Findings include the analysis and conclusions needed to determine conformity to these Section 30233 tests. For the reasons described in those Findings, the Project does not conform to Section 30233 because there is a~~As discussed therein, there is no feasible ~~and~~ less environmentally

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[67] Any other work on the M1W outfall within the Commission's retained jurisdiction, including potential diffuser retrofit, would be subject to a separate CDP process through M1W.

[68] See, e.g., Staff Report, Application No. 5-10-293, available at https://documents.coastal.ca.gov/reports/2011/6/W10b-6-2011.pdf [applying Section 30233 to installation of new piles, pier, gangway, and platform and assessing alternative configurations of the piles]; Staff Report, Consistency Certification No. CC-0006-14, available at https://documents.coastal.ca.gov/reports/2014/12/F11b-12-2014.pdf [applying Section 30233 to the placement of riprap and excavated sediments and assessing alternative dredging and structural improvements at the proposed project site].

[69] See Staff Report, Application No. 9-14-1781 (Jan. 30, 2015), available at https://documents.coastal.ca.gov/reports/2015/2/f12b-2-2015.pdf.

Note: These are not Commission staff's recommended Findings

damaging alternative ~~project that will not require fill in coastal waters and because not all mitigation has been identified and imposed.~~**available and the Project has identified and implemented all feasible mitigation measures to minimize adverse environmental effects. Further, the Project aspects are for certain specified purposes in support of a coastal-dependent industrial facility. Therefore, even if Project aspects were considered fill as argued by some commenters, the Project would comply with Coastal Act Section 30233.**

Conclusion

Based on the analyses above, and on those in Section ~~II~~**IV**.P of these Findings, the Commission finds that**, with implementation of Special Condition 3,** the proposed Project components within the Commission's retained jurisdiction ~~do not~~ conform to Coastal Act Section 30233~~. Were it not for the other Coastal Act and LCP nonconformities noted elsewhere herein – e.g., the Project's nonconformity with Coastal Act and LCP ESHA policies and its nonconformity with Coastal Act Section 30231's provisions for groundwater protection – the Commission could consider adopting special conditions to bring this component of the proposed Project into conformity with Section 30233's requirement for mitigation. However, because the Project is being denied for other reasons, there is no need to identify special conditions that would be needed to ensure conformity to the above-referenced provision regarding placement of fill in coastal waters~~ **and applicable LCP provisions**. Because the Project would be required to meet water quality objectives and be protective of water quality and marine life, per state Ocean Plan standards, the Project is consistent with Sections 30230 and 30231~~.~~[60]

as well as applicable LCP provisions.[70]

Note: These are not Commission staff's Recommended Findings

~~[60] The Commission would also defer to the Regional Water Board with regard to effluent limitations (see Coastal Act Section 30412), though if the Board required changes to the outfall, it might trigger the need for a CDP amendment or new CDP to address those changes.~~

[70] The Commission would also defer to the Regional Water Board with regard to effluent limitations (see Coastal Act Section 30412).

J. PROTECTION OF GROUNDWATER RESOURCES

Coastal Act Section 30231 states, in relevant part:

> The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, **preventing depletion of ground water supplies** ... ...[emphasis added]

Summary

This Coastal Act provision requires that biological productivity and water quality be maintained, in part, by preventing depletion of groundwater supplies. Cal-Am's proposed Project would extract water from beneath an area near the shoreline that includes several aquifer systems that extend from areas further inland and that contain a blend of intruded seawater and fresh or brackish water. The aquifers are within the Salinas Valley Groundwater Basin ~~and provide drinking water supplies, support extensive agricultural operations, and serve the nearby wetlands and vernal pool complexes described in Section II.C of these Findings~~("SVGB"). The coastal areas of these aquifers ~~from which Cal-Am~~have been heavily intruded by seawater for decades. Project pumping would extract ~~its source water are largely seawater intruded~~primarily seawater, though ~~they include areas of predominantly~~Cal-Am may extract some brackish water~~, including some areas that may be considered useful for~~ that nonetheless requires treatment before use in irrigation or as ~~potential drinking water sources~~potable use.

~~Although~~Extensive studies ~~done~~have been performed as part of ~~Cal-Am's~~the Project's CEQA review before the CPUC. Those studies, incorporated into the Final EIR/EIS, concluded that the proposed Project's wellfield would have relatively limited effects on nearby groundwater ~~resources, subsequent evaluations and updated studies have identified some more potential and substantial adverse project impacts, including likely impacts to nearby vernal ponds (described in Section II.F – ESHA). The updated modeling also shows an increased likelihood~~conditions in the SVGB, and negligible or no effect on regional groundwater supplies. Subsequent evaluations and studies recently performed by the Commission's independent hydrogeologist are generally consistent with the conclusions reached in the studies and groundwater modeling in the Project's Final EIR/EIS. The subsequent studies confirm that Cal-Am would be required to return ~~more~~ water to the ~~basin than~~SVGB in the range previously anticipated in the Final EIR/EIS and the Project's Return Water Agreement described elsewhere in these Findings~~. This would substantially increase costs to Cal-Am's ratepayers, as described in Section II.N – Environmental Justice and Section II.O – Assessment of Alternatives~~. Although some commenters have expressed concern that the Project would adversely affect the water supply wells of the Marina Coast Water District, which are located about two miles from the Project's proposed well field, neither the Final EIR/EIS nor the Commission's independent hydrogeologist found evidence that such impacts are reasonably foreseeable~~, though the Commission's consultant has recommended additional modeling and data may be needed to more fully~~

Note: These are not Commission staff's Recommended Findings

~~characterize the Project's likely effects on groundwater.~~[71] Therefore, no adverse effects to Marina Coast Water District's water supply wells would occur.

Background and Analysis: The CEQA review of Cal-Am's proposed Project included extensive groundwater monitoring and modeling, along with installation and operation of a test well, to determine what effects its proposed well field would have on the area's underlying aquifers. The CEQA review included establishment of a ~~Hydrologic~~Hydrogeologic Working Group ("HWG") to help develop these monitoring and modeling methods and to assess the resulting studies.[61] ~~Those~~ [72] As part of the CPUC's CEQA process, the EIR/EIS consultant team performed over six years of fieldwork, data analysis, and groundwater modeling. The EIR/EIS consultant team's groundwater modeling was peer-reviewed by the Lawrence Berkeley National Labs ("LBNL") and revised in response to LBNL's comments. Further, the HWG's modeling and conclusions were subject to peer review by certified hydrogeologists from Environmental Science Associates and hydrogeologists/groundwater modelers from HydroFocus, Inc. The resulting studies and pump tests at the test well identified a relatively limited "zone of influence" around Cal-Am's proposed well field, and **the CEQA review concluded that Cal-Am's proposed extraction of ~~groundwater~~source water from ~~this area~~Project pumping would have less than significant effects ~~with regards to~~to groundwater supplies, including groundwater depletion or recharge**. These findings and conclusions were incorporated into the CPUC's Final EIR/EIS and its final decision regarding the proposed Project.

Other interested parties conducted additional studies or reviewed the studies conducted during the CEQA review. Some of these studies and reviews reached competing conclusions about the type and extent of the likely effects that Cal-Am's intake wells would have on area groundwater supplies. Some conclusions asserted that Cal-Am's proposed ~~use of groundwater from this area~~Project would have substantially greater adverse effects on groundwater than had been identified during the CEQA review. A key area of concern was whether Cal-Am's ~~groundwater extraction~~proposed Project would remove greater volumes of "non-seawater" – that is, ~~fresh or brackish water in the Basin that may be of~~groundwater in the SVGB that could be put to beneficial use ~~to others~~by other groundwater users – than ~~Cal-Am's~~the EIR/EIS's models had predicted.[73]

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[71] The Project will withdraw seawater and brackish groundwater from the water-bearing sediments of the Dune Sand and 180-Foot Equivalent Aquifers along the coast, which are hydraulically connected to the Pacific Ocean. (Final EIR/EIS, pp. 3-7, 4.4-16.) Marina's production wells are screened in the 400-Foot and Deeper Aquifers. (Final EIR/EIS, p. 4.4-75.)

~~[61] See documentation provided on Cal-Am's MPWSP website at http://www.watersupplyproject.org/test-well (accessed August 14, 2020). The HWG is comprised of two hydrogeologists working on behalf of Cal-Am and one each working for the Salinas Valley Water Coalition and the Monterey County Farm Bureau.~~

[72] See documentation provided on Cal-Am's MPWSP website at https://www.watersupplyproject.org/test- well (accessed August 14, 2020). The HWG is comprised of two hydrogeologists working on behalf of Cal-Am and one each working for the Salinas Valley Water Coalition and the Monterey County Farm Bureau.

[73] Cal-Am does not need a permit or water right for its withdrawal of seawater. However, Cal-Am would need to develop appropriative rights for the percentage of groundwater that is not intruded seawater that it would extract and export from the SVGB. To obtain those rights, Cal-Am would have to establish that its use of that water does not harm other existing lawful water users in the

Note: These are not Commission staff's Recommended Findings

Groundwater **modeling and** studies, by their very nature, involve some level of uncertainty, as their assumptions and conclusions rely on partial data about the hydrogeologic characteristics of aquifer systems. The set of studies and reviews developed as part of this Project ~~presented a relatively~~**included a** wide range of ~~interpretations – ranging from Cal-Am's Project expected to have little or no effect on the local or regional~~**reasonably foreseeable scenarios. Based on substantial evidence in the CPUC's record, the Final EIR/EIS concluded that the Project would have a less than significant impact on** groundwater supplies ~~to the Project having substantial and extensive effects on water in the Basin that could be useful to others.~~**in the SVGB. As described below, subsequent studies performed by the Commission's independent hydrogeologist confirm the Final EIR/EIS's conclusions, particularly as to the projected makeup of the proposed Project's source water extracted from the SVGB.**

Other key areas of concern or disagreement ~~were~~**are**: 1) whether the data used in ~~Cal-Am's~~**the Final EIR/EIS's** modeling and studies were adequate to characterize conditions of the affected aquifers or the likely or potential effects of Cal-Am's water extractions from those aquifers; 2) whether Cal-Am's proposed extractions would induce seawater intrusion or adversely affect any water in those aquifers that may be suitable to treat as fresh water or drinking water; and 3) whether ~~design changes – such as extending~~ Cal-Am's slant wells **could extend** further offshore than currently proposed ~~– would eliminate or reduce all or some of any identified adverse effects.~~

. Some of the main reasons for disagreement among the studies were their use of different baseline standards, data collection methods, and modeling approaches. ~~For example, Cal-Am's studies were~~ **As described below, the data and analytical framework used in the EIR/EIS's modeling sufficiently characterizes the SVGB and its aquifers for purposes of evaluating the Project's potential impacts to groundwater resources. Further, Cal-Am's proposed Project would not exacerbate seawater intrusion or otherwise adversely affect groundwater in the SVGB. Finally, Cal-Am's proposed slant wells do not need to be relocated in order to potentially capture more seawater.**

Ocean Water Percentage

The Final EIR/EIS's analysis was focused in part on determining how much ~~"non-seawater"~~**seawater** Cal-Am's wells would extract **("ocean water percentage" or "OWP"), as opposed to "non-seawater"** – that is, what proportion of the water withdrawn through Cal-Am's wells would not be fully seawater, but would include ~~fresh or~~ brackish ~~water~~**groundwater** that could be considered an element of the treatable groundwater within the ~~Salinas Valley Basin. The Basin has a prohibition of exporting such water~~**SVGB. Under the Monterey County Water Resources Agency Act ("Agency Act"), the SVGB has a restriction on exporting groundwater** outside the ~~Basin~~**SVGB** boundaries~~, and Cal-Am would essentially have~~**. As such, pursuant to an agreement reached during the CPUC's review, Cal-Am**

SVGB. See Final EIR/EIS, Chapter 2 – Water Demand, Supplies, and Water Rights. The State Water Resources Control Board has determined that Cal-Am could lawfully obtain the necessary groundwater rights to operate the proposed Project.

Note: These are not Commission Staff's Recommended Findings

agreed to return to the SVGB any such portion that is not considered seawater.[62] Cal-Am's ("return water").[74]

The Final EIR/EIS estimated OWP after one year of Project pumping to be 87 to 95%. After two years of Project pumping, the OWP estimate increases to 92-97%. Long-term equilibrium OWP would ultimately fall between 96-99%. In other words, from year one to long-term, the Project's OWP could range from 87 to 99%.[75]

The EIR/EIS's modeling efforts described itsanalyzed Cal-Am's expected "fresh"OWP and return water withdrawals using a threshold of 500 milligrams per liter ("mg/l") of Total Dissolved Solids ("TDS") – that is, the model considered watergroundwater in the aquifers that had TDS concentrations below that threshold as an indicator of how much non-seawater Cal-Am would extract.[63][76] Some of the other studies conducted by third parties such as the Marina Coast Water District used a different threshold – (3,000 mg/l TDS[64] – and a [77]), a different data collection method – Airborne Electromagnetic ("AEM")[78] – and different

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[62] A Return Water Agreement established during the CPIC's review provides that Cal-Am would have to monitor the water extracted from its wells, determine the proportion that is not fully seawater (by calculating the salinity of its extracted water as compared to that of seawater), and then return that volume to the Basin at substantially reduced prices, in the form of potable water to be supplied to the Castroville Community Services District. See CPUC Final Decision 18-09-17, Appendix H – Return Water Settlement.

[74] A Return Water Agreement established during the CPUC's review requires that Cal-Am monitor the water extracted from its wells, determine the OWP and corresponding return water component, and then return that volume to the SVGB, in the form of potable water to be supplied to the Castroville Community Services District ("CCSD") at CCSD's avoided cost of groundwater pumping. See CPUC Final Decision 18-09-17, Appendix H – Return Water Settlement.

[75] Final EIR/EIS, p. 4.4-56; see also Final EIR/EIS, Appx. E3.

[63][76] This threshold was established by MCWRA during the CPUC process and is based on California's recommended drinking water objective of no greater than 500 mg/L. See California Code of Regulations, title 22, division 4, chapter 15, article 16, section 64449, Table 64449-B (Consumer Acceptance Contaminant Level Ranges).

[64] This threshold is based on the State Water Board's Resolution 88-63 – Sources of Drinking Water, which identifies groundwater with TDS concentrations of less than 3,000 mg/L to be suitable for drinking water, if treated.

[77] This threshold is based on the State Water Board's Resolution 88-63 – Adoption of Policy Entitled "Sources of Drinking Water," which targets water quality control plans and identifies all surface and groundwaters of the State as "suitable, or potentially suitable," for municipal or domestic water supply, with certain exceptions, including groundwater with TDS concentrations greater than 3,000 mg/L. The policy does not protect groundwater with TDS levels of 3,000 mg/L TDS as actually suitable for agricultural or domestic use, and groundwater with such TDS levels is unfit for beneficial use without treatment. The CPUC therefore evaluated the Project's potential impacts to groundwater and its OWP using regulations under the Safe Drinking Water Act, as described above in footnote 76.

[78] The CPUC considered the AEM studies as part of its CEQA review and found the studies to be technically flawed. (See CPUC Final Decision 18-09-017, Appendix J, pp. 15, 19-21.) The AEM studies identify claimed "fresh" water that could be extracted by the Project, but a comparison of groundwater monitoring well data and the AEM data shows that the "fresh" water that the studies claim exist is unfit for use without treatment because it exceeds applicable water quality standards. Marina Coast Water District has suggested that a 2019 AEM study fixes any concerns with the prior AEM studies. As described below, the Commission finds the 2019 AEM study is

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groundwater gradients that slope toward the Pacific Ocean to conclude that Cal-Am's wells would extract substantially greater volumes of "non-seawater" – and, thus, a lower OWP – than ~~Cal-Am's~~the EIR/EIS's models had shown.

Some of these issues and areas of disagreement would not be fully resolved without additional modeling, and some won't be determined unless and until Cal-Am actually undertook pumping. Cal-Am does not need a permit or water ~~right~~rights for its withdrawal of seawater. However, Cal-Am would need to obtain appropriative rights for the percentage of groundwater that is not intruded seawater that it would extract and export from the Basin. To obtain those rights, it would have to establish that its use of that water was not harming other existing lawful water users in the Basin.[65][79] Nonetheless, ~~and~~ with the intent of ~~reducing the existing uncertainties and~~ evaluating some of these areas of concern to determine whether the proposed Project would conform to the groundwater protection provision of Coastal Act Section 30231, Commission staff contracted with an independent licensed hydrogeologist to review some of these studies and conclusions, to conduct additional analyses, and to reach independent conclusions about these issues. The initial review, prepared in November 2019,[66][80] concluded that there were several ~~substantial~~ remaining uncertainties about how Cal-Am's extraction of groundwater would affect the groundwater basin and the amount of potentially usable groundwater within the area (see Exhibit 11 – November 2019 Independent Hydrogeological Review). That review concluded that ~~the prior modeling did not adequately characterize some aspects of the underlying aquifers and some of Cal-Am's potential effects on those aquifers. It also concluded that~~ while Cal-Am's proposed groundwater extraction would likely have limited to negligible effects on the rate of seawater intrusion in the area, it appears that Cal-Am's wells ~~would~~could, under certain limited scenarios, extract greater volumes of ~~non-seawater~~return water than had been previously identified~~. It also~~ in the EIR/EIS. The initial review recognized that any predictions from its proposed modeling would likely be in the range already evaluated in the Final EIR/EIS. Using a larger capture zone assumption, the initial review conservatively determined that the low end of the OWP estimates could be 85 to 90%, and that this low value is likely to underestimate the true OWP. Further, the initial review concluded that changes in groundwater gradients would not likely result in an OWP outside the 90-99% range, and thus, the Project will not extract greater amounts of non-seawater than identified in prior modeling. Nonetheless, the initial review recommended that additional data collection and modeling were needed to further reduce the degree of uncertainty about expected impacts, though it also suggested that some of ~~that~~the uncertainty could be reduced by ensuring that the screened areas of Cal-Am's wells extended further seaward so that there would be a shorter flow path between the wells and the seawater beneath the floor of Monterey Bay.

After the Commission's November 2019 hearing, Cal-Am agreed to fund some of these additional recommended analyses to allow for further reduction in the uncertainties about the proposed Project's effects on groundwater and to better determine the ~~amount of "non-seawater" likely to be extracted by Cal-Am's wells~~proposed Project's OWP. The second review, provided in June 2020 (see Exhibit 12 ~~–~~ Independent Evaluation, Modification, and Use of the North Marina Groundwater Model to Estimate Potential Aquifer Impacts, July 2020)

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flawed in its interpretation and use of the AEM data. (See Exhibit 14 – HWG Critique of 2019 AEM Study.)

[65][79] See Final EIR/EIS, Chapter 2 – Water Demand, Supplies, ~~and~~ Water Rights.

[66][80] See Weiss Associates, Independent Hydrogeological Review of Recent Data and Studies Related to California American Water's Proposed Monterey Regional Water Supply Project, November 1, 2019.

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~~included additional~~, evaluated modeling ~~and~~results for various hypothetical scenarios. The second review concluded the following:

- The additional modeling suggests the amount of recharge into the aquifers – from precipitation, irrigation water percolating downward, etc. – ~~would~~may affect the percentage of seawater extracted by the wells. The previous modeling ~~did not include this~~included a recharge component and showed that the wells would initially pump about 85-90% seawater after one year and that the percentage would increase to about 96-99% after the first three years of operation. ~~This updated modeling shows that the amount of seawater withdrawn would not reach that expected steady state of 95-99%, but would vary based on whether it was a wet or dry season, how much irrigation occurred, etc. As described below, this aquifer characteristic is likely to result in Cal-Am needing to return more water to the Salinas Valley Groundwater Basin during wet years, pursuant to the aforementioned Return Water Agreement.~~The additional modeling included scenarios with various recharge assumptions. The scenarios using reasonable assumptions, including recharge, resulted in OWP estimates of 88% or greater.

- This most recent modeling also concluded that the amount of seawater extracted would vary due to the direction and slope of the groundwater gradient in the Dune Sand and 180-Foot Aquifers; that is, ~~an aquifer~~a gradient from the shoreline to inland areas, which is currently the most common condition, would result in extraction of a higher ~~percentage of seawater~~OWP, while a flat ~~gradient~~ or shoreward gradient would result in extraction of a ~~higher percentage of non-seawater. This latter condition could be developed through the upcoming implementation of the Salinas Valley Groundwater Management Plan; however, even with a flat or shoreward gradient~~lower OWP. The Final EIR/EIS assumed landward gradients in both the Dune Sand and 180-Foot Aquifer in evaluating OWP based on data trends. The additional modeling evaluated different combinations of gradients in the Dune Sand and 180-Foot Aquifers.

- A seaward gradient in the Dune Sand Aquifer does not result in OWP ranges that are significantly different from those evaluated in the Final EIR/EIS. Using the most reasonably foreseeable inputs and assumptions for the groundwater modeling, the additional modeling shows that OWP exceeds 88% even for scenarios in which the Dune Sand Aquifer gradient is seaward.

- While the amount of seawater extracted would vary due to the direction and slope of the groundwater gradient in the 180-Foot Aquifer, the modeling showed that ~~it could~~assuming a flat or seaward groundwater gradient in the 180-Foot Aquifer is achieved at some point in the future it would still take several decades to ~~increase the percentage of non-seawater~~centuries to decrease OWP to 75% or lower, due to the large volumes of seawater that have already intruded to inland areas of the aquifer system. The modeling confirmed that, until such time as all the seawater is flushed from the 180-Foot Aquifer, the resulting average OWP would be greater than 91.5%.

- Further, the additional modeling confirmed that it would take decades to centuries to achieve a flat or seaward groundwater gradient in the 180-Foot Aquifer through the implementation of the Salinas Valley Groundwater Management Plan pursuant to the Sustainable Groundwater Management Act ("SGMA"), if at all. "The

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landward gradient due to inland pumping that has caused seawater intrusion into the 180-Foot Aquifer is quite steep and has been for more than 60 to 80 years. It is highly unlikely that a similarly steep seaward gradient could be achieved under SGMA. If it could, it would take a similar period of 60 to 80 years to reverse seawater intrusion impacts and bring fresh water from the 180-Foot Aquifer to the Project wellfield. Under a more realistic flat or gentle seaward gradient, it would take far longer than 60 to 80 years to reverse seawater intrusion impacts." (Exhibit 12, Independent Evaluation, July 2020, p. 4-4, fn. 7.)[81]

- The additional modeling results demonstrate OWP exceeds 88% for the assumed seaward gradient in the Dune Sand Aquifer using reasonable assumptions for rainfall recharge. Average annual rainfall for the area is 14.8 inches. However, only a fraction of total annual rainfall actually becomes groundwater recharge – typically 30%. While the additional modeling included scenarios in which annual rainfall recharge inputs were 10-15 inches per year, the scenarios using reasonable assumptions of less than 50% of average total rainfall resulted in OWP ranging from 88-99%.

- The modeling determined that the "capture area" from which Cal-Am's wells could capture non-seawater from the upper Dune Sand Aquifer could cover up to about 2.5 square miles~~.~~ under certain assumed groundwater gradient scenarios. The proposed Project's capture zone is influenced by the slope and direction of the groundwater gradient.

- The recent modeling also identified areas of expected groundwater drawdown beneath several nearby wetland and vernal pond areas. As described in Section ~~II~~IV.G of these Findings, ~~this represents a previously unknown and unanalyzed potential impact of the proposed Project that could result in the spatial and/or temporal loss of up to several dozen acres of those wetland areas.~~these wetlands and vernal pond areas have not been conclusively determined to be dependent on the Dune Sand Aquifer.

- This second review also ~~recommended~~suggested that additional modeling could be done to further refine ~~and describe potential groundwater impacts. For example, some of these conclusions are derived from use of a "steady state" model rather than a "transient" model that incorporates more dynamic modeling aspects, such as relatively short-term aquifer changes that result from seasonal changes in rainfall or irrigation, and can better account for the amount of groundwater storage in the aquifers. The review also includes several specific recommendations on various components of that transient model to help adequately capture some of the expected reduction in uncertainty.~~Cal-Am's expected return water obligations if deemed necessary.

In ~~July~~August 2020, the above-referenced ~~Hydrogeologic Working Group~~HWG submitted ~~a critique~~an evaluation of this most recent review (see Exhibit 13 – ~~Hydrogeologic Working Group~~HWG Comments on Weiss Report, ~~July 10~~August 13, 2020). Although this

[81] It should be noted that SGMA does not require seaward gradients in the SVGB aquifers. Rather, SGMA requires that the extent and magnitude of existing seawater intrusion not be exacerbated. (See Cal. Water Code, §§ 10721, 10727.2, 10727.4.)

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~~critique~~evaluation identified several concerns related to this recent modeling, it concurred that the Commission's independent reviewer reached a reasonable conclusion that the amount of seawater in the water withdrawn from Cal-Am's well field would range from about 88 to 99% and would vary in response to precipitation, agricultural pumping rates further inland, and other considerations. ~~As noted above, the modeling done during Cal-Am's CEQA review concluded that Cal-Am's water withdrawal would reach a steady state of 96-99%. Pursuant to the above-referenced Return Water Agreement, this would result in Cal-Am needing to return no more than about 700 acre-feet of water per year to the Salinas Valley Groundwater Basin. The updated modeling, however, shows that during years with higher precipitation rates, lower inland pumping rates, or other reasonably foreseeable conditions, Cal-Am would need to return up to about 2,100 acre-feet per year to the Basin.~~

~~From a perspective of protecting groundwater resources, the CPUC's requirement that Cal-Am return any non-seawater to the Basin through the Return Water Agreement is meant to ensure that groundwater is not exported. In addition, if any party was harmed by Cal-Am's pumping of larger than expected quantities of non-seawater, they could challenge Cal-Am's ability to obtain appropriative rights to that groundwater. However, for purposes of these Findings, this increased return water requirement would affect Project feasibility and cost, as described in Section II.N – Environmental Justice and Section II.O – Assessment of Alternatives. Essentially, because any higher return water volumes would either be subsidized by Cal-Am's ratepayers or would result in additional costs to Cal-Am that it may cover through additional cost recovery requests to the CPUC, the increased need to return water could substantially increase the costs to members of disadvantaged communities and to all Cal-Am ratepayers. If one or two wet years result in Cal-Am's return water requirements increasing from the expected 700 acre-feet per year to a possible 2,100 acre-feet per year, this would represent a need to subsidize about a third of Cal-Am's total proposed water production of 6,250 acre-feet per year. That subsidy, which could range from about $3,000 to $5,000 per acre-foot, would substantially increase the costs for Cal-Am to produce and distribute each unit of water it provides. As described in Section II.N – Environmental Justice – the CPUC required that Cal-Am's investors, not its ratepayers, take on some of the risk that the Project would pump higher volumes of non-seawater; however, its analysis was based on lower assumptions regarding the probable volumes of non-seawater that would be pumped, and the CPUC acknowledged that Cal-Am would be able to ask for rate adjustments in the future if conditions were different than anticipated. Presumably, this higher return water volume would also reduce the water Cal-Am and its customers would be able to use for future growth.~~

Moreover, the additional modeling results for scenarios that used reasonable assumptions and model inputs are consistent with the ranges evaluated in the Final EIR/EIS of 87-99%. The Final EIR/EIS modeling appropriately accounted for rainfall recharge and recognized that "seasonal changes in rainfall will result in a non-steady (i.e., fluctuating) increase in salinity from year-to-year, with some higher rainfall years showing a decrease in salinity and some lower rainfall years showing an increase in salinity."[82] Thus, the EIR/EIS presented a range of estimated OWPs to account for varying inputs of 87-99%.[83] Because the second review confirmed this range under the

[82] Final EIR/EIS, Appx. E3, p. 65.

[83] Final EIR/EIS, p. 4.4-56.

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most reasonably foreseeable scenarios with reasonable assumptions, no additional modeling is necessary to refine the Project's estimated OWP and Cal-Am's corresponding return water obligation.

Even if Cal-Am's proposed Project withdraws greater volumes of non-seawater than predicted in the EIR/EIS and confirmed by the updated modeling, the Commission finds that there are no resulting environmental impacts to the SVGB under Coastal Act section 30231. Cal-Am's return water obligations are not mitigation measures designed to reduce or avoid environmental impacts. Cal-Am's return water obligations derive from the Agency Act, which restricts the exportation of groundwater for any use outside the SVGB, and the Return Water Agreement approved by the CPUC and agreed to by CCSD and other stakeholders, as described in Section IV.N of these Findings. The Monterey County Water Resources Agency will implement and enforce Cal-Am's compliance with the Agency Act. Moreover, the CPUC determined that Cal-Am would incur the costs for meeting its return water obligation if "increased due to a greater OWP than that estimated in the FEIR/EIS."[84] As described in Section IV.N, the CPUC required that Cal-Am's investors, not its ratepayers, assume much of the risk that the Project would pump higher volumes of non-seawater.

Adequacy of the EIR/EIS Data and Modeling

The groundwater modeling for the Final EIR/EIS involved a multi-year, peer-reviewed effort that conservatively analyzed the proposed Project's potential impacts to groundwater supplies in the SVGB.

Beginning in 2013, as part of the CPUC's CEQA review, subsurface soil and groundwater investigations were performed to better understand the hydrogeology of the SVGB and proposed slant well locations. This investigation included installing monitoring wells and Cal-Am's test slant well, subsurface lithologic logging, soil and groundwater sampling and analyses, aquifer testing, and aquifer condition modeling.[85] Long-term pump testing of Cal-Am's test slant well commenced on April 22, 2015, and ran until February 2018. The results of this testing informed the CPUC's review of the proposed Project, including the EIR/EIS's groundwater modeling. The salinity in the test slant well was also monitored to inform the CPUC's evaluation of the proposed Project's OWP. The EIR/EIS determined that there was generally good agreement between the modeling and test slant well data.[86]

To evaluate the Project's potential impacts to groundwater levels and supplies, the EIR/EIS consultant team used the "superposition" approach to isolate the impact of the proposed Project's pumping on the SVGB. The superposition approach used in the groundwater model is a well-established analytical tool that allows modelers to isolate the effects of a single action, removing all other stressors from the model.[87] Under the superposition approach, certain inputs – initial groundwater levels and background groundwater recharge – are set to zero to isolate the impact of the proposed Project's

[84] CPUC Final Decision 18-09-017, p. 192.

[85] Final EIR/EIS, p. 4.4-24.

[86] Final EIR/EIS, p. 8.2-73.

[87] Final EIR/EIS, p. 4.4-55.

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pumping on the SVGB. This allowed the CPUC to "determine the incremental drawdown due solely to the proposed groundwater extraction by the slant wells. In other words, superposition is employed to isolate the expected change in groundwater levels and fluxes due solely to the project."[88] Changes to regional groundwater aquifers from Project pumping become "independent of the effects from the other stresses on the basin such as seasonal climate and agricultural pumping trends, other pumping wells, injection wells, land use, or contributions from rivers."[89]

As noted in the Final EIR/EIS, the superposition method increases the reliability of groundwater modeling. By using the superposition method, the CPUC's consultant team could isolate discrepancies and unquantifiable stresses introduced by initial water levels, boundary conditions, and bias attributed to certain groundwater recharge and pumping.[90] "In this case, pumping and recharge are not well quantified for the [SVGB], and future climate, pumping, and recharge are predicted with even less accuracy. Thus, superposition is a superior approach compared to attempts at calibrating a regional model because the simulation of these unquantified stresses is unnecessary."[91] The Commission agrees with the CPUC's use of the superposition approach to evaluate the proposed Project's groundwater impacts.

Some commenters have further suggested that the Commission needs to consider and incorporate the AEM data, as well as Fort Ord salinity data from 2019, into groundwater modeling for the Project. As described below, the AEM studies – a 2017 AEM study submitted to and rejected by the CPUC, and a 2019 AEM study – are flawed in their characterization of SVGB groundwater, and the Fort Ord data came from monitoring wells outside the Project area and, thus, are not relevant to the Commission's evaluation of the proposed Project's groundwater impacts. The HWG reviewed the AEM studies and Fort Ord data and submitted critiques to the CPUC, City of Marina, and the Commission.[92] The HWG concurred that the AEM studies conducted in the Marina area do not identify or quantify the occurrence of fresh water, and that the Fort Ord data is irrelevant to the proposed Project.

- 2017 and 2019 AEM Studies: The 2017 and 2019 AEM studies evaluate the SVGB using AEM data to define TDS levels and areas of claimed "fresh water" in the study area. The CPUC evaluated the 2017 AEM study as part of the proposed Project's CEQA review. The CPUC determined that the 2017 AEM study did not demonstrate that fresh or potable water exists in the Project area and that the 2017 AEM study incorrectly relied on a 3,000 mg/L TDS standard to delineate fresh

[88] Final EIR/EIS, pp. 8.2-93 to 8.2-94; see also *id.*, p. 8.2-80.

[89] Final EIR/EIS, pp. 8.2-93 to 8.2-94.

[90] Final EIR/EIS, pp. 8.2-93, 8.5-646, 8.5-750.

[91] Final EIR/EIS, p. 8.5-750.

[92] See HWG Comments on Technical Appendices/Attachments to Letters Submitted by MCWD and City of Marina, August 15, 2018; HWG Comments on Technical Presentations and Letters/Memorandum Prepared by HGC, EKI, and MCWD, January 25, 2019; HWG Responses to Dr. Knight Letter Addressed to HWG, March 6, 2019; HWG Comments on Remy Moose Manley Letter Attachments Prepared by HGC, EKI, and AGF, April 12, 2019; Exhibit 14 – HWG Comments on AGF Final Report on the 2019 AEM Survey, June 26, 2020.

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water.[93] The CPUC further concluded that the 2017 AEM data collection effort represented a single snapshot in time (May 2017) with maximum input of fresh water following a record wet year (2016-2017), and, therefore, was not representative of existing SVGB conditions. Finally, the CPUC found that the 2017 AEM study was not calibrated with data collected from groundwater monitoring wells in the area, and that the study's control points were not made public or provided to the CPUC for review. As a result, the CPUC concluded that the "lack of adherence to standard protocols for the presentation, data analysis, and technical peer review calls into question whether the report can be used as a reliable, unbiased technical source."[94] The Commission agrees with the CPUC's conclusions regarding the reliability and sufficiency of the 2017 AEM study.

The Commission further finds that there are uncertainties in the 2019 AEM study, as it does not incorporate all valid monitoring well data. The study uses only seven of 36 geophysical logs from the MPWSP monitoring wells. In addition, the study estimates chloride and TDS concentrations in the area based on measured data for only 12 of 24 MPWSP monitoring wells. Therefore in both cases, an incomplete set of available data is used. Further, the study does not describe the lithology and potential ranges of water quality that impact groundwater conductivity and resistivity. This creates uncertainty in the distribution of water quality in aquifers with widely varied salinity levels due to seawater intrusion. Moreover, the study uses data from the in-situ transducers that only measure electrical conductivity without accounting for the depth setting within the well. (See Exhibit 14 – HWG Comments on AGE Final Report on the 2019 AEM Survey, June 26, 2020.) Because the use and interpretations of data in the 2019 AEM study is severely flawed, the Commission finds that additional modeling to account for the AEM data is not required or appropriate.

- Fort Ord Data: The Fort Ord salinity data is not relevant to the analysis of the proposed Project's potential groundwater impacts. The data is collected from monitoring wells outside the Project's potential impact area. Therefore, the Commission finds that additional modeling to incorporate the Fort Ord data is not required or appropriate.

Some commenters also suggest that CEMEX's operations during the test slant well pumping could have impacted the Final EIR/EIS's modeling of OWP by increasing the predicted OWP. These comments were considered and rejected during the CPUC's CEQA review of the proposed Project. The HWG's Final Report (2017), incorporated into the EIR/EIS, included and analyzed regional groundwater data and the impact of CEMEX's operations on the modeling.[95] Dredge pond salinity is similar to groundwater salinity along the coast – both are near seawater salinity – including beneath the CEMEX percolation ponds near Cal-Am's test slant well. However, CEMEX well water was approximately half the salinity of seawater and was used to wash sand during CEMEX operations. That well water was then discharged to the percolation ponds, thereby

[93] See footnote 77 above.

[94] See CPUC Final Decision 18-09-017, Appendix J.

[95] See also HWG Comments on MCWD/Marina Technical Appendices/Attachments, August 25, 2018, pp. 30-31.

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lowering the overall salinity of the water in the ponds. The net effect of the percolation pond water was to lower salinity in the test slant well.

The Final EIR/EIS's data and modeling accurately characterized the SVGB and the proposed Project's potential impacts to groundwater supplies in the SVGB. Therefore, additional data collection and monitoring are not necessary or appropriate.

Preventing Further Seawater Intrusion

Cal-Am's proposed Project will benefit the SVGB by halting further seawater intrusion into the Basin. As a result of extensive pumping of groundwater from the SVGB since the 1940s, the SVGB has experienced significant seawater intrusion. The proposed Project's pumping will draw seawater and contaminated groundwater from the coastal aquifers of the SVGB, halting or reversing the current landward movement of seawater intrusion further into the SVGB. Based on the Final EIR/EIS and CPUC's record, the CPUC's final decision determined that Cal-Am's proposed Project would "be expected to regard future inland migration of the seawater intrusion front, by intercepting and capturing some of the seawater that currently migrates inland across the coastline."[96] The Commission's independent hydrogeologist confirmed that the proposed Project would prevent, rather than exacerbate, further seawater intrusion beyond the Project's capture zone.[97]

Relocation or Extension of the Slant Wells

A number of commenters have suggested that many of the above-referenced effects could be reduced or eliminated by having Cal-Am install longer slant wells that would draw water almost entirely from beneath the seafloor instead of from the proposed location within the aquifer system. However, while other types of wells can be drilled to greater distances, the drilling technology involved in installing slant wells generally limits them to a maximum length of several hundred feet. ~~As~~ Further, locating or extending the slant wells further seaward would not make a material difference to the QWP, and would have no effect on regional groundwater conditions. The ocean provides a significant volume of seawater at the recharge boundary in the Dune Sand Aquifer, making wells screened just beneath the beach as effective in extracting high volumes of seawater as those screened hundreds of feet further under the seafloor.[98] Moreover, as noted elsewhere in these Findings, the proposed well head locations were selected to reduce potential effects of coastal erosion and sea level rise, so moving them closer to the shoreline to allow the wells to reach beneath the seafloor would increase the risks from those hazards.

Some commenters suggest that the slant wells could be moved further inland and outside of the Coastal Zone. At the coast, seawater entering the slant wells has the shortest and least restricted pathway through the overlying seafloor deposits. Further, in their proposed location, the slant wells would have a cone of depression with a western extent just offshore where the drawdown would be deepest, creating more flow of seawater to the slant wells. In other words, the slant wells would experience a higher

[96] CPUC Final Decision 18-09-017, p. C-75.

[97] Weiss Associates, Independent Hydrogeological Review of Recent Data and Studies Related to California American Water's Proposed Monterey Regional Water Supply Project, November 1, 2019, pp. 2, 7.

[98] Final EIR/EIS, Appx. E3, p. 23; Final EIR/EIS, p. 8.5-730.

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yield of seawater if located near the coast.[99] The CPUC also determined that the current location and configuration of the proposed Project's slant well network is the environmentally superior design to capture groundwater contaminated by seawater intrusion and prevent further inland migration of seawater.[100]

Conclusion

Based on the analysis set forth above, in the Commission's record, and in the Final EIR/EIS, the Commission has determined that ~~additional modeling and analysis is needed to identify the extent of~~ Cal-Am's ~~likely or potential effects on possible~~proposed Project will not result in significant depletion of groundwater supplies, ~~including the effects of the expected depletion on nearby wetlands and vernal ponds~~and that additional modeling is unnecessary to refine further Cal-Am's return water obligations under the Return Water Agreement. The Commission therefore finds ~~that current evidence does not support a finding~~ that Cal-Am's proposed Project is consistent with the groundwater protection provision of Coastal Act Section 30231.

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[99] See Final EIR/EIS, p. 4.4-65.

[100] See CPUC Final Decision 18-09-017, p. 173.

K. ENERGY CONSUMPTION & CLIMATE CHANGE

LCP Policy 39 states that the City's intent is:

> To encourage development which keeps energy consumption to the lowest level possible.

Coastal Act Section 30253 states, in relevant part:

> New development shall do all of the following:
>
> ...
>
> c) Be consistent with the requirements imposed by an air pollution control district or the State Air Resources Board as to each particular development.
>
> d) Minimize energy consumption and vehicle miles traveled.

Constructing and operating major water, energy, telecommunication, and transportation projects can use a significant amount of energy, thereby significantly increasing emissions of greenhouse gases ("GHGs").[67][101] These emissions exacerbate climate change caused by global warming, which, in turn can cause significant adverse impacts to coastal resources of California. The Coastal Act has a number of provisions that provide authority to take steps to reduce causes and effects of climate change and to adapt to the effects of global warming. These include the Coastal Act's public access and recreation policies (Sections 30220 and 30211), marine resource and water quality policies (Sections 30230 and 30231), the environmentally sensitive habitat area protection policy (Section 30240), and the coastal hazards policy (Section 30253(1) and (2)). Further, Section 30253 requires, in part, that development be consistent with the state's air pollution control requirements and that it minimize energy consumption.

The state has long recognized the threats of climate change and the importance of taking steps to reduce those threats. In 2006, for example, the California Legislature adopted the state's 2006 Global Warming Solutions Act and found:

> Global warming poses a serious threat to the economic well-being, public health, natural resources, and the environment of California. The potential adverse impacts of global warming include the exacerbation of air quality problems, a reduction in the quality and supply of water to the state from the Sierra snowpack, a rise in sea levels resulting in the displacement of thousands of coastal businesses and residences, damage to marine ecosystems and the natural environment, and an increase in the incidences of infectious diseases, asthma, and other human health-related problems. (California Health & Safety Code, Division 25.5, Part 1).

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[67][101] Greenhouse gases are any gas, both natural and anthropogenic, that absorbs infrared radiation in the atmosphere and include water vapor, carbon dioxide (CO_2), methane (CH_4), and nitrous oxide (N_2O). These greenhouse gases lead to the trapping and buildup of heat in the atmosphere near the earth's surface. Carbon dioxide is the major anthropogenic greenhouse gas. All greenhouse gases are quantified collectively by the carbon dioxide equivalent ("CO_2e"), or the amount of CO_2 that would have the same global warming potential, when measured over a specific time period.

Note: These are not Commission staff's Recommended Findings

Climate change covers a broad range of impacts that can occur due to GHG emissions, such as increased sea level rise, changes in the frequency, intensity or occurrence of heavy precipitation and droughts, changes in the frequency and intensity of extreme temperature events, and changes in ocean water chemistry. California's and the Coastal Commission's current guidance documents – *Rising Seas in California: An Update on Sea-Level Rise Science*, the *State of California Sea-Level Rise Guidance: 2018 Update*, and the Commission's *Sea Level Rise Policy Guidance* – build on several previous assessments and projections[~~68~~102] that describe and recognize that within the coming century potentially severe impacts will likely occur in the areas of sea level, water resources, agriculture, forests and landscapes, and public health. Many of these effects will impact the coastal zone and resources specifically protected by the Coastal Act, including impacts to air quality, species distribution and diversity, agriculture, expansion of invasive species, increase in plant pathogens, alteration of sensitive habitat, wildfires, rising sea level, coastal flooding, and coastal erosion. In addition, absorption of carbon dioxide by the ocean leads to a decrease in ocean pH with concomitant consumption of dissolved carbonate ions, which adversely impacts ~~calcite-secreting~~calcite- secreting marine organisms (including many species of phytoplankton, zooplankton, clams, snails, sea stars, sea urchins, crabs, shrimp, and others). The most direct impacts of global warming focused on the coastal zone are sea level rise and its associated impacts, ocean warming, and ocean acidification.

Expected Direct and Indirect CO2e Emissions

Cal-Am's Project would result in direct GHG emissions during Project construction, primarily due to use of motorized equipment, and would result in ongoing indirect GHG emissions during facility operations due to its use of purchased electricity. Regarding Project construction, the Final EIR/EIS calculated expected construction-related emissions based on the presumed equipment use over a 24-month construction period. It determined that total direct construction emissions would be about 13,680 tonnes CO2e, which when annualized over the then-expected 40-year Project life, would equal about 342 tonnes CO2e per year.[~~69~~103] This does not include emissions that would result from the required installation of the outfall liner described in Section ~~II~~IV.A above, which ~~would~~could potentially make these total and annualized emissions somewhat higher. ~~As described elsewhere in these Findings, if the Project operates for just 25 years due to Cal-Am being unable to relocate its wells after their expecting operating life, the annualized emissions would be about 547 tonnes CO_2e per year.~~

Regarding Project operations, the facility would be expected to use approximately ~~63,000~~38,000 megawatt-hours of electricity per year, which would be an increase of almost ~~52,000~~27,000 megawatt-hours per year over Cal-Am's existing baseline electrical use for its water portfolio (based on the 2015 baseline used in the Final EIR/EIS). The total indirect annual emissions resulting from that electrical use would depend on what sources of energy (fossil fuels, wind, sun, etc.) are used to generate the electricity supplied to the Project. These indirect emissions would be expected to decrease over time as PG&E and the energy producers it purchases electricity from are able to institute emission reduction measures required pursuant to AB 32 and other state laws, such as increasing the use of lower emitting energy sources, such as solar

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[~~68~~102] See, for example, California's 2006 Climate Change Impacts Assessment, 2009 Climate Adaptation Strategy and 2013 Indicators of Climate Change in California reports, and reports by the Intergovernmental Panel on Climate Change (IPCC Reports in 1990, 1995, 2001, 2007 and 2013) and various climate research centers (such as the Pew Center on Global Climate Change and the Heinz Center), and the Commission's own 2015 Sea-Level Rise Policy Guidance.

[~~69~~103] Note: Standard guidance for air districts includes annualizing construction emissions over the expected operating life of the project.

Note: These are not Commission staff's Recommended Findings

or wind instead of natural gas. Additionally, and as stated in the Final EIR/EIS, there would also be some emissions – in the range of about **63 to** 490 tonnes per year – resulting from the release of carbon dioxide caused by pulling seawater and groundwater from depth, where atmospheric pressure is much higher that at the ground surface. There would **be** also be other emissions resulting from vehicle use needed for Project operations and maintenance, use and testing of an emergency generator, etc. The Final EIR/EIS amortized these emissions over an expected 40-year operating life for the facility to determine that these operationally-related emissions would total just over 5,188 tonnes per year, which would be well above the 2,000-tonne per year significance threshold identified in the Final EIR/EIS.[70][104]

Cal-Am's desalination facility, which would use the great majority of the overall Project's energy, would be located outside of the coastal zone. Coastal Act Section 30604(d) states that "[n]o development or any portion thereof which is outside the coastal zone shall be subject to the coastal development permit requirements of this division." Accordingly, this analysis only considers whether the portions of the Project inside the coastal zone comply with the relevant LCP and Coastal Act policies, though the Findings discuss overall Project energy use for context. The portions of the Project within the coastal zone would use energy for construction of those components and would use electricity for running the slant well pumps.

To address the Project's emissions, the Final EIR/EIS includes a mitigation measure meant to ensure that Cal-Am's proposed GHG Emissions Reductions Plan results in net zero operational emissions. This measure requires Cal-Am to identify state-of-the art energy recovery and conservation technologies that it can include as part of its Project**, and requires Cal-Am to use. The measure provides the following loading order: 1) obtain** renewable energy **to the extent possible and to****from on-site solar panels and/or the an adjacent landfill-gas-to-energy facility; 2) purchase renewable energy from off-site sources within California such as PG&E or Monterey Bay Community Power; 3)** procure and retire Renewable Energy **Credits, Carbon Offsets, and other similar instruments that are meant to offset emissions and that are acceptable to any of several state-approved carbon registries.[71]Certificates for projects or activities in California; and 4) procure and retire Carbon Offsets.[105] Based on the loading order, Cal-Am is most likely to purchase renewable energy since it is a less expensive option than purchasing and retiring carbon offsets.** The measure also includes reporting requirements to ensure that Cal-am achieves net zero emissions for each year's operations. In addition, the Final EIR/EIS and Project design include other measures to address energy usage. For example, piping system materials and sizing would be designed to limit pressure losses and reduce pumping and energy requirements, and electrical and treatment equipment would include variable frequency drives to reduce the operating speed of pumps to match the pump discharge pressure requirements and reduce energy usage. With the

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[70][104] The Final EIR/EIS used a threshold of 2,000 tonnes of CO2e per year to determine if the proposed project's emissions would represent a significant adverse environmental effect.

[71] **Per the Final EIR/EIS, these include the Climate Action Reserve, the American Carbon Registry, the Verified Carbon Standard, or the Clean Development Mechanism; or (ii) any other entity approved by the California Air Resources Board to act as an "offset project registry" under the state's Cap-and-Trade Program.**

[105] **Per the Final EIR/EIS, these include the Climate Action Reserve, the American Carbon Registry, the Verified Carbon Standard, or the Clean Development Mechanism; or (ii) any other entity approved by the California Air Resources Board to act as an "offset project registry" under the state's Cap-and-Trade Program.**

Note: These are not Commission staff's Recommended Findings

designs and mitigation measures incorporated in the EIR/EIS and the Project, the Project would minimize energy consumption, consistent with the LCP and Coastal Act requirements.

Conclusion

~~The~~ **For the reasons described above, the Commission finds that the** portions of the Project in the coastal zone appropriately minimize energy consumption, consistent with LCP and Coastal Act policies. ~~**However, as described in Section II.O of these Findings regarding alternatives, there is a feasible alternative to the Project that would use significantly less energy than Cal-Am's proposed Project, albeit while producing only about a third of the water, and would operate entirely on renewable energy, as opposed to Cal-Am's proposal to use renewable energy, purchase emission credits, or a combination of both. As a recent court opinion described, purchasing offsets and carbon credits does not necessarily result in real, permanent, verifiable, and enforceable greenhouse gas mitigation. *Golden Door Properties, LLC v. County of San Diego* (2020) 50 Cal.App.5th 467. If Cal-Am was not able to operate entirely on renewable energy, it would result in higher GHG emissions than the alternative project.**~~

Note: These are not Commission staff's Recommended Findings

L. PUBLIC ACCESS AND RECREATION

LCLUP Policy 1 is:

> To insure access to and along the beach, consistent with the recreational needs and environmental sensitivity of Marina's Coastal area.

LCLUP Policy 2 is:

> To provide beach access and recreational opportunities consistent with public safety and with the protection of the rights of the general public and of private property owners.

LCLUP Policy 3 is:

> To provide beach access in conjunction with the new development where it is compatible with public safety, military security and natural resources protection; and does not duplicate similar access nearby.

The LCLUP's "North of Reservation Road Planning Area" requires that proposed development consider:

> Retention of uninterrupted lateral access along the sandy beach frontage.
>
> Protect and continue to provide public access from the nearest public roadway to the ocean.
>
> Structures necessary for the functioning of any Coastal Conservation and Development use (e.g., dredgelines, sewer outfall lines) may cross the sandy beach designated Park and Open Space provided lateral beach access is not significantly blocked.

Coastal Act Section 30210 states:

> In carrying out the requirement of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse.

Coastal Act Section 30211 states:

> Development shall not interfere with the ~~public's~~public's right of access to the sea where acquired through use or legislative authorization, including, but not limited to, the use of dry sand and rocky coastal beaches to the first line of terrestrial vegetation.

Coastal Act Section 30212(a) states:

> Public access from the nearest public roadway to the shoreline and along the coast shall be provided in new development projects except where: (1) It is inconsistent with public safety, military security needs, or the protection of fragile coastal resources, (2) Adequate access exists nearby, or, (3) Agriculture would be adversely

Note: These are not Commission staff's Recommended Findings

affected. Dedicated accessway shall not be required to be opened to public use until a public agency or private association agrees to accept responsibility for maintenance and liability of the accessway.

Coastal Act Section 30214 states, in relevant part:

> ***(a)*** ~~(a)~~ The public access policies of this article shall be implemented in a manner that takes into account the need to regulate the time, place, and manner of public access depending on the facts and circumstances in each case including, but not limited to, the following:
>
> **(1)** ~~(1)~~ Topographic and geologic site characteristics.
>
> **(2)** ~~(2)~~ The capacity of the site to sustain use and at what level of intensity.
>
> **(3)** ~~(3)~~ The appropriateness of limiting public access to the right to pass and repass depending on such factors as the fragility of the natural resources in the area and the proximity of the access area to adjacent residential uses.
>
> **(4)** ~~(4)~~ The need to provide for the management of access areas so as to protect the privacy of adjacent property owners and to protect the aesthetic values of the area by providing for the collection of litter.

Coastal Act Section 30221 states:

> Oceanfront land suitable for recreational use shall be protected for recreational use and development unless present and foreseeable future demand for public or commercial recreational activities that could be accommodated on the property is already adequately provided for in the area.

Because most Project components in the coastal zone, including the well field and portions of the Source Water Pipeline, would be located between the first public road and the sea, the Coastal Act's public access and recreation provisions apply to all such development in both the consolidated permit action as well as the de novo permit in the City's LCP jurisdiction.

LCP and Coastal Act policies require generally that development located adjacent to the shoreline in areas with public use not interfere with that use and that they provide access to the shoreline. Most Project components – including the desalination facility and most of the pipelines – would be located some distance from the shoreline or even outside the coastal zone and would cause few, if any, effects on public access to the shoreline or public recreation. There would likely be short-term effects resulting from temporary traffic closures or detours needed during pipeline construction in some of the rights-of-way Cal-Am plans to use, but those effects would be relatively temporary and minimal. However, Project construction and operations at the well field and outfall area on the CEMEX site ~~would~~**could** potentially have greater adverse impacts, as described below.

Effects during construction

The CEMEX site is currently an active industrial facility that does not provide vertical access to the shoreline. Coastal access at the site is primarily available as lateral access along the beach from access points to the north and south. During construction, work to develop the well field and the Project's Source Water Pipeline would occur several hundred feet from the shoreline and would not be expected to affect access to or along the beach and would have little, if any, effect on public access or recreational use. Cal-Am's installation offshore of the modified diffuser components needed to allow its use of the existing wastewater outfall would involve boats and divers working in coastal waters and would result in temporary and minor effects to use of those coastal ~~waters~~**water** for fishing or other uses. These construction-

Note: These are not Commission staff's Recommended Findings

related activities would be expected to be consistent with, and not conflict with, the above policies, as they would not require activities or structures on the beach that would inhibit public access or impede beach users.

One component of the Project's construction – replacement of some clamps on the nearshore area of the outfall line – would occur on the beach at the CEMEX site and ~~would likely~~could result in temporary ~~adverse~~ effects on public access during the six to eight week construction period. Installation would involve heavy equipment operating on the beach, placement of barriers and protective work zones around the installation, and other measures ~~that could prevent lateral access along the shoreline during extreme high tide events for a period of six to eight weeks during the summer. The aforementioned installation of an outfall liner, if done as described in the Final EIR/EIS, could also involve these types of activities and effects on the beach.~~. Lateral beach access would remain open during the six to eight weeks of construction with the potential exception of extreme high tide events. The Final EIR/EIS includes a mitigation measure to ensure that impacts from clamp replacement would be less than significant.[106] Specifically, the mitigation measure requires that all construction materials during daylight hours would be stored beyond the reach of tidal waters, and all construction materials and equipment would be removed in their entirety from the beach area by sunset each day that work occurs. The mitigation measure provides that any larger materials too difficult to move on a daily basis could remain on the beach area if placed beyond the reach of tidal waters, if approved by the Commission subject to a contingency plan for moving materials in the event of a tidal surge.[107] Cal-Am would also be required to restore all accessways affected by construction activities to their pre-construction condition or better within three days of completion of construction. With implementation of the mitigation measure and Special Condition 10, which would require Cal-Am to prepare a Public Access Plan to further minimize public access impacts from construction and would include a contingency plan for moving construction materials in the event of a tidal surge, the clamp replacement would not significantly affect lateral access to the beach and would be consistent with applicable LCP and Coastal Act policies.

Effects during Project operations

The existing sand mining operations at the CEMEX site will end within a few years and the site will generally be made available for public access, habitat restoration, and passive recreational uses. Pursuant to the above-referenced CEMEX Settlement Agreement, the CEMEX site will be transferred to another owner at some point, though this is expected to take several years, and may be after Cal-Am's well field construction would be complete.

~~During Project operations, Cal-Am's Project could result in adverse effects to public access and recreation, depending on the eventual restoration and access plan that emerges from implementation of the CEMEX Settlement Agreement.~~ The site is currently privately owned and operated for purposes of sand mining, and there is not public access at the site of the proposed wellheads. Project operations therefore would not cause public access or recreation impacts compared to currently existing conditions. ~~However, the~~The CEMEX Settlement Agreement ~~anticipates that most of~~approved by the Commission restricts future development on the CEMEX site ~~will be used for~~to habitat restoration, public access,

[106] See Final EIR/EIS Mitigation Measure 4.13-5a.

[107] This requirement has been incorporated into Special Condition 10.

Note: These are not Commission staff's Recommended Findings

~~and~~low-impact passive recreation opportunities~~. Because this is a known change in environmental conditions that would occur before or during Project construction and operation, it is also appropriate to consider how the Project would affect public access under those future conditions. Cal-Am has a 30-acre permanent easement within the CEMEX site and its well field would include fencing to protect about a quarter-acre of the several well heads and associated equipment. Cal-Am's ongoing maintenance of the well field would result in access and use of heavy equipment and vehicles over an area of up to about six acres over the Project's lifetime, though not all of that acreage would be used at once.~~, public education, and activities consistent with Cal-Am's existing 30-acre permanent easement. Prior to the site becoming open for public access, a government agency or non-profit entity must purchase the property and the purchase must be approved by the Commission. There is no current timeline for such a purchase. Further, while the CEMEX Settlement Agreement requires CEMEX to transfer title in the property to the purchaser to either manage for conservation uses, or use the property for other allowable activities; the Settlement Agreement does not require the purchaser to use and manage the property for a specific level of public accessibility or for certain activities such as ESHA restoration and does not provide funding for such activities. As noted above, the CEMEX Settlement Agreement also provides for uses consistent with Cal-Am's existing easement, which remains binding on any future owner or manager of the CEMEX site. The proposed Project's well field and maintenance activities would be located entirely within Cal-Am's 30-acre easement area.

Thus, although the Commission may adopt a restoration and access plan for the entire CEMEX site pursuant to the CEMEX Settlement Agreement in the future, it is uncertain when that would occur or what exact scope of uses would be permitted on various components of the site.

~~It is unclear at this time how these aspects of the Project would affect or prevent public access over this part of the CEMEX site in the future. Until the Commission approves a restoration and access plan pursuant to the Agreement, it is difficult to know exactly how much of an effect Cal-Am's Project would have on future public access and recreation within the CEMEX site or along the shoreline. However, the Project would, at a minimum,~~Regardless, the Project's proposed development on the site and operations would remain the same. The Project would fence off a quarter-acre around the wellheads and some other equipment, occupy another quarter-acre for a period of nine to 18 weeks ~~each year for~~approximately every five years for recommended maintenance, and result in use of vehicles and other equipment over an approximately ~~6~~2.2 acre area over ~~time. This would prevent at least some portion of the overall area used by Cal-Am from being restored and used for public access or recreation. This~~the Project's lifetime on the 400+ acre CEMEX site, though not all of that acreage would be used at once. The area is a relatively small portion of the overall CEMEX site, and there is significant beach and coastal area available nearby for coastal access and recreation. ~~However, allowing an industrial use to occupy and use up to six acres of prime coastal land that could otherwise be used for coastal~~Although there are no expected impacts to public access and recreation ~~does not maximize public access, as required by the Coastal Act. As noted elsewhere in these Findings, any adverse effects on access and recreation would likely be experienced disproportionally by members of the nearby communities described in Section II.N – Environmental Justice.~~from the proposed operations, Special Condition 10 would ensure no interference with public access, and allow the Commission to require Cal-Am to make changes to the Public Access Plan depending on the final approved use of the remainder of the CEMEX site.

Note: These are not Commission Staff's Recommended Findings

~~In a letter it submitted to the Coastal Commission on June 30, 2020, Cal-Am asserts that the Commission should not consider Cal-Am's use of this area to be a public access impact because the Commission's Settlement Agreement anticipated that Cal-Am might use this area for its Project. It is true that the Settlement Agreement acknowledges that Cal-Am has rights to its easement area and permits uses consistent with Cal-Am's anticipated operations in that area. However, the Settlement Agreement merely stated that it did not interfere with any existing property rights that Cal-Am had on the CEMEX property; it did not guarantee Commission approval of a later CDP for the desalination project or state or imply that it would not analyze or require mitigation for public access or other impacts of any future Cal-Am project on the CEMEX property. Thus, there would not be public access impacts from Project operations compared with existing conditions, nor compared to one set of possible future conditions as allowed for in the Settlement Agreement, but there would be a reduction in access and recreational opportunities compared to what would occur without the Project.~~

Conclusion

~~Conclusion~~

The development, as proposed, ~~would~~**could** result in **minor** temporary adverse impacts to public access and recreation during construction **related to clamp replacement**. It would also result in ~~relatively modest, but by no means insignificant, long-term loss of public access and recreation opportunities. Were it not for the Coastal Act and LCP nonconformities noted elsewhere in these findings – e.g., the Project's nonconformity with Coastal Act and LCP ESHA policies – the Commission could require special conditions requiring Cal-Am to implement measures to reduce and mitigate for public access impacts and ensure its proposed Project would be consistent with the above-referenced Coastal Act and LCP provisions related to public access and recreation~~**a small permanent project footprint on the CEMEX site during operations. To address potential public access related impacts during construction and operations, Special Condition 10 requires Cal-Am to prepare a Public Access Plan for Executive Director review and approval, which will: (1) minimize construction and maintenance activities to the maximum extent feasible in order to minimize potential impacts on public access; (2) prohibit construction and maintenance equipment or any related activity outside an identified staging area and construction corridors; (3) limit impacts to the sandy beach area and provide a contingency plan for moving large materials associated with the outfall clamp work in the event of a tidal surge; (4) maintain the limited permanent project footprint of approximately 0.25 acres; and (5) commit Cal-Am to modification of the Public Access Plan as required by the Executive Director in light of any future restoration and access plan prepared pursuant to the CEMEX Settlement Agreement. With these conditions, there would not be public access impacts from Project construction or operations**.

~~However, because those areas of nonconformity do not allow the Project to be fully consistent with the relevant Coastal Act or LCP provisions, there is no need to identify special conditions in this section of the Findings that would result in it being only partially consistent with the Coastal Act and LCP. Because the proposed Project is considered a coastal-dependent industrial facility, the Commission has the discretion to apply the three tests of Coastal Act Section 30260 and approve the Project notwithstanding its inconsistencies with Coastal Act and LCP provisions. However, as described in Section II.P of these Findings~~**For the reasons described above**, the Commission finds that the Project ~~does not meet any of those three tests and therefore denies the CDP application and appeal. As a result, there is no need to identify special conditions that may be needed to ensure conformity to the above-referenced~~**, as**

Note: These are not Commission staff's Recommended Findings

conditioned, will be carried out in a manner that is protective of public access and recreation **and is therefore consistent with the relevant LCP and Coastal Act** provisions.

Note: These are not Commission staff's Recommended Findings

M. VISUAL RESOURCES

The LCP's Preservation and Enhancement of Coastal Views policy states:

> Views of the dunes from Highway 1 and the beach shall be protected by keeping development off of the primary ridgeline. Development below the ridgelines shall be limited in height and mass to blend into the face of the dunes: generally structures should be hidden from public view where physical and habitat constraints allow. Where this is not possible, structures shall be clustered and sited to be as inconspicuous as possible.
>
> In areas where mining activity or blowouts have removed sand dune landforms, new development shall not extend above the height of the nearest adjacent sand dunes and shall be clustered so as to preserve access views across its site from Highway One.

The LCP's North of Reservation Road Planning Area requires proposed development consider:

> Visibility of new uses from Highway 1 and from the water's edge.

Coastal Act Section 30251 states:

> The scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted development shall be sited and designed to protect views to and along the ocean and scenic coastal areas, to minimize the alteration of natural land forms, to be visually compatible with the character of surrounding areas, and, where feasible, to restore and enhance visual quality in visually degraded areas. New development in highly scenic areas such as those designated in the California Coastline Preservation and Recreation Plan prepared by the Department of Parks and Recreation and by local government shall be subordinate to the character of its setting.

Project components within the coastal zone would consist primarily of pipelines and subgrade components that would have little, if any, visual impact once construction and installation would be completed. Within the City of Marina, the Project's well field would include above-grade well heads and electrical boxes surrounded by fences, with no completed Project components exceeding about ten feet in height. The City's LCP generally requires that permitted development protect views to and along the coast and specifically requires that views of the dune area from Highway 1 and the beach be protected by keeping development below the dune ridgelines, limiting its height, and clustering structures to the extent allowed by physical and habitat constraints.

Some Project construction would occur on or near the Monterey Bay shoreline and would be visible from other nearby publicly accessible shoreline areas, including the highly scenic Marina Dune Complex. These areas are valued in part for their views of the Bay, for wildlife and bird watching, and for recreational activities. During construction, the main Project activities that would affect visual resources would be staging and operating the drilling equipment needed to install the wells. These activities would result in visual impacts over the approximately 15 months of well installation. Most of these activities, such as the use of large construction equipment, are similar to those currently occurring as part of the sand mining activities at the site and are expected to be visually equivalent to those of the mining operations. Some of the Project's activities – e.g., ingress and egress, and the higher drill rigs – may be viewed by passing motorists on Highway 1 or by beach users, though most would have distant views that

Note: These are not Commission staff's Recommended Findings

would be partially blocked by intervening dune formations and vegetation. The most visible construction activities would be the lighting associated with the Project~~,~~ and ~~construction of~~**replacement of clamps on** the outfall liner~~, which would be on the beach during summer months of higher public use~~.

During operations, the visual impacts of the well heads, surge tanks, and fences at the site would be relatively minimal~~, though their effects would depend in part on the eventual surrounding uses at the site~~. Preliminary site designs show that most of these components would be completed in muted tones to blend into the appearance of the ~~dune habitat. For example, the infrastructure could look relatively innocuous in an area used for public access but could look out of place in the midst of an area of restored~~ dune habitat. Visual impacts would be more substantial during Cal-Am's ongoing maintenance at the well field, which would involve vehicles, heavy equipment, and maintenance activities at a time when similar industrial uses on the rest of the CEMEX site have ended.

To address potential visual impacts of the well heads, the Final EIR/EIS includes a mitigation measure requiring that the well heads be treated with earth-tone finishes to reduce contrast with the ground setting and increase compatibility with the visual setting (see MM 4.14-3a). Further, to address potential lighting impacts associated with construction of the Project, the Final EIR/EIS includes a mitigation measure to prevent exterior lighting from affecting nighttime views, including use of low-intensity exterior lighting, and ensuring lighting fixtures are cast downward and shielded to prevent light spillage (see MM 4.14-2). This measure applies to both the construction and operation of the Project in the coastal zone, including the well heads and pipelines.

Conclusion

The development, as proposed, would not be on prominent ridgelines, and permanent development would mainly be hidden from public view. Although ongoing maintenance activity at the well head sites might be visible from nearby public locations, it would ~~likely~~ be limited in extent so that it would not conflict with the LCP's requirement that development below the ridgelines be limited in height and mass to blend into the face of the dunes. Construction activities would have several temporary adverse visual impacts, but none that conflict with the LCP's or Coastal Act's visual resource policies. ~~Were it not for the Coastal Act and LCP nonconformities noted elsewhere in these Findings, the Commission could adopt special conditions requiring that Cal-Am implement any additional measures needed to ensure its proposed Project would conform to the above-referenced visual resource-related provisions. These could include special conditions that would limit the height of Project components, require muted color tones that blend with the surrounding habitat, and others.~~

~~Because those areas of nonconformity do not allow the Project to be fully consistent with the relevant Coastal Act or LCP provisions, there is no need to identify special conditions in this section of the Findings that would result in it being only partially consistent with the Coastal Act or LCP. However, because the proposed Project is considered a coastal-dependent industrial facility, the Commission has the discretion to apply the three tests of Coastal Act Section 30260 and approve the Project notwithstanding its inconsistencies with Coastal Act and LCP provisions. As described in Section II.P of these Findings, the Commission finds that the Project does not meet any of those three tests and therefore denies the CDP application and appeal. As a result, there is no need to identify special conditions that may be needed to ensure conformity to the above-referenced visual resource provisions.~~

Note: These are not Commission staff's Recommended Findings

To address potential visual resources related impacts, Special Condition 11 requires Cal-Am to prepare a facility design and screening plan for Executive Director review and approval, which limits the height of Project components to 10 feet within the coastal zone and requires muted color tones that blend with the surrounding habitat. In addition, to address potential lighting related impacts, Special Condition 12 requires Cal-Am to produce a lighting plan for Executive Director review and approval that identifies all lighting to be used during the Project and describe all measures that will avoid or reduce effects of lighting on nearby public areas, such as using the minimum lighting necessary for safety purposes, directing all necessary lighting downward, ensuring light fixtures and poles are painted or colored to blend in with the area, and others.

For the reasons described above, the Commission finds that the Project, as conditioned, will be carried out in a manner that is protective of scenic and visual resources and is therefore consistent with the relevant LCP provisions and Coastal Act Section 30251.

Note: These are not Commission staff's Recommended Findings

N. ENVIRONMENTAL JUSTICE

Coastal Act Section 30604(h) states:

> When acting on a coastal development permit, the issuing agency, or the Commission on appeal, may consider environmental justice, or the equitable distribution of environmental benefits throughout the state.

Section 30604(h) provides for the Commission to evaluate environmental justice considerations when making permit decisions. As defined in Section 30107.3 (a) of the Coastal Act, "environmental justice" means "the fair treatment and meaningful involvement of people of all races, cultures, incomes and national origins, with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations, and policies."[~~72~~108] Section 30107.3(b)(4) states that environmental justice includes, "[a]t a minimum, the meaningful consideration of recommendations from populations and communities most impacted by pollution into environmental and land use decisions."[~~73~~109]

In March 2019, the Commission adopted an environmental justice policy ("EJ Policy") to guide and inform its implementation of Section 30604(h) in a manner that is fully consistent with the standards in, and furthers the goals of, Chapter 3 of the Coastal Act and certified local coastal programs. The EJ Policy further articulates environmental justice as the following:

> The term 'environmental justice' is currently understood to include both substantive and procedural rights, meaning that in addition to the equitable distribution of environmental benefits, underserved communities also deserve equitable access to the process where significant environmental and land use decisions are made.

Ensuring access to the Commission's proceedings means making sure that those who are affected by proposed development have a meaningful and equitable opportunity to voice concerns in an open and transparent public process. Substantively, the EJ Policy describes how the Commission will work to ensure equitable access to the coast, support measures that protect existing affordable housing, and ensure that disadvantaged communities are not disproportionately affected by water contamination or overuse.

Opponents of the proposed Project have raised both procedural and substantive concerns about the Project's impacts on communities of color and low-income communities located near the proposed Project in the City of Marina, as well as on those who presently purchase water from Cal-Am in the Cal-Am service area. Project proponents have asserted the Project would benefit ~~one~~**the region's water supplies, including protecting supplies from seawater intrusion and providing supplies to one particularly** underserved community**, as well as provide for economic growth and much-needed residential development, including State-mandated affordable housing**. The Commission addresses these concerns in this section.

[~~72~~108] Coastal Act Section 30013, which provides that the Commission is to advance the principles of environmental justice and equality, references California Government Code section 65040.12(e), which defines "environmental justice" as "the fair treatment of people of all races, cultures, and incomes with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations, and policies."

[~~73~~109] Added by AB 1628 (Rivas), Chapter 360, Statutes of 2019.

Note: These are not Commission Staff's Recommended Findings

Identifying Communities of Concern

In order to evaluate the distribution of the project's environmental burdens and benefits and cumulative impacts on communities of concern, it is critical to understand the existing socioeconomic and demographic profiles of those communities as well as the environmental burdens among them. Here, the term "communities of concern" refers to low-income communities, communities of color, and other populations with higher exposure and/or sensitivity to adverse project impacts due to historical marginalization, discriminatory land use practices, and/or less capacity to mitigate adverse impacts. To identify these communities, staff evaluated various quantitative and qualitative sources of information for the City of Marina, which is where the ~~physical project is~~**project's slant wells are physically** located**, as well as some of the proposed pipelines**; jurisdictions in the Cal-Am service area (Seaside, Sand City, Carmel-by-the-Sea, Del Monte, Pacific Grove, and Monterey); and the inland ~~city~~**community** of Castroville, which is part of a water rights settlement agreement and will be affected by the Project outcomes. Quantitative indicators used to identify communities of concern include the percentage of low-income households, housing burdened low-income households, population of color,[~~74~~110] and linguistically isolated households. Staff also used the SB 535 [~~75~~111] disadvantaged community metric by CalEPA, which are census tracts in the top 25 percent of the CalEnviroScreen 3.0 index with multiple sources of pollution and a population with high sensitivity to pollution.

The demographic and socioeconomic indicators establish a high percentage of communities of concern in Castroville, Seaside, Sand City, and Marina that would be affected by the proposed Project. More than half the population in Castroville, Marina, and Seaside identifies as a person of color, and in Castroville a large portion of the population does not speak English very well (see Table 1 below). While all of the jurisdictions in Cal-Am's service area have individuals living under 200 percent of the federal poverty level, Castroville, Marina, Seaside, and Sand City have a much higher proportion of their population living under this threshold (see Table 1). These communities have median household incomes below the Department of Housing and Community Development's (HCD) state income limit for a low-income household[~~76~~112] in Monterey County, which is $69,750 for a family of three[~~77~~]**~~. A number of low-income~~**

[~~74~~110] Population of color refers to anyone that identifies as Hispanic (of any race) and anyone who identifies as non-Hispanic but as a race other than white on the Census, such as Black or African American, Asian, or American Indian.

[~~75~~111] SB 535 (De Leon) Chapter 830, Statutes of 2012, required that 25% of available monies from the Greenhouse Gas Reduction Fund be allocated to disadvantaged communities, as defined. Although the focus of SB 535 was to ensure the equitable distribution GGRF investments, the criteria used to determine the location of these communities is instructive for the purposes of this analysis.

[~~76~~112] This definition of low-income households is from AB 1550 (Gomez) Chapter 369, Statutes of 2016, which identifies low-income households according to the definition below: "Low-income households" are those with household incomes at or below 80 percent of the statewide median income or with household incomes at or below the threshold designated as low-income by the Department of Housing and Community Development's (HCD) State Income Limits adopted pursuant to Section 50093. A household would also be considered low-income if it had a household income at or below 80% of the state median household income for California, which is $56,982 based on the state median household income from most recently available data presented in Table 1. However, staff used HCD's 2020 State Income Limits since it provides a more regionally specific assessment of median household income and is more recent.

[~~77~~] **~~Since the average household size in Monterey County is 3.30, staff used the thresholds for a household of three. See U.S. Census Bureau Monterey County Quick Facts.~~**

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~~households in Marina, Seaside, and Monterey pay more than 50% of their .~~[113] In particular, Castroville has a median household income ~~towards housing (see Table 1 below).~~ of between $35,000 and $52,846.[114] Increasing utility rates ~~would~~could exacerbate these existing cost burdens, unless programs are implemented to assist low-income ratepayers. For a more detailed explanation of methodologies and standards considered for this analysis, see Exhibit ~~14~~15 – Methodology for Identifying Communities of Concern.

Table 1: Demographic Characteristics

Geography	Total population	Population of color		Total Households	Limited English Households	
		Population	percentage		Households	Percentage
Cal-Am Service Area						
Carmel-by-the-Sea	3855	679	18%	1,873	0	0%
Del Monte Forest	4197	1084	26%	1,760	84	5%
Del Rey Oaks	1596	413	26%	642	4	1%
Monterey (city)	28512	9815	34%	11,596	465	4%
Pacific Grove	15567	3231	21%	6,835	153	2%
Sand City	318	138	43%	148	2	1%
Seaside	34077	23547	69%	10,458	895	9%
Other Geographies						
Marina	21608	14237	66%	7,549	755	10%
Castroville CDP	6686	6142	92%	1,524	614	40%
Monterey County	433,212	301974	70%	126,052	16783	13%
State of California	39,148,760	24,452,924	39%	12,965,435	1179753	9%

~~Source: U.S. Census Bureau 2014-2018 American Community Survey Data, 5-year estimate.~~

Source: U.S. Census Bureau 2014-2018 American Community Survey Data, 5-year estimate.

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[113] Since the average household size in Monterey County is 3.30, staff used the thresholds for a household of three. See U.S. Census Bureau Monterey County Quick Facts.

[114] See Rural Community Assistance Corporation Letter to State Water Resources Control Board – Division of Financial Assistance, Subject: Castroville Community Services District Median Household Income Survey Results, March 30, 2017 – Exhibit 16. See also Table 2.

Table 2: Income Characteristics

Geography	Total population[78][115]	Individuals with income below 200 percent the federal poverty level		Median household income
		Individuals	Percent	
Cal-Am Service Area				
Carmel-by-the-Sea	3,825	596	16%	$90,734.00
Del Monte Forest CDP	3,901	481	12%	$138,889.00
Del Rey Oaks	1,592	239	15%	$90,795.00
Monterey (City)	25,949	5,146	20%	$77,562.00
Pacific Grove	15,464	2,363	15%	$81,623.00
Sand City	318	114	36%	$62,667.00
Seaside	32,904	11,716	36%	$61,434.00
Other Geographies				
Marina	20,841	6,870	33%	$62,803.00
Castroville CDP	6,674	3,742	56%	$52,846.00[116]
Monterey County	416,002	156,606	38%	$66,676.00
State of California	38,407,403	12,496,818	33%	$71,228.00

Source: U.S. Census Bureau 2014-2018 American Community Survey Data, 5-year estimate.

In addition to gathering and evaluating quantitative information from online sources, staff traveled to the area in September 2019 to understand the lived experiences of residents, and to ground truth quantitative information. Staff met with residents from Marina and Seaside, including subsistence fishers, single parents living in Section 8 (federally subsidized) housing, retirees on fixed incomes, recent immigrants caring for extended families and head-of-household wage earners working multiple jobs to support their families. In early 2020, because COVID-19 travel restrictions made travel infeasible, staff conducted outreach by email and phone with Castroville residents including Community Services District staff, social justice advocates, a county representative, water experts, and other stakeholders.

[78][115] The total population in Table 2 does not include individuals for whom poverty status cannot be determined, which includes people living in institutional group quarters (i.e. prisons, nursing homes), college dormitories, military barracks, and living situations without conventional housing (and who are not in shelters). See U.S. Census Bureau for more information: ~~https://www.census.gov/topics/income-poverty/poverty/guidance/poverty-measures.html~~ https://www.census.gov/topics/income-poverty/poverty/guidance/poverty-measures.html

[116] According to the Rural Community Assistance Corporation, Castroville has a mediation household income of $35,000. (See Exhibit 16 – Rural Community Assistance Corporation Letter to State Water Resources Control Board – Division of Financial Assistance, Subject: Castroville Community Services District Median Household Income Survey Results, March 30, 2017.)

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The City of Marina, located eight miles north of Monterey, includes a modest downtown dotted with Asian and Mexican markets and family-owned restaurants. In linguistically isolated households within this area, the top three non-English languages spoken include Spanish, Vietnamese, and Korean. The ~~city has a disproportionate amount of nearby industrial development including~~City is near a regional landfill, regional composting facility, and regional sewage plant~~, all of which serve areas~~. However, this industrial development is outside ~~of Marina~~the City's boundaries, adjacent to the City's municipal airport. Nearby Fort Ord is a contaminated site listed on the U.S. EPA's national priorities list.[79], but the City is working to develop Fort Ord with housing.[117] Marina is also home to the CEMEX sand mining facility, the last coastal sand mining operation in the country, which is now scheduled to close later this year pursuant to Coastal Commission Consent Order CCC-17-CD-02. ~~In spite of bearing the greatest amount of industrial development of any coastal community in the Monterey area,~~ Marina also has a thriving culture of committed public engagement, and many residents care deeply about the future of their town.

Although not within Cal-Am's service area, Marina's residents ~~would be adversely~~could be affected by the project because the proposed slant well field is within city limits at a site that ~~would otherwise~~has generally been proposed to be set aside for public access, passive recreation, and coastal resource protection, ~~and the~~though the project would only involve permanent development on 0.25 acres of the approximately 400-acre site (0.06 percent). The proposed Project ~~may~~ also ~~have an adverse effect on Marina's groundwater resources, by lowering ground water tables and potentially affecting the City's important~~could potentially have an effect on wetland and vernal pond areas ~~and inviting salt water intrusion.~~within the City. As described elsewhere in these Findings, impacts to public access, wetlands, and vernal pond areas are projected to be minimal, as the Commission has identified Special Conditions 5, 6, 7, 9, and 10 to compensate for any impacts to the maximum extent feasible (see Sections IV.L-IV.G).

Seaside is a city on the southern end of the Monterey Bay, similar in many ways to neighboring Marina, with a modest downtown and housing stock primarily consisting of small, older homes, despite its proximity to the ocean. Over two thirds (69%) of its residents are non-white, and slightly more than a third (36%) have income below 200 percent of the federal poverty level. Seaside is home to the largest population (7%) of African American residents in the project area or the region. Many Black soldiers came to Seaside for training at Fort Ord, and over time Seaside became a center for African American settlement.[80][118] Over the years, other non-white and Latino populations have settled in Seaside as well. Hospitality and food service is the

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~~[79] The U.S. EPA describes the National Priorities List (NPL) as sites of national priority among the known or threatened releases of hazardous substances and contaminants throughout the United States and its territories. The NPL guides the EPA in determining which sites warrant further investigations and potential remediation.~~

[117] The U.S. EPA describes the National Priorities List (NPL) as sites of national priority among the known or threatened releases of hazardous substances and contaminants throughout the United States and its territories. The NPL guides the EPA in determining which sites warrant further investigations and potential remediation. Regarding proposed housing projects in Fort Ord, see http://fora.org/Projects.html.

~~[80] https://www.blackpast.org/african-american-history/race-and-color-california-coastal-community-seaside-story/~~[118] https://www.blackpast.org/african-american-history/race-and-color-california-coastal-community-seaside-story/

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largest employment sector (22.5%)[81],[119] which was part of why Seaside was hit hard economically by the military base closures in the 1990s. **Some** Seaside residents say they would be impacted by the project's increased water rates, resulting in part from subsidizing Castroville's lower rates.

Castroville is an agricultural area, known in particular for artichoke production. Much of its economic activities center around agricultural support services, and many of its residents work directly or indirectly in agricultural production. Farms, farm stands, and restaurants specializing in locally produced food demonstrate the direct connection between growers and consumers. Castroville's population is 92% non-white, 56% living under 200 percent of the federal poverty level, and slightly less than half of the population has a high school education. With a total population of 6,481, the entire community is contained within a single census tract, the entirety of which is classified as disadvantaged according to the Department of Water Resources.[82][120]

The groundwater aquifer system beneath Castroville is the town's main source of its drinking water and has been overdrafted by decades of intensive agricultural use. The Castroville Community Services District ("CCSD") was able to secure a long-term source of new water through a Return Water Agreement developed during the CPUC's review of Cal-Am's Project. **The development of the Return Water Agreement was a long and collaborative effort by many parties to the CPUC's review of the Project, including Cal-Am, Coalition of Peninsula Businesses, Landwatch Monterey County, the Monterey County Farm Bureau, the Monterey County Water Resources Agency, the Monterey Peninsula Regional Water Authority, MPWMD, Monterey Regional Water Pollution Control Agency (now Monterey One Water), Planning and Conservation League Foundation, and the Salinas Valley Water Coalition.**[121] Through this agreement, Cal-Am would return a portion of the water it extracts and exports from the Salinas Valley Groundwater Basin back into the Basin via pipeline in the form of reduced-cost potable water for the CCSD.[83][122] As a result, Castroville would benefit from the Cal-Am project because the agreement will help to maintain existing low water rates (approximately $**20**45 per month[123]) and stakeholders say it would also help with the development of critical affordable housing projects and agricultural jobs. **That is important because the community of Castroville relies heavily on the agricultural industry; according to data from the US Census Bureau, approximately 29.4% of employed residents in Castroville work in agriculture, which is much higher than both the state (2.3%) and national (1.8%) average.**[124]

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[81] **https://www.neighborhoodscout.com/ca/seaside/demographics**

[119] **https://www.neighborhoodscout.com/ca/seaside/demographics**

[82][120] The Department of Water Resources defines "disadvantaged community" as community with an annual median household income that is less than 80 percent of the Statewide annual median household income as directed by Water Code §79702(j) which refers to Water Code §79505.5. This definition differs from the SB 535 definition of disadvantaged community which considers pollution burden in addition to population characteristics.

[121] **See CPUC Final Decision 18-09-17, Appendix H. Separately, Cal-Am and CCSD agreed to a water purchase agreement. See CPUC Final Decision 18-09-17, pp. 105-109.**

[83][122] See CPUC Final Decision 18-09-17, Appendix H.

[123] **See August 31, 2020, correspondence from E. Tynan.**

[124] **Industry by Occupation for the Civilian Employed Population 16 Years and Over, ACS 5-Year Estimates, available at http://data.census.gov.**

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While **the Monterey Peninsula, and** Castroville **in particular,** would benefit from the desalination project, Marina and Seaside are **potentially** at ~~high~~ risk for bearing disproportionate burdens associated with it. Additionally, although other jurisdictions do not have a high proportion of low-income households, there are still many low-income households throughout the service area that ~~would be adversely~~**could be** impacted by increasing water rates. Potential impacts to those communities and the Commission's ability to mitigate those impacts warrant additional consideration pursuant to Section 30604(h) of the Coastal Act. **As described below, Cal-Am has existing mechanisms in place to assist low-income ratepayers and, pursuant to Special Condition 13, will be required to take action to secure additional ratepayer assistance programs to address potential environmental justice concerns.**

Environmental Justice Coastal Act Analysis

Procedural Concerns

Some Marina residents also raised procedural environmental justice concerns, including that Cal-Am did not fully engage with them because they are not ratepayers. They expressed a sense of being excluded by the CPUC proceeding because they felt that it analyzed only the proposed Project's effects on ratepayers, not on the impacts to communities living near the proposed Project. Seaside residents have received notices and flyers from Cal-Am letting them know about upcoming rate increases, but ~~they~~**some residents** also felt the company did not do enough to engage with them about the proposed Project through community meetings. Cal-Am disputes these concerns because they say residents from Marina and the service area actively participated via comment letters, organizing, and formal participation in the CPUC administrative hearings and NEPA/CEQA EIR process. **Cal-Am maintained a dedicated project website with information and updates for the public, sent bill inserts and direct mail pieces to customers, and engaged in a social media awareness campaign regarding the proposed Project. In addition, since 2013, Cal-Am has published a quarterly newsletter that discusses project status and need, the permitting process, financing, and schedule. The newsletter was advertised in local print media and circulated via email. Cal-Am also contributed guest editorials to help inform the public on issues of concern and interest.**[125]

A number of Marina and Seaside residents have also told Commission staff that they felt they were at a disadvantage engaging in the project development and permitting process. For example, many said they could not take a day off of work to make the 100- mile journey to and from their communities to the Coastal Commission's November 2019 meeting location in Half Moon Bay. In some cases, these residents said they work multiple jobs in order to make rent, so they felt they would need to choose between having a place to live or testifying before the Commission.

In response to these concerns and to a written request from the City of Marina requesting greater avenues for public engagement, the Commission agreed to several additional approaches to encourage the widest possible involvement from underserved members of the public in consideration of the current project. Commission staff scheduled the Cal-Am matter early on the November 14, 2019 agenda so members of the public would have more certainty about when, if they were able to attend, they should plan to participate. Commission staff also provided an opportunity for livestream testimony to the Commission from the City of Marina's

[125] See Exhibit 1 in Latham and Watkins Letter to Tom Luster, dated August 13, 2020.

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City Hall so members of the public who could not travel to Half Moon Bay could still participate. More recently, because the COVID-19 pandemic has shut down in-person hearings, Commission staff has engaged with community members by phone to try to accommodate concerns about the move to online meetings.

The Commission recognizes that a core component of its Environmental Justice Policy, and of the Coastal Act more broadly, is to maximize public participation, and claims that such participation is inadequate or being hampered are given careful consideration. Indeed, public participation is a cornerstone of California's coastal management program. As described above, based on the actions the CPUC, Cal-Am, and the Commission have taken to foster participation and outreach, the Commission finds that the proposed Project's procedural aspects are not in conflict with the Coastal Act's environmental justice objectives.

Substantive ~~concerns~~Concerns

Along with the quantitative data collected, qualitative information and the lived experience of the community members is key to understanding existing environmental justice burdens on a community and the potential for new development to inadvertently exacerbate those impacts. Staff toured the affected area and spoke with residents and city officials from both Marina and Seaside, as part of the Commission's ongoing commitment to foster meaningful involvement consistent with 30107.3(a) and increase outreach consistent with its environmental justice policy. Following the November 2019 hearing, staff reached out to community members and public officials in Castroville and Seaside. Residents from these communities shared various environmental concerns and community burdens, providing additional relevant information to consider.

The main substantive issues identified relate to three main areas: 1) increased costs for water, 2) benefits to Castroville's water supply through the return water agreement, 3) direct and indirect environmental burdens that will contribute to cumulative impacts to the City of Marina.

1) ~~**1)**~~ **Water costs:** One of the primary concerns residents had is the disproportionate burden that low income ratepayers in Cal-Am's service would experience as a result of increasing water rates due to the construction and operation of the proposed Project. Affordable water is critical for people on limited incomes and is a critical component in the state's Human Right to Water strategy that identifies access to safe, clean, and affordable drinking water as a public health imperative.[84][126] According to a 2017 Food & Water Watch survey,[85][127] ratepayers in Cal-Am's service area on the Monterey Peninsula currently pay among the highest water rates in the country, which Cal-Am disputes.~~[86]A 2019 Monterey Peninsula Water Management District~~

[84][126] See State Water Resources Control Board. Options for Implementation of a Low-Income Water Rate Assistance Program at ~~https://www.waterboards.ca.gov/water_issues/programs/conservation_portal/assistance/docs/2019/draft_report_ab401.pdf~~ https://www.waterboards.ca.gov/water_issues/programs/conservation_portal/assistance/docs/2019/draft_report_ab401.pdf

[85][127] See *Top Ten Most Expensive Water Providers in the Country: 2017 Update*, accessed at: ~~https://www.foodandwaterwatch.org/sites/default/files/top_ten_most_expensive_water_providers-web.pdf.~~ https://www.foodandwaterwatch.org/sites/default/files/top_ten_most_expensive_water_providers-web.pdf.

~~[86] See Latham and Watkins Letter to T. Luster, June 30, 2020, page 92.~~

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as being based on an inflated average water use and inconsistent with actual figures.[128] A 2019 MPWMD report found that costs of the proposed Project's water and other expected rate increases from Cal-Am could nearly double an average residential ratepayer's water bill by 2023.[87][129] However, after Project implementation, based on current information, the average monthly cost for water for a single-family residence would increase by approximately $37 to $40.[130] Although a final determination of rates will be made by the CPUC when the Project goes into service, the Commission last year approved a project that would result in a $41 increase in water bills – the Morro Bay Water Reclamation Facility (CDP App. No. 3-19-0463).[131]

Currently, ratepayers in Cal-Am's service area are paying new water rates approved in 2018 by the CPUC (Decision D. 18-12-021), which increased monthly service charge rates 12.3% cumulatively and increased water usage rates 11.9% cumulatively from 2018 to 2020. In 2019, Cal-Am applied for a general rate case increase for 2021 to 2023,[88][132] which the CPUC is still reviewing. The CPUC's Public Advocates Office ("PAO"), an independent organization within the agency that advocates on behalf of utility ratepayers, protested this recent rate case. The PAO identifies that Cal-Am has been adding additional surcharges through alternate rulemaking procedures, and thus, the rates approved in general rate cases do not reflect the true cost that ratepayers will have to pay in their final water bills.[89][133] Over the course of 10 years, surcharges accounted for an average of 41% of the total water bill paid by residential ratepayers in the Monterey region.[90][134] The PAO identified that the surcharge percentage of the residential monthly bill in Cal-Am's Monterey Service Area has been anywhere from 19% to as high as 53% from 2008 to 2018. Resolution on this issue is likely to be reached in November 2020. It should be noted that these surcharges are part of the current base water rates and are specifically identified on customer bills for transparency. Certain surcharges will also be expiring in the next few years.

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[128] See Latham and Watkins Letter to T. Luster, June 30, 2020, page 92; Latham and Watkins Letter to T. Luster, August 13, 2020.

[87][129] See ~~Monterey Peninsula Water Management District~~MPWMD, *Supply and Demand for Water on the Monterey Peninsula*, September 2019.

[130] See Dudek's Environmental Justice Analysis for the Monterey Peninsula Water Supply Project, pg. 3 (Exhibit 1 to Latham and Watkins Letter to T. Luster, August 13, 2020).

[131] In July 2019, the Commission approved the Morro Bay Water Reclamation Facility even though the project would result in a $41 monthly surcharge to Morro Bay ratepayers. The Commission found that, although the project would be expensive and disproportionately impact low-income ratepayers, the project was nonetheless consistent with the Commission's EJ Policy and needed to provide a safe and reliable water supply to Morro Bay.

[88][132] CPUC Application No A.19-07-004 - Application of California-American Water Company (U210W) for Authorization to Increase its Revenues for Water Service by $25,999,900 or 10.60% in the year 2021, by $9,752,500 or 3.59% in the year 2022, and by $10,754,500 or 3.82% in the year 2023.

[89][133] Surcharges can be approved and added to customer bills in between general rate cases, and as a result, the full impact of rate increases are not reflected in general rate case proceedings. See CPUC Office of Public Advocates ~~Report on Recommendations on Rates and Surcharges,~~ Report on Recommendations on Rates and Surcharges, protest of Application 19-07-004.

[90][134] See Attachment 2 in Office of Public Advocates ~~Report on Recommendations on Rates and Surcharges,~~ Report on Recommendations on Rates and Surcharges, protest of Application 19-07-004.

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Although rates will increase for all ratepayers in the service area, **the implementation of Special Condition 13 will minimize the potential for** higher rates ~~**resulting from the proposed desalination facility would**~~**to** disproportionately impact low-income ratepayers in Seaside and other jurisdictions in the service area. Cal-Am **currently** offers several customer assistance programs to offset cost burdens for low income ratepayers,[~~91~~135] including its ~~**Low Income Ratepayer**~~**Customer** Assistance ~~**("LIRA") program**~~**Program**, where eligible customers can apply for a monthly discount of up to 30% on their charges.[~~92~~] ~~**LIRA**~~ [136] **The Customer Assistance Program** has several eligibility requirements including having an individually metered or flat-rate residential meter, having the water or sewer bill held in the name of program participants, and having household income below the required thresholds for participation in other assistance programs.[~~93~~137] Cal-Am has stated that it extends its ~~**LIRA program**~~**Customer Assistance Program** to Migrant Farm Worker Housing Centers and nonprofit group living centers. Cal-Am also offers payment arrangement plans and a Hardship Benefit Program in partnership with United Way Monterey County to help qualifying customers facing financial hardship cover an outstanding balance on their water bill.[138] Finally, Cal-Am provides water conservation assistance that can also help ratepayers reduce consumption.[~~94~~139] **To mitigate the adverse effects of increased costs on disadvantaged communities within its service area, Special Condition 13 would require Cal-Am to (a) seek approval from the CPUC to increase Cal-Am's Customer Assistance Program discount for its Monterey Main Service Territory from 30% to 50%, and (b) contribute up to an additional $250,000 in funds to the United Way to assist customers in Cal-Am's service territory who are having difficulties paying monthly bills if the CPUC does not approve the additional Customer Assistance Program discount before customer bills are affected by Project costs.**

However, while Cal-Am's ~~**LIRA**~~**Customer Assistance Program** follows CPUC's recommendation for rates, it **currently** has not reached all low-income customers and has not fully offset the ~~**disproportionate**~~ burden they bear from rate increases. Cal-Am states that as of June ~~**30,2020, 18**~~**30, 2020, 18**% of its residential customers in the City of Seaside and 6% of all customers in its overall service area use its ~~**LIRA program. However,**~~ **Customer Assistance**

[~~91~~135] The CPUC EIR also identifies this as an environmental justice concern, but in their analysis identify these measures as sufficient to offset burdens to low income rate payers and make the impact less than significant. The Office of Public Advocates also supports Cal-Am's ~~**LIRA program**~~**Customer Assistance Program** and implementation to provide additional protections for low income ratepayers.

~~**[92] The LIRA program does not discount water usage in excess of 17,200 gallons in a single month. See Latham and Watkins Letter to T. Luster, 6/30/2020, pg 39.**~~

[136] The Customer Assistance Program does not discount water usage in excess of 17,200 gallons in a single month. See Latham and Watkins Letter to T. Luster, 6/30/2020, pg 39.

[~~93~~137] Application for Assistance for Low Income Customers - ~~**https://dnnh3qht4.blob.core.windows.net/portals/2/2019%20Documents/CA_LowIncomeApp-2019_FINAL2.pdf?sr=b&si=DNNFileManagerPolicy&sig=i34kUlWVhiUlqA3UaT9wMTI%2FDNycyQzgBEefDPKy1RI%3D**~~ **https://dnnh3qht4.blob.core.windows.net/portals/2/2019%20Documents/CA_LowIncomeApp-2019_FINAL2.pdf?sr=b&si=DNNFileManagerPolicy&sig=i34kUlWVhiUlqA3UaT9wMTI%2FDNycyQzgBE efDPKy1RI%3D**

[138] See Exhibit 1 to Latham and Watkins Letter to T. Luster, August 13, 2020, pg. 5.

[~~94~~ ~~**https://amwater.com/caaw/conservation/district-resources/monter**~~ [139] **https://amwater.com/caaw/conservation/district-resources/monterey**

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Program. Cal-Am publicizes the Customer Assistance Program by sending physical mailers, bill inserts, and email notices to all of its customers. Cal-Am also reported that the program is advertised on Cal-Am's website and customer web portal. Additionally, notice of the program is provided to customers who have bill payments 30 days or more outstanding. Customers can opt into the Customer Assistance Program by filling out an application, and enrollment lasts for two years. Prior to expiration, customers receive a renewal letter informing them that they need to reenroll if they are still eligible for participation. In addition, a CPUC order requires that Pacific Gas & Electric ("PG&E") share data with Cal-Am every six months regarding customers enrolled in PG&E's corresponding program for electrical service.[140] Cal-Am uses this data to determine whether customers within its service district would qualify for Cal-Am's Customer Assistance Program. Cal-Am automatically enrolls customers who match or likely match the PG&E data in Cal-Am's Customer Assistance Program, sending those customers opt-out letters. For matches that are not complete, Cal-Am provides the customers the ability to opt-in to the Program. However, despite these substantial outreach efforts, many eligible customers do not participate in the program.[95] ~~The eligibility requirements themselves create barriers to access. Many~~ [141]

With the implementation of Special Condition 13, Cal-Am would be required to seek to expand the number of eligible customers who can be enrolled in its low-income assistance programs. These efforts would include seek approval from the CPUC to participate in the CPUC's pilot program to enroll residents of master-metered multi-family housing that have not previously been able to enroll. After Project implementation, monthly water costs may rise to between approximately $37 to $40 per month. With the increased 50% discount provided in Special Condition 13, average bills for eligible customers would only be expected to increase $10 to $12 per month for desalination facility costs and financing, as compared to $37 to $40 per month for non-CAP customers.

Unfortunately, many otherwise eligible ratepayers live in multi-family structures, where the water bill is in the name of a landlord or management company and not individually metered. ~~Some landlords of single-family residences that rent to low-income tenants prefer to keep the water and sewer bill in their own name. In both cases~~ In such a case, increases in ~~utilities are~~ utility costs may be passed through from the landlord to the tenants, without any options for the tenants to request assistance. As stated above, Special Condition 13 would require Cal-Am seek approval from the CPUC to participate in a pilot program that would seek to enroll such residents who are currently unable to participate in the Customer Assistance Program.

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[140] See CPUC Decision D.09-12-017 (issued May 10, 2011).

[95] ~~According to a Dudek analysis of CalEnviroScreen and EPA EJSCREEN data prepared for Cal Am, the numbers of residents who are eligible for the LIRA program are higher: approximately 43% of residential customers in Seaside, 16% in Carmel-by-the-Sea, 20% in Del Monte, 16% in Pacific Grove, and 20% in Monterey. See Exhibit 1 in Latham and Watkins Letter to Tom Luster, dated August 13, 2020.~~

[141] According to a Dudek analysis of CalEnviroScreen and EPA EJSCREEN data prepared for Cal Am, the numbers of residents who are eligible for the Customer Assistance Program are higher: approximately 43% of residential customers in Seaside, 16% in Carmel-by-the-Sea, 20% in Del Monte, 16% in Pacific Grove, and 20% in Monterey. See Exhibit 1 in Latham and Watkins Letter to Tom Luster, dated August 13, 2020.

Note: These are not Commission Staff's Recommended Findings

While individuals may qualify as low income based on the standards set by other similar programs, they do not necessarily meet the eligibility criteria for Cal-Am's ~~LIRA program.[96]~~ **Customer Assistance Program.[142]** For example, using an average household of three,[97][143] state income limits set by Housing and Community Development (HCD) in 2020 identifies low income households with a median household income of below $69,750 and very low income households with a median income below $43,650 in Monterey County.[98][144] The Department of Water Resources identifies disadvantaged households as those with a median household income below $51,026 and severely disadvantaged households as those with a median household income of $38,270.[99] ~~The LIRA~~ **[145] The Customer Assistance Program** threshold for a household of three, however, is $43,440, which means there are households experiencing housing or rent burden that may not benefit from the program.

Staff spoke to various ratepayers in the area to understand concerns with the proposed Project. Some Seaside residents are concerned that the economic hardship caused by these rate increases would eventually push them out of this currently affordable coastal community. Ratepayers say they have gone to great lengths to save water over the years including using their dishwashers only to dry dishes, flushing toilets only once a day, taking showers at municipal facilities instead of at home, not washing clothes as often, removing gardens, or using graywater for irrigation, but their bills have continued to increase. Residents participating in the ~~LIRA program~~**Customer Assistance Program** who were interviewed also stated the discount does not offset the impacts of increasing rates still. **However, because there is a fixed cost to operate the existing water system, it should be noted that increased conservation does not necessarily result in reduced monthly water bills.**

Based on a review of the available programs for low-income ratepayers and meetings with local residents, the Commission believes that **without special conditions,** the project ~~will~~**could** exacerbate the disproportionate burdens on low-income ratepayers as a result of rising rates from the construction and operation of the ~~proposed Project. As described in Sections II.N and II.O of these Findings, these burdens would be reduced by the identified feasible alternative – the Pure Water Expansion project – that would provide water at about one-third to one-half the cost of water from Cal-Am's~~ proposed Project. For low-income households experiencing the burden of high housing costs and now COVID-related job insecurity, increased water rates could make it ~~infeasible~~**challenging** to continue living on the

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~~[96] Eligibility thresholds for the LIRA program is based on whether household income is below 200 percent of the federal poverty level.~~

[142] Eligibility thresholds for the Customer Assistance Program is based on whether household income is below 200 percent of the federal poverty level.

[97][143] According to the most recent figures, the average household size in Monterey County is 3.30. https://www.census.gov/quickfacts/fact/table/montereycountycalifornia/PST045219**.**

[98][144] State Income Limits - ~~https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/Income-Limits-2020.pdf~~ **https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income- limits/docs/Income-Limits-2020.pdf.**

~~[99] As of August 16, 2020, the DWR mapping tool identified disadvantaged and severely disadvantaged communities using 2012-2016 American Community Survey data The statewide median household income for this dataset is $63,783.~~

[145] As of August 16, 2020, the DWR mapping tool identified disadvantaged and severely disadvantaged communities using 2012-2016 American Community Survey data The statewide median household income for this dataset is $63,783.

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Monterey Peninsula. If an unintended, but foreseeable consequence of the project is to displace existing residents from their homes in formerly affordable coastal communities, this raises serious coastal access questions. Although coastal access is typically viewed through the lens of providing and protecting recreational infrastructure and other amenities for the public to visit and enjoy, viewing it through an environmental justice lens illustrates that an affordable cost of living is a fundamental part of coastal access for nearby residents. In this case, Seaside residents' coastal access hinges on their ability to economically ~~survive~~**remain** in their communities. The Commission would not achieve maximum consistency with the Coastal Act's Chapter 3 public access policies if it only implemented these policies to protect the amenities that enhance visitor access to the coast without also considering how permitting decisions might negatively affect community-wide affordability for those living within the coastal zone. Historically, communities of color have been excluded from or driven out of coastal areas by intimidation, exclusionary lending practices, racist covenants, eminent domain and other instruments. Because of this troubling history, it is incumbent on the Commission to scrutinize the project with a focused perspective grounded in this wider context. **The implementation of Special Condition 13 would prevent the Project from having such unintended effects on vulnerable communities, by offering reduced rates to the disadvantaged communities and improving Cal-Am's ability to enroll eligible customers. As a result of this Special Condition, many residents in these communities could see their rates drop rather than increase after the Project begins operations.**

~~**Cal-Am has asserted that the Commission may not consider the affordability of housing in its decision because the Legislature removed the Commission's prior authority—which used to be contained in Section 30213 of the Coastal Act—to regulate affordable housing in the coastal zone. However, the Commission remains under a mandate "to encourage the protection of existing and the provision of new affordable housing opportunities for persons of low and moderate income in the coastal zone." (Coastal Act §30604(g).) It may also consider questions of affordability pursuant to its mandate to maximize access to the coast, consider environmental justice issues, and decide whether the public welfare would be harmed by denial of this Project.**~~

Cal-Am, some Monterey businesses, and others have ~~**also asserted that**~~**described the necessity of the Project to the Peninsula. Without the Project** there will be insufficient water to construct affordable housing and to allow the hospitality industry to rebound on the Monterey Peninsula if Cal-Am's desalination plant is not constructed. ~~**They say this**~~**This**, in turn, could drive up housing costs on the Peninsula and affect employees in the service industry, many of whom come from disadvantaged communities. ~~**However, as described elsewhere in these Findings, there is a feasible alternative method (the Pure Water Expansion recycled water project) to supply Cal-Am's customers with sufficient water with fewer ESA impacts. This alternative is scaled to provide adequate water supply for planned affordable and market rate housing starts, protect the Carmel River, provide a more affordable**~~

As described elsewhere in these Findings, burdens related to water costs would not be reduced by the Pure Water Expansion project. Projections of Pure Water Expansion water costs are entirely speculative at this time. Expected water costs from the initial phase of the Pure Water project have recently increased drastically due to technological difficulties and needed repairs. Monterey One Water estimates that initial Pure Water costs may range between $2,508 and $3,678 per acre foot – at minimum, more than double the rate of $1,720 per acre-foot approved by the CPUC. The projected costs for Pure Water Expansion water could see similar increases.

Note: These are not Commission staff's Recommended Findings

Moreover, as described in Section IV.O, the Final Supplemental Environmental Impact Report for the Pure Water Expansion was denied certification by the Monterey One Water. Notably, the Pure Water Expansion could fall short of meeting water demand, and will result in its own significant environmental justice impacts.[146] Local groups representing farmers and communities of concern, such as the Monterey County Farm Bureau, the City of Salinas, and others, have voiced concerns regarding these significant environmental justice issues related to the Pure Water Expansion, including its proposed use of Salinas Valley water sources to benefit the Monterey Peninsula. For example, as explained further below, the community of Castroville has raised concerns that the Pure Water Expansion would take wastewater treatment plant flows from the Castroville Seawater Intrusion Program, which would in turn disproportionately affect the disadvantaged residents of Castroville. (See also Section IV.N.) Similarly, the City of Salinas, a community of concern with approximately 20.5% of its residents living below the federal poverty level and 49% qualifying as low-income, has taken serious issue with the potential for the Pure Water Expansion to take water belonging to the City and provide it to the Peninsula at the expense of the Salinas Valley agricultural community.[147] Further, without adequate water supply, the Monterey Peninsula could face potential severe rationing of and restrictions on water usage that would necessarily and disproportionately be borne by disadvantaged communities. Without sufficient water, the Peninsula's affordable housing goals would remain unmet and workers would be forced to live further from the communities they serve. This would reduce coastal access by preventing workers from living on the Peninsula, forcing them to live in less expensive jurisdictions further inland, and result in continued economic burdens in the form of gas and transportation costs necessary to make a longer commute. For those reasons, among others, the Pure Water Expansion is not a feasible alternative.

~~water supply for residents who are at risk of economic displacement, avoid harm to~~Ultimately, as the CPUC recognized in its final decision to approve the proposed Project's Final EIR/EIS, it is important to recognize that desalinated water is relatively expensive. However, when balancing the potential costs and alternatives against the need to achieve a sufficient supply of reliable potable water for the Peninsula, the Commission finds that the proposed Project is the best option for all residents – including those living in communities of concern~~, and also better protect public access and sensitive dune habitat. As such, that alternative is more fully~~. As such, the proposed Project, as conditioned, is consistent with the Commission's Environmental Justice Policy as well as Coastal Act Sections 30604(h), and 30107.3.

2) ~~2)~~ **Return Water Agreement to Castroville Community Services District (CCSD)** ~~Part~~ As described above, part of Cal-Am's proposed Project would provide up to about 690 acre-feet of potable water, at a discounted price, to Castroville, which would constitute a benefit to a community of concern. ~~The cost of providing the water would be recovered through ratepayer fees in Cal-Am's service area.~~ In order to address a prohibition against exporting groundwater from the Salinas Valley Groundwater Basin, as part of the Return Water Agreement agreed to by many parties and approved by the CPUC, Cal-Am agreed to provide potable water to Castroville at about $110 per acre-foot for the return water.[148] If CCSD wants to purchase additional desalinated water, the cost would be about $580 per

[146] See Exhibit 1, pp. 12-17 in Latham and Watkins Letter to Tom Luster, dated August 13, 2020.

[147] *Id.*, p. 16; see also https://www.cityofsalinas.org/visitors/community-profile.

[148] See CPUC Final Decision 18-09-017, Appendix H, § 5.a.i.

Note: These are not Commission Staff's Recommended Findings

acre-foot.[149] The Agreement also contemplates that return water in excess of that provided to Castroville would be directed to the Castroville Seawater Intrusion Program ("CSIP") at a cost of about $~~110~~102 per acre-foot to help reduce seawater intrusion in the Basin.[150] Without this Return Water Agreement, the ~~project~~proposed Project could ~~not~~ be considered ~~consistent~~inconsistent with Basin management requirements, since it would export groundwater to communities throughout the Monterey Peninsula that are outside the Basin boundaries. ~~The~~Although the prices per acre-foot for Castroville and CSIP would be far less ~~– i.e., no more than several hundred per acre-foot –~~ compared to the ~~$6,000 per acre-foot~~per-acre-foot cost that Cal-Am's ratepayers are likely to pay for water from Cal-Am's Project~~.~~, the CPUC approved the rates for both CCSD/CSIP and Cal-Am's ratepayers. As stated above, CCSD and CSIP's return water costs represent their avoided costs to produce groundwater from the SVGB to meet customer demands.[151] This would keep Castroville's water rates affordable (at approximately $~~20~~45 per month according to stakeholders), while providing a new source of water for affordable housing projects, agricultural jobs, and other types of new development. Depending on the amount of water Cal-Am returns to the Basin, the agreement could partially replenish Castroville's over drafted groundwater basin that has been depleted in part by decades of agricultural pumping.

~~However, as noted in Section II.J above, recent groundwater modeling shows that the amount of water Cal-Am may need to return to the Basin could be substantially higher than anticipated in previous modeling and in the Return Water Agreement. Instead of a relatively steady rate of up to about 700 acre-feet per year, Cal-Am may need to return up to about 2,100 acre-feet per year during years with higher recharge to the Basin.[100] This would represent about a third of its desalination facility's overall production volume and could result in Cal-Am needing to return to the CPUC for approval of additional rate recovery for the increased expenses. The cost of this additional return water could be as much as $3,000 to $6,000 more per acre-foot than currently anticipated, which, if added to the rates, would represent an even greater burden on all of Cal-Am's ratepayers and especially members of these disadvantaged communities.~~

As noted above in Section IV.J, to limit liability and costs to ratepayers, the CPUC imposed any costs associated with noncompliance with the Return Water Agreement on Cal-Am. In its decision, the CPUC acknowledged that higher return water percentages could affect rates, stating: "The cost of the MPWSP desalinated water is relatively expensive and becomes more so the greater the return water obligation. The authorized plant is reasonable as long as the desalination plant does not become a vehicle for unreasonable amounts of return water at increasing costs to Cal-Am ratepayers." To address this risk, it required Cal-Am's shareholders, not ratepayers, to pay excess costs if return water obligations exceeded certain percentages identified by the ~~Hydrologic Working Group~~HWG, which had advised the CPUC on hydrologic issues. However, the CPUC acknowledged that return water amounts could vary and that the CPUC could revisit the issue, and Cal-Am's rates, in the future as necessary. ~~Additionally, and as~~As described above in Section ~~II~~IV.J, ~~given~~ the new analysis provided by the Commission's independent hydrogeologist regarding ~~the likelihood of higher~~estimated

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[149] See CPUC Final Decision 18-09-017, Appendix H, § 5.a.ii.

[150] See CPUC Final Decision 18-09-017, Appendix H, § 5.b.

[151] See CPUC Final Decision 18-09-017, Appendix H.

~~[100] As noted in Section II.J above, the Hydrogeologic Working Group, which conducted the previous modeling, concurs that this range of potential return water requirements is reasonable.~~

Note: These are not Commission staff's Recommended Findings

return water percentages (and with which the HWG agrees), ~~it appears that there is a significant risk that~~confirms the return water ~~obligations will further increase the costs of Cal-Am's water.~~

percentages estimated in the CPUC's Final EIR/EIS. Castroville residents would therefore be afforded a discounted rate on the desalinated water~~. But~~ to represent their avoided costs to produce groundwater from the SVGB.

Some commenters suggest that other Cal-Am ratepayers, many of whom are similarly disadvantaged, would absorb ~~that cost. Those~~the costs of providing discounted water to Castroville, and that those higher rates would disproportionately burden low-income ratepayers in Cal-Am's service area, including Seaside. The commenters also suggest that the discount to Castroville would ~~also~~ not offset impacts to ~~the underserved communities of~~ Marina, as well as Seaside~~,~~ and others throughout the service area. ~~Although~~ However, the CPUC reviewed the proposed rates during its six-year long review of the proposed Project and determined that Cal-Am's proposed rates were reasonable.

Further, potential impacts to Cal-Am ratepayers from providing return water to Castroville would be offset as described below.

- Pursuant to the Return Water Agreement, CCSD's costs for the return water generally represent CCSD's avoided costs to produce groundwater from the SVGB in response to customer demand – that is, approximately $110 per acre-foot. Further, if CCSD wants to purchase desalinated water in excess of Cal-Am's return water obligations, the cost per acre-foot is $580, which incorporates Project infrastructure costs.

- If CCSD did not agree to purchase the return water, Cal-Am would be required to build or use the infrastructure necessary to inject excess desalinated water into the SVGB in order to comply with the Agency Act because the return water could not be sent to the Peninsula. This could result in additional Project costs. CCSD's agreement to purchase the return water avoids those costs for Cal-Am and its ratepayers.

- By reducing Castroville's need to pump groundwater from the SVGB, the return water component benefits the entire region in the form of additional water to Castroville and CSIP and reduced potential for seawater intrusion from inland groundwater pumping.

Moreover, pursuant to the Return Water Agreement approved by the CPUC, Cal-Am shareholders, not ratepayers, would absorb any costs associated with Cal-Am's return water obligations if the proposed Project extracts more non-seawater than the Final EIR/EIS estimates. Additionally, Castroville has 3,742 individuals with income below 200 percent of the federal poverty level~~, the~~—approximately 56% of Castroville's population. The number of individuals with income below the same poverty guideline in ~~Marina and the Cal Am~~Cal-Am's service area is ~~27,525, or approximately 7 times greater~~20,655—ranging from 12% to 36% of those communities' populations (see Table 2). Similarly, ~~while~~ Castroville has a larger proportion of people of color living in its jurisdiction~~, a greater number of people of color live throughout the~~ (92%), as compared to other communities in Cal-Am's service area ~~and Marina combined~~(ranging from 18-69%) (see Table 1). ~~In other words,~~Nonetheless, as described above, Cal-Am offers several customer assistance

Note: These are not Commission staff's Recommended Findings

programs to offset cost burdens for low-income ratepayers in its service area. Because the proposed Project would benefit Castroville, and because Cal-Am has mechanisms in place to assist low-income ratepayers in its service area, the Commission finds that the benefits of this project going to one community of concern would not come at the expense of the other underserved communities. ~~For comparison, the feasible alternative would reduce the cost burdens to Seaside, Marina, and other Cal-Am ratepayers, though would not include the above-referenced benefits to Castroville.~~

3) ~~3)~~ Cumulative Environmental Impacts

The proposed Project ~~results~~could result in environmental impacts in the City of Marina's coastal zone that will increase the overall cumulative environmental burdens in the area. The City of Marina and many of its residents believe the desalination proposal places some of the burdens of the proposed Project on their community but provides none of the benefits. The slant wells for this desalination project would be placed ~~within~~on a quarter-acre of the soon-to-be-shuttered, 400+ acre CEMEX sand mining property in Marina's coastal zone and ~~would~~its construction could affect several acres of ~~beach and~~ dune habitat that currently supports a variety of rare or sensitive plant and animal species. ~~If not for this project, this area would be available for public access, habitat restoration, and passive public recreational use after the CEMEX closure. Cal-Am asserts that it is improper for the Commission to consider such impacts when its Consent Settlement Agreement acknowledged that Cal-Am had certain rights on the CEMEX property that might allow it to build this project. However, nothing in the Settlement guaranteed that Cal-Am would be able to construct this project, nor did the Settlement state or imply that the Commission would not analyze public access or other impacts associated with a desalination facility if and when such a facility was proposed.~~The CEMEX site has been used for industrial sand mining for over a century. Pursuant to the CEMEX Settlement Agreement, future development on the CEMEX site is restricted to habitat restoration, public access, low-impact passive recreation opportunities, public education, and activities consistent with Cal-Am's 30-acre permanent easement. The CEMEX Settlement Agreement, which was approved by the Commission, expressly provides for uses consistent with Cal-Am's easement. This permanent easement would remain regardless of any future restoration plan for the site.

Marina is already located near several industrial uses both within and outside of the coastal zone. According to CalEnviroScreen 3.0 data, Marina has one census tract designated as an SB 535 Disadvantaged Community and ranks above the 75th percentile among other tracts in the state for groundwater threats, impaired water, solid waste, pesticides, and cleanups (see Table 3 and Figure 1 below).

Within the coastal zone, industrial uses include the CEMEX sand mining site (which will cease operations in 2020). ~~Some~~When compared to these existing conditions, the Project's permanent footprint is fractional, representing only 0.06% of the CEMEX site. However, some members of the community raised concerns that some of the access to the site anticipated through the Settlement Agreement could be lost due to limitations Cal-Am may impose around its well field ~~(Section II.K of these Findings provides a more detailed assessment of the proposed Project's effects on public access)~~. Although Marina has about four miles of shoreline, it currently has just two points of public access along that stretch of coast. ~~While the project's adverse~~If the site is eventually purchased and made available for public access, the Project's quarter-acre permanent footprint will not significantly impact the public's ability to access the shoreline. Recommended maintenance activities would occupy an additional quarter-acre for a period of nine to 18 weeks approximately every five years. The result in periodic use of vehicles and other equipment for

Note: These are not Commission staff's Recommended Findings

maintenance could disturb approximately 2.2 over the Project's lifetime, though not all at once. These impacts are expected to be relatively minor. Nonetheless, Special Condition 10 would require Cal-Am to prepare a Public Access Plan that would, among other things, allow the Executive Director to require further public access protections once a restoration and access plan is adopted for the CEMEX site some point in the future. Thus, the Project's presence, on a 400+ acre site that may eventually be made available for public use, will be limited (Section IV.L of these Findings provides a more detailed assessment of the proposed Project's effects on public access ~~are likely to be relatively limited, they would affect Marina residents' ability to fully access this section of the coast~~).

Although the community's concerns regarding cumulative impacts are understandable, the Project is consistent with the Commission's Environmental Justice Policy and applicable Coastal Act provisions.

Note: These are not Commission staff's Recommended Findings

Table 3: SB 535 Disadvantaged Community Census Tract 6053014102 ~~I~~in the City of Marina

Demographic Indicators	Percentile Relative to State
Linguistic Isolation	62
Poverty	73
Unemployment	65
Housing Burden	88
Environmental Indicators	Percentile Relative to State
Pollution Burden	71
Pesticides	83
Drinking Water	65
Cleanups	84
Groundwater Threats	95
Impaired Water	96
Solid Waste	85

Note: These are not Commission staff's Recommended Findings

(Modified graphics)

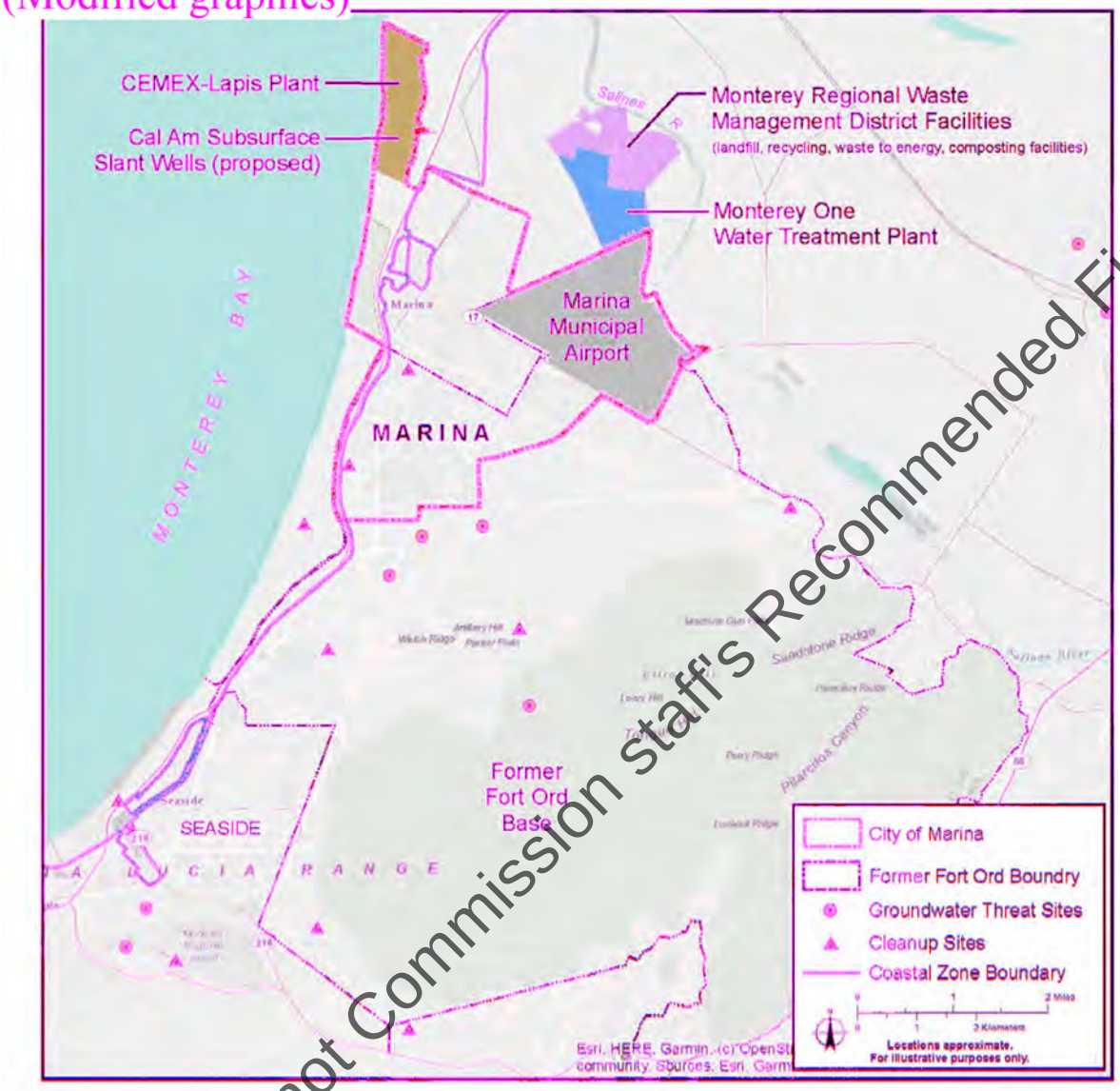

Figure 1 – Map of industrial uses/existing sites of pollution

Outside of the coastal zone, existing industrial facilities near Marina include a regional wastewater treatment plant, the Marina Municipal Airport, and Monterey Regional Waste Management District facility, which includes a landfill, materials recovery facility, food and yard waste composting facilities, a landfill gas-to-energy conversion facility, and a hazardous waste collection site. Marina is also near the former Fort Ord military base, which is on the Superfund National Priorities List. ~~While~~**However,** Cal-Am's slant well won't ~~– on its own –~~ cause the level of pollution as existing facilities, ~~this project would be one more industrial development in a community already dealing with the cumulative impacts of a disproportionate number of industrial facilities. The Cal Am project would be another industrial development that~~**and** would take up **only a quarter-acre of** land **on the 400+ acre CEMEX site** that could otherwise be used for public access or environmental stewardship purposes.

Note: These are not Commission staff's Recommended Findings

The City of Marina and its residents also are concerned about the potential impacts of the proposed slant wells on their own aquifer and groundwater supply. ~~These are detailed in Section II.J of these Findings. It remains inconclusive whether these potential impacts would occur or what their extent would be should they occur, as neither the Final EIR/EIS nor the Commission's independent hydrogeological analysis provided evidence showing such impacts were reasonably foreseeable. However, the~~The City has staunchly opposed the proposed Project due in part to the potential that the impacts would be extensive enough to adversely affect its current and future water supply and could require the City to construct new water supply facilities. However, as described in Section IV.J of these Findings, the analysis provided in Final EIR/EIS, the analysis from the HWG, and the Commission's independent hydrogeological analysis all reach the conclusion that no adverse groundwater impacts would occur, including impacts to Marina's wells, and none of those analyses provided evidence that such impacts would be reasonably foreseeable. The State Water Board agreed that the Project's groundwater impacts have been resolved by the CPUC.[152]

Additionally, the Project will provide much needed protections to the Seaside Groundwater Basin, which is another critical water supply source for the Peninsula. The Seaside Groundwater Basin provides groundwater storage for ASR and Pure Water Monterey. Cal-Am is currently obligated to replenish approximately 700 afy of water to the Seaside Basin over a 25-year period, and the Seaside Basin Watermaster expects Cal-Am to deliver this replenishment water from the proposed Project. In addition, the Seaside Basin Watermaster has provided evidence to the Commission that an *additional* 1,000 afy of replenishment is necessary to achieve and maintain protective water levels for the Seaside Basin to prevent seawater intrusion and irreversible loss of basin storage. The Seaside Basin Watermaster has determined that the Project is the only possible water supply project capable of supplying the water needed to allow the Watermaster to sustain water levels in the Seaside Basin. If Seaside Basin storage is lost or reduced as a result of seawater intrusion, other existing water supplies – that is, ASR and Pure Water Monterey – would be in jeopardy because seawater intruded aquifers cannot be used for groundwater storage.[153]

While government has long allowed industrial development to be clustered in underserved communities over their objections, the Commission's EJ Policy was created in part to allow these communities in California to have a greater voice on land use decisions that impact the health, safety, and welfare of their residents. As described throughout these Findings, the Commission has evaluated the proposed Project's potential impacts to the City of Marina and finds that the proposed Project will not adversely affect or disproportionately burden the City.

~~Importantly~~Further, ~~and~~ as discussed in Section ~~II~~IV.O ~~– Alternatives Analysis,~~ the Pure Water Expansion project would not provide a feasible ~~project~~ alternative ~~exists that would avoid or reduce these~~to Cal-Am's proposed project, and the Pure Water Expansion raises its own environmental justice concerns ~~and would reduce the general public cost burdens while providing ratepayers with an adequate water supply. For the impacts to~~

[152] Letter from Eileen Sobeck, State Water Resources Control Board, to John Ainsworth, Coastal Commission, May 8, 2020.

[153] See Exhibit 26 – Letter from Seaside Groundwater Basin Watermaster to John Ainsworth, Coastal Commission, August 12, 2020.

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~~communities of concern in Marina, the feasible alternative would avoid all of the above-referenced impacts. Regarding the disproportionate burdens on low-income residential rate payers and costs to all ratepayers, this alternative is projected to provide water at about $2,000 to $3,000 per acre-foot in comparison to the $6,000 or more per acre foot for the proposed Project, resulting in a significantly lower rate increase. This would reduce the burden on low-income ratepayers in the service area and provide cost savings to all ratepayers. This alternative will also meet water supply needs for regional economic and population growth, including affordable housing.~~discussed above.

Conclusion

For the reasons described above, the Commission finds that ~~although the~~as conditioned, the proposed Project, both procedurally and substantively, aligns with the goals of the Environmental Justice Policy, the Commission's environmental justice authority, and Coastal Act Sections 30604(h) and 30107.3. Cal-Am's proposed Project would benefit the communities on the Monterey Peninsula by providing a reliable, drought-proof water supply, preventing further seawater intrusion in the Salinas Valley Groundwater Basin, and protecting the Seaside Groundwater Basin. In addition, the proposed Project would particularly benefit one underserved community, Castroville, ~~it will~~by providing potable water at a discounted rate pursuant to the Return Water Agreement and Agency Act. With the implementation of Special Condition 13, the proposed Project will not disproportionately burden ~~a greater number of~~ residents within communities of concern in Seaside and elsewhere within Cal-Am's service area ~~by increasing potable~~because Cal-Am has low-income ratepayer assistance programs to help defray increased water costs ~~significantly more than the identified alternative water supply project. The~~. Further, the proposed Project ~~also results in adverse~~would not adversely affect coastal ~~resource effects~~resources within the community of Marina~~, that is already disproportionately burdened by many other industrial uses and would receive none of the project benefits. There is a long history of government institutions allowing unwanted industrial development to be concentrated in underserved communities of color without their consent. Approving yet another would perpetuate this discriminatory land use practice in Marina.~~

. As described elsewhere in these Findings, any potential Project impacts to coastal resources would be mitigated to the maximum extent feasible.

Note: These are not Commission staff's Recommended Findings

~~As addressed in Section II.O this report, the Commission finds that the Pure Water Expansion Project is a feasible alternative to the proposed Project with fewer environmental justice impacts than Cal-Am's Project. It would provide adequate current and future water supplies to meet the area's water needs in a more affordable manner and would also eliminate adverse coastal impacts and reduce environmental justice concerns consistent with the Commission's Environmental Justice Policy and Coastal Act Sections 30604(h) and 30107.3.~~

O. ASSESSMENT OF ALTERNATIVES

Coastal Act Section 30233 states, in relevant part:

> (a)The diking, filling, or dredging of open coastal waters, wetlands, estuaries, and lakes shall be permitted in accordance with other applicable provisions of this division, where there is no feasible less environmentally damaging alternative, and where feasible mitigation measures have been provided to minimize adverse environmental effects, and shall be limited to the following:
>
> (1)New or expanded port, energy, and coastal-dependent industrial facilities~~...~~ ...

Coastal Act Section 30260 states:

> Coastal-dependent industrial facilities shall be encouraged to locate or expand within existing sites and shall be permitted reasonable long-term growth where consistent with this division. However, where new or expanded ~~coastal-dependent~~coastal- dependent industrial facilities cannot feasibly be accommodated consistent with other policies of this division, they may nonetheless be permitted in accordance with this section and Sections 30261 and 30262 if (1) alternative locations are infeasible or more environmentally damaging; (2) to do otherwise would adversely affect the public welfare; and (3) adverse environmental effects are mitigated to the maximum extent feasible.

Summary

As noted previously, **Coastal Act Section 30233 does not apply to the proposed Cal-Am Project because the Project does not propose diking, filling, or dredging of coastal waters. Nevertheless,** the proposed Project is subject to ~~two~~ Coastal Act ~~provisions~~**Section 30260** and an LCP provision that explicitly require the Commission to determine whether there are feasible and less environmentally damaging alternatives to the proposed Project. As described below, the Commission has evaluated an alternative project – the Pure Water Expansion project – to determine whether it would be feasible, whether it would conform to the same project objectives and criteria applied to Cal-Am's proposed Project during its CEQA review, whether it would provide adequate water, and whether it would have fewer adverse environmental effects. Based on the analysis provided below, the Commission concludes that the Pure Water Expansion project ~~provides~~**is not** a feasible ~~and less environmentally damaging~~ alternative to the proposed Project.

The Commission also considered another potential alternative – a smaller desalination facility that would produce about half as much drinking water as Cal-Am's currently proposed facility. However, a smaller facility would result in only slightly reduced impacts to ESHA and potentially reduced impacts to nearby wetlands and vernal ponds due to less groundwater drawdown **if it is determined that those wetlands and vernal ponds are hydraulically connected to the**

Note: These are not Commission Staff's Recommended Findings

Dune Sand Aquifer. It is also likely that a smaller facility would have higher costs for each unit of water produced.

Overview

~~The~~ **While the** proposed **Project is not subject to Coastal Act Section 30233, the** Project is subject to ~~two~~ Coastal Act ~~provisions~~**Section 30260 and an LCP provision** requiring an assessment of alternatives. One of the tests of Coastal Act Section 30233 is to determine, for ~~proposed Projects such as this~~**projects** that involve filling coastal waters or wetlands, whether there is a feasible and less environmentally damaging alternative.[101][154] The first test of Coastal Act Section 30260 requires a similar, though slightly different test: a coastal-dependent industrial project that does not comply with other Coastal Act policies may be approved if alternative locations are infeasible or more environmentally damaging. In addition, the second test of Section 30260 requires a finding that denial of a ~~coastal-dependent~~**coastal-dependent** industrial facility would adversely affect the public welfare. ~~As detailed herein, the question of whether there is a feasible alternative is relevant to the Commission's finding that denial of the project would not adversely affect the public welfare~~**The third and final test of Section 30260 requires a finding that adverse environmental effects are mitigated to the maximum extent feasible**. Furthermore, and as noted in Section ~~II~~**IV.** of these Findings, the City of Marina LCP includes provisions that incorporate Coastal Act Section 30260. The alternatives assessment herein applies to the proposed Project components both in the Commission's consolidated permit jurisdiction (i.e., components in its original jurisdiction and in areas within the County's and Seaside's jurisdiction that the Commission is reviewing pursuant to the consolidated permit) and in the City's LCP jurisdiction (i.e., components that are now before the Commission on appeal).

The California Environmental Quality Act ("CEQA") provides additional guidance regarding consideration of alternatives. The Commission's regulations require staff reports to include findings evaluating the conformity of a proposed development with the requirements of Public Resource Code (CEQA) section 21080.5(d)(2)(A), which, in turn, requires that "an activity will not be approved or adopted as proposed if there are feasible alternatives or feasible mitigation measures available that would substantially lessen a significant adverse effect that the activity may have on the environment." **As a CEQA responsible agency, the Commission's role is more limited than that of the CEQA lead agency, in that the Commission is responsible "for mitigating or avoiding only the direct or indirect environmental effects of those parts of the project which it decides to carry out, finance, or approve."[155]**

As part of its consideration of Cal-Am's Project under its own authority, the CPUC acted as the lead agency in drafting and certifying an Environmental Impact Report (EIR) under CEQA. Pursuant to both its CEQA authority and its authority to determine whether to issue a certificate of public convenience and necessity to Cal-Am for the proposed Project, the CPUC defined the project objectives and analyzed various alternatives.[102][156] As the CPUC explained:

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[101][154] Coastal Act Section 30108 defines "feasible" ~~as:~~ **accordingly:** "Feasible" means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technological factors.

[155] CEQA Guidelines, § 15096, subd. (g)(1); Pub. Resources Code, § 21002.1, subd. (d).

[102][156] See the following for the ~~PUC's~~**CPUC's** decision and CEQA documents: https://www.cpuc.ca.gov/Environment/info/esa/mpwsp/comms_n_docs.html**.**

Note: These are not Commission staff's Recommended Findings

> The primary purpose of the MPWSP is to replace existing water supplies that have been constrained by legal decisions affecting the Carmel River and Seaside Groundwater Basin water resources. SWRCB Order 95-10 requires CalAm to reduce surface water diversions from the Carmel River in excess of its legal entitlement of 3,376 acre-feet per year (afy), and SWRCB Order 2016-0016 (~~"~~"Cease and Desist Order~~"~~") requires CalAm to develop replacement supplies for the Monterey District service area by December 2021. In 2006, the Monterey County Superior Court adjudicated the Seaside Groundwater Basin, effectively reducing ~~CalAm's~~CalAm's yield from the Seaside Groundwater Basin from approximately 4,000 afy to 1,474 afy.[~~103~~157]

The CPUC analyzed a variety of alternatives to the project that would meet most of the basic project objectives. One alternative that the ~~PUC~~CPUC analyzed in detail was the Pure Water project. As described more fully below, the Pure Water project is a water recycling and aquifer storage and recovery project that will treat existing streams of wastewater and inject the water into the ground for later use. Cal-Am initially proposed constructing a 9.6 mgd desalination facility; however, as an alternative to the 9.6-mgd desalination facility, Cal-Am's application also included a 6.4-mgd desalination facility coupled with a water purchase agreement for 3,500 acre-feet per year of treated water from the Pure Water project. The CPUC found that it would be feasible, less expensive, and less environmentally damaging for Cal-Am to build the smaller desalination plant and purchase 3,500 acre-feet per year of treated water from the Pure Water project. It therefore required that Cal-Am implement that project alternative.

Alternatives Analysis and the Public Trust Doctrine

Underlying the Commission's consideration and decision on this proposed Project are its responsibilities to protect public trust resources and to ensure any approved use of those resources does not harm them. For this proposed Project, public trust resources to be considered are those held in common by society and are associated with tidal and submerged lands, including the seawater this desalination facility proposes to use, the fish and wildlife that rely on those lands, public access to the beach and public trust lands, as well as the quality of, and the ecological and aesthetic values associated with, these resources.[~~104~~158] When considering whether to approve projects that may affect public trust lands, agencies must consider the effects that the projects will have on interests protected by the public trust, and attempt, so far as feasible, to avoid or minimize any harm to those interests. Because the Coastal Act requires protection of public access, coastal habitats, recreation, and other public trust-related resources, analysis of a project's consistency with the Coastal Act (and, by extension, an LCP) generally serves as an adequate analysis of a project's consistency with public trust principles. However, these Coastal Act and LCP policies should be interpreted

[~~103~~157] See https://www.cpuc.ca.gov/Environment/info/esa/mpwsp/PD.html

[~~104~~158] The Public Trust Doctrine is a long-held legal construct of American property law. The essence of the Public Trust Doctrine is that the public has the right to use and enjoy lands underlying navigable waterbodies. Its most common historic uses have been to ensure the public has access to navigable waters and tidelands for navigation, commerce, fishing, and shellfish harvest. However, the doctrine is flexible enough to encompass changing public needs, and over time courts have recognized that the doctrine encompasses other resources and uses, including boating, swimming, fishing, hunting, and all recreational purposes, as well as other ecological and aesthetic values.

Note: These are not Commission staff's Recommended Findings

consistent with public trust principles, and given the resources at stake in this case, it is appropriate to briefly address public trust issues directly here.

Cal-Am's proposed Project would entail the use of seawater, a public trust resource, in a manner that would not harm that particular resource~~, but could result in adverse effects to others. For example, the proposed Project's construction is likely to adversely affect several~~. Further, with the implementation of the Final EIR/EIS mitigation measures and the Commission's Special Conditions, Cal-Am's Project is protective of other public trust resources as well. For example, adequate measures have been taken to protect sensitive species ~~(particularly Western snowy plovers)~~ and their habitat along the shoreline~~, both of which are public trust resources. It is not clear at this point whether~~ during construction. Additionally, the discharge from Cal-Am's facility will adequately protect ocean water quality, another public trust resource, ~~although~~which the Regional Water Board will regulate ~~that discharge and is also required to consider the public trust in its decisions~~. Cal-Am's Project will not take up space on, or affect, tidelands that provide public access, except perhaps for short-term impacts during some work on the wastewater outfall. Its proposed method of intake for seawater appropriately protects marine water and wildlife public trust resources, as well.

Importantly, Cal-Am's proposed Project is intended in part to correct an ongoing harm to other public trust resources – the fish, water flows, and water quality of the Carmel River. Cal-Am's Project would end the ongoing overwithdrawal of water from the Carmel River that have reduced the value and benefits of those resources for several decades~~.~~ as required by the CDO from the State Water Board. Therefore, for the reasons discussed herein, Cal-Am's proposal ~~therefore requires consideration of how to balance the harm and benefits to the public trust from this Project. As described in this Alternatives section and 30260 Override section, however, there is an alternative project that would protect the~~would not harm and instead would benefit public trust resources ~~in the Carmel River and that would not involve as many impacts to coastal and public trust resources as this proposed Project~~.

Background on the Pure Water project: The Pure Water project is operated by Monterey One Water and was funded by Monterey One Water, along with Cal-Am and ~~the Monterey Peninsula Water Management District (“~~MPWMD~~”)~~. It has also received support from both the state and federal governments, including $88 million in grants from the U.S. EPA and a $15 million construction grant from the State Water Resources Control Board.

The Pure Water project has been designed and built to recycle and treat water from several sources, including treated wastewater, stormwater, agricultural runoff, and food processing water. It includes four separate treatment methods – ozone, membrane filtration, reverse osmosis (similar to that done in desalination facilities)~~,~~ and disinfection with ultraviolet and hydrogen peroxide. These treatments occur after most of its source water has already undergone primary and secondary treatment at the Monterey One Water wastewater treatment facility.

After treatment, the Pure Water project injects the water into the Seaside Groundwater Basin for use by Cal-Am and for longer-term storage in the event of drought. The project was designed to have up to eight wells – up to four deep injection wells and up to four shallower wells – with initial production of up to about 1,000 acre-feet per year, short-term (i.e., first three years of operation) production of 3,950 acre-feet per year, and longer-term production of about 3,700 acre-feet per year. The Pure Water project started operating in March 2020 with two deep and

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two shallow wells and is now injecting approximately 170 acre-feet per month of water into the Basin for later use by Cal-Am's customers.

On June 18, 2020, Monterey One Water provided a project status report that described operations and production to date, which include lower than expected injection volumes. The report also recommended several modifications to increase those injection volumes and to repair small surface sinkholes at two of the well sites. The expected corrective work involves well cleaning and sinkhole-related repairs, expected to be completed by this upcoming winter and installing an additional deep well, which would be done by the end of 2021. ~~These types of initial issues are not unusual for water treatment and desalination facilities, as they must contend with, and adjust to, variations in water sources, chemical treatments, processing methods, and other concerns. For example, during its first year of operations, the Orange County Water District's Groundwater Replenishment System – one of the world's largest and most advanced – produced about 55% of its expected yield.[105] Similarly, the Carlsbad desalination facility produced about 80% of its expected production during its first year of operations and about 72% of its expected production during its first three years of operations.[106]~~ At this time, it is not clear whether these proposed measures will enable the Pure Water project to perform as planned, and it is speculative to assume that the project will be able to provide its promised production. Monterey One Water estimates that the Pure Water project is currently capable of annual injection rates of 2,030 acre-feet per year, amounting to less than 58 percent of the 3,500 acre-feet per year allocated to Cal-Am under its existing Water Purchase Agreement with Monterey One Water and MPWMD for Pure Water project water.

Relatively late in the CPUC's multi-year hearing process, some parties to the proceeding raised the possibility that the Pure Water project could be further expanded to supply an additional 2,250 acre-feet per year of water beyond the 3,500 acre-feet per year originally proposed. The CPUC declined to open a new phase of the proceeding to consider this alternative in detail, citing the need to complete the already-lengthy ~~PUC~~CPUC process, the then-existing uncertainties about the proposed Pure Water Expansion, and the need for Cal-Am to meet mandatory deadlines for ending its excess withdrawals from the Carmel River and Seaside Groundwater Basin. Nonetheless, the CPUC ~~briefly considered~~evaluated the Pure Water Expansion alternative, and ~~found, based on the information available at the time, that the~~determined that the proposed Expansion was not developed in enough detail and did not yet provide enough certainty for the CPUC to determine that it was a reliable, affordable, and concrete alternative that could be implemented in a timely fashion. It also found that the Pure Water Expansion would not produce enough water to obviate the need for some desalination, and that a smaller desalination facility (that would have produced 4.8 mgd) was not reasonable, in part because it would have virtually the same costs as a larger plant and would not avoid or substantially lessen any significant impacts. Although it did not require Cal-Am to pursue the Pure Water Expansion as part of its project, the CPUC required Cal-Am to provide later updates on the progress of the Pure Water Expansion and stated that purchase of water from the Expansion might be required if the desalination project was delayed. The baseline Pure Water project was designed and built so that it could readily accommodate the additional equipment and components needed for the Pure Water Expansion.

Note: These are not Commission Staff's Recommended Findings

~~[105] See, for example, The Orange County Groundwater Replenishment System, in Water Conditioning & Purification Magazine, May 10, 2009 (at http://wcponline.com/2009/05/10/orange-county-groundwater-replenishment-system/).~~

~~[106] Available at San Diego County Water Authority: https://www.sdcwa.org/~~

Consideration of Alternatives – Pure Water Expansion

The Coastal Commission, as part of its duties to analyze the project's conformity with the Coastal Act and LCP, as well as its duties as a responsible agency pursuant to CEQA, now ~~has an independent obligation to consider~~considers alternatives to the project based on current information. Notably, during the approximately two years since the CPUC last collected water supply and demand data and the CPUC issued its Final EIR, there is new information about the Pure Water Expansion, including available source water for the Expansion, and about water demand in Cal-Am's service area ~~that support the Commission's consideration of a feasible and less environmentally damaging alternative.~~ Recent analyses of water supply in Cal-Am's Monterey District service area demonstrate that Cal-Am's supply, with implementation of the Pure Water Expansion, but without the additional supply to be provided by the Project, cannot meet even the most conservative demand scenarios proposed to the Commission.

~~Cal-Am has contended, in a June 30, 2020 letter to Commission staff, that the above-referenced Coastal Act provisions do not allow the Commission to consider whether the Pure Water Expansion is a feasible alternative to its proposed Project. It states that~~As noted above, because the proposed Project would not include any "fill"[~~107~~159] for purposes of Section 30233, ~~and that~~ the Commission ~~therefore has no ability to conduct the~~is not conducting an alternatives analysis ~~required by that section~~ to determine whether there are alternatives to placing fill in coastal waters. ~~Cal-Am contends that the~~The anchors of the temporary monitoring buoys required for the project do not constitute fill and ~~further notes that these~~the anchors would not be permanent. ~~However, these concrete anchors clearly fall within the Coastal Act's "fill" definition, as they are a "substance or material" that would be "placed in a submerged area." Further, the definition does not distinguish between temporary and permanent fill, though in this case, the anchors would be in place for at least six years, which the Commission generally considers to be more than a "temporary" period of time. Additionally, the proposed retrofit of the existing outfall, involving the placement of inclined nozzles to up to 172 diffuser ports on the outfall and replacing the existing outfall end gate with a check valve, would similarly constitute fill, as these represent a "substance or material" to be "placed in a submerged area" (and further, would represent permanent fill, needed for the operational life of the proposed Project).~~ When considering the use of temporary anchors for the recommissioning of the Charles E. Meyer Desalination Facility in Santa Barbara, the Commission did not invoke Coastal Act section 30233 at all.[160] This issue is discussed further in Section IV.H above.

With respect to any potential fill associated with potential modifications to the Monterey One Water diffuser, as described above, the potential modifications to the Monterey One Water outfall are not part of Cal-Am's CDP application, and will be separately considered when Monterey One Water seeks to complete that work.

~~Cal-Am also contends that~~In addition, the alternatives analysis required under Section 30260 allows the Commission to only consider alternative locations for ~~its project~~the proposed Project, not entirely different alternative projects. ~~Cal-Am states that it is not aware of instances when the Commission has interpreted Section 30260 to allow consideration of~~

Note: These are not Commission staff's Recommended Findings

[~~107~~159] Coastal Act Section 30108.2 defines "fill" as: "earth or any other substance or material, including pilings placed for the purposes of erecting structures thereon, placed in a submerged area."

[160] See Staff Report, Application No. 9-14-1781 (Jan. 30, 2015), available at https://documents.coastal.ca.gov/reports/2015/2/f12b-2-2015.pdf.

~~alternative projects. However, the~~Although the Commission has previously interpreted Section 30260 to allow consideration of a wide variety of different alternatives, including alternative technologies and methods for accomplishing a project's objectives~~. Examples include the Commission's consideration of alternative intake technologies for a desalination facility[108] and alternative methods to obtain information related to seismic risks.[109] Allowing the Commission to broadly consider various types of alternatives helps carry out Section 30260, which is an override provision that permits construction of development that has impacts that are inconsistent with Coastal Act protection standards. If there is another way to fulfill the main objectives of a coastal-dependent industrial facility—whether it is through an alternative location or alternative technologies or facilities—then the override should not be used.~~, it has not previously interpreted Section 30260 to allow consideration of wholly separate alternative projects outside of the Coastal Zone.[161]

~~Cal-Am also incorrectly asserts that the Commission, as a responsible agency under CEQA, may only consider alternative project locations within the coastal zone. First, this is incorrect, as courts emphasize that, pursuant to CEQA, agencies "may not ignore the regional impacts of a project proposal, including those impacts that occur outside of its borders; on the contrary, a regional perspective is required." *Citizens of Goleta Valley v. Bd. of Supervisors* (1990) 52 Cal. 3d 553, 575. Although an agency *may* consider jurisdictional issues in determining whether an alternative is feasible and could actually be approved by that agency, agencies are not precluded from considering potentially feasible alternatives that are outside of their jurisdiction. Of course, a responsible agency could not itself *approve* an alternative that is outside of its jurisdiction or otherwise not within its power to approve. But that fact is not relevant here, where the Commission is only determining whether a potentially feasible alternative exists and whether denial of the project would not harm the public welfare.~~

~~Second, the Commission's duty to consider alternatives in this case does not arise solely due to CEQA, and Cal-Am cites no Coastal Act provision that limits the Commission's consideration of alternatives to those inside the coastal zone.[110] In practice, the Commission has often considered alternatives that are outside of the coastal zone. Examples include the Commission's findings for the three spent nuclear facilities located within the coastal zone at Humboldt Bay, Diablo Canyon, and San Onofre. In each instance, the Commission evaluated whether there was an alternative onsite location, but also whether there was an alternative storage facility elsewhere, including outside the coastal zone and, in fact, outside of California. In each instance, the Commission found that there were no feasible alternatives to the proposed projects that~~

~~[108] https://documents.coastal.ca.gov/reports/2008/6/Th17a-6-2008.pdf~~

~~[109] https://documents.coastal.ca.gov/reports/2012/11/W13b-11-2012.pdf~~

[161] See, e.g., Staff Report for Test Slant Well, App. No. 9-14-1735, A-3-MRA-14-0050, pp. 3, 57 (evaluating on- and off-site alternative locations for the test slant well).

~~[110] Cal-Am cites Sierra Club v. Cal. Coastal Com. (2005) 35 Cal.4th 839, 860, claiming that it holds that neither the Coastal Act nor CEQA allow the Commission to consider impacts of projects located outside the Coastal Zone. But that case is not on point; it merely held that development outside of the coastal zone is not subject to CDP requirements and that the Commission may not deny a CDP for development in the coastal zone due to effects it will have outside of the coastal zone. See Pub. Res. Code § 30604(d). These situations are not present here.~~

Note: These are not Commission staff's Recommended Findings

~~could be located elsewhere, which was a determination it could only reach by conducting the analysis Cal-Am contends the Commission cannot do.~~

~~Further, Cal-Am bases part of its contention on the CPUC's previous, but now outdated, determination that the Pure Water Expansion was too speculative. As noted elsewhere in these Findings, the Pure Water Expansion has been designed to be integrated into the existing Pure Water project and has undergone significant CEQA review, so it has advanced sufficiently to be considered an adequately reliable water supply project.~~

Nevertheless, the parties have engaged in extensive alternative analyses of the Pure Water Monterey Expansion project, and an alternatives assessment of the Pure Water Monterey Expansion is being provided herein.[162] The Findings below describe the Pure Water Expansion **and demonstrate that the Expansion is not a feasible** alternative ~~and its feasibility, ability to meet~~**capable of meeting** project objectives~~, and ability to protect~~ **or protecting** the public welfare.

Fundamentally, Cal-Am's proposed Project is a water supply project that, when combined with the other water sources in Cal-Am's water supply portfolio, would allow Cal-Am to reduce its withdrawals from the Carmel River to no more than its maximum legal limit, while providing enough water for Cal-Am's existing and future water demands. As described below, the Pure Water Expansion ~~provides~~**does not provide** a feasible ~~and~~**or** less environmentally damaging alternative to Cal-Am's proposed Project – ~~that would~~**nor could it** protect the public welfare by providing adequate regional water supplies for the coming decades. The Pure Water Expansion would be located at the same site and would use the same water sources, treatment methods, and aquifer injection/extraction methods as the Pure Water project ~~to~~**, but it is speculative to assume that the Expansion can** supply an additional 2,250 acre-feet per year~~, all of which would be available to Cal-Am.~~**. Further, even under the lowest estimates of demand for Cal-Am's service territory (10,855 acre-feet per year) provided to the Commission by MPWMD, supply in Cal-Am's service area with the Pure Water Expansion, but without the Project, would not be sufficient to meet demand. Reliance on the Expansion without the Project would result in a water supply deficit on the Peninsula, and the Pure Water Expansion is therefore incapable of meeting basic project objectives. Therefore, it cannot be considered a feasible alternative to the Project.**

The Findings below evaluate and compare the Pure Water Expansion and Cal-Am's proposed Project in five main ways:

1) ~~1)~~ **Feasibility:** The Pure Water Expansion is evaluated using the criteria of the Coastal Act's definition of "feasible."

2) ~~2)~~ **Water supply and demand:** Each project is evaluated as to whether it would provide the expected amount of water needed for current and future demands.

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[162] **The Commission also acknowledges Cal-Am's argument that the Commission, as a responsible agency under CEQA, may only consider alternative project locations within the coastal zone. An agency may consider jurisdictional issues in determining whether an alternative is feasible and could actually be approved by that agency. In practice, however, the Commission has in certain instances considered alternatives outside of the coastal zone. In any case, the Commission need not resolve this issue. Even if the Commission could consider alternatives beyond the coastal zone, the Pure Water Expansion Project is not a feasible alternative, as discussed below.**

Note: These are not Commission Staff's Recommended Findings

3) ~~3)~~ **Project objectives and criteria:** Each project is described as to how it meets the project objectives developed for Cal-Am by the CPUC in its Decision and Final EIR/EIS. Additionally, the Pure Water Expansion is described in relation to the nine criteria the CPUC used to evaluate the initial Pure Water project and to determine ~~that~~whether it would be a suitable and reasonable component of ~~Cal-Al's~~Cal-Am's water supply portfolio.

4) ~~4)~~ **Adverse environmental effects:** The two projects are compared as to what overall adverse environmental effects they would cause.

5) ~~5)~~ **Areas of Uncertainty:** Both projects involve some degree of uncertainty, though not in the same issue areas.

1) Feasibility

Each project is briefly evaluated for conformity to the criteria of the Coastal Act Section 30108 definition of feasibility – i.e., "'*Feasible*"' *means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technological factors.*"

- **"Capable of being accomplished in a successful manner~~Both~~": Wh**ile Cal-Am's desalination facili~~and the Pure Water Expansion~~-ty would use proven technology to produce and deliver drinking wa~~. Just as Cal-Am is proposing to use treatment processes common to other seawater desalination facilities in operation around the world, the Pure Water~~ ter, there remain serious concerns regarding the Pure Water Expansion's ability to deliver a reliable water supply.

  ~~—~~Pure Water Project Technological Issues. The Pure Water Expansion would use the same treatment processes now being used by the baseline Pure Water project and ~~by other water recycling projects in California and elsewhere. The Pure Water Expansion~~ is essentially ~~a larger~~an expanded version of the same Pure Water project that Cal-Am is relying on for a part of its expected water supply. ~~Given that the Pure Water Expansion would use the same processes as PWM and would be located at the Pure Water facility, which is designed to include this expansion, it is therefore capable of being successfully accomplished from a technological standpoint.~~However, the Pure Water project itself is currently facing significant technological barriers that call into question Monterey One Water's ability to utilize this same technology for the Pure Water Expansion. Monterey One Water is currently unable to inject treated water at rates originally promised for the Pure Water project. The existing Pure Water project shallow injection wells are being affected by sinkholes and/or subsidence, and are not currently injecting any water—indeed Monterey One Water believes the shallow wells may only ever be capable of operating at 25 percent of planned capacity.[163] Additionally, the Pure Water project deep injection wells are experiencing injection refusal and are only operating at injection rates of 70 percent or less. Monterey One Water has stated that the deep wells may only ever inject treated water at 1,600 to 1,800 gpm, out of a planned 2,000 gpm. As such, Monterey One Water estimates that the Pure Water project is currently capable of annual injection rates of only 2,030 acre-feet per

[163] August 12, 2020 Cal-Am Letter to Commission, p. 2.

Note: These are not Commission staff's Recommended Findings

year—this is less than 58 percent of the 3,500 acre-feet per year allocated to Cal-Am under the existing Water Purchase Agreement for Pure Water project water.

~~In its June 30, 2020 letter to the Commission, Cal-Am contends that the Pure Water Expansion would not meet this criterion of feasibility because of the above-referenced start-up problems with its wells and injection rates and because of uncertainties about the quality of its source waters, particularly from agricultural operations. However, as noted above, the start-up problems are of a type that can readily be resolved, and in fact, Monterey One Water has developed the methods and schedule for adding a new well and improving conditions at the existing wells to allow for the full expected production. Regarding the quantity of the Pure Water project's source water supply, Monterey One Water has contracts and agreements in place for more than enough water actually needed to provide the Pure Water project's expected production volumes, which would allow it to operate even if some sources are not available or are available in lesser amounts, and the Final Supplemental Environmental Impact Report ("FSEIR") prepared for the Pure Water Expansion concludes that there is adequate water for the facility. Regarding the quality of source water, and as noted above, the Pure Water project is designed to take already treated water from Monterey One Water's other treatment facility and then apply four additional treatment methods designed to handle the expected source waters. The Pure Water project's treatment methods are similar to those used in other recycled water treatment facilities in California and elsewhere. An August 20, 2020 letter from Monterey One Water addresses Cal-Am's contentions and clarifies that Cal-Am's concern about inadequate wastewater was based on incorrect analyses and that its concern about source water quality is misplaced because the Pure Water project has already successfully treated water from agricultural operations, as it is approved to do so by the State Water Board's Department of Drinking Water.[111]~~

In order to address these issues with the Pure Water project, Monterey One Water is proposing a series of remedies, including repairs to the shallow wells, final commissioning of the deep injection wells, and construction of a third deep well beginning in November.[164] Monterey One Water also has proposed the potential addition of a fourth deep well in an attempt to address injection refusal issues.[165] The FSEIR for the Pure Water Expansion analyzed a total of five deep wells for both components of the Pure Water project,[166] including two deep wells for the initial Pure Water project and three deep wells for the Pure Water Expansion. Now that up to four deep wells may be necessary for the Pure Water project, and three deep wells still appear to be needed for the Pure Water Expansion, this will exceed the number of wells the FSEIR analyzed. Any more than five deep wells will require additional environmental analysis that has not been conducted or

~~[111] See August 20, 2020 letter from Monterey One Water to Tom Luster re: Response to Requests for Clarification regarding Latham & Watkins, LLP letter dated August 13 regarding Monterey Peninsula Water Supply Project CDP Application No. 9-19-0918 and Appeal No. A-3-MRA-19-0034.~~

[164] August 12, 2020 Cal-Am Letter to Commission, p. 2.

[165] See August 31, 2020 M1W Board of Directors Meeting, at 1:14:20 to 1:22:10 (discussing amending bid request for the third deep injection well to include construction of a fourth deep injection well), available at https://montereyonewater.org/290/Audio-Recordings-of-Board.

[166] PWM Expansion Draft SEIR, p. 2-22.

Note: These are not Commission staff's recommended Findings

circulated for public review and comment.

In total, Monterey One Water estimates that these remedies will increase Pure Water project costs by roughly $13 million—however, it is not certain that Monterey One Water's proposed actions will allow it to deliver the promised quantities of Pure Water project water to Cal-Am. It is also unclear when or if Monterey One Water will resolve these issues, and it is speculative to assume that these issues will be resolved by CDO deadline of December 31, 2021. It appears likely that the proposed Pure Water Expansion could face similar barriers to implementation. Importantly, to achieve the MPWMD's lowest demand estimate of 10,855 acre-feet per year, 100 percent of the promised water supply from the Pure Water project (3,500 acre-feet per year) plus 100 percent of the promised water supply from the Expansion (2,250 acre-feet per year) would be required.

Pure Water Expansion Source Water. There also remains significant uncertainty regarding the availability of source water for the Pure Water Expansion. At the moment, many of the water rights that Monterey One Water states are available for the Pure Water Expansion are in fact not permanent water rights, but instead are interruptible use entitlements, many of which are also disputed by the owners of the corresponding water rights.[167] For instance, the Amended and Restated Water Recycling Agreement ("ARWRA") between Monterey One Water and MCWRA contains multiple requirements and conditions regarding the construction, operation, and financing of new source water for the Pure Water project.[168] The ARWRA sets forth multiple outstanding conditions that are required to be completed before the ARWRA can become effective, which was acknowledged by the SEIR for the Pure Water Expansion.[169] Monterey One Water and MCWRA amended the agreement in June 2019 to allow additional time to address the conditions while allowing M1W to use the new source waters for the PWM Project until the conditions are met. However, the conditions to the ARWRA have yet to be satisfied and it is speculative to assume when the agreement will become effective. Therefore, the reliability of certain ARWRA source waters for even the Pure Water project are speculative due to the dispute concerning unmet conditions that must be satisfied before sources of water become fully secured.[170] Additionally, reliance on agricultural produce wash water as a source for the Pure Water Expansion is speculative because the City of Salinas disputes Monterey One Water's ability to use that water for the Expansion and asserts that the ARWRA only permits Monterey One Water to use agricultural produce wash water for the original Pure Water project.[171] Salinas explains that these water sources are not available for the Pure Water Expansion because "the City fully intends to use available Agricultural Wash Water for its own purposes, including to support farmers, ranchers and the City's agriculture industry, as determined by the City in its sole and absolute discretion." Therefore, these sources cannot be relied upon

[167] August 12, 2020 Cal-Am Letter to Commission, p. 4.

[168] June 30, 2020, Cal-Am Letter to Commission, p. 50.

[169] PWM Expansion Draft SEIR, p. 4.18-5.

[170] June 30, 2020, Cal-Am Letter to Commission, p. 50.

[171] Exhibit 27 – April 27, 2020 City of Salinas Letter to M1W; June 30, 2020, Cal-Am Letter to Commission, p. 51.

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in determining the available source waters for the Pure Water Expansion.

Further, Monterey One Water's source water projections for the Pure Water Expansion do not account for the inherent uncertainty in utilizing wastewater as source water for the Expansion, given the variability in wastewater availability from year-to-year and under drought conditions.[172] As drafted, Appendix I to the Pure Water Expansion Final Supplemental EIR ("FSEIR"), which describes source water availability for the Expansion, does not consider wastewater treatment plant ("WWTP") flows since 2013, or the fact that WWTP flows generally correlate to area water demand and use, which have been decreasing on the Monterey Peninsula over time. As such, Appendix I overstates the availability of WWTP flows for use as Expansion source water.

The Pure Water Expansion FSEIR specifically asserts that WWTP flows should be based on 2009 to 2013, when WWTP flows were 21,764 af, or a worst case flow of 20,090 acre-feet per year based on the 2013 drought year.[173] However, a separate appendix to the FSEIR indicates that WWTP flows were reduced to 18,810 acre-feet per year in 2018.[174] This number was not utilized in the FSEIR to calculate available WWTP flows as source water for either the Pure Water project or Pure Water Expansion. Further, Monterey One Water presented additional data regarding WWTP flows to its Ad-Hoc JPA Revision Committee on July 20, 2020, indicating that since the beginning of 2020, WWTP flows are reduced to 17,980 acre-feet per year.[175]

Monterey One Water recently provided the Commission with post-2013 WWTP flow data in an August 20, 2020 letter that confirms WTTP flows have continued to decrease since 2013 and were 18,875 in 2019. Therefore, this post-2013 flow data demonstrates that WWTP source water supplies for the Pure Water Expansion in Normal/Wet years are significantly less than as stated in the FSEIR and are unavailable to the Pure Water Expansion during Dry years.[176] Moreover, this newly-available WWTP flow data may constitute significant new information regarding the Expansion's impacts, thereby requiring recirculation of the Pure Water Expansion FSEIR for renewed notice and comment. (CEQA Guidelines, § 15088.5, subd. (a); *Laurel Heights Improvement Assn., supra*, 6 Cal.4th at p. 1129.)

In addition, the Pure Water projects also depend heavily on surface water flows for their projected source water. However, the most recent data available from the

[172] See Exhibit 25, pp. 6-7 – California American Water Peer Review of Supply and Demand for Water on the Monterey Peninsula, Hazen and Sawyer, August 11, 2020 ("August 11, 2020 Hazen Memo").

[173] Pure Water Expansion SEIR, April 2020, Appendix I – Source Water Availability, Yield, and Use Technical Memorandum, Tables 8-11.

[174] Pure Water Expansion SEIR, April 2020, Appendices to the M1W Draft Supplemental EIR 11-7-2019 -Appendix E - Water Quality and Statutory Compliance Report-Appendix C – Projected Monthly Flows of Source Waters to the Regional Treatment Plant Influent.

[175] Exhibit 25 – August 11, 2020 Hazen Memo, p. 7, Exhibit 5.

[176] See See Exhibit 24, p. 6 – California American Water Peer Review of Peer Review of August 20, 2020 Letter from M1W to CCC, Hazen and Sawyer, August 23, 2020 ("August 23, 2020 Hazen Memo).

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U.S. Geological Survey ("USGS") shows that average surface water flows from the Reclamation Ditch are lower than assumed in the FSEIR, and therefore the FSEIR overstates the availability of this source water.[177] Further, agricultural flows have decreased by 1/3 in recent years, meaning that monthly flows to the Blanco Drain and the Agricultural Wash Water are also below what is projected in the FSEIR, and further limiting available sources for the Pure Water Expansion.

Accounting for these lower WWTP flows and decreased supply from the Reclamation Ditch, the existing demands for the source waters listed in the FSEIR for the Pure Water Expansion far exceed available supplies in both Normal/Wet years and Dry years.[178] Without an adequate source water supply, Peninsula water users will be forced to choose between supplying source water for the Pure Water Expansion or the Castroville Seawater Intrusion Project ("CSIP"), the reduction of which may cause significant environmental impacts, such as additional seawater intrusion, which have not been analyzed.[179]

Pure Water Expansion EIR. Finally, Monterey One Water is not moving forward with the development of the Pure Water Expansion and does not appear to have resources dedicated to the project, such that the Pure Water Expansion would be capable of being accomplished in a successful manner.[180] On April 27, 2020, the Monterey One Water Board of Directors denied certification of the FSEIR for the Pure Water Expansion.[181] The Monterey One Water Board acknowledged that major deficiencies remain unaddressed in the FSEIR related to its analysis of Expansion source water, Peninsula water supply and demand, impacts to agricultural water supplies, and the FSEIR's failure to evaluate the Pure Water Expansion as either an alternative to or a cumulative project with the Cal-Am project. Monterey One Water acknowledges that it does not possess the funding to fix the gaps in the Pure Water Expansion FSEIR, and as such, the Monterey One Water Board has ordered its staff to stop all work on the Expansion. The impact of limited funding to complete adequate environmental review also will affect Monterey One Water's ability to recirculate the SEIR, as may be required under CEQA.

~~Cal-Am and other commenters have also recently asserted that Monterey One Water will not have enough source water for the Pure Water Expansion because some of water would be directed to other uses or that the above-referenced contracts and agreements did not contemplate use of the water for the Expansion, just for the baseline Pure Water project. However, the above-referenced Monterey One Water letter refers to the Pure Water Expansion project's Final SEIR analysis that showed, using conservative assumptions about these expected source water supplies, sufficient quantities will be available for the combined projects (see additional discussion below).[112]~~

[177] Exhibit 25 – August 11, 2020 Hazen Memo, Exhibit 7.

[178] Exhibit 24 – August 23, 2020 Hazen Memo, p. 6.

[179] Exhibit 25 – August 11, 2020 Hazen Memo, pp. 13-14.

[180] See June 30, 2020 Cal-Am Letter to Commission, pp. 47-48.

[181] See May 20, 2020 Monterey One Water Board of Directors Staff Report.

~~[112] See Final Supplemental EIR – Proposed Modifications to the PWM/GWR Project, and Appendix M: M1W Source Water Technical Memorandum, April 2020.~~

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Unless and until the Monterey One Water Board chooses to move forward with correcting and thereafter certifying the FSEIR, the Pure Water Expansion is on indefinite hold. Moreover, without a certified SEIR, Monterey One Water cannot obtain any discretionary permits necessary to construct the Pure Water Expansion. As such, the Pure Water Expansion is not currently capable of being accomplished in a successful manner.

- **"Within a reasonable period of time":** Cal-Am's facility is expected to take about 21 months to construct and about six months to commission and begin operations. The Pure Water Expansion has a projected construction and start-up schedule of about 24 to 27 months total. If each project received all final approvals and started construction today, ~~Cal-Am's facility could be providing~~**both projects would be on similar timelines and would be expected to provide** water by early ~~2024, whereas the Pure Water Expansion could provide water by late 2022~~**2023**. At this point, neither project can anticipate being online and able to provide water by **the** December 2021 **CDO deadline**, which is the date by which Cal-Am is required to end its overpumping of the Carmel River. ~~However, Cal-Am has sufficient water in storage that would allow it to end its overpumping by that deadline without reducing supplies to its customers.~~

- For either project, the actual timeline to produce drinking water is likely to take somewhat longer, as complex water treatment facilities such as these often require several months of adjustment to achieve their expected production level or needed level of treatment. An additional consideration is that both projects have additional approvals necessary before they can begin operation, as well as other potential obstacles that could adversely affect their feasibility and schedule. The main issues that could affect the timing of each project are briefly discussed below, and these and other issues are also further addressed at the end of the Alternatives section in the subsection regarding Areas of Uncertainty.

  The primary remaining elements needed for the Pure Water Expansion are certification of its ~~Final Supplemental EIR (~~FSEIR~~)~~, approval by the CPUC of a Water Purchase Agreement, and final state and federal approval for its modified discharge into coastal waters. ~~The Monterey One Water Board considered certifying the FSEIR at its April 27, 2020 meeting. The vote to certify it failed by a vote of 10 to 11. There was then a motion to deny certification of the FSEIR and terminate any further action on the Expansion project, which also failed on a vote of 10 to 11. The effect is that the FSEIR was not certified but that the Board remains free to reconsider the FSEIR and project approval at a future hearing, if it so chooses. The main area of controversy that was raised during the FSEIR public comment period relates to whether there is an adequate water supply for the Expansion. As noted above, the FSEIR concludes that the water supply is adequate for the Expansion, and some evidence and arguments submitted by parties to this proceeding have not demonstrated otherwise.~~**As noted above, the Monterey One Water Board has denied certification of the Pure Water Expansion FSEIR due to ongoing flaws in the FSEIR's analysis, including the availability of source waters. Monterey One Water does not currently possess the funding to fix these deficiencies, and has therefore ordered its staff to suspend work on any part of the Pure Water Expansion.**

  Moreover, if the flaws in the FSEIR are corrected, Monterey One Water would be expected to recirculate the FSEIR for additional notice and comment to account for the significant new information related to the post-2013 WWTP flows recently

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made publicly available, including the identification of alternate and verifiable source waters as necessary.[182] Further, should Monterey One Water choose to construct a fourth deep injection well for the Pure Water project, it would also be required to recirculate the Pure Water Expansion FSEIR to allow for additional notice and comment on the addition of this well and the likely need to add further wells for the Expansion. In total, this recirculation process will likely add an additional six to twelve months to the Pure Water Expansion's timeline—demonstrating that the Pure Water Expansion cannot be completed in a "reasonable period of time."

In terms of the Water Purchase Agreement, the Pure Water Expansion ~~would not~~cannot proceed until such an Agreement in place, because that Agreement ~~would be~~is needed to secure funding for the project. As the FSEIR states: "Without knowing when or whether a Water Purchase Agreement will be negotiated, it is currently not possible to estimate when the Proposed Modifications would be completed." ~~However, Cal-Am is the party that would need to pursue the~~Moreover, any Water Purchase Agreement~~, and it could likely do so expeditiously if it so desired. Given that the main barrier to securing that Agreement is a barrier that Cal-Am largely has control over, any uncertainty related to when an Agreement can be reached should not be considered when analyzing the timing and feasibility of the Pure Water Expansion. Finally, while the Pure Water Expansion will require additional review and permits for its expected discharge, that discharge will be similar to the discharge of the already permitted baseline Pure Water project, so much of the necessary analysis has already been completed.~~ for Pure Water Expansion water would need to incorporate additional terms beyond those included in the Pure Water project Water Purchase Agreement, including guarantees from Monterey One Water of the full production volume for the Expansion, and a full indemnification for Cal-Am against any risk, liability, or penalties in the event that the Expansion fails to provide an adequate supply.[183]

Further, with respect to the Water Purchase Agreement for the original Pure Water project, "Significant Events of Default" may have already occurred with respect to the Delivery Start Date and the Performance Start Date for the Pure Water project.[184] Monterey One Water has repeatedly delayed the Performance Start Date for the Pure Water project.

As noted by the State Water Resources Control Board, the timeline for the Pure Water Expansion has been delayed beyond the CDO deadline of December 31, 2021, and the Expansion requires "approvals and funding for which the details are uncertain and the timeline is indefinite"—as such, "[i]t is uncertain whether or

[182] Pub. Resources Code, § 21092.1; CEQA Guidelines, § 15088.5; Cadiz Land Co. v Rail Cycle (2000) 83 Cal.App.4th 74, 95 (holding that an EIR required revision and circulation to incorporate important new information about a project's potential impacts identified in expert reports submitted after the final EIR was completed); Save Our Peninsula Committee v. Monterey Cty. Board of Supervisors (2001) 87 Cal.App.4th 99, 131 (holding that information regarding a new mitigation measure, which was only added to the record after the EIR was completed, should have been included in the EIR and recirculated for public review and comment).

[183] See Exhibit 28 – May 9, 2020 Cal-Am Letter to Monterey One Water, p. 5.

[184] See August 12, 2020 Cal-Am Letter to Commission, p. 1.

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when the proposed [PWM Expansion] may proceed beyond its currently pending environmental review . . .”[185] Accordingly, it does not appear that the Pure Water Expansion could be constructed and operational within a reasonable period of time as compared to the Cal-Am project.

For its part, Cal-Am faces a variety of hurdles that could delay construction and operation of its project. First, it ~~needs to design, and likely~~**must** obtain one or more permits to install, the outfall liner in Monterey One Water’s outfall line. The CPUC analyzed the potential environmental effects of such work, including likely impacts to ESHA and potential impacts to endangered species (specifically the Western snowy plover), and assumed that an additional CDP would be needed to undertake this work. It is possible that CDPs would be needed from Monterey County, the City of Marina, and the Commission to allow installation of the outfall liner. ~~If that ends up needing to occur, it could take significant time for the City and others to analyze the impacts of such a project and act on a permit.~~ However, Cal-Am ~~is investigating whether it may be able~~**has proposed** to install the needed liner entirely from inside the outfall without any ground-disturbing activity in the coastal zone, which may allow the installation to occur without all or some of the above requirements for permits. **(See Special Condition 4.)**

Cal-Am also needs to either obtain approval by the Marina Coast Water District to allow Cal-Am to use a shared water delivery pipeline or else design, conduct environmental review for, and obtain needed permits for Cal-Am to construct a new section of water delivery pipeline between its facility and its service area, which would lie outside the coastal zone. On October 17, 2019, the Marina Coast Water District determined that the pipeline did not have sufficient capacity to accommodate Cal-Am’s expected water volumes, and ~~it has rejected Cal-Am’s assertion that~~**although it appears that existing agreements permit** Cal-Am ~~has~~**to utilize** the ~~right to use the~~**shared** pipeline **to convey product water from the desalination plant**. To help resolve this issue, ~~the Monterey Peninsula Water Management District~~**MPWMD**, on July 30, 2020, considered approving an addendum to a CEQA document that would have allowed Cal-Am to construct a parallel pipeline that would serve the jointly managed Aquifer Storage and Recovery water supply system and would have also allowed Cal-Am to transport water to its service area. However, ~~the District declined to approve that~~**MPWMD’s decision on** addendum~~, so it is unclear whether that option will be available to Cal-Am~~ **has been delayed until its October Board meeting**. Additionally, the pipeline construction would occur outside of the coastal zone but within an area that may have unexploded ordinance from the former Fort Ord, so it would be subject to additional review through completion of a Munitions Response Remedial Investigation/Feasibility Study (“MR RI/FS”) and approval by Monterey County of an excavation permit.[113]

There is also ongoing litigation related to various aspects of Cal-Am’s proposed Project. This includes litigation filed by the City of Marina and later joined by Marina Coast Water District contending that Cal-Am is not able to use more than 500 ~~acre-feet~~**acre- feet** per

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[185] See May 8, 2020 State Water Board Letter to John Ainsworth, Coastal Commission, pp. 4-5.

~~[113] See July 2020 Addendum No. 6 to the Aquifer Storage and Recovery Project Environmental Impact Report/Environmental Assessment for the Bypass Pipeline & De-Chlorination Facility Modification, available at: https://www.mpwmd.net/wp-content/uploads/ASR-Addendum-No.6-July-2020.pdf (accessed July 17, 2020).~~

year of groundwater from the CEMEX site.[114] The CPUC analyzed the same claims that have now been made in the litigation and, after consulting with the State Water Board, determined that it was reasonably foreseeable that Cal-Am had a path forward to obtain the necessary water rights. The CPUC recognized that its proceeding was not an adjudication of water rights and that such rights would likely have to be definitively resolved at a future time by the appropriate body, such as a court. However, its conclusion was that questions regarding water rights were not so serious as to compromise project feasibility. **It does not appear that this framework through which Cal-Am may appropriate groundwater rights can be modified by this litigation.** There is also litigation challenging Monterey County's environmental review of the desalination facility and some pipelines outside of the coastal zone that are a part of the desalination project. As of the publication date of these Findings (August 24, 2020), there is a temporary stay on construction, which**, as imposed by the Superior Court in mid-September 2019, is in effect until August 25, 2020, at which time the court will consider extending or modifying the stay.** **will likely be lifted following the Commission's decision on the Cal-Am Project. On balance, it does not appear that the Cal-Am's Project faces more significant delays in implementation than would be faced by the Pure Water Expansion.**

"… and taking into account the following factors":

- **"Economic": There remains significant uncertainty regarding the costs for Pure Water Expansion water, given the significant cost overruns that have been experienced during implementation of the Pure Water project.[186] The CPUC has previously approved a rate of $1,720 or less per-acre-foot for water produced by the Pure Water project. In June 2020, Monterey One Water stated that at the current projected delivery rate of 2,030 acre-feet per year, Pure Water project water costs would increase to $3,678 per-acre-foot—a 115 percent increase over the approved rate.[187] Even under the best case scenario put forward by Monterey One Water under which delivery of the promised 3,500 acre-feet per year is achieved, after the aforementioned fixes to the Pure Water project, including repairs to the shallow wells, commissioning of deep wells, and the addition of a third deep well, costs would be 2,508 per-acre-foot – representing a 50 percent increase from the rate approved by the CPUC.[188] Moreover, Monterey One Water may decide to install a fourth, costly deep injection well.[189] It appears likely that Pure Water project costs will continue to rise, and it is reasonable to assume that the Pure Water Expansion would face similar cost overruns. As such, there is uncertainty regarding final construction and water costs for the Pure Water Expansion.**

  "Economic": The expected costs of Cal-Am's proposed Project are much higher than those of the Pure Water Expansion. Cal-Am and its ratepayers would be paying an

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[114] See Monterey County Superior Court Case No. 20CV001387, filed by the City of Marina against RMC Lonestar and RMC Pacific Materials, LLC (together known as "CEMEX") and Cal-Am.

[186] See June 30, 2020 Cal-Am Letter to Commission, p. 52.

[187] See Pure Water Monterey Status Update Presentation.

[188] August 12, 2020 Cal-Am Letter, p. 3.

[189] See August 31, 2020 M1W Board of Directors Meeting, at 1:14:20 to 1:22:10.

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estimated $400 million in initial capital costs for the overall project, along with operational and maintenance costs of about $1 billion or more during its initial 30 years of operations. The Pure Water Expansion is estimated to have about $60 million in initial capital costs and about $190 million in operational and maintenance costs over a 30-year operating life~~.~~ although as discussed above, such costs are expected to increase.

Although the desalination facility would produce more water than the Pure Water Expansion, its cost per unit of water would be much higher. ~~At current expected costs, ratepayers would pay about $6,000 to $8,000 per acre-foot for Cal-Am's water and about $2,300 per acre-foot for the Pure Water Expansion supply.~~However, current costs projections for Pure Water Expansion do not account for costs already spent on the Cal-Am desalination facility, which will be recovered via water rate increases that could increase customer bills by approximately $10 to $20 per month even if the desalination facility is never built. Further, regardless of the cost per acre-foot for desalination facility water, that cost is not going to materially affect the costs for the desalination facility on the water bills of Cal-Am's customers. This is because the CPUC already determined the rate increase for Cal-Am's customers for the desalination facility based on a calculation of the annual revenue required to repay capital costs to build the facility, including set financing repayment requirements, and the annual facility operations and maintenance. How much water the facility ultimately produces (or does not produce) is not a material variable in rates that customers are charged, except for minor, incremental operating and maintenance costs. Thus, whether the project produces 2,000 acre feet or 10,000 acre feet of water each year, the amount needed to be recovered annually from customers for physical construction and operation of the facility and for financing/loans essentially remains the same. Based on available information, the CPUC approved a rate increase of about $37-$40 per month for the average Cal-Am customer in a single family residence for the desalination facility, and that increase is not tied to per acre foot water costs.[190] That is why the CPUC found that approving a smaller 4.8 MGD desalination facility would not result in any "significant, if any, cost savings to ratepayers" and determined that alternative was not feasible. (CPUC Decision 18-09-017, p. 129.) As a result, the speculative per acre foot water costs being projected by Commission staff and Pure Water Expansion proponents are not relevant to any consideration by the Commission of how rates for the desalination facility will impact Cal-Am's customers.

~~In its June 30, 2020 letter, Cal-Am pointed out that the above-referenced Monterey One Water status report on the Pure Water project identified higher than expected first year operating costs – instead of about $2,442 per acre-foot, Monterey One Water expects the first year's costs to be about $3,678 per acre-foot. Cal-Am contended that the Pure Water Expansion would likely experience a similar increase. However, that same Pure Water project status report noted that Monterey One Water expects that once repairs are complete and a new well is~~

[190] See August 13, 2020 Latham Letter to Commission, p. 1, Exhibit 1, p. 3 n.4 (citing Attachment C-1 to Advice Letter No. 1220-A from California-American Water Company to CPUC). As noted above, the Commission recently approved a project – the Morro Bay Water Reclamation Facility – that would result in a $41 increase in water bills.

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~~installed, costs will be about $2,508 per acre-foot, still substantially less than Cal-Am's costs. In addition, the costs of Cal-Am's Project have risen and are likely to continue to rise.~~ Over the last several years, costs to construct ~~the plant~~Cal-Am's Project have increased from about $223 million to $279 million. Its expected cost per acre-foot of water have increased from an estimated $5,100 in 2012 to a recent estimate of about $6,100.[115] The desalination cost per acre-foot would be even higher for some period of time, since Cal-Am would be operating at less than full capacity, which results in higher per unit costs. As discussed in Section IV.N, *supra*, the average single-family Cal-Am customer's monthly water bills are expected to increase by approximately $37 to $40 once the Project begins producing desalinated water.[191] However, as discussed above, there remains significant uncertainty regarding construction costs and water rates for the Pure Water Expansion.

- **"Environmental":** This factor is discussed in more detail below, under the comparison of the projects' environmental effects, and elsewhere in these Findings. ~~In general, however, and as~~Certain commenters have raised concerns regarding the Cal-Am Project's potential impacts to environmentally sensitive habitat areas and groundwater, and its effects on marine life related to brine discharge. As noted in the Findings above, Cal-Am's proposed Project would ~~result in several significant adverse effects on coastal resources – including environmentally~~be inconsistent with Coastal Act and Marina LCP policies regarding sensitive habitat ~~areas, groundwater, and effects on marine life from its brine discharge – whereas the Pure Water Expansion would be built entirely outside the coastal zone (though would discharge effluent in the coastal zone) and have relatively few environmental impacts compared to Cal-Am's Project.~~including wetland/vernal pond ESHA; however the Project would incorporate mitigation to the maximum extent feasible. (See Sections IV.F, G, *supra*.) In addition the Project would be consistent with Coastal Act and Marina LCP policies regarding coastal waters with the implementation of Special Conditions. (See Section IV.I, *supra*.) Further, the Cal-Am Project will be consistent with policies regarding groundwater without Special Conditions. (See Section IV.J, *supra*.)

~~"Social": As described more below and in the report's Findings on Section 30260's public welfare test, both projects would provide sufficient water for the Cal-Am's service area, though Cal-Am's would have far greater environmental justice-related effects on low-income ratepayers and other communities of interest (see Section II.N – Environmental Justice).~~

Significant questions remain unresolved regarding the environmental impacts of the Pure Water Expansion, and the FSEIR for the Expansion requires additional analysis as discussed above. As a result of these flaws, the Monterey One Water Board denied certification of the FSEIR for the Expansion. Moreover, Monterey One Water has not evaluated the potential impacts from seawater intrusion to the Salinas Valley Groundwater Basin, should the Pure Water Expansion be constructed in place of the Cal-Am Project.[192] Thus, substantial evidence does not

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~~[115] See California-American Water, "Monterey Supply Project Scenarios," CPUC workshop for A.12-04-019, December 11-13, 2012. Current cost estimates are based on Cal-Am's Advice Letter 1220, Attachment C-3, December 31, 2018.~~

[191] As noted above, the Commission recently approved a project – the Morro Bay Water Reclamation Facility – that would result in a $41 increase in water bills.

[192] See January 30, 2020 Cal- Am Comments on Pure Water Expansion DSEIR, pp. 17-18.

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demonstrate that the Pure Water Expansion will have fewer environmental impacts compared to the Cal-Am Project.

- "Social": It is likely that the proposed Project would result in increased costs of water for Cal-Am ratepayers, and thereby may involve environmental justice-related effects on low income ratepayers and other communities of interest. (See Section IV.N, *supra*.) However, as described above, Cal-Am offers rate assistance programs for low-income ratepayers, and as required in Special Condition 13, Cal-Am must develop and submit for CPUC approval additional ratepayer assistance programs to address possible barriers to access, customer outreach, and the need to offset rate increases for low-income customers. Moreover, Cal-Am intends to offer discounted water rates to Castroville, a community of concern whose water supply has diminished in recent decades due to overpumping. The Commission has imposed conditions to ensure that Cal-Am's customers in other nearby disadvantaged communities will not be required to absorb the costs of providing this discounted water.

  The Pure Water Expansion is likely to cause a series of environmental justice impacts to communities on the Monterey Peninsula. First, Monterey One Water currently proposes to utilize upwards of 3,700 acre-feet per year in agricultural produce wash water generated in the City of Salinas in order to produce the 2,250 acre-feet per year planned for the Expansion. However, the City of Salinas disputes Monterey One Water's rights to use these agricultural wash waters, which the City argues is needed to "support farmers, ranchers, and the City's agriculture industry."[193] (See Section IV.N, *supra*.) Second, as discussed below, implementation of the Pure Water Expansion, without the proposed Cal-Am Project, will not allow Cal-Am to provide sufficient water to meet even MPWMD's lowest projections of demand within its Monterey Service Area. As discussed in Section IV.N, *supra*, without a sufficient water supply, there will be insufficient water to construct affordable housing on the Monterey Peninsula, which will in turn drive up current housing costs, forcing employees in the service industry on the Peninsula to reside in more affordable inland communities and contend with lengthy commutes to their jobs on the Peninsula. These workers will then have to bear additional economic burdens, including the cost of gasoline or other transportation, in order to travel to the Peninsula. Third, as noted above, because WWTP flows that Monterey One Water relies upon as Pure Water Expansion source water are continuing to decline, in most situations there would be insufficient source waters to supply both the Expansion and the CSIP. Without sufficient source water to supply CSIP, seawater intrusion in the Salinas Valley Groundwater Basin will continue to progress, disproportionately affecting the residents of the disadvantaged community of Castroville. (See Section IV.N, *supra*.)

- **"Technological":** ~~As noted above, both projects would generally use proven technology for treating and distributing water.~~ The Cal-Am project would use a slant well system to provide its source water, and although there are no other operating desalination facilities known to use this system, there are at least two projects ~~here~~ in California where slant wells were successfully tested as a method to supply source

[193] See January 29, 2020 City of Salinas Letter to Monterey One water, pp. 1-2.

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water to desalination facilities.[116][194] **Moreover, subsurface slant wells are the type of intake technology preferred by the state resources agencies, including the Commission, for desalination facilities under the California Ocean Plan.[195]** The Pure Water **project uses a train of**Expansion would utilize four different treatment methods **commonly used in water treatment facilities. Cal-Am,, which are currently being used by** the Pure Water project **and the Pure Water Expansion all rely in part on an Aquifer Storage and Recovery ("ASR") system that is being used in numerous locations as a proven method to store and provide water supplies. As.** However, as noted above, the Pure Water project **has experienced some start-up issues, which are relatively common during the initial operations of water treatment facilities, and Monterey One Water has identified proposed solutions and a schedule to implement them.**is currently facing significant technological and logistical difficulties in both construction and startup, including failures in the Pure Water project injection wells. Given that the Pure Water Expansion will rely on the same technologies currently being used by the Pure Water project and is proposed for the same location as the Pure Water project, it is likely that the Pure Water Expansion would face similar barriers to construction and implementation. As such, the Cal-Am Project's use of the preferred slant well technology renders it the more technologically feasible water supply solution for addressing demand on the Peninsula.

2) Water supply and demand – would the Pure Water Expansion provide sufficient amounts of water to allow Cal-Am's water portfolio to meet expected demands?

In comparing the Pure Water Expansion with Cal-Am's Project, key issues include: 1) whether either project would provide an adequate and reliable water supply to meet current and future demands; 2) whether either would be consistent with state requirements regarding the design and capacity of water supply facilities; and 3) whether they would allow Cal-Am to meet conditions of the State Water Board's cease and desist order for reducing withdrawals from the Carmel River.

Although Cal-Am's desalination facility would provide more **reliable and drought resilient** water **supply** than would the Pure Water Expansion**, either project, when. When** combined with Cal-Am's other available water sources, **would provide more than****and when considering the most conservative projections of demand from the MPWMD (10,855 acre-feet per year), only Cal-Am's Project is capable of providing** adequate water supplies for current and expected future demands and **would allow****allowing** the water system to conform to the state's design and capacity requirements. **Adding either project****Only the addition of the Project** to Cal-Am's water portfolio would **also** allow Cal-Am to reduce its withdrawals from the Carmel River in accordance with requirements of the State Water Board's **cease-and-desist order. Importantly, although****CDO. While** the CPUC's 2018 decision described the Pure Water Expansion as speculative, it recognized that, if built, it would satisfy **project****some** objectives and **could** provide sufficient water if the desalination facility was delayed for five to fifteen

[116][194] Along with Cal-Am's test slant well, the South Coast Water District in Orange County conducted successful slant well tests and has proposed using them for its full-scale desalination facility in Dana Point.

[195] See California Ocean Plan, section III.M.2.d(1)(a).

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years.[117]~~With~~ [196] **Nevertheless, the CPUC concluded that a desalination would be necessary to meet the Peninsula's long term water supply needs. Now that more information is available concerning the Pure Water Expansion based on its SEIR and subsequent expert analysis, it is now evident that despite** the currently lower baseline demand described below, the Pure Water Expansion ~~can be expected to provide~~**is not capable of providing** the necessary amount of water ~~for at least 20 to 25 years~~**to meet that demand** without the desalination facility in place.

The CPUC's 2018 Final EIR/EIS and its Final Decision described Cal-Am's current and future expected water needs and available supplies. However, the baselines and assumptions used in those analyses have since been updated with new data and projections. In September 2019, ~~the Monterey Peninsula Water Management District ("~~MPWMD~~")~~ published its *Supply and Demand for Water on the Monterey Peninsula* (see Exhibit ~~15~~**17** – "**MPWMD** 2019 Update"), which was supported by recent data that were not available at the time of the CPUC review.[118][197] In March 2020, the MPWMD provided an additional update ("**MPWMD** 2020 Update" – see Exhibit ~~16~~**18**) that incorporates more recent data and responds to comments received on its September 2019 report. **Cal-Am, through its expert Hazen and Sawyer, provided updated data on water supply and demand on January 22, 2020, August 11, 2020 and August 23, 2020. Monterey One Water also provide an update as to the availability of source water for the Pure Water Expansion Project on August 20, 2020.** The evaluation below compares the earlier CPUC projections with those of the 2019 and 2020 Updates **and the Hazen analyses** using the same criteria that were used in the CPUC analysis, along with several others, to identify how either the Pure Water Expansion or the Cal-Am desalination facility would provide for the expected water supply and demand needs for Cal-Am's service area. The CPUC's analyses and projections showed that adding Cal-Am's desalination facility to its water supply portfolio would provide about 109% of its identified needed future water supplies – about ~~15, 296~~**15,296** acre-feet of supply versus 14,000 acre-feet of demand. The most recent analyses and projections, which start at a lower baseline but include a relatively high growth rate, show that adding the Pure Water Expansion instead of the desalination facility to the portfolio would, in most cases, ~~result in a similar "overage" of~~

~~[117] The CPUC decision states: "…the PWM Expansion would satisfy the basic and key purposes of the Project (i.e., sufficient and reliable water supply) only in conjunction with construction of a desalination plant of some size within five to fifteen years." See CPUC Decision D.18-09-017, Appendix C, p. C-71.~~

[196] The CPUC decision states: "…the PWM Expansion would satisfy the basic and key purposes of the Project (i.e., sufficient and reliable water supply) only in conjunction with construction of a desalination plant of some size within five to fifteen years." See CPUC Decision D.18-09-017, Appendix C, p. C-71.

[118][197] According to the ~~District's~~**MPWMD's** website statement, it serves over 100,000 people within the cities of ~~Carmel-by-the-Sea~~**Carmel- by-the-Sea**, Del Rey Oaks, Monterey, Pacific Grove, Seaside, and Sand City, the Monterey Peninsula Airport District, and portions of unincorporated Monterey County including Pebble Beach, Carmel Highlands and Carmel Valley. It is a public agency funded largely by property taxes, user fees, water connection charges, investments, grants, permit fees and project reimbursements. ~~The District~~**MPWMD** operates pursuant to five main goals:

1) Increase the water supply to meet community and environmental needs.
2) Assist California American Water in developing a legal water supply.
3) Protect the quality of surface and groundwater resources and continue the restoration of the Carmel River environment.
4) Instill public trust and confidence.
5) Manage and allocate available water supplies and promote water conservation.

Note: These are not Commission staff's Recommended Findings

~~water supply, which provides a measure of reliability~~fail to provide adequate water supplies to meet demand.

Determining the amount of water needed for current and future demands involves three main steps: 1) identify existing water use; 2) identify the expected rates of growth; and 3) identify the sources of water needed to serve that growth. As acknowledged in the CPUC's Final EIR/EIS, "[f]orecasting future demand and supply is not an exact science," and "estimating future water demand necessarily entails the use of assumptions about demand factors that cannot be predicted with absolute certainty."~~119~~198 This uncertainty leads to analyses of future water needs often being based on relatively conservative assumptions to ensure that errors are generally on the side of ensuring more water is available rather than not enough.~~120~~ ~~The~~ 199

First the Findings ~~below first~~ describe the basis for the CPUC's projection of Cal-Am's expected water supply and demands, which served as the basis for the CPUC's approval of a 6.4 mgd desalination facility.~~121~~ ~~They then~~ 200 Second, the Findings describe new information related to ~~those~~ expected ~~water supplies and~~ demands as evaluated in the 2019 and 2020 Updates, both of which show that current actual demand is substantially lower than identified during the CPUC's proceedings. Third, the Findings describe the availability of Cal-Am water sources and the reliability of supply sources to feed the Pure Water Project. The Findings then compare how much water Cal-Am would have available in its current and future water portfolio with the proposed desalination facility or with the Pure Water Expansion project. These Findings also consider a key issue fundamental to Cal-Am's expected water supplies and demands – the need for Cal-Am to meet the obligations of the State Water Board's cease-and-desist order that requires Cal-Am to stop its excess water withdrawals from the Carmel River by December 2021. In sum, the Findings below show that Cal-Am could not meet its expected water needs by including ~~either the desalination facility or~~only the Pure Water Expansion, without the desalination facility, in its overall water portfolio.

CPUC's current and projected water demand

As part of the CPUC's review, it identified ~~Cal-Am's~~Cal-Am's existing and projected future water demands, relying, in part, on state regulatory requirements used to identify baseline water requirements. This regulation – the California Waterworks Standards – requires that water supply systems have the capacity to meet maximum day demand and peak hourly demand, as based on the most recent 10 years of a water system's operations.~~122~~201 The CPUC determined

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~~119~~198 See Section 8.2.13 – Master Response 13: Demand (Project Need) and Growth.

~~120 See, for example, the Pacific Institute's "An Assessment of Urban Water Demand Forecasts in California," August 2020, which describes common patterns and reasons that result in water districts often overestimating expected water demands.~~

199 See, for example, the Pacific Institute's "An Assessment of Urban Water Demand Forecasts in California," August 2020, which describes common patterns and reasons that result in water districts often overestimating expected water demands.

~~121 Those analyses are provided in greater detail in Section 2.6 of the Final EIR/EIS and in the CPUC's September 13, 2018 Final Decision on the proposed project.~~

200 Those analyses are provided in greater detail in Section 2.6 of the Final EIR/EIS and in the CPUC's September 13, 2018 Final Decision on the proposed project.

~~122~~201 See Title 22, CCR Division 4, Chapter 16, Section 64554. Maximum day demand is determined by selecting the month with the highest water use during the past ten years ~~or~~of service, dividing by the number of days in that month, and multiplying the average daily use by a peaking factor of at least 1.5.

Note: These are not Commission staff's Recommended Findings

that, for Cal-Am, using the peak month demand would be the critical determinant as to whether the proposed Project could meet its maximum day and peak hour demand, as peak month represents an elevated demand sustained over multiple days.[~~123~~202] At the time of the CPUC review, the peak month during the 10-year period from 2006 to 2015 was July of 2010 when Cal-Am's ratepayers used 1,111 ~~acre-feet~~acre- feet. The average annual demand during that 10-year period was 12,351 acre-feet.

The CPUC also considered several events that occurred before, during, and after that 10-year period that had affected the area's rate of water use. It recognized that water demand in the area had been somewhat higher long before that particular 10-year period and that it had declined in part due to reduced visitation to the Monterey Peninsula after the events of September 11, 2001 and due to the recession that occurred between 2007 and 2009. It also recognized that California, including Cal-Am's service area, had experienced several years of drought conditions that had further reduced water use and led to implementation of a number of water conservation measures, many of which were still in place and likely represent permanent reductions in the expected water use per capita in the Monterey area and elsewhere. This was accompanied by behavior changes by water users that led to additional reductions, which may or may not be as long-lived as the structural conservation measures but may nonetheless continue to some degree beyond the period of drought conditions due, in part, to continued changes in behavior, increases in the price of water, and other factors. The CPUC also acknowledged that by the time the desalination facility would be operating, Cal-Am's average 10-year and maximum year demands would be lower that the above-referenced 10-year period. Based on these considerations, the CPUC concluded that the existing annual demand was about 12,000 acre-feet per year.[~~124~~203]

Along with identifying these existing water system demands, the CPUC considered several expected future demands that it noted would increase that existing demand by about 2,000 acre-feet per year for a total expected demand of about 14,000 acre-feet per year. Table 4 below shows the expected existing demand and these expected future demands, which are described below.

Table 4: CPUC identified existing and future demand

	CPUC review (totals in ~~acre-feet~~acre-feet per year)
Existing demand (10-year annual average**):**	12,000

Peak hourly demand is determined by calculating the average hourly rate for the maximum day demand and multiplying by a peaking factor of 1.5.

[~~123~~202] This was also reflected in the CPUC's inclusion of a project objective in the Final EIR/EIS that was to ensure the water supply would be able to serve peak month demands. The CPUC's September 13, 2018 Final Decision on the project notes that "[t]his is consistent with Cal-Am's assertion that peak month demand is a more critical consideration for its operations than peak day demand. This appears undisputed, as all of the parties presented their demand projections in a similar method (see, ~~E~~e.g., Exhibit SF-12 Attachment A) and we use monthly and annual figures throughout in our consideration of the standard."

[~~124~~203] The CPUC's Final Decision states that "[a] projection of demand for existing customers of approximately 12,000 afy is appropriately conservative and reasonable."

Note: These are not Commission staff's Recommended Findings

Future demand:	
• Pebble Beach water entitlements	325
• Hospitality industry rebound	500
• Lots of record	1,181
Total:	**14,006**

- **Pebble Beach water entitlements:** As part of a water reclamation project funding agreement between the ~~Monterey Peninsula Water Management District~~MPWMD and the Pebble Beach Company, the ~~District~~MPWMD granted water entitlements totaling 380 ~~acre-feet~~acre- feet per year to the Company. The funded reclamation project provides reclaimed water for use on golf courses in the Del Monte Forest area. Because that water would have otherwise come from Cal-Am's use of Carmel River water, the State Water Board recognized in its cease-and-desist order to Cal-Am that those entitlements could be considered part of Cal-Am's expected additional water demands for proposed development in this area. As of the time of the CPUC's decision, about 325 acre-feet per year of these entitlements had not been used and were therefore considered part of potential future growth.

- **Hospitality industry rebound:** As noted above, the CPUC acknowledged that water demand in Cal-Am's service area had declined post-2001 and during the 2006-2009 recession, due in part to a reduction in visitation rates. Cal-Am had proposed as part of the CPUC's review that an additional 500 acre-feet per year be added to the projected future demand to reflect an expected rebound in visitation to the area. ~~The Monterey Peninsula Water Management District~~MPWMD conducted a 2013 study that determined that 500 acre-feet per year was a reasonable expectation. The CPUC accepted this figure, though it acknowledged that part of the rebound dependent on these 500 acre-feet per year had already occurred and that some of that supply would therefore be available for other uses.

- **Water for lots of record:** Cal-Am's service area has several hundred undeveloped "lots of record," and it proposed that the CPUC include 1,181 acre-feet per year of water for the expected development of those parcels.

During its review, the CPUC also requested and received alternative water demand/supply scenarios proposed by intervenors. These included the same demand categories identified above, though they varied in the current and expected volumes in each category.[~~125~~204] These alternative scenarios proposed that the CPUC consider that expected future demands could range from about 9,700 to 15,000 acre-feet per year. In comparing and evaluating the above demand categories and the scenarios presented by intervenors, the CPUC concluded that ~~Cal-Am's~~Cal-Am's existing demands along with the above expected future demands would total about 14,000 acre-feet per year.

~~CPUC's projected available water supplies~~

Note: These are not Commission staff's Recommended Findings

[~~125~~204] Scenarios were provided by Cal-Am, the City of Marina, the Marina Coast Water District, the Monterey Peninsula Regional Water Authority, ~~Monterey Peninsula Water Management District~~MPWMD, the Planning and Conservation League, Surfrider Foundation, the Coalition of Peninsula Businesses, and Water Plus.

~~The CPUC also showed that Cal-Am's water portfolio, including production from the proposed desalination facility, would provide about 1,300 acre-feet more water than needed to serve the then-expected 14,000 acre-foot per year demand. The components of the expected water portfolio are shown in Table 5 and described below.~~

~~Table 5: CPUC identified available water supplies~~

~~Source:~~	~~Amount Available (in acre-feet per year):~~
~~Carmel River~~	~~3,376~~
~~Seaside Groundwater Basin~~	~~774~~
~~Aquifer Storage and Recovery~~	~~1,300~~
~~Sand City Desalination Facility~~	~~94~~
~~Pure Water Monterey Groundwater~~	
~~Replenishment Project~~	~~3,500~~
~~Total:~~	~~9,044~~
~~Total when including a 6.4 mgd (6,252 afy) desalination facility:~~	~~15,296~~

~~The water supply sources included:~~

- ~~Carmel River: Although Cal-Am is required to reduce its withdrawals from the Carmel River, it continues to have the legal right to withdraw 3,376 acre-feet per year from the river.~~

- ~~Seaside Groundwater Basin: Cal-Am has also relied on past withdrawals from the Seaside Groundwater Basin. As part of the Basin's adjudication in 2006, Cal-Am was determined to have rights to 1,474 acre-feet per year from the Basin; however, based on its overwithdrawals from past years, Cal-Am is required to replenish the Basin at a rate of 700 acre-feet per year over a 25-year period, which limits its allowable withdrawals to 774 acre-feet per year. On August 12, 2020, the Commission received a letter from the Seaside Groundwater Basin Watermaster, who expressed concern that the Basin would need additional water – about 1,000 acre-feet per year over and above the currently proposed 700 acre-feet per year – to provide protective groundwater elevations in the Basin, and that the proposed Cal-Am facility is the only possible source for this additional supply. It appears, however, that the Basin management considered this measure in 2009 and 2013 but took no action to implement the associated infrastructure that would be needed or to fund the approximately $6,000,000 per year needed to purchase that amount of desalinated water. Nor did the CPUC consider this large, potential additional demand for water in its proceeding. Accordingly, any such new demand for water appears to be speculative and is not considered a reason that the Pure Water Expansion would be infeasible.~~

- ~~Aquifer Storage and Recovery ("ASR"): Cal-Am and the Monterey Peninsula Water Management District together implemented an ASR project that provides a water supply based on using available storage capacity in the Seaside Basin. The project involves diverting high winter flows of Carmel River water into the Basin for later recovery, treatment, and delivery to customers during summer months to help reduce summer withdrawals from the river. The winter flows it diverts are only those identified as excess to the flows needed to support the river's~~

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~~threatened steelhead population. The first ASR phase was completed in 2008 and allows a maximum annual diversion of about 2,400 acre-feet per year from the Carmel River, and an average yield of approximately 920 acre-feet per year. The second phase, completed in 2013, allows storage of up to 2,900 acre-feet per year and provides an average yield of 1,050 acre-feet of additional water supply. For water supply planning purposes, ASR is estimated to produce an average of 1,300 acre-feet annually.~~

~~- Sand City Desalination Facility: This facility is owned by Sand City but operated by Cal-Am. Of the facility's 300 acre-feet per year capacity, Cal-Am has available to it a long-term supply of 94 acre-feet per year.~~

~~- Pure Water Monterey Groundwater Replenishment Project: At the time of the CPUC's review, the first phase of this project – a joint proposal by the Monterey Regional Water Pollution Control Agency and the Monterey Peninsula Water Management District – had just undergone environmental review. The project involves treating several water sources – including treated wastewater, agricultural runoff water, and stormwater – and injecting the treated water into the Seaside Groundwater Basin for later additional treatment and use as a potable water supply. The CPUC's decision to approve Cal-Am's desalination facility relied on Cal-Am being able to purchase 3,500 acre-feet per year from the Pure Water project, which allowed the CPUC to reduce the size of Cal-Am's desalination facility from its initially proposed 10,700 acre-feet per year to its currently proposed 6,252 acre-feet per year (i.e., from 9.6 to 6.4 mgd).~~

~~A common principle in water planning is that having more water sources is preferred to having fewer, as more sources generally allow for more overall reliability. Most areas rely on one or two main sources (along with conservation) to meet their water needs. As shown above, Cal-Am currently has five (not counting conservation). Adding the Pure Water Expansion and including it as part of the existing Pure Water project would keep Cal-Am with five sources, while adding desalination would increase sources to six.~~

~~In summary, the CPUC identified a current baseline use of 12,000 acre-feet per year, an expected future demand of about 14,000 acre-feet per year, and an available supply, including Cal-Am's proposed desalination facility, of 15,296 acre-feet per year.~~

~~2019 and 2020~~ **Updates of water supply and demand**

As noted above, MPWMD prepared two updated assessments of expected water demands and supplies for Cal-Am's service area (see Exhibits ~~15~~17 and ~~16~~18), which are collectively referred to as the "Updates" herein. The more recent Update was included as part of the Final SEIR for the Pure Water Expansion project. These MPWMD assessments updated the CPUC's evaluation of the total water demands and supplies available with Cal-Am's desalination facility as compared with supplies that would be available with the Pure Water Expansion project. Table ~~6~~5 below provides the 2020 Update's comparison of these two supply scenarios showing that the scenario with the Pure Water Expansion would provide about 4,000 acre-feet per year less than the scenario with Cal-Am's desalination facility:

Table ~~6~~5: Comparison of water supply portfolio with Cal-Am desalination or Pure Water Expansion

Note: These are not Commission staff's Recommended Findings

Supply Source	With Cal-Am desalination (in afy)	With Pure Water Monterey Expansion (in afy)
Cal-Am Desalination	6,252	0
Pure Water Monterey	3,500	3,500
~~Pure Water Monterey~~		
Pure Water Monterey Expansion	0	2,250
Carmel River	3,376	3,376
Seaside Basin	774	774
~~Aquifer Storage and~~		
Aquifer Storage and Recovery	1,300	1,300
Sand City Desalination	94	94
Total Available Supply	**15,296**	**11,294**
Other Available Supply	406	406
Total Available Supply w/Other	**15,702**	**11,700**

Note: to ensure a more conservative assessment of available supplies, the "Other Available Supply" category above is not included in the analyses immediately below, as that category includes some less certain water sources, such as increased production from the Sand City desalination facility, and "Carryover Credits" that Cal-Am has available to it based on unused capacity in the Seaside Groundwater Basin. However, this category is included later under "Additional considerations for projecting future demand."

Importantly, the MPWMD also updated the current and expected future water demands the CPUC had identified during its proceedings, using the same demand categories as the CPUC had used, but including more recently available data and some modified assumptions. The Updates show that Cal-Am's current baseline demand is substantially lower than identified by the CPUC. Using the average annual use for the past 10-year, five-year, and three-year periods, the Updates calculated the current baseline demand to be 10,863, 9,825, and 9,817 acre-feet per year, respectively – or between about 1,100 and 2,300 acre-feet less than the previously assumed 12,000 acre-feet. The Updates had the benefit of about two years of more recent data, starting in January 2018, that show continued reductions in existing water demand compared to the demand figures available to the CPUC. The Updates also show ~~that the~~ expected future demand ~~is~~as substantially lower than had been identified previously and hypothesize that demand could be met for the next twenty years or more by adding either Cal-Am's desalination facility or the Pure Water Expansion project to the water supply portfolio. Importantly, these Updates also evaluated the expected rate of growth in water demand, a consideration absent from Cal-Am's Final EIR/EIS. The Updates conclude that, although the Pure Water Expansion scenario would not provide as much water as the desalination facility scenario, that scenario would provide sufficient water for twenty years or more, even when considering substantially higher growth rates than the area has ever experienced during the past several decades. ~~If~~The Updates concluded that if growth actually occurs at closer to historic rates, then the Pure Water Expansion could provide sufficient water for approximately forty years. The two sets of demand scenarios are provided in Table ~~7~~6 below. The Updates also conclude that the Pure Water Expansion could meet the maximum daily demand and peak day flows as required by the state's Waterworks standards. Finally, they evaluate how a Cal-Am water supply portfolio that

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included the Pure Water Expansion instead of the desalination facility could provide adequate water supplies during multiple years of drought.

Importantly, and as shown in Table ~~7~~6, the Updates' lower demand numbers for the ~~five-year~~five- year and three-year average annual demands are supported by data Cal-Am provided to the CPUC in July 2019. The table includes Cal-Am's 2019 existing demand as identified in its July 1, 2019 General Rate Case application to the CPUC.[~~126~~205] For purposes of this ongoing rate case, Cal-Am reports that its 2018 water demand was 9,679.1 acre-feet, much less than the 12,000 acre-feet estimate in the 2018 Final EIR/EIS and even less than the lowest of the calculated baseline volumes in the ~~above-referenced~~above- referenced Updates. Cal-Am also reports that its expected demand from 2019 through 2022 is 9,789.4 acre-feet per year, which also remains below those lowest calculated baseline amounts. Cal-Am's current CPUC proceeding also includes testimony from a Cal-Am expert witness, who anticipates somewhat lower demand during these immediately upcoming years – from 9,338 in 2021 to 9,610 in 2023.

Table ~~7~~6: Comparison of existing and future demand scenarios

	2018 CPUC review	**MPWMD 2020 Update**	**2019 Cal-Am**
Existing demand:	12,000	9,817 – 9,825	~~9,338 – 9,789~~9,338- 9,789 (through 2023)
Future demand:			
Pebble Beach entitlements	325	103 to 160	
Hospitality industry rebound	500	100 to 250	
Lots of record	1,181	864 to 1,014	
Total:	**~14,000** at an unspecified future date	**10,884 – 11,249**	

This range of current demand numbers – 9,338 to 9,825 acre-feet per year – is further supported by two recent evaluations conducted on behalf of the City of Marina and the Marina Coast Water District, which are detailed below under Other Reviews.

Future demand: The Updates also show lower expected future demands in each of the categories that the CPUC study had used, as shown below:

- **Pebble Beach entitlements:** As noted above, the CPUC had identified about 325 ~~acre-feet~~acre-feet of expected demand for build-out in the Pebble Beach area. The analyses in the Updates ~~show~~argue that the actual baseline amount was somewhat lower – about 299 acre-feet – and would be split between two categories – a 145 acre-foot expected average for buildout and a 154-acre-foot expected average in "other

[~~126~~205] See July 1, 2019 application by California American Water application for CPUC's General Rate Case A1907004, available at: https://apps.cpuc.ca.gov/apex/f?p=401:57:0: (accessed August 10, 2020).

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entitlement demand."[~~127~~206] The Updates ~~note~~argue that this buildout demand is likely overstated, in that it was based on higher water usage rates than are the current norm. For example, the buildout figures were based on a period when residences used about a third more water than the current average and included a proposed hotel that is no longer being pursued.

The Updates also conclude that the "other entitlement demand" is similarly overstated in that this demand would not exist once a new water supply – such as Cal-Am's Project or the Pure Water Expansion – makes water available to users that would otherwise need the entitlement. These entitlements were developed as part of a financing package for an area recycling project, allowing the Pebble Beach Company to sell some of its unused water entitlements to residential property owners in the area. Over the last decade or so, these average entitlement demands have totaled about 4.9 acre-feet per year. It is unlikely that there will be additional requests for those same entitlements amounts during the approximately three years before one of these two water supply projects is online, largely because the entitlements cost about $250,000 per acre-foot. The Updates acknowledge, however, that there could be some limited future interest in these entitlements, though more in the range of 10 to 15 acre-feet total rather than the above-referenced 154 acre-feet. The 2019 Update did not include this 10-15-acre-foot demand in its expected growth figures, though it addressed potential growth in a different way to provide sufficient conservatism in its calculations, as described below. The Updates conclude that the actual expected future demand for these categories of water use should be lowered from the previously presumed 325 acre-feet to between 103 and 160 acre-feet. Both Cal-Am and the Pebble Beach Company have contended that the full entitlement amounts may be used, though there is no certainly as to when or how quickly they might be drawn upon should this relatively high cost water be needed. **However, the Pebble Beach Company has used or allocated all but 60 acre-feet of its entitlement, implying that the Updates underestimate current and future demand as a result of the Pebble Beach entitlements.**[207]

- **Hospitality industry rebound/tourism bounce-back:** The 500 acre-feet the CPUC included in this category was based **testimony from the local hospitality industry and** on an expected recovery in the number of visitors to the Monterey Peninsula area. As part of the CPUC proceedings, the industry noted that hotel occupancy rates declined after 2001 and after the ~~2006–2009~~**2006- 2009** recession and requested that the CPUC consider including additional water in its demand scenarios to serve the expected increase in occupancy rates that would accompany an improved economy. As described in the Updates, the pre-2001 occupancy rates were about 72%, dropped in 2001 to about 63%, and stayed at about that level until 2012-13. The Updates note that since then, occupancy rates have returned to the previous high pre~~-2001~~**-2001** level of about 72%, yet the water use in this sector is substantially lower than it was in 2001 – about 2,442 acre-feet per year in 2018 versus 3,387 acre-feet in 2001. The Updates credit this reduction to recent mandatory conservation standards and improved conservation measures, many of which are permanent. They **fail to** acknowledge, though, that ~~even~~

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[~~127~~206] See April 2012 Pebble Beach Final Environmental Impact Report, Appendix H – Water Supply and Demand Information for Analysis. This document identifies demands wet, average, dry, and critically dry years that range from 128 to 145 acre-feet per year for buildout and 147 to 167 acre-feet per year for "other entitlement demand."

[207] **September 10, 2020, Pebble Beach Company Letter to Costal Commission, p. 2.**

~~with these improvements~~due to tiered water pricing that is in place to encourage conservation, many hotels in the region send laundry miles out of the area to be washed in less expensive service territories. Therefore, there is likely to be some "rebound" for this demand sector~~, though it is more likely~~. MPWMD assumes the rebound to be in the range of 100 to 250 acre-feet, without justification for those numbers, and not the 500 acre-feet referenced above.[~~128~~208] The Coalition of Peninsula Businesses disputes MPWMD conclusion and notes that the "500 afa of supply was intended to include not just the return to prior levels of occupancy on the Peninsula (full-service facilities, for instance, were at occupancy levels in the high 70s to low and mid-80s during 1998-99-2000) but water use increases as the rest of the Peninsula economy recovers…"[209] Although Cal-Am has contended that the bounceback would be higher because many of those conservation measures are temporary, MPWMD ~~confirmed~~claims that most are considered permanent, so the lower rates are likely to be long-term.

- **Lots of record:** Cal-Am's Final EIR/EIS identified an expected future annual demand of 1,181 acre-feet from development of vacant lots of record within ~~Cal-Am's~~Cal- Am's service area, based on a study done in 2002.[~~129~~210] The Updates ~~note~~argue that expected per capita or per household water use at the time of that 2002 analysis was substantially higher than current usage and argue that this expected future demand should be reduced to reflect this lower per capita use. They also ~~note~~argue that some of these lots included in this calculation are not buildable or have already been developed and are therefore already included as part of Cal-Am's existing demand. The Updates conclude that the proposed 1,181 ~~acre-feet~~acre-feet of demand should be reduced by about 167 acre-feet to reflect reduced per capita/per household usage and by about 150 acre-feet to account for already developed or undevelopable lots. It acknowledges that some growth will occur both within and near Cal-Am's service area, though that growth will be spread out over time rather than occur immediately. Overall, the Updates calculate the amount of new demand for this category at between 864 and 1,014 acre-feet.[~~130~~211] Cal-Am's June 30, 2020 letter disagrees with this lower projection, stating that once the CDO is lifted, a "pent-up demand" to build will occur. Even if that were to occur, the Updates argue that it would take many years of growth for any "pent-up demand" to reach either of the above-referenced future demand volumes. This growth issue is further detailed below.

Rate of increase for future demand: The Updates also evaluate how these overall future water demands would be developed over time. Unlike the approach taken in ~~Cal-Am's~~Cal-Am's Final EIR/EIS, which identified an existing demand of 12,000 acre-feet per year and a future need for 14,000 acre-feet per year but did not identify the rate at which that level of water

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~~128~~208 The Final EIR/EIS also acknowledged that much of the expected rebound had occurred, that the 500 acre-foot demand expectation was long-term, and that a reasonable estimate for hospitality industry rebound would be on the order of 200 to 300 acre-feet per year. See Section 2 – Water Demand, Supplies, and Water Rights, page 2-13, and Section 6 – Other Considerations, page 6-15.

[209] September 24, 2019, Coalition of Peninsula Businesses letter to MPWMD, p. 4.

~~129~~210 The 2019 Update notes that this figure was based on a February 2002 analysis conducted by the ~~District~~MPWMD that was revised slightly upward later that year to about 1,211 acre-feet.

~~130~~211 This is largely consistent with ~~the District's~~MPWMD's testimony to the CPUC, in which it recommended the CPUC not use the 2002 figures for the reasons cited above. See Final EIR/EIS Section 2 – Water Demand, Supplies, and Water Rights, pages 2-14 & 2-15.

Note: These are not Commission staff's Recommended Findings

use would be needed, the Updates calculated expected rates of increase in demand by looking at past rates of growth in water demand and projecting them over the next several decades. They also included several additional considerations in their calculations, such as potential higher growth rates, the cost of water, and the effects of recent legislation that are expected to limit or reduce future per capita demands. These projections and other considerations are described below.

The Updates ~~found~~**argue** that annual water growth rates during the past 20 years, which included periods of high water availability as well as drought and imposed conservation measures, ranged from about nine to 16.4 acre-feet per year. Based on the current range of existing demand identified above – i.e., from 9,338 to 9,825 acre-feet per year ~~–~~and on the total available future supplies identified above in Table ~~7~~**6**, with Cal-Am's desalination scenario providing about 15,296 acre-feet per year and the Pure Water Expansion scenario providing about 11,294 acre-feet per year, **the Updates assert that** Cal-Am's Project would result in an immediate excess supply of between 5,471 and 5,958 acre-feet and the Pure Water Expansion would result in an immediate excess supply of between 1,469 and 1,956 acre-feet. ~~At~~**The Updates claim that at** the highest rate of past growth – 16.4 acre-feet per year – the total portfolio with the Pure Water Expansion would supply several decades of growth.[~~131~~212] The Updates also ~~considered~~**purport to consider** other growth scenarios, with higher water demands that still resulted in the Cal-Am water portfolio with the Pure Water Expansion providing sufficient water for several decades, as described below.

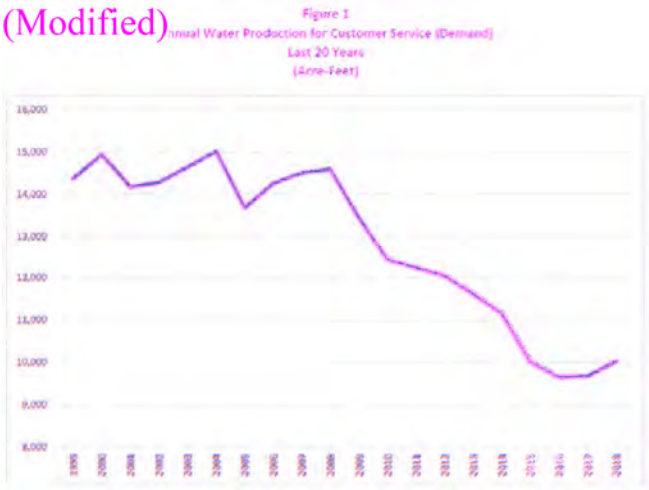
Additional considerations for projecting future demand: There are several additional planning considerations that **the Updates claim** support a conclusion that the Pure Water Expansion would provide water for a substantially higher number of years of growth in the area:

- **Continually lowering baseline:** As noted above, both the CPUC and the Updates considered a period of the past 10 years of usage data as a basis for average annual demand. The 2020 Update also identifies average demands based on the past five years and three years, both of which resulted in lower average demands of 9,825 ~~acre-feet~~**acre-feet** per year and 9,817 acre-feet per year, respectively, or about 10% less than the existing 10-year average. The Updates also include a graph showing the past 20 years of demand, which illustrates the substantial drop in water demand over that period and also illustrates that the early part of the most recent 10-year periods is much higher than current use – e.g., 2007 and 2008 have much higher demand than 2017 and 2018.

Note: These are not Commission staff's Recommended Findings

[~~131~~212] The substantially higher "overage" that Cal-Am's Project would supply might also raise concerns with conformity to Coastal Act Section 30254, which requires that new public works facilities be designed and limited to accommodate needs generated by development or uses consistent with other Coastal Act provisions.

(Modified)



This graph also illustrates that calculating the 10-year average during the next several years will involve removing the higher demand years from 2008 to about 2015 and replacing them with lower demand years of 2019, 2020, and onward. As noted above, Cal-Am's recent testimony to the CPUC shows that it expects demand in 2020 through 2022 to remain at the low end of use – about 9,789 acre-feet per year – which results in the high demand during 2008 and 2009 of around 14,000 acre-feet being replaced by upcoming years of about 4,000 acre-feet less demand. Moving forward each year by deleting the earliest year of the 10-year period and adding a new year that includes the expected high estimate of 16.4 acre-feet per year of predicted growth (which, as noted in the Updates, is the highest rate over the past 20 years) results in the next several 10-~~-~~year annual averages dropping well below the current 10-year average of 11,232 acre-feet per year – to a low of about 10,047 acre-feet in 2024.[~~132~~213] It would then be expected to start increasing at the anticipated rate of growth. This approach puts the upcoming 10-year averages much closer to the existing five-year average used in the 2019 Update and allows for a relatively consistent comparison with the same approach used in the CPUC's reliance of the 10-year average. As described below, more recent use figures provided by Cal-Am show an even lower current baseline.

- **Rate of market absorption of water demand:** Although the Updates use a ~~five-~~

[~~132~~213] This approach results in the 10-year annual average roughly equaling:

In 2019 (2010 to 2019): 10,902

In 2020 (2011 to 2020): 10,661

In 2021 (2012 to 2021): 10,467

In 2022 (2013 to 2022): 10,280

In 2023 (2014 to 2023): 10, 135

In 2024 (2015 to 2024): 10,047

In 2025 (2016 to 2025): 10,061

In 2026 (2017 to 2026): 10,102

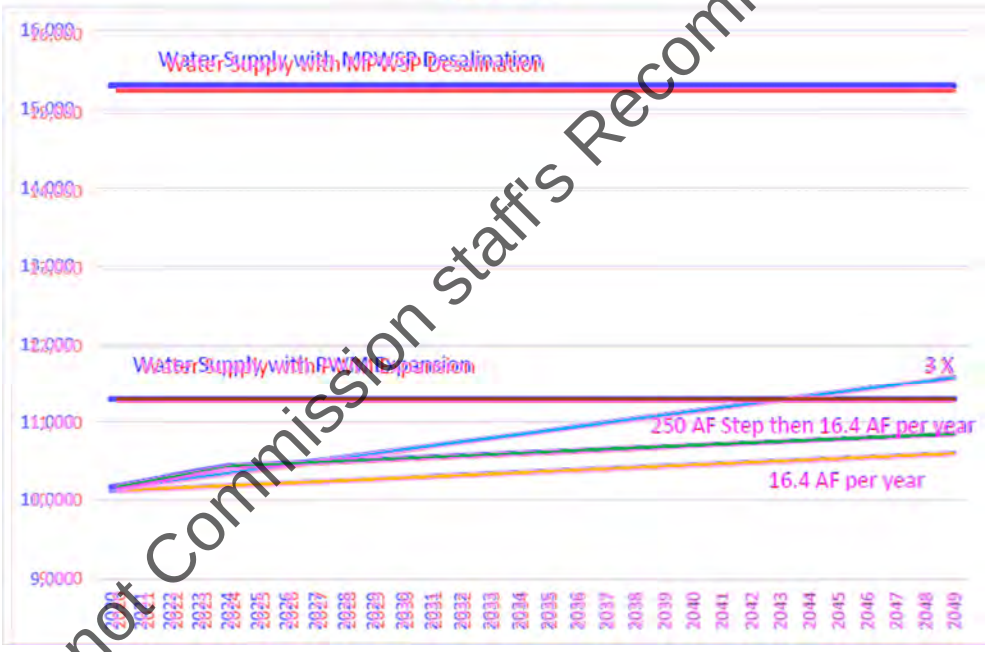
In 2027 (2018 to 2027): 10,140

Note: These are not Commission staff's Recommended Findings

~~year~~five- year average demand rather than the 10-year average demand used in the CPUC's review, it included ~~added~~ several potential growth scenarios to assess how the Pure Water Expansion would support expected growth into future decades. Using the current ~~five-year~~five-year average annual demand as a baseline, it calculated future expected water demands in three ways: 1) adding the above-referenced 16.4 acre-feet per year growth rate; 2) adding three times that growth rate; and 3) adding an initial 250 acre-feet of growth during the first five years, followed by annual 16.4 acre-feet growth rates. As shown on the 2019 Update's Figure 3, those projections show that Cal-Am's available water portfolio with the Pure Water Expansion instead of the desalination facility would provide sufficient water under those growth rates until well beyond 2050, until about 2043, and again, well beyond 2050, respectively.

(Modified)

Figure 3
Market Absorption of Water Demand Compared to Water Supply
Current Demand at 5-Year Average
(Acre-Feet)



- **Effects of cost on expected water demand:** Water use rates are also driven by considerations other than growth, including the cost of water. Reliance on either of these facilities – the Cal-Am project or the Pure Water Expansion – as part of ~~Cal-Am's~~Cal-Am's water portfolio would result in increased water costs and water rates in ~~Cal-Am's~~Cal- Am's service area. Current costs for water from the Carmel River and the Seaside Basin are in the range of several hundred dollars per acre-foot~~, whereas water from the Cal-Am project is expected to cost about $6,100 per acre-foot and water from the Pure Water Expansion about $2,340 per acre-foot. Either would increase the average cost of water from Cal-Am's water portfolio, though the Cal-Am project, at about three times the cost of the Pure Water Expansion, would create a substantially larger cost increase (this issue is discussed in more detail in Section II.N – Environmental Justice and Section II.P – Coastal-Dependent Industrial Facility Override). Additionally, because the Cal-Am project would be built to produce significantly more water than will be needed for a number of years, its~~

Note: These are not Commission staff's Recommended Findings

~~actual costs per acre-foot would be substantially higher than $6,100 for as long as the facility was operated at less than its design capacity. This is because its fixed costs, such as the capital costs for building the facility, would be spread among the smaller number of acre-feet actually produced. The Updates illustrate this difference, as shown in Table 8 below, which identify the expected cost per acre-foot at three different levels of production:~~.

As discussed above, the CPUC approved a rate increase of about $37-$40 per month for the average Cal-Am customer in a single family residence for desalination facility costs and financing, and that increase is not directly tied to per acre-foot water costs.[214] Whereas water from the Pure Water Expansion is currently projected to be somewhere in the range of $2,508 to $3,678 per acre-foot – at minimum, more than 50% above the rate of $1,720 per acre-foot approved by the CPUC. Either water supply project would increase the average cost of water from Cal-Am's water portfolio, though the expected costs of Cal-Am's proposed Project would be higher than those of the Pure Water Expansion. At current expected costs, ratepayers would pay more per acre-foot for Cal-Am's water than Pure Water Expansion. However, current costs projections for Pure Water Expansion do not account for costs already expended on the Cal-Am desalination facility, which is currently approximately $110 million, and it is reasonably foreseeable that such costs would be recovered via water rate increases in connection with the Pure Water Expansion. Further, as discussed in more detail in Section IV.N, *supra*, and as the CPUC recognized in its final decision to approve the Cal-Am Project's Final EIR/EIS, the relatively high cost of desalinated water must be balanced against the need to achieve a sufficient supply of reliable potable water for the Peninsula. Because there are no feasible alternatives to the proposed Project, it remains the best option to ensure water reliability. Moreover, with implementation of Special Condition 13, which will increase the discount offered from Cal-Am's Customer Assistance program and improve efforts to enroll eligible customers, costs to residents newly enrolled in the Customer Assistance program could see their rates drop rather than increase after the Project begins operations.

~~Table 8: Cal-Am costs per acre-foot at different production levels~~

~~Annual production by desalination facility (in acre-feet):~~	~~6,252~~	~~5,000~~	~~4,300~~
~~Annual fixed costs (in millions):~~	~~$30.3~~	~~$30.3~~	~~$30.3~~
~~Annual variable costs (in millions):~~	~~$7.8~~	~~$6.2~~	~~$5.4~~
~~Total annual costs to customers (in millions):~~	~~$38.1~~	~~$36.5~~	~~$35.7~~
~~Resulting cost per acre-foot~~	~~$6,094~~	~~$7,308~~	~~$8,294~~

~~As in past instances, if actual costs are higher than initially determined by the CPUC, Cal-Am would presumably seek to recover those costs through a CPUC-approved rate increase or surcharge.~~

[214] See August 13, 2020 Latham Letter to Commission, p. 1, Exhibit 1, p. 3 n.4 (citing Attachment C-1 to Advice Letter No. 1220-A from California-American Water Company to CPUC).

Note: These are not Commission staff's Recommended Findings

- **Lower per capita use due to conservation:** The Updates also describe the effects of recent legislation that establishes urban water efficiency standards to be implemented by water agencies.[~~133~~215] The legislation establishes standards for indoor and outdoor water use, allowable limits for water lost to leaks, and other measures meant to reduce per capita water use in the state. It establishes, for example, an indoor water use rate of 55 gallons per person per day that will be further reduced to 50 gallons per person per day in the coming years. The Updates note that per capita use in the Cal-Am service area is currently at 57 gallons per person per day, so meeting the new mandates will result in a relatively small reduction of about five percent per capita, which will likely lead to a moderate reduction in the future growth rates described above and will allow the water supplies provided by either project to last somewhat further into the future.

- **Effects of COVID-19 restrictions:** It is difficult to quantify the short- or longer-term effects of the COVID-19 pandemic on expected rates of water use. Cal-Am's service area has been heavily dependent on tourism and associated hotel, restaurant, and visitor-serving uses, but the water uses by those industries have been significantly curtailed due to pandemic-related travel restrictions and ~~shelter-in-place~~shelter-in-place requirements. With area residents sheltering in place, it is likely that residential water use has increased, but not sufficiently to match the missing demand of the above-referenced industries. ~~At the very least, it appears~~However, it is speculative to assume that COVID-19 will result in a slower and longer recovery or "bounce-back" period. ~~With the current lower baseline use and with 700 acre-feet per year of water available through ASR storage, Cal-Am will likely be able to meet its CDO obligations without having either project online by the December 2021 CDO deadline.~~

  To provide a short-term comparison, the chart below compares Cal-Am's ~~pre-COVID~~pre- COVID-19 total water production in March, April, May, and June of 2019 with its water demand during those same months in 2020 and shows an approximately 10% decrease in water use:

Month:	2019:	2020:	Reduction from 2019 to 2020:
March	1029.29	851.88	-177.41 (-17.2%)
April	1021.33	931.86	-89.47 (-8.8%)
May	917.91	843.90	-74.01 (-8.1%)
June	866.82	844.71	-22.11 (-2.6%)
Totals:	3835.35	3472.35	-363.00 (-9.5)

Note: all figures in acre-feet, and are obtained from Cal-Am's quarterly reports to the State Water Resources Control Board required by Cease-and-Desist Order 2016-0016, available at:
~~https://amwater.com/caaw/customer-service-billing/billing-payment-info/water-rates/monterey-district~~
https://amwater.com/caaw/customer-service-billing/billing-payment-info/water-rates/monterey-district

~~In sum, with the current 10-year annual average demand being lower than the demand identified in Cal-Am's Final EIR/EIS, with any of several potential future growth rates, and with increased water costs and increased conservation mandates, adding the Pure Water~~

[~~133~~215] The 2019 Update referenced both the 2018 adoption of SB 606 and AB 1668.

Note: These are not Commission staff's Recommended Findings

~~Expansion to Cal-Am's water supply portfolio instead of the desalination facility, is expected to provide sufficient water for at least the next two or more decades.~~

~~Two additional factors support this conclusion. First, and as noted above, the Updates include a category of "other available supplies" that would provide an additional 406 acre-feet per year to the above totals. These include:~~

- ~~Up to about 300 acre-feet per year from the Carmel River (through State Water Board Permit #21330 issued to Cal-Am in 2013).~~
- ~~Additional production from the Sand City desalination facility: up to about 106 acre-feet per year available to Cal-Am until Sand City generates sufficient growth and development to use this volume of water. At the time of the CPUC's review, this additional production had been suggested, but the CPUC found that it was not supported by credible evidence. More recently, however, Cal-Am's has reported as part of its compliance requirements to the State Water Board that it used 189.55 acre-feet from the Sand City facility during the most recent water year, about 80% more than had been anticipated in the CPUC's review.~~

- ~~"Carryover Credit" from the Seaside Groundwater Basin: Cal-Am has a number of "credits" for water in the Seaside Groundwater Basin that Cal-Am was allowed to produce, but did not produce due to constraints within the delivery system. The Basin currently has about 1,400 acre-feet in storage.~~

~~While these supplies are not as certain or may not be as consistently reliable as other supplies in Cal-Am's water portfolio, some proportion of these 406 acre-feet is likely to be available as part of future supply portfolios.~~

Maximum daily and peak hour demands: As noted above, Cal-Am's CEQA review evaluated whether the desalination facility, if included as part of Cal-Am's water portfolio, would allow Cal-Am's water system to provide maximum daily demand ("MDD") and peak hour demand ("PHD"), pursuant to the state's requirements for public water systems. That review considered Cal-Am's peak month demand as being ~~the critical~~thecritical determinant as to whether the system could meet MDD and PHD. The review used July of 2010 as the peak month demand, when Cal-Am's ratepayers used 1,111 acre-feet of water. The CPUC's Final Decision noted, based on the information available at that time, that the MDD was 60.48 acre-feet (about 19.7 million gallons) and the PHD was 15.12 acre-feet (about 4.9 million gallons).

MPWMD has also prepared calculations to determine whether including the Pure Water Expansion instead of the desalination facility as part of the water portfolio could meet maximum daily and peak hour demands (see Exhibit ~~17~~19 – MPWMD *Analysis of Available Well Capacity for 10-Year Maximum Daily Demand (MDD) and Peak Hour Demand (PHD)*). It used an even higher peak month as its baseline – July of 2012, when demand was 1,206 acre-feet – and determined that the Pure Water Expansion would more than allow Cal-Am to meet these standards. ~~The District's~~MPWMD's calculations included assumptions that the additional well capacity included as part of the Pure Water Expansion and a proposed pump station would be developed as proposed and one or more existing wells not currently connected to the system could be added. It concluded that these demands could be met under any of several operating scenarios that used the Pure Water Expansion instead of the desalination facility. Cal-Am's June 30, 2020 letter stated that the Pure Water Expansion would not be sufficient to support these peak demand needs~~; however, it neglected to address other factors that were~~

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~~addressed in another recent study, as described below.[134]~~. Cal-Am explained that using only MDD and PHD to project demand is inappropriate because public water systems must be able to "deliver water supplies at near MDD levels during dry years over a few maximum months of demands." The appropriate way to ensure adequate capacity is by calculating demand based on maximum month demand ("MMD") as required by the California Waterworks Standards (Cal. Code Regs., tit. 22, § 64554, subds. (a), (b)(2)). Cal-Am explained that MPWMD's conclusion that the Pure Water Expansion can meet MDD and PHD relies on the availability of drought reserves to meet such demand—however, MPWMD also assumes that no drought conditions will occur on the Monterey Peninsula between now and 2034, allowing for the buildup of such reserves. As explained below, the assumption that the Peninsula will not experience drought conditions over any significant period is wholly untenable, given that California has experienced a drought in every decade over the last century,[216] and recharge of groundwater reserves is essentially unavailable under drought conditions.[217] ~~Drought supply: A key concern raised by Cal-Am and others about the Pure Water Expansion is whether it would be able to provide sufficient water supply during multiple years of drought. The Project Final EIR/EIS described concerns about whether even the first phase of the Pure Water project would provide sufficient water during multiple drought years, and it based the approved size and volume of the desalination facility, in part, with this concern in mind.[135] MPWMD has evaluated how much water would be available during multiple drought years and determined that, with the Pure Water Expansion adding water to the ASR project each year and with the current level of demand and expected increases in that demand, Cal-Am's portfolio could provide adequate water for multiple drought years (see Exhibit 18 – Final Supplemental Environmental Impact Report for the Proposed Modifications to the Pure Water Monterey Groundwater Replenishment Project, April 2020, Appendix M: Source Water Operational Plan Technical Memorandum). MPWMD's modeling shows that the amount of water stored in the ASR would increase at a rate allowing it to contribute water to Cal-Am's water supply portfolio during an increasing number of drought years through time. Starting in 2020, the ASR would provide between about 4,750 and 5,950 acre-feet per year and by 2024 would have enough water stored to provide for about two years of drought~~

~~[134] In an April 17, 2020 call with staff of the State Water Board's Drinking Water Division and MPWMD to discuss MPWMD's analysis, Board staff identified no inconsistencies with state drinking water requirements.~~

[216] See U.S. Geological Survey, 2012-2016 California Drought: Historical Perspective, available at https://ca.water.usgs.gov/california-drought/california-drought-comparisons.html#:~:text=Runoff%20and%20precipitation%20conditions%20for%20California's%20six%20historical%20droughts; California Department of Water Resources, California's Most Significant Droughts: Comparing Historical and Recent Conditions, p. 54 (January 2020), available at https://water.ca.gov/-/media/DWR-Website/Web-Pages/What-We-Do/Drought-Mitigation/Files/Publications-And-Reports/a6022_CalSigDroughts19_v9_ay11.pdf.

[217] In an April 17, 2020 call with staff of the State Water Board's Drinking Water Division and MPWMD to discuss MPWMD's analysis, Board staff identified no inconsistencies with state drinking water requirements.

~~[135] See, for example, the Final EIR/EIS Section 8.2.13 at pages 117-18, which states: [t]he recent severe, five-year drought demonstrated that it is not reasonable to assume that there would never be drought conditions that could deplete ASR reserves and prevent new ASR supplies being diverted from the Carmel River for storage and use. Consequently, changes in plant sizing based on scenarios that assume the availability of adequate ASR supplies would need to be considered carefully.~~

Note: These are not Commission staff's Recommended Findings

~~and by 2034 would have enough stored for at least four years of drought and possibly longer.~~

Other reviews: In response to the November 2019 Commission staff report on the ~~Cal-Am~~Cal-Am project and to the 2019 Update, Cal-Am prepared a review and critique of the conclusions of those documents. However, that review (see Exhibit ~~19~~21 – California American Water Peer Review of Supply and Demand for Water on the Monterey Peninsula, Hazen and Sawyer, January 22, 2020) assumed for its analyses that ~~Cal-Am's~~Cal- Am's current demand was 12,350 acre-feet per year, which was substantially greater than the above-referenced 9,789 acre-feet that ~~Cal-Am~~Cal-Am has recently acknowledged to be its expected demand in 2019 through 2022.

In addition to the analyses conducted by the CPUC, Cal-Am, and MPWMD, ~~the Marina Coast Water District ("~~MCWD~~") –~~ conducted its own analyses to identify whether the Pure Water Expansion would provide adequate future water supplies. ~~The~~ MCWD's report (see Exhibit ~~20~~22 – Expert Report and Recommendations of Peter Mayer, P.E., Regarding Water Supply and Demand in the California American Water Company's Monterey Main System, April 21, 2020) used an even higher, and therefore more conservative, demand figure than both the MPWMD and Cal-Am had used (9,885 ~~acre-feet~~acre- feet versus 9,825 and 9,789 acre-feet, respectively), but similarly concluded that the Pure Water Expansion would meet water needs and state requirements until at least 2040. ~~These reports also countered the other conclusions of the above-referenced Hazen and Sawyer report – for example, they point out that the Hazen and Sawyer report made errors in its peak demand analyses and assumed that per capita water use would increase despite state requirements to reduce that use.~~[136]

The Mayer report includes additional assessments of expected growth, using population projections provided by the Association of Monterey Bay Area Governments ("AMBAG") and based on expected water usage in the various water demand sectors – e.g., residential, commercial. It evaluated expected water use using both the current demands and using the expected reductions in demand that would occur during ongoing implementation of water efficiency measures. Under both scenarios, it determined that either project would allow Cal-Am to have sufficient water supplies through 2040 and that adding the Pure Water Expansion to Cal-Am's water supply portfolio would provide an approximately 1,200-acre-foot surplus supply in 2040. It also provides an evaluation of how the Pure Water Expansion would allow Cal-Am to meet expected peak demand requirements under any of several scenarios and shows that ~~Cal-Am~~Cal-Am has additional water management options – such as adding additional pumping capacity, implementing rate or demand control measures, etc. – that would provide even more ability, if needed, to meet those peak demands.

Demand Determinations

The Commission has been presented with conflicting ranges of estimates and projections of current and future water demand for the Peninsula. The MPWMD range of future demand is 10,855 acre-feet per year to 12,287 acre-feet per year.[218] Demand

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~~[136] See also the March 6, 2020 letter from the Monterey Peninsula Water Management District to Cal-Am, which raises similar concerns about the Hazen and Sawyer report.~~

[218] Compare Update 2019 Table 8 with Update 2020 Table 9. In the 2019 Update, MPWMD estimated the higher end of demand to be 12,656 acre-feet per year but revised its estimate to 12,287 acre-feet in the 2020 Update.

Note: These are not Commission staff's Recommended Findings

projections from MCWD are generally within this same range. In response to the analysis provided to the Commission by MPWMD and MCWD, on August 12, 2020, Cal-Am submitted an expert report prepared by Hazen and Sawyer, which demonstrates that the Pure Water Expansion is not capable of meeting even the most conservative end of the range of demand estimates when combined with Cal-Am's existing portfolio without the desalination Project.[219] A supplemental report from Hazen and Sawyer, dated September 10, 2020, and attached hereto as Exhibit 23, confirms this assessment. Therefore, without deciding on the merits of the various demand projections presented to the Commission, for purposes of determining whether the Pure Water Expansion could provide sufficient supply to meet the Peninsula's water demand, the Commission is assuming that demand for Cal-Am's Monterey service area is 10,855 acre-feet per year (although MPWMD has acknowledged that demand may be as high as 12,287 acre-feet per year).[220]

Evaluation of Available Supplies to Meet Demand

To determine if the Pure Water Expansion is a feasible alternative to the Project, it must be determined whether available water supplies within Cal-Am's service territory can meet 10,855 acre-feet per year of demand with only the addition of the Pure Water Expansion.

The CPUC analysis showed that Cal-Am's water portfolio, including production from the proposed desalination facility, would provide about roughly 1,300 acre-feet more water than needed to serve the CPUC expected 14,000 acre-feet per year demand. The components of the expected water portfolio are shown in Table 5 and described below.

Table 5: CPUC identified available water supplies

Source:	Amount Available (in acre-feet per year):
Carmel River	3,376
Seaside Groundwater Basin	774
Aquifer Storage and Recovery	1,300
Sand City Desalination Facility	94
Pure Water Monterey Groundwater Replenishment Project	3,500
Total:	9,044
Total when including a 6.4 mgd (6,252 afy) desalination facility:	15,296

[219] See Exhibit 25 – August 11, 2020 Hazen Memo.

[220] Since the Commission adopts the most restrictive estimate of demand for purposes of evaluating the feasibility of the Pure Water Expansion, the Commission does not need to evaluate arguments from MCWD, Stoldt, and Marina concerning the effectiveness of future conservation measures, the effects of increased customer rates on demand, expected demand from the buildout of the Pebble Beach entitlements and lots of records, hospitality industry rebound/tourism bounce-back or other similar arguments that demand will be further depressed.

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A common principle in water planning is that having more water sources is preferred to having fewer, as more sources generally allow for more overall reliability. Although some areas in the state rely on one or two main sources (along with conservation) to meet their water needs. However, the Peninsula is unique and does not have a significant local water supply source of its own. As shown above, Cal-Am currently has five sources (not counting conservation). Adding the Pure Water Expansion and including it as part of the existing Pure Water project would keep Cal-Am with five sources, while adding desalination would increase sources to six.

In summary, the CPUC identified a current baseline use of 12,000 acre-feet per year, an expected future demand of about 14,000 acre-feet per year, and an available supply, including Cal-Am's proposed desalination facility, of 15,296 acre-feet per year.

Similar to the competing demand scenarios described previously, the Commission received competing analyses purporting to identify the available water supplies for the Peninsula within Cal-Am's water supply portfolio. Table 7 below summarizes the conflicting evaluations of available supplies.

Note: These are not Commission staff's Recommended Findings

Table 7: Identified Available Water Supplies In Acre-Feet Per Year

(Added)/ Assumption Scenario	Proposed by Others			ASR Controlled*			Wastewater & Reclamation Ditch Controlled*		
	CPUC	MPWMD 2020	MPWMD 2019	No ASR	Half ASR (650 AFY)	Full ASR (1,300 AFY)	Updated Table 9 – Normal Year building Reserve	Updated Table 10 – Normal Yr after full Reserve	Updated Table 11 – Dry Year
1. Carmel River	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376
2. Seaside Groundwater Basin	774	774	774	774	774	774	774	774	774
3. Aquifer Storage and Recovery	1,300	1,300	1,300	0	650	1,300	1,300	1,300	1,300
4. Sand City Desalination Facility	94	94	94	94	94	94	94	94	94
5. Pure Water Project	3,500	3,500	3,500	3,500	3,500	3,500	3,700	3,500	0
6. Pure Water Expansion	-	2,250	2,250	2,250	2,250	2,250	528	719	0
7. Other Available Supplies	-	300	406	-	-	-	-	-	-
Total without desalination Project	9,044	11,594	11,700	9,994	10,644	11,294	9,772	9,763	5,544
Surplus/Deficit assuming 10,855 afy demand	-1,811	**739**	**845**	-861	-211	**439**	-1083	-1,092	-5,311

* Figure 2 from the August 11, 2020 Hazen and Sawyer report depicts these alternative scenarios. (August 11, 2020 Hazen Memo, p. 19.)

Note: These are not Commission staff's Recommended Findings

The availability of the water supply sources included in Table 7 above are described in more detail below.

Source 1. Carmel River.

Although Cal-Am is required to reduce its withdrawals from the Carmel River, it continues to have the legal right to withdraw 3,376 acre-feet per year from the river.

Source 2. Seaside Groundwater Basin.

Cal-Am has also relied on past withdrawals from the Seaside Groundwater Basin. As part of the Basin's adjudication in 2006, Cal-Am was determined to have rights to 1,474 acre-feet per year from the Basin; however, based on its overwithdrawals from past years, Cal-Am is required to replenish the Basin at a rate of 700 acre-feet per year over a 25-year period, which limits its allowable withdrawals to 774 acre-feet per year. In an August 12, 2020 memorandum, the Seaside Groundwater Basin Watermaster expressed concern that the Basin would need additional water – about 1,000 acre-feet per year over and above the currently proposed 700 acre-feet per year – to provide protective groundwater elevations in the Basin, and that the proposed Project is the only possible source for this additional supply. For the sake of this alternatives analysis of the Pure Water Expansion, the Commission is utilizing the most conservative demand levels presented to it (10,855 acre-feet per year) without considering the potential need for an additional 1,000 acre-feet per year for the Seaside Basin. The Commission notes, however, that based on the submission from the Seaside Groundwater Basin Watermaster, future demand on the Peninsula could increase by 1,000 acre-feet per year to account for the additional water needed to prevent groundwater intrusion in the Basin.

Source 3. Aquifer Storage and Recovery ("ASR").

Cal-Am and MPWMD together implemented an ASR project that provides a water supply based on using available storage capacity in the Seaside Basin. The project involves diverting high winter flows of Carmel River water into the Basin for later recovery, treatment, and delivery to customers during summer months to help reduce summer withdrawals from the river. The winter flows it diverts are only those identified as excess to the flows needed to support the river's threatened steelhead population. MPWMD's website explains that the first ASR phase was completed in 2008 and allows a maximum annual diversion of about 2,400 acre-feet per year from the Carmel River, and has an average yield of approximately 920 acre-feet per year. The second phase, completed in 2013, allows storage of up to 2,900 acre-feet per year and provides an average yield of 1,050 acre-feet of additional water supply.[221] However, MPWMD explains in the Updates that "[b]ased on long-term historical precipitation and streamflow data, ASR is designed to produce 1,920 AFA on average."

The analyses in the Updates rely on ASR providing 1,300 acre-feet every year for Pure Water Expansion to meet existing Peninsula water demand and assumes no drought between now and 2034. These assumptions are unrealistic for the following reasons. First, as explained in the August 11, 2020 report from Hazen and Sawyer, ASR using excess Carmel River water in the past 15 years has not shown the ability to consistently

[221] See https://www.mpwmd.net/water-supply/aquifer-storage-recovery/

Note: These are not Commission staff's Recommended Findings

provide 1,300 acre-feet in any given year, much less in drought years. Between 2005 and 2019, annual ASR reinjection only reached 1,300 acre-feet twice.[222] During that same period, ASR only achieved an output of the 1,300 acre-feet assumed by the Updates once. Second, during drought periods, injeciton and recovery from ASR is essentially unavailable. In a single dry year, ASR water availability is reduced to 63%. Following three dry years, ASR availability is reduced to 4%.[223] The reliability of ASR during drought conditions is depicted in Cal-Am's Urban Water Management Plan Table 6-2, as shown below.

(Added)

Table 6-2: Monterey County District Supply Reliability-Current Water Use

Water Supply Sources[1]	Average / Normal Water Year Supply	Single Dry Water Year	Multiple Dry Water Year Supply		
			Year 1	Year 2	Year 3
Carmel Valley Aquifer	100%	100%	100%	100%	100%
Seaside Groundwater Basin	100%	100%	100%	100%	100%
Salinas Valley Groundwater Basin	100%	100%	100%	100%	100%
Aquifer Storage and Recovery	100%	63%	74%	17%	4%
Sand City Desalination	100%	100%	100%	100%	100%

Third, ASR has not proven itself capable of building up a drought reserve to consistently deliver 1,300 acre-feet. For the last 15 years, average annual storage of ASR is approximately 138 acre-feet per year. Over the last five years, average annual storage of ASR is 352 acre-feet per year.[224] These amounts are not sufficient storage to provide 1,300 acre-feet annually over a multi-year drought. As a result, the Commission cannot rely on the availability of 1,300 acre-feet per year from ASR as part of the water supply portfolio.

In Table 7, three ASR Controlled scenarios are presented: No ASR, Half ASR (650 acre-feet per year), and Full ASR (1,300 acre-feet per year). The Half ASR scenario involves more generous assumptions of ASR availability than the ASR average of 450 acre-feet per year during the past 22 years. Under these three scenarios, water supply for all other sources is assumed to be equal to the availability assumed by the Updates and by the CPUC – i.e., only availability of ASR is variable. As shown, ASR must provide 1,300 acre-feet per year every year in order to achieve the low end demand of 10,855 acre-feet per year. Under the Half ASR scenario, this demand cannot be met.

When a multi-year drought is considered, the availability of ASR is reduced to zero. The Updates assume that ASR water supply is available each year, such that the Peninsula can build up a reserve of ASR water to compensate for extended drought conditions, and that no drought will occur between now and 2034. In assuming that no drought will occur, the Updates also ignore the fact that ASR recharge is unreliable and takes place

[222] Exhibit 25 – August 11, 2020 Hazen Memo, pp. 5, 19.

[223] Exhibit 21 – January 23, 2020 Hazen Memo, pp. 6-8; Exhibit 25 – August 11, 2020, Hazen Memo, pp. 5.

[224] Exhibit 25 – August 11, 2020 Hazen Memo, p. 5.

Note: These are not Commission Staff's Recommended Findings

intermittently, at best. California has experienced a multi-year dry period or drought in every decade for the last century, and recharge of groundwater reserves is essentially unavailable under drought conditions. Therefore, it is inappropriate not to consider the effects of drought when analyzing the availability of ASR water. ASR water availability is reduced to 63% in a single dry year, and even further reduced to 4% following three dry years.[225] Accordingly, when considering availability of ASR alone, the Pure Water Expansion cannot meet even the low demand projection of 10,855 acre-feet per year. As discussed below, when drought is factored in while also considering the availability of wastewater and Reclamation Ditch flows, the Peninsula's water supply deficit could reach upwards of 5,311 acre-feet.

Source 4. Sand City Desalination Facility.

This facility is owned by Sand City but operated by Cal-Am. Of the facility's 300 acre-feet per year capacity, Cal-Am has available to it a long-term supply of 94 acre-feet per year.

Source 5 and 6. Pure Water Project and Pure Water Expansion.

At the time of the CPUC's review, the first phase of Cal-Am's Project – a joint proposal by the Monterey Regional Water Pollution Control Agency and MPWMD – had just undergone environmental review. The project involves treating several water sources – including treated wastewater, agricultural runoff water, and stormwater – and injecting the treated water into the Seaside Groundwater Basin for later additional treatment and use as a potable water supply. The CPUC's decision to approve Cal-Am's desalination facility relied on Cal-Am being able to purchase 3,500 acre-feet per year from the Pure Water project, which allowed the CPUC to reduce the size of Cal-Am's desalination facility from its initially proposed 10,700 acre-feet per year to its currently proposed 6,252 acre-feet per year (i.e., from 9.6 to 6.4 mgd). As discussed in the feasibility analysis above, due to technical issues, the Pure Water project is currently only capable of producing 2,030 acre-feet per year, which is less than 58 percent of the 3,500 acre-feet per year the project was intended to produced. The Pure Water Expansion is intended to expand the Pure Water project with the goal of supplying 2,250 acre-feet per year in addition to the 3,500 acre-feet per year to be supplied by the Pure Water project. In order to achieve the low-end demand of 10,855 acre-feet per year, MPWMD has assumed that 100% of the projected supplies from both the Pure Water project and the Pure Water Expansion will be available at all times.

Speculative Source Water Supplies for the Pure Water Project and Expansion. As described above in the discussion of Pure Water Expansion feasibility, there is significant uncertainty and controversy surrounding the availability and reliability of the source waters for the Pure Water project and the Pure Water Expansion. (See Section IV.C.1, *supra*.) Many of the water sources purportedly available to Monterey One Water to supply the Pure Water project and the Pure Water Expansion are either contractually dedicated to other users or are merely "paper" water, meaning these sources are not actually available when Monterey One Water needs them most, such as during the summer or during drought. Relying on such speculative water sources to supply the Pure Water Expansion will result in inadequate supplies for the Peninsula.

[225] Exhibit 21 – January 23, 2020 Hazen Memo, pp. 6-8.

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It is unnecessary to make any conclusions regarding the contractual disputes between Monterey One Water and other public agencies (such as Monterey One Water's dispute with MCWRA over the ARWRA source waters and Monterey One Water's dispute with the City of Salinas regarding use of the City's agricultural produce wash water). Instead, the limited and variable availability of WWTP flows and surface water flows from the Reclamation Ditch indicate that the Pure Water project and the Pure Water Expansion will not be able to produce their assumed supply of 3,500 acre-feet per year and 2,250 acre-feet per year, respectively.

- WWTP Flows. There are significant limitations on wastewater flows, and data gaps within the analyses in the SEIR for the Expansion and offered by the Updates that do not account for the continuing decrease in WWTP flows in the region over the past decade. Specifically, the SEIR and subsequent analysis provided by the Updates and MCWD do not account for WWTP flows beyond 2013. In response to the August 11, 2020 Hazen and Sawyer memo demonstrating that WWTP flows declined significantly since 2013, Monterey One Water made updated WWTP flow information available to the Commission and the public for the first time on August 20, 2020. In Hazen and Sawyer's August 23 and September 10, 2020 supplemental reports, Hazen demonstrates that based on the new WWTP flow information provided by Monterey One Water, the Pure Water project and the Pure Water Expansion cannot reasonably rely on WWTP flows to produce 3,500 acre-feet per year and 2,250 acre-feet per year, respectively. Similarly, there is a continuing decline of wastewater effluent directed to the ocean outfall. The Draft SEIR indicated that there was approximately 8,000 acre-feet per year of wastewater effluent available to the ocean outfall in a normal year. (Draft SEIR Appendix M, Table 2.) However, the Final SEIR updated this assumption to 5,811 acre-feet per year. When considering Monterey One Water's flow information for 2020, which shows wastewater flow at 17,980 acre-feet, the available wastewater flow to the ocean outfall is 5,554 acre-feet.[226] Given that the Pure Water project requires 4,568 acre-feet-per-year of wastewater to produce 3,700 acre-feet-per-year in product water for Cal-Am and to build a drought reserve, and the Regional Urban Water Augmentation Project requires at least 741 acre-feet-per-year, only 432 acre-feet-per-year in WWTP flows will be available for the Pure Water Expansion.[227] Given that the Pure Water Expansion requires at least 2,778 acre-feet-per-year to produce the promised 2,250 acre-feet-per-year in treated water, available WWTP source waters are insufficient to allow the Expansion to operate near its capacity. Actual WWTP flows are likely to be even less in dry years, during which there will be no flow available for the Pure Water Expansion. When data and wastewater trends are taken into account, the Pure Water project and the Pure Water Expansion would not have sufficient source water to provide the Peninsula with an adequate water supply during substantial periods during the year in both normal and dry years.[228]
- Reclamation Ditch Flows. As explained above, the Pure Water projects depend heavily on surface water flows. Among the surface water flows relied upon for the Pure Water projects is flow from the Reclamation Ditch. Reclamation Ditch flows were analyzed originally in the Schaaf & Wheeler Agricultural Ditch Yield Study,

[226] Exhibit 23 – September 10, 2020 Hazen Memo, p. 2.

[227] *Id.*

[228] Exhibit 25 – August 11, 2020 Hazen Memo, pp. 6-10.

Note: These are not Commission staff's Recommended Findings

March 2015, based on 2006-2014 data, and were updated in the Pure Water Expansion SEIR Appendix I Tables 8-11. Hazen and Sawyer's August 11, 2020 report updated Reclamation Ditch flows using actual recorded flow data from U.S. Geological Survey ("USGS").[229] Notably, the USGS data provides recorded Reclamation Ditch flow by month from 2010 to April 2020. Based on a review of actual flow records from USGS, the SEIR for the Pure Water Expansion significantly overestimated the availability of Reclamation Ditch flow by 16 to 67 percent in critical summer months.

- Monterey One Water has claimed that it has secured agreements for more than adequate source waters to supply the Pure Water Expansion. However, Tables 2 and 3 to the Pure Water Expansion SEIR, coupled with the above-described analysis of WWTP flows, demonstrates that sufficient source waters are not in fact available. When accounting for all assumed and estimated source water flows according to the Source Water Priority Table 3 in Appendix M to the Pure Water Expansion SEIR, there is only 2,297 acre-feet-per-year available to the Pure Water Expansion.[230] With such flows available, the maximum treated water that could be produced by the Pure Water Expansion amounts to 1,860 acre-feet-per-year. That supply is further reduced to 1,597 acre-feet-per-year if source water figures are reduced to account for current wastewater flows described above. These supplies are far below the 2,250 acre-feet-per-year that Monterey One Water claims could be supplied by the Pure Water Expansion, and would not provide adequate supplies to meet demand in Cal-Am's Monterey service area.

In Table 7, under the Wastewater & Reclamation Ditch Scenarios, the source water data in the FSEIR has been updated to account for the availability of WTTP flows and Reclamation Ditch flows. Under these three scenarios, all other sources, including ASR, are assumed to be fully available. As depicted in the Wastewater & Reclamation Ditch Scenarios in Table 7, the operation of the Pure Water project and the Pure Water Expansion, when combined with Cal-Am's existing sources, cannot satisfy MPWMD's low-end demand estimate of 10,855 acre-feet per year. In normal years the supply deficit could range from -1,083 acre-feet to -1,092 acre-feet, while in a dry year that deficit could reach -5,311 acre-feet. If the full availability of ASR were replaced in the table with realistic ASR assumptions for the Wastewater & Reclamation Ditch Scenarios, then the supply deficit would be even more severe.

Source 7. Other Available Supplies.

The Updates also assert that the following "Other Available Sources" are available to Cal-Am:

- Up to about 300 acre-feet per year from the Carmel River ("Table 13" water rights through State Water Board Permit #21330 issued to Cal-Am in 2013). Cal-Am's

[229] Exhibit 25 – August 11, 2020 Hazen Memo, pp. 10-11; see also September 10, 2020 Pebble Beach Company Letter to Coastal Commission p.2 (From 30 years of experience with the Pebble Beach water reclamation project "we've learned that the supply of recycled water is extremely dependent upon the community's potable water use that, in turn, supplies the 'raw product' for the reclamation process… Recycled water alone simply cannot meet the Monterey Peninsula's water supply needs on a sustainable, long-term basis.")

[230] See Exhibit 23 – September 10, 2020 Hazen Memo, p. 2.

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Table 13 water rights under Permit 21330 provide a potential right to divert up to 1,488 acre-feet per year from the Carmel River, but this right is only available between December and May and is subject to instream flow requirements, such that in times of drought Table 13 water may not be available. Use of Table 13 water is also limited to the Carmel River watershed. The Updates acknowledges these limitations, but assumes that 300 acre-feet per year will be available, despite the fact that diversions were only 42.2 acre-feet in 2015 and 164.2 acre-feet in 2016. A water system's supply must be assessed in dry and multiple dry water years, and must include the source's lowest anticipated daily yield.[231] Because of the uncertainty of availability of Table 13, inclusion of any permitted amounts from this source in determining adequacy of supplies is speculative and not supported.

- Additional production from the Sand City desalination facility: up to about 106 acre-feet per year available to Cal-Am until Sand City generates sufficient growth and development to use this volume of water. The CPUC considered whether any additional supply was available from the Sand City desalination plant, and specifically whether an additional 106 acre-feet per year was available to Cal-Am. The CPUC concluded that arguments about any additional allocation above the 94 acre- feet per year already allocated to Cal-Am confused the Sand City plant's total expected production of 200 acre-feet-per-year with Cal-Am's allocation, and that no credible evidence supported the claim that Cal-Am would be able to rely on receiving more than the 94 acre-feet-per-year to which it is currently entitled.[232] More recently, Cal-Am has reported as part of its compliance requirements to the State Water Board that the Sand City facility had produced a total of 153.95 acre-feet during the 2018-2019 recent water year, although Cal-Am's existing agreements continue to permit it to utilize only 94 acre-feet-per-year of the production from the Sand City facility.[233] As such, reliance on this water source in an amount greater than 94 acre-feet-per-year is speculative.

- "Carryover Credit" from the Seaside Groundwater Basin: Cal-Am has a number of "credits" for water in the Seaside Groundwater Basin that Cal-Am was allowed to produce, but did not produce due to constraints within the delivery system. The Updates assert that the Basin currently has about 1,400 acre-feet in storage. However, this position conflicts with the CPUC's determination that only 774 afy is available from the Seaside Basin: "Cal-Am's has an adjudicated right to 1,474 afy from the Seaside Groundwater Basin. *See, Cal-Am v. City of Seaside et al., Super. Ct. Monterey County, 2006*, No. M66343. However, Cal-Am must also repay the Seaside Basin for overdrafts and has therefore assumed a reduction of supply of 700 af, over 25 years, resulting in a net supply available to Cal-Am of 774 afy from the Seaside Groundwater Basin."[234] Further, the Seaside Watermaster has provided the Commission with evidence that up to an additional 1,000 acre-feet per year may need to be injected into the Seaside Basin to prevent seawater intrusion. If the Seaside Basin were to become seawater intruded, then Cal-Am

[231] See Water Code, § 10635(a); Cal. Code Regs., tit. 22, § 64554(k).

[232] October 15, 2019, Ian Crooks, Cal-Am Letter to MPWMD, pp. 2, 11.

[233] See July 29, 2020 Cal-Am 4th Quarterly Report to State Water Board for the 2018-2019 Water Year, p. 2.

[234] Decision 18-09-017, p. 33.

Note: These are not Commission Staff's Recommended Findings

and others (including Monterey One Water) may not be able to pump water from the Basin.

While these supplies are not as certain or may not be as consistently reliable as other supplies in Cal-Am's water portfolio, some proportion of these 406 acre-feet is likely to be available at certain times as part of future supply portfolios. To ensure a more conservative assessment of available supplies, the "Other Available Supply" category above is considered a speculative supply and not certain to be available to Cal-Am, as that category includes some less certain water sources.

Drought Supply Considerations.

A key concern raised by Cal-Am and others about the Pure Water Expansion is whether it would be able to provide sufficient water supply during multiple years of drought. The Project Final EIR/EIS described concerns about whether even the first phase of the Pure Water project would provide sufficient water during multiple drought years, and it based the approved size and volume of the desalination facility, in part, with this concern in mind.[235] MPWMD has evaluated how much water would be available during multiple drought years and determined that, with the Pure Water Expansion adding water to the ASR project each year and with the current level of demand and expected increases in that demand, Cal-Am's portfolio could provide adequate water for multiple drought years.[236] MPWMD's modeling purports to show that the amount of water stored in the ASR would increase at a rate allowing it to contribute water to Cal-Am's water supply portfolio during an increasing number of drought years through time. Starting in 2020, MPWMD assets that the ASR would provide between about 4,750 and 5,950 acre-feet per year and by 2024 would have enough water stored to provide for about two years of drought and by 2034 would have enough stored for at least four years of drought and possibly longer. MPWMD also assumes that no drought will occur on the Peninsula between now and 2034.

As discussed above, these assumptions are unrealistic. First, ASR using excess Carmel River water in the past 15 years has not shown the ability to consistently provide 1,300 acre-feet in any given year, much less a drought year. Between 2005 and 2019, annual ASR reinjection only reached the 1,300 acre-feet twice and only achieved the 1,300 acre-feet output assumed by the Updates once.[237] Further, as shown in Table 6-2, from Cal-Am's Urban Water Management Plan, ASR is significantly reduced in dry years and unavailable in drought years. Finally, ASR has not proven itself capable of building a sufficient drought reserve to consistently deliver 1,300 acre-feet based on average

[235] See, for example, the Final EIR/EIS Section 8.2.13 at pages 117-18, which states: [t]he recent severe, five-year drought demonstrated that it is not reasonable to assume that there would never be drought conditions that could deplete ASR reserves and prevent new ASR supplies being diverted from the Carmel River for storage and use. Consequently, changes in plant sizing based on scenarios that assume the availability of adequate ASR supplies would need to be considered carefully.

[236] See Exhibit 20 – Final Supplemental Environmental Impact Report for the Proposed Modifications to the Pure Water Monterey Groundwater Replenishment Project, April 2020, Appendix M: Source Water Operational Plan Technical Memorandum.

[237] Exhibit 25 – August 11, 2020 Hazen Memo, pp. 5, 19.

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annual storage over the last 15 years (138 acre-feet) and five years (352 acre feet)[238] Since ASR has not been able to store 1,300 feet consistently, it cannot be relied upon to deliver 1,300 acre-feet in any given year or a consecutive year period.[239]

In order to achieve the amount of storage that MPWMD claims, it would require more than a decade without any drought on the Peninsula. MPWMD's assumption that the Peninsula will not experience drought conditions over any significant period is not reasonable given that California has experienced a multi-year dry period or drought in every decade for the last century. As shown in Table 7 above, during drought conditions, ASR water is essentially unavailable, which would increase the supply deficit that would result from adding the Pure Water Expansion to Cal-Am's existing water supplies. There is simply no assurance that sufficient water is available for ASR reinjection and storage in any given year, much less to build up adequate storage during drought years. As a result, the Commission cannot rely on the availability of 1,300 acre-feet per year from ASR as part of the water supply portfolio.

The Pure Water Expansion also fails to comply with California mandates designed to ensure that as climate change continues, water suppliers remain capable of providing a drought-proof supply to their customers. Governor Newsom's 2020 Water Resilience Portfolio requires that water suppliers plan for prolonged drought conditions, and "[d]evelop strategies to protect communities and fish and wildlife in the event of a drought lasting at least six years."[240] As discussed, during Normal/Wet years and in Dry years, the Pure Water Expansion would not be able to achieve MPWMD's low-end demand projections for the Peninsula of 10,855 acre-feet per year due to limitations on the available source waters for the Pure Water Expansion. This deficit will only increase during prolonged periods of drought. As such, the Pure Water Expansion would not meet the state's water supply resilience goals, further confirming that is not a feasible alternative to Cal-Am's Project. In contrast, the source water for the proposed Project, the Pacific Ocean, is not vulnerable to drought.

Therefore, since the Pure Water Expansion and existing supply sources would not meet water demand needs on the Peninsula during prolonged drought conditions, the Expansion cannot serve as a viable alternative to the Project during such conditions.

Pure Water Expansion Supplies Do Not Meet Demand.

As shown in Table 7, when ASR is accounted for at a realistic level, the Pure Water Expansion cannot meet the lowest estimate of 10,855 acre-feet per year demand. Likewise, when WWTP flows and Reclamation Ditch flows are accounted for based on current flow data, the Pure Water Expansion cannot meet 10,855 acre-feet per year demand. These scenarios are not exclusive, and despite generously assuming that all other sources are available, the supply deficit would likely be even greater than as depicted in Table 7, particularly during drought years. Accordingly, the Pure Water Expansion is not capable of providing the Cal-Am Monterey service area with reliable water supplies across reasonable and probable scenarios, such as prolonged drought

[238] Exhibit 25 – August 11, 2020 Hazen Memo, p. 5.

[239] Exhibit 25 – August 11, 2020 Hazen Memo, p. 5.

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conditions, and cannot meet projected demand using reasonable and realistic assumptions.

3) How does the Pure Water Expansion conform to the Final EIR/EIS Project Objectives and Criteria used for Cal-Am's Project?

In order to qualify as a feasible alternative to a proposed ~~Project~~project, an alternative generally must feasibly accomplish most of the basic objectives of the project. The Findings below ~~compares~~compare the two projects as to whether they meet the project objectives selected as part of the CPUC's Final EIR/EIS and its Final Decision. Those documents included nine primary objectives and three secondary objectives, all of which are provided below, followed by a brief description of how the two projects conform to them. For purposes of this comparison, the Commission assumes that ~~Cal-Am~~Cal- Am would be successful in gaining approval for use of the shared pipeline, described above, that is critical to ~~its project's~~the Project's feasibility, though it acknowledges that this issue is not yet resolved. Following this comparison, the Findings then evaluate the Pure Water Expansion against the nine criteria the CPUC applied to the initial phase of the Pure Water project to determine ~~that~~whether it was a suitable and reasonable source of water supply for Cal-Am. ~~As noted above, the CPUC determined that although the Pure Water Expansion was speculative at the time of its decision, if built, it would satisfy the basic and key project purposes.~~

Final EIR/EIS primary objectives:

1. ~~1.~~ **Develop water supplies for the Cal-Am Monterey District service area to replace existing Carmel River diversions in excess of Cal-Am's legal entitlement of 3,376 afy, in accordance with SWRCB Orders 95-10 and ~~2016-0016~~2016- 0016:** As described above, ~~including either project as part of~~only Cal-Am's ~~water supply portfolio~~Project would allow Cal-Am to replace its excess diversions from the Carmel River and meet the Peninsula's water demand.

2. ~~2.~~ **Develop water supplies to enable Cal-Am to reduce pumping from the Seaside Groundwater Basin from approximately 4,000 to 1,474 afy, consistent with the adjudication of the groundwater basin, with natural yield, and with the improvement of groundwater quality:** As ~~described in the CEQA documents for both~~discussed above, only Cal-Am's Project ~~and~~ would enable Cal-Am to reliably reduce pumping from the Seaside Groundwater Basin. The Pure Water Expansion would not supply water sufficient to meet even the lowest projection of Peninsula water demand (10,855 acre-feet per year), and therefore poses a significant risk that operation of the Expansion without desalination would not allow Cal-Am to reduce its Seaside Groundwater Basin withdrawals.[241] The CPUC also has noted that the Pure Water Expansion~~, both projects are designed to meet this objective. The Pure Water project and the Pure Water Expansion have contracts and agreements for more than the amount of water they will need, so there is likely to be sufficient water, even if those full amounts are not available.~~ could not "provide supply to allow for replenishment of water that Cal-Am previously pumped from

[241] See Seaside Groundwater Master Letter, p. 2; see also Exhibit 25 – August 11, 2020 Hazen Memo, p. 6; June 30, 2020 Cal-Am Letter to Commission, p. 65.

Note: These are not Commission Staff's Recommended Findings

the Seaside Basin in excess of Cal-Am's adjudicated right . . . . ."[242]

3. ~~3.~~ **Provide water supplies to allow Cal-Am to meet its obligation to pay back the Seaside Groundwater Basin by approximately 700 ~~afy~~acre-feet per year over 25 years as established by the Seaside Groundwater Basin Watermaster: ~~Similar to~~Like** the above, ~~both projects are designed to~~only Cal-Am's Project could reliably meet this objective.[243]

4. ~~4.~~ **Develop a reliable water supply for the Cal-Am Monterey District service area, accounting for the peak month demand of existing customers:** As described above, ~~both projects are sized to accomplish~~only Cal-Am's Project would be able to provide a sufficient water supply to meet peak monthly demand. (See Section IV.O.2, *supra*.) MPWMD's conclusion that the Pure Water Expansion can meet MDD and PHD assumes that no drought conditions will occur on the Monterey Peninsula between now and 2034. This assumption is untenable, given that California has experienced a multi-year drought in every decade for the last century, and recharge of groundwater reserves is essentially unavailable under drought conditions. (See Section IV.O.2, *supra*. As a result, only Cal-Am's project is capable of meeting this objective.

5. ~~5.~~ **Develop a reliable water supply that meets fire flow requirements for public safety:** As described above, ~~both projects are designed to meet maximum daily demand and peak hour demands, which are intended to provide the required factor of safety to ensure public water systems can meet emergency demands.~~only Cal-Am's Project can meet even the most conservative projections of demand for Cal-Am's service area (10,855 acre-feet per year). (See Section IV.O.2, *supra*.) The appropriate way to ensure adequate capacity is by calculating demand based on maximum month demand ("MMD) as required by the California Waterworks Standards (Cal. Code Regs., tit. 22, § 64554, subds. (a), (b)(2)), which was not done to arrive at the 10,855 acre-feet demand scenario.[244] Nevertheless, because the Pure Water Expansion cannot provide sufficient water supplies to achieve 10,855 acre-feet of demand, Pure Water Expansion cannot provide a reliable water supply that meets relevant fire flow requirements.

6. ~~6.~~ **Provide sufficient water supplies to serve existing vacant legal lots of record:** The buildout of existing lots of record has the potential to cause current water demand on the Peninsula to grow. The rate of growth due to this buildout is disputed by Cal-Am, MPWMD and others. However, a determination of the rate of growth as a result of buildout is not required. As described above, ~~adding either project to Cal-Am's water supply portfolio would provide sufficient water for the area's lots of record.~~the Pure Water Expansion is not capable of meeting the low projected demand of 10,855 acre-feet per year without desalination, which does not even take into consideration higher housing demand projections from cities in

[242] See CPUC Decision D.18-09-017, p. 40.

[243] See Seaside Groundwater Master Letter, p. 2; see also Exhibit 25 – August 11, 2020 Hazen Memo, p. 6; June 30, 2020 Cal-Am Letter to Commission, p. 65.

[244] June 30, 2020 Cal-Am Letter to Commission, p. 61.

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Cal-Am's service territory like Monterey.[245] Accordingly, the Pure Water Expansion does not satisfy this objective.

7. ~~7.~~ **Accommodate tourism demand under recovered economic conditions:** As described above, ~~adding either project to Cal-Am's water supply portfolio~~even if the lowest demand projection for the Peninsula is accepted, the addition of the Pure Water Expansion to Cal-Am's existing water supplies (without the addition of the proposed Project) is insufficient to meet 10,855 acre-feet per year demand and therefore could not accommodate tourism demand. In contrast, Cal-Am's Project would allow for an ~~expected~~ increase in tourism demand for water over the coming two decades or longer.[246]

8. ~~8.~~ **Minimize energy requirements and greenhouse gas emissions per unit of water delivered:** The Pure Water Expansion would use about 23,000 megawatt hours per year of electricity, ~~almost all of~~ which ~~will be~~is proposed tobe generated by landfill gas that would otherwise be released to the atmosphere, as well as 45 megawatt hours per year of electricity from the grid. However, Monterey One Water has not yet secured construction bids to build the infrastructure that would support this conversion and the bids it has received far exceed its original estimates. If Monterey One Water cannot secure reduced bids or obtain additional funding, it cannot implement this landfill gas power system. Accordingly, the greenhouse gas emissions of the Pure Water Expansion are somewhat unknown at this time. Cal-Am's Project would use about ~~52,000~~38,000 megawatt hours per year, potentially from grid-based electricity that currently represents production of ~~about 8,000~~just over 5,188 metric tonnes of CO2 equivalent per year. (See Section K, *supra*.) However, the CPUC imposed a mitigation measure that requires Cal-Am's operations to ~~be carbon neutral~~result in net zero operational emissions, either through securing on-site or off-site renewable energy, or purchasing and retiring renewable energy or carbon credits. Overall, Cal-Am's electrical use would be, both initially and over the long term, ~~significantly~~ higher than that of the Pure Water Expansion, although it would also produce more water. Per unit of water delivered, it appears that Cal-Am's Project would have slightly lower energy use~~; however, unless it was powered by renewable energy sources, it would result in generation of more greenhouse gas emissions than the Pure Water Expansion, thus the need for Cal-Am's mitigation requirement to obtain emission offsets~~. Emissions related to both projects' electricity use ~~is~~are slated to be carbon neutral, though they would reach that goal through different means. ~~The Pure Water Expansion is slated to use landfill gas that otherwise enters the atmosphere, which would be carbon benefit. Cal-Am may achieve its carbon neutrality through a combination of renewable energy purchases and offsets, which are less certain to provide actual greenhouse gas benefits (see also Section III of these Findings). In fact, a recent court decision rejected another agency's use of the same type of carbon offsets that the CPUC imposed on Cal-Am, finding that they were not certain to result in verifiable and permanent carbon reductions. *Golden Door Properties, LLC v. County of San Diego* (2020) 50 Cal.App.5th 467. Overall for this objective, Cal-Am would use more energy and is less certain to offset the emissions caused by its use of energy, though the Expansion project~~

[245] See Exhibit 29 – February 4, 2020 City of Monterey Letter to MPWMD, p. 1.

[246] See June 30, 2020 Cal-Am Letter to Commission, pp. 66-67.

Note: These are not Commission staff's Recommended Findings

~~may use more energy per unit of water.~~.

~~9. Minimize project costs and associated water rate increases: The PWM Pure Water Expansion conforms to this objective far better than the Cal-Am project. Pure Water's capital costs are roughly a quarter or a third of Cal-Am's; its water costs are about a third of Cal-Am's, and the effects on water rates are expected to be similarly less than Cal-Am's.~~

9. Minimize project costs and associated water rate increases: The CPUC approved a rate increase of about $37-$40 per month for the average Cal-Am customer in a single family residence for the desalination facility, and that increase is not directly tied to per acre-foot water costs, and that rate will not be affected by any growth in per acre-foot water costs.[247] This is because the CPUC already determined the rate increase for Cal-Am's customers for the desalination facility based on a calculation of the annual revenue required to repay capital costs to build the facility, including set financing repayment requirements, and the annual facility operations and maintenance. How much water the facility ultimately produces (or does not produce) is not a material variable in rates that customers are charged, except for minor, incremental operating and maintenance costs. It is uncertain whether the Pure Water Expansion conforms to this objective, as new evidence suggests the project's projected costs continue to increase. As of June 2020, Monterey One Water stated that at the current projected delivery of 2,030 acre-feet per year, costs for Pure Water project water would increase to $3,678 per-acre-foot. Under the most optimistic scenario presented by Monterey One Water, the Pure Water project water costs will amount to $2,508 per-acre-foot. This represents a 50 percent increase over the water rate approved for the Pure Water project by the CPUC. Moreover, an increase in the Pure Water Expansion's costs is made more likely by recent information, which suggests the project will not have sufficient source water to meet the area's demands. (See Section IV.O.1, *supra*.) Finally, current costs projections for Pure Water Expansion do not account for costs already spent on the Cal-Am desalination facility, which will be recovered via water rate increases that could increase customer bills by approximately $10 to $20 per month even if the desalination facility is never built. Accordingly, is it uncertain, if not doubtful, whether the Pure Water Expansion satisfies this final, Project objective.

Final EIR/EIS secondary objectives:

1. ~~1.~~ **Locate key project facilities in areas that are protected against predicted future sea-level rise in a manner that maximizes efficiency for construction and operation and minimizes environmental impacts:** ~~Cal-Am's well field, located several hundred feet from the Monterey Bay shoreline, would likely be affected directly by sea level rise and the accompanying erosion of the shoreline. As described above in Section II.H of these Findings, the initial effect on the wells would be from the dune recession that will accompany this coastal erosion – as the shoreline profile moves inland, the foredunes that are seaward of the well field would move inland and bury the well heads. The wells would later be subject to coastal erosion. The Commission's current sea level rise projections show that the well heads would likely be subject to dune recession by about 2040 and would~~

[247] See August 13, 2020 Latham Letter to Commission, p. 1, Exhibit 1, p. 3 n.4 (citing Attachment C-1 to Advice Letter No. 1220-A from California-American Water Company to CPUC).

Note: These are not Commission staff's Recommended Findings

~~be affected by erosion around 2060. The state's more recent guidance to consider a higher scenario of 3.5 feet of sea level rise by 2050 would result in burial and erosion several years sooner. Although Cal-Am has stated that it may avoid these impacts because it expects the wells to operate for no more than 20-25 years, it has not identified where it could relocate the wells. Conversely, the~~As discussed in Section IV.H, Cal-Am's Project is not expected to face any impact from coastal erosion or rising sea levels during the economic life of the Project's slant wells and is consistent with this Secondary Objective. (See Section IV.H; see also AECOM Coastal Erosion Hazard Analysis.) The Expansion would take place at an inland location outside of the coastal zone and is likely to experience few, if any effects of sea level rise.

2. ~~2.~~ **Provide sufficient conveyance capacity to accommodate supplemental water supplies that may be developed at some point in the future to meet build out demand in accordance with adopted General Plans:** As described ~~in Exhibit 17 – Monterey Peninsula Water Management District~~above, Cal-Am's Project would provide adequate conveyance capacity to meet build out demand in accordance with adopted General Plans. The Pure Water Expansion does not appear able to provide adequate conveyance to meet even the lowest projection of demand presented by MPWMD. Exhibit 19 – MPWMD Analysis of Available Well Capacity for 10-Year Maximum Daily Demand (MDD) and Peak Hour Demand (PHD), does not explain how the Pure Water Expansion ~~has been planned to~~project will provide ~~adequate~~excess conveyance ~~to meet the expected water demands.~~capacity for future water projects, as is required to satisfy Secondary Objective 2.[248] Moreover, based on the most recent analysis provided by Hazen and Sawyer, the Pure Water Expansion project does not appear able to meet PHD.[249] Although, the Pure Water Expansion project may have sufficient conveyance capacity, it does not appear able to satisfy this objective because there is insufficient source water for the Expansion to meet its delivery promises. Accordingly, the Pure Water Expansion does not satisfy this secondary objective.

3. ~~3.~~ **Improve the ability to convey water to the Monterey Peninsula cities by improving the existing interconnections at satellite water systems and by providing additional pressure to move water over the Segunda Grade**: ~~Both projects are able to meet this objective, though only if Cal-Am is able to use the distribution pipeline it shares with the Marina Coast Water District or builds a new pipeline (see Section II.A of these Findings).~~The Commission has not received evidence indicating that the Pure Water Expansion would satisfy this Secondary Objective. In contrast, as explained above, existing agreements permit Cal-Am to utilize the shared pipeline, and the pipeline has ample capacity to serve Cal-Am's uses for the Project.[250] If Cal-Am is required to construct an additional, parallel pipeline to carry Project water, that potential additional pipeline remains before MPWMD for approval, and will be considered by the MPWMD Board at a later date.[251] Because only Cal-Am's Project has demonstrated that it will improve

[248] See June 30, 2020 Cal-Am Letter to Commission, p. 68.

[249] See Exhibit 24 – August 23, 2020 Hazen Memo, p. 6.

[250] See June 30, 2020 Cal-Am Letter to Commission, pp. 54-55.

[251] See July 31, 2020 MPWMD Board of Directors Meeting Final Minutes, p. 1.

Note: These are not Commission staff's Recommended Findings

existing interconnections via the shared pipeline or the construction of a parallel pipeline, it is more likely to satisfy this secondary objective.

Applying the criteria used by the CPUC for the Pure Water project to the Pure Water Expansion: During the CPUC's review of Cal-Am's proposed Project, it evaluated several other water supply alternatives to consider whether they could help meet the above project objectives. In 2017, the CPUC applied nine criteria to determine that the then-proposed Pure Water project would provide a reliable 3,500 acre-feet of water per year, which would allow for a smaller desalination facility than Cal-Am had originally proposed – i.e., a 6.4 million ~~afy~~acre-feet per year facility instead of a 9.6 million ~~afy~~acre-feet per year facility.[137][252] To determine whether the proposed Pure Water project would provide a suitable and reliable water supply source, the CPUC had, in 2016, evaluated the Pure Water project against nine criteria, which are provided below. For each of those nine criteria, these Findings compare the status of the Pure Water project at the time of the CPUC's decision with the current status of the Pure Water Expansion.[138][253] This comparison is meant to help determine whether it is similarly reasonable for the Commission to now consider the Pure Water Expansion as a feasible project alternative.

- **Criterion 1 – Final EIR:** The CPUC evaluated whether the Pure Water project had an approved EIR, whether it was subject to a CEQA lawsuit, or whether it was subject to a stay due to any such lawsuit. At the time of the CPUC's decision regarding Cal-Am's Project, the Pure Water project had a completed EIR and was not subject to lawsuits or stays. In applying this criterion to the Pure Water Expansion, that project has ~~a Final SEIR~~an FSEIR that that has ~~been drafted but~~ not yet been certified by ~~the lead agency. Even though the Pure Water Expansion has not quite advanced to the degree the Pure Water project had been at the time of the CPUC's decision, it raises essentially the same issues that were successfully addressed, without challenge, as part of the Pure Water project~~Monterey One Water. After receiving several comments that raised substantial concerns regarding the Pure Water Expansion, the Monterey One Water Board voted to deny certification of the FSEIR on April 27, 2020. Moreover, Monterey One Water has stated that it does not possess the funding to remedy the deficiencies in the Pure Water Expansion FSEIR, and the Monterey One Water Board has ordered its staff to stop all work on the Expansion. As such, CEQA approval for the Pure Water Expansion has not occurred, and the project does not meet this feasibility criteria. Moreover, as discussed in Section IV.O.1, if Monterey One Water eventually chooses to certify the FSEIR, it will likely have to recirculate the FSEIR, respond to public comment, and revise the document before it can be certified, in light of significant new information regarding the availability of source water for the Pure Water Expansion, and the need to construct additional Pure Water deep injection wells, among other issues. Accordingly, the Pure Water Expansion does not satisfy the criterion of having a final EIR.

- **Criterion 2 – Permits:** This criterion was used to determine the status of permits needed to construct and operate the Pure Water project, including whether they had

[137][252] See California Public Utilities Commission, Decision 16-09-021, issued September 22, ~~2106~~2016.

[138][253] The ~~PWM~~Pure Water project sponsors initially prepared a status report in 2018 that applied these nine criteria to the ~~PWM~~Pure Water Expansion. (See May 10, 2018 Progress Report on Pure Water Monterey Expansion, prepared by Monterey One Water.) These Findings provide an update of the conclusions of that 2018 Progress Report.

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been obtained or whether the weight of evidence showed that they were likely to be obtained in a timeframe consistent with the project's proposed schedule. At the time of the CPUC decision, the Pure Water project had not yet obtained several key permits, but the CPUC determined that its sponsors were working diligently to obtain the needed approvals and there was no indication they would not be able to obtain them. ~~The Pure Water Expansion similarly has not obtained all of its needed permits; however, those permits are generally expected to be modified versions of permits the Pure Water project has since obtained. At this point, neither~~Here, the Pure Water Expansion ~~nor Cal-Am~~has not obtained any of its needed permits. Accordingly, it is doubtful the Pure Water Expansion would be able to complete construction and start operations in time to meet the December 2021 deadline established in the State Water Board's ~~cease-and-desist order; however, as described below, the path forward~~CDO. As described in Section IV.O.1, additional delays for construction permitting can be expected due to the likely need for recirculation of the Pure Water Expansion's FSEIR. Monterey One Water cannot obtain any discretionary permits for the Pure Water Expansion ~~involves fewer such obstacles than the Cal-Am Project, and can therefore be expected to be online at least as soon if not sooner.~~until it has certified the FSEIR. Accordingly, the Pure Water Expansion falls short of this criterion.

- **Criterion 3 – Source waters:** This criterion was meant to establish whether there was sufficient legal certainty as to whether the Pure Water project had adequate source water. At the time of the CPUC's decision, the Pure Water project had agreements that could provide it with more than the amount of water it needed to produce the expected 3,500 acre-feet per year, and it was seeking approval for additional amounts. ~~The Pure Water Expansion would use the same water sources, and possibly others. As noted above, an August 20, 2020 Monterey One Water letter referred to the Pure Water Expansion's Final SEIR, which includes a detailed technical memorandum that uses a number of relatively conservative assumptions to evaluate several different scenarios – e.g., dry year versus wet year supplies, variable seasonal or annual amounts from different sources, etc. – and determined in each case that there would be sufficient water to produce the 2,250 acre-feet expected from the Pure Water Expansion (see Exhibit 18). Although some commenters questioned whether the Pure Water Expansion would have a sufficient, reliable supply of water, the project's Final SEIR states that "[n]o new source water diversion and storage sites are necessary to achieve the Expanded PWM/GWR Project's recycled water yield objective of an additional 2,250 AFY of replacement supplies." It further notes that the Pure Water Expansion is designed to use water from existing Monterey One Water contractual rights. Several commenters contended that those contracts allow water to be used only for the Pure Water project, not the Pure Water Expansion. However, the contracts do not make such a distinction, so there appears to be adequate source water for both. Monterey One Water has at least one water source – about 8,000 acre-feet per year – that is not involved in this contractual uncertainty, is not needed by the baseline Pure Water project, and would reliably~~ As discussed in detail above, recent analyses demonstrate that there are not sufficient agreements in place to guarantee water supplies for the Pure Water Expansion, and that when examining available WTTP flows and surface flows that could be available, there is insufficient source water to provide the ~~approximately~~ 3,000 acre-feet per year that the Pure Water Expansion

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would need to produce its 2,250 acre-feet per year.[139] ~~Also,~~ As discussed above, there is a continuing decline of wastewater effluent directed to the Monterey One Water ~~staff has stated that, in any event, it could use the certain water sources in question for~~ ocean outfall, which based on Monterey One Water's flow information for 2020, is 5,554 acre-feet. Accordingly, when looking at outfall flows as a sole source of supply, there are insufficient flows to provide the necessary source water to both the Pure Water project~~,~~ and ~~reserve other water sources (that are not in question) for~~ the Pure Water Expansion. ~~Although some parties still debate whether there is a sufficient long-term water supply for the Pure Water Expansion, its Final Supplemental EIR sufficiently responds to and addresses those questions and provides substantial evidence that adequate source waters exist.~~ Therefore, this criterion cannot be met because source waters are inadequate to produce the Pure Water Expansion's promised 2,252 acre-fee per year.

- **Criterion 4 – Water quality and regulatory approvals:** Similar to Criterion 2, this criterion had the CPUC examine whether it was likely that the Pure Water project would obtain approvals from the state Department of Health and the Regional Water Quality Control Board for its proposed treatment and injection processes. Neither had been obtained at the time of the CPUC decision, though the CPUC noted that available evidence indicated that the approvals would be forthcoming. It cited additional assurance in that the expected water quality sampling and testing program would ensure project water quality would meet necessary health and safety standards and would protect uses of the aquifer. As noted above, the Pure Water project has since obtained those approvals and is now operating. ~~Both~~ Although the Pure Water project and the Pure Water Expansion use the same treatment methods ~~as approved at other permitted facilities of this type in California. Cal-Am and some other commenters submitted comments to Monterey One Water claiming that~~, there are unresolved questions about the quality of treated water that would come from both projects. For instance, there are concerns about whether agricultural runoff water can be successfully treated since the Pure Water ~~Expansion. However, as described in the Final SEIR for the~~ project ~~(which~~ has not yet ~~been certified but which contains the most comprehensive analysis of these issues),~~ successfully treated any such water. Accordingly, there remains uncertainty about whether this criterion can be met by the Pure Water Expansion ~~"would not increase the quantity or type of new source waters that would flow into the [treatment plant] compared to the quantity and type of new source waters that were evaluated in the certified [EIR for the original PWM project]." In other words, the Monterey One Board has previously found that treatment of these source waters is feasible and will create water that meets state drinking water quality standards. As noted above, the current project schedule would allow the PWM Expansion to be constructed and operating about 24 to 27 months after obtaining the necessary permits. Once obtained, the Pure Water Expansion, which would use the same treatment systems and presumably have similar sampling and monitoring requirements, could be expected to obtain the new or amended version of these permits for its operation.~~

- **Criterion 5 – Pure Water Expansion project schedule compared to desalination**

~~[139] The Pure Water Expansion is designed to operate at a relatively high efficiency of about 80% – that is for every hundred gallons of source water, it would produce about 80 gallons of usable water.~~

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schedule: At the time of CPUC Decision 16-09-021, the Pure Water **project** was expected to be completed in late 2017, with the desalination facility to be completed in mid-~~2019~~ **2019**. Both schedules were delayed somewhat; however, the Pure Water project has been completed and started **limited** operations in March 2020~~. Current expectations are that once construction starts for either facility, the Pure Water Expansion would take about 24 to 27 months to complete, while the desalination facility would take slightly longer. At this point, neither project would be able to meet the December 2021 deadline imposed by the State Water Board cease-and-desist order; however, the Pure Water Expansion would likely be available several months sooner than the desalination facility.~~**, though no water deliveries to Cal-am have been made to date. Currently, there is some degree of uncertainty as to whether Cal-Am can meet its expected desalination facility schedule, due to certain remaining project approvals and pending litigation. However, there is also uncertainty over the project schedule for the Pure Water Expansion. As discussed in Section IV.O.1, the Pure Water Expansion still requires certification of its FSEIR, approval by the CPUC of a Water Purchase Agreement, and final state and federal approval for its modified discharge into coastal waters. Specifically, the Monterey One Water Board has denied certification of the Pure Water Expansion FSEIR due to ongoing flaws in the FSEIR's analysis, and has ordered its staff to suspend work on the Pure Water Expansion. Even if staff resumes work, the FSEIR will need to be revised and recirculated for public comment to reflect significant new information, including new information concerning source waters and available wastewater flows, and the need to construct additional deep injection wells for the Pure Water project. (See Section IV.O.1.) This recirculation could add an additional 6 to 12 months before certification of the final SEIR, further delaying the project's schedule. Until the FSEIR is revised and certified, it is speculative to assume that no litigation will occur.**

~~There is some uncertainty about the timeline for the Pure Water Expansion, as it still needs to have its environmental review document certified and a Water Purchase Agreement approved by the CPUC. The initial Pure Water project was delayed for several months due to various scheduling issues typical of a complex industrial construction project. However, there is also doubt about whether Cal-Am can meet its expected desalination facility schedule, due to several issues, including: 1) the above-referenced lack of approval from the Marina Coast Water District to allow use of a shared pipeline and its lack of approval to build an alternative, parallel pipeline; 2) the uncertainty about the timing, effects, and any permitting needed for the outfall liner that Cal-Am must have installed before it can discharge its brine waste; 3) litigation related to Cal-Am's proposed use of groundwater from the Salinas Valley Groundwater Basin; and 4) litigation over Monterey County's approval of portions of the project in its jurisdiction, which so far has resulted in the Superior Court in mid–September 2019 issuing a temporary stay on construction activity. In addition, if the Commission were to approve the project, there is a substantial likelihood that its decision would also be challenged in court. These areas of concern do not apply to the Pure Water Expansion.~~

- **Criterion 6 – Status of Pure Water Expansion project engineering:** ~~This criterion required that the Pure Water project be developed to at least a 10% design level or that its development is at or beyond the level of engineering prepared for the desalination facility. At the time of the CPUC's decision, the various components of the Pure Water project were at anywhere from at least 10% to 100% design and~~

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~~it therefore met this criterion. The project is now constructed and about to produce purified water. The Pure Water Expansion, being an expanded version of the existing facility, is well beyond this 10% design threshold.~~As discussed above, work on the Pure Water Expansion has been stopped. (See Section IV.O.1.) The Pure Water project has already encountered significant delays and cost overruns that have placed the project eight months behind schedule, and these issues are likely to translate to the Pure Water Expansion.[254] Likewise, The Pure Water project has also encountered problems with its deep and shallow well injection, which has significantly reduced its delivery capacity.[255] As a result, it is likely the Pure Water Expansion, which relies on the same technology, will encounter similar issues. Concerns also have been raised regarding the Pure Water Expansion's ability to rely on certain source waters, including agricultural wash from the Salinas Valley.[256] In light of these concerns and comments raising environmental concerns with the Pure Water Expansion's SEIR, the Monterey One Board has denied certification of the FSEIR, and staff has been ordered to suspend work on the Pure Water Expansion. (See Section IV.O.1.) Accordingly, project engineering of the Pure Water Expansion is not proceeding, and this criterion is not satisfied.

- **Criterion 7 – Pure Water Expansion project funding.** This criterion required that Pure Water project funding be detailed sufficiently for the project to apply to a State Revolving Fund loan. At the time of the CPUC decision, Monterey One Water had applied for that loan and had received confirmation from the State Water Board that its application was complete and that would be eligible for a relatively low (1%) interest rate on the loan. It has also received over $100 million in grants and loans from state and federal agencies. ~~For additional needed funding, the Pure Water Expansion would rely on a commitment from Cal-Am to purchase the water it produces (through a Water Purchase Agreement approved by the CPUC – see below). Cal-Am has not yet pursued such an Agreement, largely because it is proposing the desalination project instead; however, it would be within Cal-Am's control to work expeditiously toward a Water Purchase Agreement if it decided to pursue the PWM Expansion project.~~However, as discussed above, the Monterey One Water Board has denied certification of the Pure Water Expansion's FSEIR and lacks the funds to address the substantial flaws in the FSEIR's analysis. Additionally, any Water Purchase Agreement for Pure Water Expansion water also would need to incorporate additional terms beyond those included in the Pure Water project Water Purchase Agreement, including guarantees for the full production volume of the Expansion, and full indemnification to Cal-Am or all risks, liabilities, or penalties in the event that the Pure Water Expansion fails to provide an adequate supply for any reason. Such assurances would be necessary to ensure that Cal-Am does not need to undertake additional Carmel River or Seaside Basin water withdrawals to serve its customers if water demand cannot be met by the Pure Water and Pure Water Expansion projects. These additional terms also could

[254] See August 13, 2020 Cal-Am Letter to Commission, p. 4; August 12, 2020 Cal-Am Letter to Commission, pp. 1-3.

[255] See August 13, 2020 Cal-Am Letter to Commission, p. 4; August 12, 2020 Cal-Am Letter to Commission, pp. 1-3.

[256] See August 13, 2020 Cal-Am Letter to Commission, p. 4; August 12, 2020 Cal-Am Letter to Commission, pp. 3-5.

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result in a higher project cost.[257] Accordingly, the Pure Water Expansion lacks necessary project funding and does not meet this criterion.

~~Cal-Am and other commenters recently expressed concern that Monterey One Water's finances, which have diminished recently, would not be adequate for the funding and staffing needed to construct and operate the Pure Water Expansion. However, Monterey One Water staff have clarified that funding for the Expansion would be separate from other general Monterey One Water funds, and once Cal-Am received an approved Water Purchase Agreement, would likely be administered through bond purchases or other similar instruments.~~

- **Criterion 8 – Reasonableness of Water Purchase Agreement terms:** This criterion was meant to ensure that Cal-Am and the Pure Water project sponsors had concurred on a "just and reasonable" water purchase agreement. The CPUC determined, at the time of this 2017 decision, that the agreement that the parties had reached in 2016 met this criterion. The agreement included a first-year cost cap and a provision that Cal-Am would pay only the actual costs for Pure Water project water. Water from the Pure Water and Pure Water Expansion projects is expected to cost between about $2,000 and $3,000 per acre-foot, ~~both well~~ below the $6,000 per acre-foot cost for water from ~~Cal-Am's Project.]~~Cal-Am's Project. However, Cal-Am and Monterey One Water have not reached any agreement for the purchase of Pure Water Expansion water, and the parties would need to agree to new performance standards in any such agreement to ensure a continued water supply in the event that the Pure Water Expansion cannot meet Peninsula demand.[258] Accordingly, this criterion is not satisfied.

- **Criterion 9 – Reasonableness of the Pure Water Expansion project revenue requirement:** Similar to Criterion 8 above, the CPUC required for this criterion that the revenue requirement for the smaller desalination facility – i.e., the currently proposed facility – combined with Pure Water project was "just and reasonable" as compared to the revenue requirement of the larger proposed desalination facility alone. At the time of this 2017 decision, there was a great deal of uncertainty about expected Pure Water project costs, but the CPUC determined that it was reasonable to move forward with the combination of a desalination facility and Pure Water project, based in part on the ~~first-year~~first-year cost cap referenced in Criterion 8, on an evaluation of the likely "indifference cost" of the two options,[~~140~~259] and on the broader benefits provided by the Pure Water project, such as supporting aquifer recharge, having lower greenhouse gas emissions, and others. There is, in fact, more ~~certainty at this point than during the 2017 decision about the expected costs of all the projects, which provides more certainty about~~uncertainty regarding Pure Water Expansion now than when the CPUC reached its 2017 decision. The Pure Water project has incurred major cost overruns and faces ongoing technical obstacles, thereby driving up projected Pure Water project water rates. It is likely that the Pure Water Expansion will face

[257] See June 30, 2020 Cal-Am Letter to Commission, p. 72.

[258] June 30, 2020 Letter to Commission, pp. 72-73.

[~~140~~259] The CPUC's 2017 decision describes the "indifference cost" as the range of costs within which ratepayers are indifferent as to whether they are paying for water from the larger desalination facility or the smaller facility in combination with the PWM. This range was determined to be between $1,178 and $2,062, which bracketed the expected first-year cost cap of $1,720.

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similar cost overruns, and therefore it would be speculative to reach a conclusion on the reasonableness of ~~expected~~the Pure Water Expansion's project revenue requirements. Moreover, as discussed above, new significant information indicating that the Pure Water Expansion lacks sufficient source water to meet its promised water deliverables is only likely to further increase costs. Accordingly, the Pure Water Expansion cannot currently satisfy this criteria.

4) Adverse environmental effects of each project

As noted above and in the Findings of this report, Cal-Am's proposed Project would be inconsistent with Coastal Act and Marina LCP policies regarding sensitive habitat including wetland/vernal pond ESHA. (See Sections F, G, *supra.*) But with the implementation of Special Conditions 5 and 6, the Commission will have adopted all feasible mitigation to reduce potential ESHA impacts, including potential wetland/vernal pond ESHA impacts. Further, the Cal-Am Project will be consistent with all other Coastal Act and LCP policies with implementation of Special Conditions. (See Section IV.O.1, *supra.*) In contrast, significant questions remain unresolved regarding the environmental impacts of the Pure Water Expansion, and the FSEIR for the Expansion requires substantial additional analysis. As a result of these flaws, the Monterey One Water Board denied certification of the FSEIR for the Expansion. (See Section IV.O.1, *supra.*)

~~As noted above and in the Findings of this report, the Cal-Am project would have significant adverse effects on several coastal resources, including environmentally sensitive habitat areas and endangered or threatened species (see Section II.F – Environmentally Sensitive Habitat Areas). Its effects on marine life and ocean water quality have not yet been determined.~~ The Pure Water Expansion ~~would have few, if any, adverse effects on coastal resources, as it would be located entirely outside of the coastal zone and would be constructed largely on an existing industrial site. It would also~~is designed to be greenhouse gas neutral, as it ~~would~~proposes to use electricity generated from landfill gasses. ~~Although the Cal-Am~~As explained previously, Cal-Am's Project would rely on grid-supplied electricity, which generally has a current emissions rate of up to several hundred pounds of greenhouses gasses per megawatt-hour. However, the CPUC imposed a mitigation measure ~~(MM 4.11-1)~~ that requires ~~the Project to have net zero greenhouse gas emissions from electricity used during~~Cal-Am's operations~~. However, this mitigation is less certain~~ to result in ~~permanent, enforceable, and verifiable greenhouse gas reductions than the mitigation for the Pure Water Expansion's emissions.~~net zero operational emissions, either through securing on-site or off-site renewable energy, or purchasing and retiring renewable energy or carbon credits. (See Section IV.K, *supra.*) Thus, emissions related to both projects' electricity use are slated to be carbon neutral, though they would reach that goal through different means.

An underlying environmental concern applicable to both projects is the potential effect of ~~Cal-Am~~Cal-Am not having an adequate water supply project in place by December 2021 so that it can meet its obligation under the State Water Board's ~~cease-and-desist order~~CDO to reduce its withdrawals from the Carmel River to no more than its legal limit. ~~Cal-Am has a supply of "banked" water in the Seaside Aquifer that it may be able to rely on for some period of time, but it~~It is possible that Cal-Am would seek, and obtain, an extension to allow completion of its desalination facility or of Pure Water Expansion if needed, which could lead to continued excessive water withdrawals from the Carmel River until the new project was ready. This would result in further adverse effects in the Carmel River ecosystem and specifically to the steelhead that are listed as threatened. However, as noted above, the ~~Cal-Am project~~Pure

Note: These are not Commission staff's Recommended Findings

Water Expansion appears to have as great or a greater risk of delay than does the ~~Pure Water Expansion, so~~desalination Project due the Monterey One Water Board's decision not to certify the FSEIR, the lack of resources needed to revises the analysis in the FSEIR and the potential need to recirculate the FSEIR for further public review. Accordingly, this potential environmental effect is ~~at~~ least ~~as~~ likely to occur if the Cal-Am project moves forward ~~at the expense of the Pure Water Expansion~~.

5) Areas of Uncertainty

Both projects involve areas of uncertainty, albeit over different issues, as described below. These issues relate to whether the Pure Water Expansion is a feasible alternative, as well as to whether the public welfare would be adversely affected if ~~Cal-Am's~~Cal- Am's Project were not approved:

Pure Water Expansion:

- **Amount of water produced:** ~~The~~As discussed above, the baseline Pure Water project started operating in March 2020, but its annual production volume is currently lower than the full expected amount – ~~about 170~~currently around 2,030 acre-feet per ~~month versus its average expected 290 acre-feet per month. However, the operator, Monterey One Water, has identified the problems – two wells that are not injecting water into the aquifer at the expected rate and a sinkhole at another well site – along with proposed solutions to those problems: installing an additional injection well and "swabbing," or cleaning one of the existing wells. Monterey One Water is scheduling the swabbing for later this year and the installation of the new well sometime next year. With the new components, Monterey One Water expects the injection rates to improve and provide more than the expected volume – up to about 330 acre-feet per month~~year out of a planned 3,500 acre-feet per year.[260] This shortfall is the result of sinkholes and subsidence affecting the Pure Water project short wells, as well as injection refusal in the deep wells. (See Section IV.O.1, *supra*.) To remedy these technological difficulties, Monterey One Water is proposing repairs to the shallow wells, to carry out final commissioning of the deep wells, and to install a third, and potentially a fourth, deep well. Until the work is completed, there will be uncertainty about exactly how much water can be produced~~; however, injection wells and these cleaning methods are common and proven technologies, so Monterey One Water's estimates can be considered relatively reliable. Additionally, and as noted previously, these types of adjustment are common and typically necessary as part of the start-up of complex water treatment plants. Finally, the Pure Water project description anticipated this initial lower production, noting that its first-year production would be about 1,000 acre-feet per year, not the full 3,500 acre-feet per year. Some commenters have stated that these start-up issues demonstrate that the Pure Water project, and by extension the Pure Water Expansion, may not provide as much water as promised, and that the Pure Water Expansion therefore should not be relied on as an alternative project. However, the evidence so far does not support these assertions; as described above, the start-up issues are being dealt with and are not entirely unexpected.~~ by the Pure Water project, and it is not clear that the baseline project will be capable of

[260] See August 12, 2020, Cal-Am Letter to Commission, p. 2.

Note: These are not Commission staff's Recommended Findings

supplying its full projected outlay.

- ~~Type of~~Availability and type of **source water:** The Pure Water project is treating several types of source water, including treated wastewater, stormwater, and agricultural runoff, which is considered one of the more difficult water source to treat. Several commenters have raised concerns that the Pure Water Expansion's treatment methods will not adequately treat this type of water~~. As noted above, complex water treatment facilities such as PWM generally expect to adjust treatment as needed to address changes in source water, and the treatment methods it uses are commonly used in such facilities. The FEIR for the original Pure Water project analyzed treatment of agricultural source waters and found that they could be adequately treated, and the Pure Water project has, in fact, started treating that water source, as approved by the State Water Board's Department of Drinking Water. The Pure Water Expansion would use the same source waters that were analyzed in that document and are being successfully treated~~, including it Pure Water Expansion's ability to treat agricultural water runoff containing lingering concentrations of pesticides.[261] Moreover, there remains significant uncertainty regarding the availability of planned source waters for the Pure Water Expansion—the claimed water rights for the Expansion are highly disputed, and substantial evidence demonstrates that WWTP and surface water flows for use as Pure Water Expansion source water are significantly less than assumed by Monterey One Water. (See Section IV.O.1, *supra*.) Based on the available evidence, the Pure Water Expansion does not have adequate source waters to enable the project to produce 2,250 acre-feet per year. As a result of this shortfall, the Pure Water Expansion would prevent Cal-Am from meeting even the lowest demand projection presented by MPWMD (10,855 acre feet per year).

- **CEQA:** A ~~Final SEIR~~FSEIR has been prepared for the Pure Water Expansion, but ~~has not yet been~~there is uncertainty as to when it may be certified. (See Section IV.O.1.) The Monterey One Water Board ~~considered certifying~~of Directors denied certification of the FSEIR at its April 27, 2020 meeting. The ~~vote to certify it failed by a vote of 10 to 11. There was then a motion to deny certification of the Final SEIR and terminate any further action on the Expansion project, which also failed on a vote of 10 to 11. The effect is that the Final SEIR was not certified but that the Board remains free to reconsider the Final SEIR and project approval at a future hearing, if it so chooses. The main area of controversy that was raised during the Final SEIR public comment period relates to whether there is an adequate water supply for the Expansion. As described elsewhere in these Findings, the Final SEIR provides substantial evidence that the water supply is adequate for the Expansion, and arguments submitted by parties to this proceeding have not demonstrated otherwise.~~Board did so in recognition of the significant remaining flaws in the FSEIR, including its analysis of source water availability for the Expansion, Peninsula supply and demand, impacts to agricultural water supplies, and the FSEIR's failure to evaluate the Expansion as either an alternative to or a cumulative project with the Cal-Am facility. Given that Monterey One Water does not possess the funding to correct these deficiencies, and has now ordered its staff to halt all work on the Pure Water Expansion, it is not certain when the Expansion will have a certified FSEIR. Until then, Monterey One Water cannot obtain any discretionary permits for the Expansion.

[261] See June 30, 2020 Cal-Am Letter to Commission, pp. 70-71.

Note: These are not Commission staff's Recommended Findings

- **Funding and Water Purchase Agreement:** Cal-Am would need to seek CPUC approval of a Water Purchase Agreement in order to provide funding for ~~to~~ Monterey One Water to implement the Pure Water Expansion. Cal-Am has ~~not had an incentive to do this to date because it is pursuing its desalination project. However, there do not appear to be any practical barriers to such an approval being considered by the CPUC if Cal-Am needs to proceed with the Pure Water Expansion.~~previously met with Monterey One Water and MPWMD to discuss a Water Purchase Agreement for Expansion water.[262] However, Cal-Am determined at that time that it could not yet pursue a Water Purchase Agreement for Pure Water Expansion water, given the ongoing uncertainties related to source water availability, environmental impacts, permitting requirements, funding, and product water pricing. As explained above, many of these uncertainties persist. Moreover, as discussed above, if the Pure Water project and the Pure Water Expansion were to become the primary water sources in Cal-Am's Monterey service area, any Water Purchase Agreement for Expansion water would need to include guarantees from Monterey One Water for the full production volume of the Expansion, and full indemnification to Cal-Am in the event that the Pure Water Expansion does not provide an adequate water supply.[263] Such assurances would be necessary to ensure that Cal-Am does not need to undertake additional Carmel River or Seaside Basin water withdrawals to serve its customers if water demand cannot be met by the Pure Water and Pure Water Expansion projects. As such, it is not clear when or if Cal-Am and Monterey One Water would be able to enter into a Water Purchase Agreement for Pure Water Expansion water, or whether the CPUC would approve such an agreement.

Cal-Am:

- ~~Cal-Am:~~
  Coastal hazards and expected operating life of slant wells: ~~with~~With current sea level rise projections, incorporating the reduction in coastal erosion reasonably expected from the cessation of sand mining, Cal-Am's well field ~~could~~would not be affected ~~by dune recession as soon as 2040 and~~ by climate change-related coastal erosion ~~by about 2060. However, and along with the general uncertainty about the rate and severity of future climate change, there are two specific areas of uncertainty associated with the wells. First, as described above in Section II.H, the analyses anticipate that there will be a 60% reduction in the current rate of erosion resulting from the upcoming cessation of sand mining at the CEMEX site. While this appears to be a reasonable assumption, it cannot be verified because sand mining has not yet ended. Second, as part of its response to these hazards, Cal-Am expects its wells to have an operating life of 20 to 25 years, after which they would likely need to be relocated. While this limited operating life would likely allow them to avoid the effects of dune recession and coastal erosion, it raises uncertainty about what other locations might be available for the wells. There are no alternative, more landward locations for the wells within Cal-Am's easement, as they would be located at the most inland extent of Cal-Am's easement at the CEMEX site. Therefore, there is uncertainty about how the facility would operate after the first 20-25 years of its 60-year~~ , including dune recession due to wave

[262] Exhibit 30 – March 19, 2019 Cal-Am Advice Letter No. 1231 to the CPUC.

[263] See Exhibit 28 – May 9, 2020 Cal-Am Letter to Monterey One Water, p. 5.

Note: These are not Commission staff's Recommended Findings

erosion or sea-level rise, until near 2120. Two of the seven wells could be affected by sand burial by windblown sand prior to 2040, but these impacts will be avoided by implementation of Special Condition 8.[264] Accordingly, the proposed well site locations, as conditioned, would allow the wells to avoid coastal hazards during their expected operating life.

- **Water rights:** ~~There are at least two~~Certain comments have asserted that there are uncertainties associated with water rights ~~issues. First, Cal-Am has not yet established~~for the Cal-Am Project. However, multiple agencies have confirmed that Cal-Am may develop appropriative rights to source water for ~~the groundwater that~~ its project ~~would withdraw, and it is not clear how long that process and any accompanying litigation might take or whether Cal-Am will be successful~~. No permit is required by the State Water Board to acquire or use appropriative groundwater rights, but Cal-Am will have an ongoing burden to demonstrate that its withdrawal and use of fresh water (i.e., non-seawater) will not harm or cause injury to any other legal user of water. As part of its review of ~~Cal-Am's~~Cal- Am's Project, the CPUC asked the State Water Board whether ~~Cal-Am~~Cal-Am has a credible legal claim to extract feed water for the proposed desalination plant. The State Water Board issued an opinion stating, in relevant part, that:

> to appropriate groundwater from the Basin, the burden is on ~~Cal-Am~~Cal-Am to show no injury to other users. Key factors will be the following: (1) how much fresh water Cal-Am is extracting as a proportion of the total pumped amount and how much desalinated seawater is thus available for export as developed water; (2) whether pumping affects the water table level in existing users' wells and whether Cal-Am can avoid injury that would otherwise result from any lowering of water levels through monetary compensation or paying for upgraded wells; (3) whether pumping affects water quality to users' wells within the capture zone and whether Cal-Am can avoid or compensate for water quality impacts.(4) how Cal Am should return any fresh water it extracts to the Basin to prevent injury to others; and (5) how groundwater rights might be affected in the future if the proportion of fresh and seawater changes, both in the larger Basin area and the immediate area around Cal-Am's wells.

~~Cal-Am has entered a return water agreement that addresses item (4), though, as described in Section II.J of these Findings, Cal-Am may be required to return significantly more water to the Basin than anticipated during development of this agreement and as anticipated in the Final EIR/EIS. Additionally, many of the other questions and issues above cannot be answered or dealt with until pumping actually begins and continues for a period of time.~~ The State Water Board concluded that "[i]f overlying groundwater users are protected from injury, appropriation of water consistent with the principles discussed in this report may be possible." ~~However, it~~The State Water Board also made a variety of recommendations for what sort of monitoring and other measures would need to be undertaken to ensure that other users were not

[264] See Section IV.H, *supra*.

Note: These are not Commission staff's Recommended Findings

injured. The CPUC ~~determined that, although it is "not the arbiter of whether Cal-Am possesses water rights for the project," these water rights issues did not raise significant enough questions about the project's viability to warrant finding that the project was infeasible.[141]Because these rights are not known, cannot be known until after pumping occurs, and involve issues that have been highly contentious in the area, there is the possibility that they could cause Cal-Am's Project to be further delayed or, if it is built, to incur additional costs – potentially significant costs (see Section II.J describing the possible need for Cal-Am to return greater percentages of water to Castroville).~~thereafter confirmed that the State Water Board, the agency charged with primary responsibility for regulating state water resources, had determined that Cal-Am could develop all necessary water rights to develop and operate the desalination facility. As such, there is no ongoing uncertainty related to Cal-Am's right to source water for the Project.

~~Additionally, the City of Marina has filed litigation against CEMEX for allowing Cal-Am to obtain an easement at the site that is meant to allow an export of more than 15,000 acre-feet of groundwater away from the site each year. The City contends that a 1996 agreement with CEMEX limited water use at the site to no more than 500 acre-feet per year.~~

- **Effects on wetlands and vernal ponds:** As described in Section ~~II~~IV.G of these Findings, recent ~~hydrogeological monitoring conducted by the Commission's independent hydrogeologist shows that~~reports are inconclusive regarding whether Cal-Am's proposed well field operations could result in a groundwater drawdown ~~of about two to four feet beneath nearby vernal ponds and lesser drawdowns in other, slightly more distant vernal pools and wetlands. The closest wetland/vernal pond areas are about 1,000 feet at their closest from the well field and cover about 80 acres, with other groups of wetland/vernal ponds somewhat more distant. The modeling conducted during the project's CEQA review did not evaluate the effects of these drawdowns on the wetlands/vernal ponds, as it was believed at the time that these landscape features were hydraulically isolated from the underlying groundwater. However, there are currently no data available to confirm whether there is a connection and whether these areas would be affected. If they are connected to groundwater, this could result in an additional and as-of-yet unevaluated and unmitigated impacts to up to several acres of wetlands/vernal ponds.~~that would adversely affect the function and values of vernal ponds and wetlands. Accordingly, Special Condition 7 requires Cal-Am to implement an Adaptive Management Program which would monitor the vernal ponds to determine first, whether they are groundwater dependent, and if so, what changes might be associated with any pumping-related drawdowns. If the additional analysis determines that there would be impacts from pumping-related drawdowns, Special Condition 7 requires Cal-Am to implement a Wetland Resiliency, Enhancement, Restoration, and Monitoring Plan to mitigate for potential impacts to the vernal ponds at specified ratios.

~~[141] The CPUC's EIR stated: "The CPUC is not the arbiter of whether CalAm possesses water rights for the project and nothing in this EIR/EIS should be construed as the CPUC's opinion regarding such rights, except to the extent that the CPUC must determine whether there is a sufficient degree of likelihood that CalAm will possess legal rights to pump and desalinate the source water that would supply the desalination plant such that the proposed project can be deemed to be feasible."~~

Note: These are not Commission staff's Recommended Findings

- **Lack of water distribution pipeline**: Cal-Am's proposed Project is slated to rely on delivering water to its service area using a pipeline it shares with MCWD. MCWD has informed Cal-Am that the pipeline does not provide sufficient capacity for Cal-Am's proposed use. Cal-Am disputes this claim, ~~though asserts~~arguing that there is in fact excess capacity in the shared pipeline for Cal-Am's use, and noting that its existing agreements permit it to use the shared pipeline for desalinated product water. However, Cal-Am has also noted that, if needed, it could construct another pipeline parallel to that shared pipeline, in order to convey project water. ~~Without one of these options, Cal-Am would not be able to deliver water to its customers. As noted above, in July 2020, the MPWMD chose not to make the necessary approval for Cal-Am to construct that~~Potential approvals for this parallel pipeline, ~~though it could revisit that decision at any point in the future if it chose to do so.~~ will be considered by the MPWMD Board in October. Given more than one available option, there do not appear to be significant barriers to Cal-Am's project related to its need for a desalinated water distribution pipeline.

- **Lack of required outfall liner:** One of the adverse impacts identified in Cal-Am's Final EIR/EIS was corrosion of the proposed outfall due to the brine discharge from the desalination facility. The Final EIR/EIS included a mitigation measure that required ~~Cal-Am~~Cal-Am to install an outfall liner before discharging from its facility, and although that liner was not fully designed at the time of the CEQA review, the CPUC analyzed several reasonably foreseeable impacts of installing the liner and imposed conditions to minimize such impacts~~. It anticipated additional impacts to ESHA due to the anticipated need to cause ground disturbance along the outfall route while installing the liner, and noted that installation would have to occur during the outfall's low-flow period in the summer when most of its discharges are treated and rerouted to be used for agricultural irrigation; however, work in the summer would likely involve work on the beach within critical habitat for the Western snowy plover during its breeding and nesting period. Rather than applying for a permit to install the liner along with its desalination project, Cal-Am has stated that the owner of the outfall, Monterey One Water, will separately apply for the necessary permits once the liner has been designed, and that any potential impacts would be evaluated at that time. At this point, there is no approved design in place and it is unknown what additional environmental review and permits would be needed to install a liner. It is reasonably likely that Cal-Am would need to apply for a CDP for this work from the City of Marina.~~ to a less than significant level. Moreover, as described in Section IV.F, on August 18, 2020, the Commission received a letter from Cal-Am describing an updated liner installation method that would be done almost entirely within the outfall and would involve no ground disturbance within the coastal zone of the City or the County. As discussed in Section IV.F, because there is a less impactful feasible alternative, Special Condition 4 requires Cal-Am to implement the proposed spray-lining method prior to the commencement of Project operations or to obtain an amendment to this CDP or a new CDP should Cal-Am need to implement a different method to install the outfall liner. Because Special Condition 4 guarantees there will be no adverse impacts to ESHA caused by the installation of the outfall liner, this future Project component does not raise significant concerns regarding project certainty.

Note: These are not Commission staff's Recommended Findings

~~In early August 2020, Cal-Am submitted new information about a possible "spray-on" method to install the liner without any ground disturbance within the coastal zone, which may obviate the need for the work to require a CDP. However, the outfall owner, Monterey One Water, has not yet evaluated this proposed spray-on liner to determine whether it would be feasible and would provide sufficient protection. Uncertainty about how the required liner is to be installed could lead to at least one substantial impact, as both of the two currently proposed installation methods would have to occur during the outfall's low-flow period in the summer, when most of the discharges normally routed through the outfall are rerouted, after treatment to be used for agricultural irrigation. However, any installation in the summer that requires work on the beach would adversely affect critical habitat for the Western snowy plover during its breeding and nesting period. It is uncertain at this time whether Cal-Am could avoid impacts to the plover or would need to obtain approval from the U.S. Fish and Wildlife Service to allow "take" of a listed threatened or endangered species. It also appears that the spray-on method would take somewhat longer to install – from eight to 12 weeks – which may exceed the amount of time the outfall is available for the proposed work.~~

As noted above, the Project Final EIR/EIS also considered smaller alternative desalination facilities to meet Cal-Am's needs. Based on the modular nature of desalination treatment trains, with each train able to treat about 1.6 mgd, there was brief consideration of a 4.8 mgd and a 3.2 mgd facility; however, those options would likely have been more costly per unit of water produced because they would require much of the same infrastructure and capital construction, but would produce much less water. They would also share many of the same concerns as ~~Cal-Am's~~**Cal-Am's** currently proposed 6.4 mgd facility~~, e.g., the lack of a distribution pipeline, the lack of the needed outfall liner, and smaller, but similar concerns about impacts to wetlands. There would also be similar impacts to ESHA, though the area of impacts on the dunes would be slightly smaller because one or more wells would not need to be drilled~~. Overall, the Commission did not consider this alternative in depth because its environmental impacts were not significantly less than the Project's impacts.

"No Action" Alternative

The existing water supply situation is discussed above and elsewhere in this report, and this analysis relies on that discussion. The purpose of describing the "no action" alternative is to allow decision makers to compare the impacts of approving a proposed Project with the impacts of not approving it. Here, if the Commission denies the proposed desalination project, Cal-Am will need to pursue other options to obtain alternative water supplies. Over the past decade or two, other water supply projects have been considered – for example, new desalination facilities elsewhere in Monterey County. Those other desalination facilities have proposed to use open water ~~intakes~~**intake** and could also affect areas of ESHA, thereby potentially causing greater adverse impacts than Cal-Am's proposed Project. However, none of those proposals could meet the deadline imposed by the State Water Board's cease-and-desist order, and Cal-Am is therefore not likely to pursue them, at least in the foreseeable future.

If the Commission does not approve this ~~project~~**Project**, the most likely scenario is that Cal-Am will pursue the Pure Water Expansion. The PUC acknowledged this possibility in its 2017 Decision when it stated that it would consider an application for the Pure Water Expansion if the "desalination plant authorized in this decision (i.e., 6.4 mgd) is delayed to the point that sufficient source water capacity is more likely than not to be unavailable after the December 31, 2021, deadline set by the State Water Resources Control Board." Given that the design and environmental review for the Pure Water Expansion is already well underway, it appears as

Note: These are not Commission staff's Recommended Findings

though is the only other water supply project that could be ~~ready to allow Cal-Am~~developed in the near future – though not in time to meet the State Water Board's cease-and-desist order. Therefore, what is most reasonably expected to occur in the foreseeable future if Cal-Am's Project is not approved is that Cal-Am will pursue the Pure Water Expansion. ~~As described above, the Pure Water Expansion would have fewer impacts on coastal resources than the proposed Project.~~

The no action alternative is not feasible for the same reasons the Pure Water Expansion is not feasible. As explained above, if the Project is not approved, Cal-Am will not have an adequate water supply project in place by December 2021 to meet its obligation under the State Water Board's CDO to reduce its withdrawals from the Carmel River to no more than its legal limit. It is possible that Cal-Am would seek an extension to allow completion of its desalination facility or of Pure Water Expansion if needed, though approval of such an extension by the State Water Board is uncertain. Any extension could lead to continued excessive water withdrawals from the Carmel River and pumping form the Basin until the new project was ready. In the interim, the Monterey Peninsula will be left in a perpetual water supply deficit with available supplies unable to meet demand. This would result in further adverse effects in the Carmel River ecosystem and specifically to the steelhead that are listed as threatened. Further, overdraft from the Basin would likely occur, which has the potential to result in greater seawater intrusion, which the Project would have helped to prevent.[265] Such potential environmental effect are least likely to occur if the Cal-Am Project moves forward.

~~As the analysis above shows, the Pure Water Expansion should provide adequate water supply for Cal-Am's service area for several decades. However, if Cal-Am determines that it needs additional supply during or after that time period, or if the Pure Water Expansion falls short of its expected production volumes, it may seek~~Thus, if the Commission selected the no action alternative, Cal-Am may be required to develop ~~such~~ other water supplies to comply with the CDO. These could include ~~any of several~~ other possible water supply projects, including some considered by the CPUC in its Alternatives Analysis, but dismissed because they were then considered speculative, were not far enough along in design and planning, or were constrained by then-unresolved technical or environmental issues – for example, other desalination facilities that have been considered for the region, alternative slant well locations, etc. Presumably, Cal-Am could seek approval for some amount of additional legal rights to pump water from the Carmel River, though likely at a lower volume than its past overpumping. There may also be other alternatives available within the upcoming 20 to 25 year time frame considered in these Findings – for example, extraction wells being considered by the Salinas Valley Basin Groundwater Sustainability Agency to reduce the rate of seawater intrusion may provide a source of water for a desalination or water recycling facility.

Whether and when any such projects might be proposed, whether they would be approved by the ~~PUC~~CPUC and other agencies, and what impacts those supply projects might have on coastal resources, is speculative at this time. If Cal-Am did not pursue any of these other alternatives, then it would possibly continue overpumping the Carmel River and the Basin, which would cause the ongoing~~,~~ adverse impacts ~~to the river, its population of steelhead, and other wildlife~~described above.

Conclusion

[265] October 4, 2019, Seaside Basin Watermaster letter to Coastal Commission, p. 1.

Note: These are not Commission staff's Recommended Findings

Based on the above, the Commission finds that there ~~is a~~no feasible and less environmentally damaging alternative that would meet all or most of the proposed Project's objectives in a timely manner.

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P. COASTAL-DEPENDENT INDUSTRIAL FACILITY OVERRIDE

Section 30260 of the Coastal Act states:

> Coastal-dependent industrial facilities shall be encouraged to locate or expand within existing sites and shall be permitted reasonable long-term growth where consistent with this division. However, where new or expanded ~~coastal-dependent~~coastal- dependent industrial facilities cannot feasibly be accommodated consistent with other policies of this division, they may nonetheless be permitted in accordance with this section and Sections 30261 and 30262 if (1) alternative locations are infeasible or more environmentally damaging; (2) to do otherwise would adversely affect the public welfare; and (3) adverse environmental effects are mitigated to the maximum extent feasible.

Section 30101 of the Coastal Act states:

> "Coastal-dependent development or use" means any development or use which requires a site on, or adjacent to, the sea to be able to function at all.

Section 30101.3 of the Coastal Act states:

> "Coastal-related development" means any use that is dependent on a ~~coastal-dependent~~coastal- dependent development or use.

The City of Marina LCP includes the following provisions:

LCLUP Policy 41:

> To give priority to Coastal-dependent development on or near the shoreline and ensure that environmental effects are mitigated to the greatest extent feasible.

LCLUP Geotechnical Policies, Policy 1 (first bullet)

> Structural development shall not be allowed on the ocean-side of the dunes, in the area subject to wave erosion in the next 50 years, or in the tsunami run-up zone. The only exception to this would be essential support facilities to a coastally-dependent industry, and in these areas the city will not undertake liability for property damage due to hazards.

Project components within the City of Marina are on property designated by the LCP as "Coastal Conservation and Development," a designation that prioritizes ~~coastal-dependent~~coastal- dependent industrial uses.

LCLUP Coastal Conservation and Development Uses, Policy 2 (second bullet) states:

> Coastal Conservation and Development uses shall be allowed on the west side of Dunes Drive. These activities shall include, but not be limited to, marine agriculture (Mariculture); off-shore and surf-zone sand mining, and other commercial activities dependent for economic survival on proximity to the ocean, salt water or other elements available in this particular environment.
>
> Development in this area will be allowed in already disturbed areas.

Note: These are not Commission staff's Recommended Findings

The LCLUP, at page 41, describes uses allowed in areas designated Coastal Conservation and Development:

> ~~...~~...such uses as are dependent upon salt water, the unique coastal-marine environment found in Marina, and/or on resources present only in this portion of Marina's Coastal Zone. Development shall be sited in already disturbed areas. Access roadways shall be kept to the minimum necessary to serve the proposed development and buildings shall be designed and sited to preserve sensitive habitats and views of the coastal dunes.

The IP, in its regulations for Coastal Conservation and Development Districts, includes similar standards for allowed uses in this district. They include:

> Coastal research and educational uses; developed public access and other coastally dependent recreation uses; coastal dependent industrial uses including but not limited to marine agriculture (mariculture), dredge pond, surf zone and offshore sand extraction;

The LCLUP's policies relating to the North of Reservation Road Planning Area identify appropriate uses within the high Flandrian dune area, in which this project is proposed, to include "activities specifically dependent upon proximity to the ocean" (see LCLUP, page 37). It further states that the uses allowed in Coastal Conservation and Development districts are those consistent with numerous Coastal Act policies, including Coastal Act Section 30260 (see LCLUP, pages 38 and 44).

Analysis

As evaluated above, the Commission finds that **despite Special Conditions imposed to reduce impacts,** the proposed Project ~~is fundamentally~~**remains** inconsistent with ~~**(i.e., is inconsistent and could not be brought into consistency through mitigation measures)**~~ Coastal Act and/or LCP policies regarding ~~**environmentally sensitive habitat areas and placement of fill in coastal waters**~~**ESHA, including wetland and vernal pond ESHA**. Nonetheless, Coastal Act Section 30260 allows the Commission to consider approval of a coastal-dependent industrial facility that is otherwise inconsistent with one or more policies of the Coastal Act's Chapter 3. The City of Marina's LCP, under its Coastal Conservation and Development land use designation, similarly allows coastal-dependent uses that are dependent on proximity to the ocean if the uses are consistent with Coastal Act Section 30260, subject to certain limitations.

The LCP does not define the term "coastal-dependent," but Coastal Act Section 30101 states that a coastal-dependent development or use *"means any development or use which requires a site on, or adjacent to, the sea to be able to function at all."* Cal-Am's proposed Project is coastal-dependent because: 1) the proposed well field would be located adjacent to the shoreline so it can extract primarily seawater from beneath the seafloor and the shoreline of Monterey Bay while reducing its effects on non-seawater components of the underlying groundwater aquifers; 2) the proposed Source Water Pipeline is needed to transport that water from this shoreline area to the inland desalination facility; and 3) the Project's proposed use of an existing ocean outfall is needed to convey the facility's brine discharge into coastal waters.

Some commenters have asserted that the Project is not coastal-dependent because they claim that the extraction wells would be drawing brackish groundwater, not mostly seawater, and the well heads could draw such water even if they were located farther inland. However, as explained in the Final EIR/EIS and these Findings, the Project is expected to draw

Note: These are not Commission Staff's Recommended Findings

approximately 88 to 99% seawater over time. As also explained elsewhere in these Findings, this type of slant well cannot be more than several hundred feet long, so they could not pull in mostly intruded seawater if they were located farther inland. In addition, if the wells were located inland and were pulling a higher percentage of non-seawater, this could affect ~~Cal-Am's~~Cal-Am's ability to obtain sufficient appropriative water rights and would significantly alter its return water obligations, likely making the Project infeasible.

The proposed Project is also an industrial facility. Several Project components fall within at least one category of the North American Industry Classification System ("NAICS") – i.e., NAICS #237110: Water and Sewer Line and Related Structures Construction.[~~142~~266] Some of the Project components would be built within currently active industrial sites and would use similar equipment and methods as the other uses on those sites. The proposed Project would be implemented by Cal-Am, an entity that, along with being a publicly regulated utility, is considered part of the water and wastewater industry. Further, the Commission has previously recognized that public utilities conduct industrial activities – for example, in its 2013 certification of Santa Barbara County Local Coastal Program Amendment No. LCP-4-STB-13-0215-2 allowing natural gas exploration and production by public utilities. The City's LCP also includes several provisions that similarly address "coastal-dependent" uses. The proposed Project is therefore a coastal-dependent industrial facility.[~~143~~267]

Application of Coastal Act Section 30260

Coastal Act Section 30260 provides for special consideration of coastal-dependent industrial facilities that would otherwise be unapprovable due to inconsistencies with the Act's Chapter 3 coastal resource protection policies. Section 30260 allows the Commission to approve such projects, notwithstanding the project's inconsistencies with those other policies, if they meet a three-part test: 1) if alternative locations are infeasible or more environmentally damaging; 2) to do otherwise would adversely affect the public welfare; and 3) if adverse effects are mitigated to the maximum extent feasible. The LCP similarly allows approval of coastal-dependent industrial uses in dune habitat if they are the types of uses allowed pursuant to Coastal Act Section 30260, if the development is sited in the most disturbed areas, and if the adverse impacts of the development are mitigated.[~~144~~268] Thus, the Commission interprets these LCP provisions consistent with Section 30260 to determine if the proposed Project is approvable, despite its inconsistency with the habitat protection policies of the LCP.[~~145~~] ~~**For this first test of Section**~~

[~~142~~266] NAICS was formerly the Standard Industrial Classification, or SIC system. Both systems have been used by U.S. EPA, the State and Regional Water Boards, and others to categorize various industrial activities.

[~~143~~267] The Commission's findings here are also supported by an unpublished Court of appeal opinion upholding the Commission's 2014 approval of Cal-Am's test well and finding that the test well was a "coastal-dependent industrial facility" and that the City's LCLUP incorporates Section 30260. See *Marina Coast Water Dist. v. California Coastal ~~Comm'n~~Comm'n*, 2016 WL 6267909, (Oct. 26, 2016).

[~~144~~268] For example, LCLUP Uses allowed in the CD District, Policy 2, p. 41, LCLUP Habitat Protection Policy 1, LCLIP Regulations for CD Districts section b(2)(b).

~~[145] *McAllister v. California Coastal Commission*, (2009) 169 Cal.App.4th 912, 931. Marina Coast Water District submitted comments asserting that the Commission may only consider whether the Project is consistent with the City's LCP in the appeal and may not use the Section 30260 override. The Court of appeal has previously rejected a substantially similar argument made by Marina Coast Water District in litigation that it brought challenging the Commission's approval of Cal-Am's test well. See Marina Coast Water Dist. v. Cal. Coastal Commission (2016) 2016 WL~~

Note: These are not Commission staff's Recommended Findings

~~30260, the Commission is also incorporating the alternatives analysis required pursuant to Coastal Act Section 30233 – that there be no feasible, less environmentally damaging alternative to the proposed Project.~~[269] Application of the Section 30260 override provision is discretionary: it *allows* the Commission to approve a project that meets the three statutory criteria, but it does not *require* the Commission to do so. Similarly, the Commission need not find that a coastal-dependent industrial project fails to meet the three criteria in order to deny it, although such findings could support a denial. If, however, the Commission finds that any of the three tests are *not* met – e.g., if it finds that denial of the Project will not harm the public welfare because there is ~~a~~an alternative location that is feasible and environmentally preferable ~~alternative –~~ then it may not approve the Project. The three tests of Section 30260 are applied below.

Test 1 – Alternative Locations are Infeasible or More Environmentally Damaging and Development is Limited to Already-Disturbed Areas: The first test of Coastal Act Section 30260 allows the Commission to approve a project that is otherwise inconsistent with Coastal Act policies, or in this case, if it is also inconsistent with LCP policies, if it finds that "alternative locations are infeasible or more environmentally damaging." ~~As noted above, the Commission is also considering this question in the context of Coastal Act Section 30233's provision allowing fill in coastal waters only "where there is no feasible less environmentally damaging alternative."~~

As part of the proposed Project's CEQA review, the Final EIR/EIS evaluated alternative locations to the proposed Project.[270] For instance, the Final EIR/EIS analyzed two alternative locations for the slant wells, which involved the construction of intake systems at a site on Potrero Road and a site at Moss Landing. The Final EIR/EIS concluded that siting intake systems at either Potrero Road or the Moss Landing site would not "offer an overall environmental advantage over the proposed project," and would increase impacts compared to the CEMEX site.

- Slant wells at Potrero Road. The Final EIR/EIS determined that a slant well system at Potrero Road would be infeasible because it would require drawing a greater volume of water from the SVGB. As a result, Cal-Am could be required to increase the amount of water that it must return to the SVGB, which could result in a remaining water supply that would be insufficient to meet recovered tourism demand or serve vacant legal lots of record. Slant wells at Potrero Road could also capture groundwater that would otherwise flow into Elkhorn Slough, which would lead to significant and unavoidable impacts on marine and terrestrial biological resources.

~~6267909 (upholding the Commission's use of the 30260 override, as it is incorporated in the City's LCP, to approve the test well).~~

[269] *McAllister v. California Coastal Commission*, (2009) 169 Cal.App.4th 912, 931. MCWD submitted comments asserting that the Commission may only consider whether the Project is consistent with the City's LCP in the appeal and may not use the Section 30260 override. The Court of appeal has previously rejected a substantially similar argument made by Marina Coast Water District in litigation that it brought challenging the Commission's approval of Cal-Am's test well. See *Marina Coast Water Dist. v. Cal. Coastal Commission* (2016) 2016 WL 6267909 (upholding the Commission's use of the 30260 override, as it is incorporated in the City's LCP, to approve the test well).

[270] See Final EIR/EIS, §§ 5.4 to 5.6.

Note: These are not Commission staff's Recommended Findings

- Slant wells at Moss Landing: The Final EIR/EIS determined that this alternative would involve "additional permitting complexity," which would hinder Cal-Am's ability to implement the alternative before the CDO deadline. The Moss Landing Site would also lead to: (1) significant and unavoidable impacts to marine habitat and biological resources associated with construction and operation of the intakes; (2) potentially significant impacts related to the open ocean intakes' potential to cause underwater landslides and interfere with oceanic processes; and (3) significant and unavoidable impacts to marine biological resources caused by intake and entrainment of marine life.

As such, the Final EIR/EIS selected the proposed Project, with slant wells located at the CEMEX site, as the environmentally superior alternative. The Final EIR/EIS concluded that the Project's proposed location offers environmental advantages to alternative sites, such as use of an existing outfall, no construction on the seafloor, avoiding impingement and entrainment of an open water intake, and less than significant impacts to groundwater resources, surface water resources and marine biological resources.[271] These findings and conclusions were incorporated into the CPUC's final decision regarding the proposed Project.

In addition, while the Commission's review under Section 30260 is limited to "alternative locations" the Commission also evaluated alternatives to the proposed Project in Section IV.O of these Findings, and concluded that the Pure Water Expansion is not a feasible alternative due to lack of sufficient water source supplies, inability to meet water demand, disputes over water rights, impacts to agricultural water supplies, and increased costs resulting from issues with technology and injection wells.

~~Section II.O of these Findings describes a feasible and less environmentally damaging alternative to the Cal-Am's proposed Project. Like Cal-Am's proposed Project, the Pure Water Expansion project is a water supply project, but it would have few adverse environmental effects compared to the proposed Project, and few, if any, adverse effects to coastal resources, since it would be located outside of the coastal zone. For example, it would result in no impacts to coastal ESHA, would have far fewer greenhouse gas emissions compared to the Cal-Am Project, and would not cause the brine discharge-related water quality impacts that Cal-Am's Project would cause. This alternative project would meet the same project objectives as developed under CEQA for Cal-Am's proposed Project and would also meet the relevant state requirements for water supply systems. This alternative project also appears to be fully feasible, as it would be an extension of an existing facility that is modeled on other similar, existing treatment facilities. Importantly, it fully meets the criteria of the Coastal Act's definition of feasibility. Thus, the Commission finds that the proposed Cal-Am Project does not meet the first test of Section 30260 because the Commission has determined that there is a~~Because there is no feasible and less damaging alternative to the proposed Project, the Commission finds that the proposed Cal-Am Project meets the first test of Section 30260.

Test 2 – To not permit the development would adversely affect public welfare: Section 30260's second test provides that coastal-dependent industrial development may be permitted if to do otherwise (i.e., to deny the proposal) would adversely affect the public welfare. The Findings herein evaluate several benefits and concerns regarding the proposed Project's effects

[271] See Final EIR/EIS, §§ 5.1 to 5.6.

Note: These are not Commission staff's Recommended Findings

as related to the public welfare.

The Commission acknowledges the need for Cal-Am to obtain a new water supply. As noted above, Cal-Am and other entities in the area have been seeking a water supply since about 1995 to replace that obtained from the Carmel River in response to the requirements of a cease-and-desist order from the State Water Board to reduce its water withdrawals from the Carmel River by December 2021 so as to eliminate ~~Cal-Am's~~Cal- Am's water extractions above its legal rights to that water and to benefit the Carmel River watershed, particularly the federally-listed Central Coast steelhead. ~~Cal-Am's proposed Project also~~

To not permit the proposed Project could mean that Cal-Am would miss CDO milestones. In 2009, the State Water Board adopted a CDO in which it set a compliance schedule requiring Cal-Am to take actions necessary to reduce its diversions from the Carmel River and ultimately terminate the withdrawals by December 31, 2016.[272] In 2016, the State Water Board approved an amended CDO that would maintain Cal-Am's effective diversion limit from the Carmel River from the start of water year 2015-2016 until December 31, 2021, as long as Cal-Am meets defined Project approval and construction milestones.[273] The amended CDO also imposes interim Project milestones, and failure to meet each interim milestone results in a 1,000 afy reduction in Cal-Am's annual Carmel River diversions.

Additionally, the CDO imposes a moratorium on new service connections and certain increases in use until Cal-Am certifies that it has obtained sufficient alternative water supplies. Cal-Am has proposed a facility sized to meet expected water supply and demand projections for its service area. As described in Section IV.O of these Findings, without the proposed Project, a deficit between available water supplies and total demand will result and worsen over time, particularly during drought periods. The Final EIR/EIS explained that a prolonged deficit could lead to prohibitions on all or specified non-essential water uses.[274] Failure to approve the proposed Project could lead to severe rationing and restrictions on water usage, including restrictions on watering and irrigating and requirements for specific reductions in residential water use.[275]

Further, as discussed in Section IV.O, although it is possible that Cal-Am could seek an extension of the CDO deadline with the State Water Board, approval of such an extension by the State Water Board is uncertain. Regardless, any extension could lead to continued excessive water withdrawals from the Carmel River and pumping from the SVGB. This would result in further adverse effects to the Carmel River ecosystem, particularly the steelhead. Moreover, if SVGB overdraft occurs, the Basin would experience greater seawater intrusion, which the Project would have helped to prevent.

Notably, the moratorium and water supply deficit prevent the development of essential affordable housing in the region and the attainment of State housing goals. The proposed Project could provide sufficient water for the State Water Board to lift the moratorium and for the Monterey Peninsula to meet its housing goals. In particular, the

[272] See State Water Board, Order WR 2009-0060, p. 57.

[273] See State Water Board, Order WR 2016-0016, p. 19.

[274] Final EIR/EIS, pp. 5.4-10 to 5.4-11.

[275] Final EIR/EIS, pp. 5.4-10 to 5.4-11.

Note: These are not Commission staff's Recommended Findings

proposed Project could promote the buildout of necessary affordable housing on the Peninsula, as dictated by the Regional Needs Housing Assessment ("RHNA") for the Monterey Bay Area.[276]

The CPUC also determined that the proposed Project would support economic growth in the area. In approving the proposed Project, the CPUC's final decision explained:

> Ensuring long-term water supply in the Monterey Peninsula area will boost the region's economic vitality, particularly the County's 'four pillars' – agriculture, tourism, education, and research, by substantially enhancing the reliability of water resources and water infrastructure. The Project will allow residential, commercial (including tourism) and industrial activities to continue to exist and flourish within the greater Monterey area, benefiting those who live and work throughout the greater Monterey area (and not merely within the CalAm Monterey service territory).

(See CPUC Final Decision 18-09-017, pp. C-74 to C-75.) In the absence of the Project, the region would remain in a state of water poverty and would not experience the economic benefits that the Project would enable. For instance, construction of the Project is anticipated to generate $258.5 million in one-time economic impacts and support 1,762 job years in Monterey County over the anticipated development timeline.[277]

In addition, Cal-Am's proposed Project includes three components ~~meant in part~~designed to address public welfare concerns to ensure that the Project would not adversely affect public welfare. First, Cal-Am selected a site where it could obtain its source water using subsurface intakes, which is the state's preferred method for seawater desalination facilities, due to their limited or non-existent adverse effects on marine life. ~~It~~In addition, the proposed Project's slant wells would extract primarily seawater from the SVGB and would prevent seawater intrusion from migrating further inland. Cal-Am also selected a site that~~, at the time,~~ was already being used by a coastal-dependent industrial facility – the CEMEX sand mining operation – rather than a completely undeveloped coastal location where it may have caused additional adverse effects. ~~Cal-Am also proposed a facility sized to meet the then-expected water supply and demand projections for its service area.~~

Some commenters suggest that the public will be adversely affected because CEMEX will be permanently ending its operations in the next several months, and therefore commenters argue that the site will be largely set aside for habitat restoration, public access, and passive recreational opportunities. However, as discussed in Section IV.L of these Findings, prior to the site becoming open for public access, a government agency or non-profit entity must purchase the property, and the purchase must be approved by the Commission. There is no current timeline for the purchase. The Settlement Agreement also does not require the purchaser to use and manage the property for a specific level of public accessibility or for certain activities such as ESHA restoration or to provide funding to achieve restoration and desired improvements. It is therefore unclear when that would occur or what the exact scope of future uses on the site would

[276] See Latham and Watkins Letter to Tom Luster, dated June 30, 2020, pp. 40, 62.

[277] See Exhibit 31 – Economic & Planning Systems letter to California American Water, dated August 31, 2020, pp. 4, 7.

Note: These are not Commission staff's Recommended Findings

be.

Regardless, the Project would have a nominal effect on public use of the area. As described in Section IV.L of these Findings, the Project will occupy a small portion of the CEMEX site – approximately 0.25 acres on the 400+ acre site, or 0.06%. Minimal additional area would be occupied for periodic maintenance activities beginning in year five of operations. None of the area impacted by the Project's construction or operation, including those maintenance activities, would impede beach use or access, and the remaining 400+ acres of the CEMEX site would be available for potential coastal access and recreation. Furthermore, although the Project would not impact public access, Special Condition 10 allows the Commission to require Cal-Am to make changes to its Public Access Plan depending on the final approved use of the CEMEX site.

~~However, the situation has recently changed significantly for two of these aspects of the Project. First, Cal-Am would no longer share the site with another industrial facility, as CEMEX will be permanently ending its operations in the next several months. Pursuant to the above-referenced CEMEX Settlement, the site will be largely set aside for habitat restoration, public access, and coastal educational opportunities. Second,~~Some commenters also have suggested that another potential project has been developed – the above-referenced Pure Water Expansion – ~~which, as described above in Section II.O of these Findings, will be able to~~that could provide a water supply adequate for current and expected future growth and that will allow Cal-Am to meet its obligations regarding reduced withdrawals from the Carmel River. ~~As described above,~~These commenters suggest that the alternative project will have ~~far~~ fewer adverse impacts than Cal-Am's Project. ~~Because of this~~However, as described in Section IV.O of these Findings, the Pure Water Expansion is not a feasible alternative~~, the Commission's denial of Cal-Am's Project will not adversely affect the public welfare, as the alternative project will be able to provide the needed water.~~. Among other things, the Pure Water Expansion faces significant technological issues and requires additional environmental analysis. There is also significant uncertainty regarding the availability of source water for the Pure Water Expansion, and based on expert analysis, it would not provide a water supply adequate to meet even the lowest water demand numbers from MPWMD (10,855 acre-feet per year). Further, Monterey One Water is not currently moving forward with the development of the Pure Water Expansion and does not appear to have resources to dedicate to the project.

~~Importantly, and as detailed in Section II.N – Environmental Justice, Cal-Am's Project would create substantial hardships for several communities of concern that would be affected by the relatively high water costs resulting from the Project, by potential indirect impacts to other area water supplies, and by the presence of Cal-Am's well field on a site that otherwise would provide amenities such as habitat restoration, public access to the shoreline, and recreational opportunities. As noted in that section, Cal-Am's proposed Project would benefit a different community of concern – Castroville – by providing it with relatively inexpensive water to supplement Castroville's current supply that is provided by several wells that are experiencing, or will soon experience, seawater intrusion. However, those benefits would come at the expense of other communities of concern.~~

~~Additionally, the alternative Pure Water expansion water supply project eliminates concerns about potential adverse effects that Cal-Am's proposed Project would have on groundwater. As noted~~Further, as described in Section ~~II~~IV.~~I~~J of these Findings, Cal-Am's

Note: These are not Commission staff's Recommended Findings

proposed extraction of groundwater will not result in adverse effects on local and regional groundwater resources in the ~~Salinas Valley Groundwater Basin appear to be greater than were evaluated during the previous monitoring and modeling efforts done to characterize those effects. Cal-Am's~~SVGB. In addition, as discussed in Section IV.G, with the implementation of Special Conditions the Project's extraction of groundwater would ~~likely~~not result in adverse impacts to ~~up to several dozen acres of~~ vernal ponds~~, and its proposed groundwater use remains subject to future review to determine whether Cal-Am can obtain the water rights necessary to extract this water while protecting other users. Its proposed use of groundwater from this site is also currently subject to litigation, and it appears likely that its return water obligations may be much greater than originally anticipated, which could affect the cost and feasibility of the Project~~ because impacts would be mitigated to the maximum extent feasible. There is strong public interest in these groundwater resources, as evidenced by development of a basin management plan being developed by local stakeholders~~, pursuant to requirements of the state's~~, Cal-Am's proposed Project has been designed to prevent further migration of seawater into the SVGB in furtherance of the goals of Sustainable Groundwater Management Act. ~~Implementing the alternative project instead of Cal-Am's would eliminate this current uncertainty about the extent of Cal-Am's effects on these groundwater resources and how those effects may affect local water sources or regional use of the Basin.~~

Notably, Cal-Am's proposed Project will not only benefit the SVGB, but will also provide much needed protections to the Seaside Groundwater Basin, which is another critical water supply source for the Peninsula. The Seaside Groundwater Basin also provides groundwater storage for ASR and Pure Water Monterey. Cal-Am is currently obligated to replenish approximately 700 afy of water to the Seaside Basin over a 25-year period. The Seaside Basin Watermaster also has identified to the Commission that an additional 1,000 afy is needed for injection into the Basin to maintain the Basin's water levels. Both Cal-Am's replenishment water and the additional 1,000 afy identified by the Seaside Basin Watermaster appear necessary to achieve and maintain protective water levels for the Seaside Basin to prevent seawater intrusion and irreversible loss of basin storage. If Seaside Basin storage is lost or reduced as a result of seawater intrusion, other existing water supplies – that is, ASR and Pure Water Monterey – would be in jeopardy because seawater intruded aquifers cannot be used for groundwater storage.

Additionally, and as detailed in Section IV.N, Cal-Am's Project will benefit several communities of concern. As noted in that section, Cal-Am's proposed Project would benefit Castroville by providing it with relatively inexpensive water to supplement Castroville's current supply that is provided by several wells that are experiencing, or will soon experience, seawater intrusion. Through a Return Water Agreement developed during the CPUC's review of Cal-Am's Project, Cal-Am would return a portion of the water it extracts and exports from the Salinas Valley Groundwater Basin back into the Basin via pipeline in the form of reduced-cost potable water for the Castroville.[278] As a result, Castroville would benefit from the Cal-Am project because the agreement will help to maintain existing low water rates (approximately $45 per month) and stakeholders say it would also help with the development of critical affordable housing projects and agricultural jobs. Further, Cal-Am has an existing Customer Assistance Program for qualifying water consumers that will help defray increased water costs associated with the proposed Project, and pursuant to Special Condition 13 will develop additional

[278] See CPUC Final Decision 18-09-17, Appendix H.

Note: These are not Commission Staff's Recommended Findings

programs. Moreover, the Commission finds that the approximately $37-40/month water bill increase following Project implementation is consistent with previous Commission decisions (i.e., the Commission's July 2019 approval of the Morro Bay Water Reclamation Facility that would result in $41/month water bill increase,[279] see Section IV.N of these Findings).

Based on the above, the Commission finds that denying the proposed Project would ~~not~~ adversely affect the public welfare~~. The Project would result in a number of adverse impacts, and there is also substantial uncertainty about the Project's long-term feasibility due to questions about return water obligations, groundwater rights, where future wells could be located once the initial ones need to be replaced, and costs, among other things. Because denying the project is likely to lead to implementation of a project alternative that would benefit the public welfare, the project does not meet~~ and, thus, meets the second test of Section 30260~~, which would be required for approval~~.

Test 3 – Adverse environmental effects are mitigated to the maximum extent feasible: ~~Because the Commission has determined that the proposed Project does not meet either of the first two tests of Section 30260, there is no need to determine whether it meets this third test. Nonetheless, and as described below, the Commission finds that the proposed Project does not meet the~~The third test of Section 30260 and of the LCLUP's Habitat Protection Policy 1 require that the proposed Project's adverse environmental effects be mitigated to the maximum extent feasible.

~~This third test of Section 30260 and of the LCLUP's Habitat Protection Policy 1 require that the proposed Project's adverse environmental effects be fully mitigated. As noted in the Findings above, several Project components are not yet fully mitigated. For example, and as described in Sections II.F of these Findings, the Project's adverse effects on ESHA could be fairly extensive – up to about 35 acres of terrestrial ESHA – yet Cal-Am's currently proposed mitigation strategy would result in a net loss of ESHA. Additionally, the recently identified impacts to up to several dozen acres of nearby vernal ponds described in Section II.G have not been fully evaluated and the mitigation that may be needed for those impacts has not yet been identified. If those impacts can be feasibly mitigated, then the currently proposed mitigation does not yet meet the standard of impacts being mitigated to the maximum extent feasible. The Commission therefore finds that Cal-Am's proposed Project does not meet the third test of Section 30260.~~

As noted in these Findings, with the implementation of the CPUC's mitigation measures identified in the Final EIR/EIS and imposition of the Special Conditions above, the proposed Project's impacts have been mitigated to the maximum extent feasible. For example, as described in Section IV.F, the CPUC's MMRP and Cal-Am's HMMP are robust plans that require Cal-Am to mitigate the proposed Project's potential environmental impacts to terrestrial biological resources in the coastal zone to the maximum extent feasible. Further, as described in Section IV.G, Special Condition 7 requires Cal-Am to implement an Adaptive Management Program to monitor the vernal ponds. If monitoring reveals that the vernal ponds are groundwater dependent and would be impacted by pumping-related drawdowns, Special Condition 7 requires Cal-Am to obtain Commission approval to implement a Wetland Resiliency, Enhancement, Restoration, and Monitoring Plan to mitigate for those potential impacts to the maximum extent feasible. Potential impacts to coastal hazards, coastal waters, and public access are also mitigated to the

[279] See CDP No. 3-19-0463.

Note: These are not Commission Staff's Recommended Findings

maximum extent feasible through Special Conditions 6 through 10.

With the mitigation measures identified in the CPUC's MMRP and the above Special Conditions, the Commission therefore finds that Cal-Am's proposed Project meets the third test of Section 30260.

~~Conclusion~~

~~The Commission finds that the proposed Project does not meet the three tests of section 30260 and the parallel LCP policies.~~

Conclusion

Cal-Am's proposed Project is inconsistent with Coastal Act and City of Marina LCP policies regarding protection of ESHA and primary habitat, including wetland/vernal pond ESHA. Nonetheless, the proposed Project meets the three tests of Section 30260, and therefore, the Commission may exercise its discretion to approve Cal-Am's proposed Project.

Note: These are not Commission staff's Recommended Findings

V. ~~III.~~ CALIFORNIA ENVIRONMENTAL QUALITY ACT

Section 13096(a) of the Commission's administrative regulations requires that Commission approval of a Coastal Development Permit application be supported by a finding showing that the application, as conditioned by any conditions of approval, is consistent with any applicable requirements of the California Environmental Quality Act (CEQA). Section 21080.5(d)(2)(A) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse effect that the activity may have on the environment. ~~In addition, CEQA Guidelines Section 15042 states that "[a] Responsible Agency may refuse to approve a project in order to avoid direct or indirect environmental effects of that part of the project which the Responsible Agency would be called on to carry out or approve."~~ As a responsible agency under CEQA, the Commission is limited to considering alternatives within its jurisdiction. (Pub. Resources Code, § 21002.1(d); CEQA Guidelines, §§ 15042, 15096(g)(1).)

The CPUC, as lead agency under ~~the California Environmental Quality Act (~~CEQA~~)~~, prepared and certified a Final EIR for the project in 2018. The CPUC's Final EIR certification was challenged in court, and in 2019 the California Supreme Court upheld the Final EIR certification. The Coastal Commission, acting as a responsible agency pursuant to CEQA, has reviewed and considered the information contained in the Final EIR on the project. The findings in the staff report also address and respond to all issues pertaining to significant adverse environmental effects that were raised in public comments received prior to preparation of the staff report.

The Commission has identified and adopted 15 Special Conditions necessary to avoid, minimize, or mitigate potential impacts to coastal resources. However, as discussed above, the proposed Project is inconsistent with certain Coastal Act and City of Marina LCP policies with respect to ESHA and vernal ponds. Nonetheless, with the inclusion of these Special Conditions, the Commission finds that there are no further feasible alternatives or mitigation measures available which would substantially lessen any significant adverse effect which the proposed project may have on the environment. Therefore, the proposed project, as conditioned, has been adequately mitigated and is determined to be consistent with CEQA.

~~The Commission incorporates its findings on inconsistency with the Coastal Act and City's certified LCP at this point as if set forth in full. As discussed above, the proposed development is inconsistent with various, applicable policies of the certified LCP and Coastal Act, and is denied on that basis. As an additional and independent basis for denial, the Commission denies the proposed Project under CEQA in order to avoid the environmental effects that Cal-Am's Project would have within the coastal zone, including the effects to environmentally sensitive habitat and the other impacts described in this report. Denial is also appropriate because there is also a feasible alternative available that would substantially lessen significant adverse effects that the proposed development may have on the environment.~~

~~In addition, Section 21080(b)(5) of CEQA, as implemented by section 15270 of the CEQA Guidelines, provides that CEQA does not apply to projects that a public agency rejects or disapproves. Accordingly, the Commission's denial of this project represents an action to which CEQA, and all requirements contained therein that might otherwise apply to regulatory actions by the Commission, does not apply.~~

Note: These are not Commission staff's Recommended Findings

Staff Report Exhibits

Exhibit 1 – Project Location

Exhibit 2 – Project Layout

Exhibit 3 – Proposed Project Well Field

Exhibit 4 -- California Public Utilities Commission, Decision Approving a Modified Monterey Peninsula Water Supply Project, Adopting Settlement Agreements, Issuing Certificate of Public Convenience and Necessity and Certifying Combined Environmental Report, Decision 18-09-017, September 13, 2018.

Exhibit 5 – Special Status Species and Natural Communities That Could Be Significantly Impacted During Construction of the Proposed Facilities

Exhibit 6 – Construction Staging Areas, Habitat Types, and Special-Status Species with Potential to Occur (Table 4.6-3 from the Final EIR/EIS)

Exhibit 7 – Final EIR/EIS Summary of Terrestrial Biological Resources Mitigation Measures

Exhibit 8 – Cal-Am proposed Habitat Mitigation and Monitoring Plan, June 2020

Exhibit 9 – Map of Area Wetlands

Exhibit 10 – Coastal Hazards Technical Memorandum

Exhibit 11 – Independent Hydrogeological Review of Recent Data and Studies Related to California American Water's Proposed Monterey Regional Water Supply Project, November 2019

Exhibit 12– Independent Evaluation, Modification, and Use of the North Marina Groundwater Model to Estimate Potential Aquifer Impacts, July 2020

Exhibit 13 – Hydrogeologic Working Group Comments on Weiss Report, August 13, 2020.

Exhibit 14 – Hydrogeologic Working Group Comments on AGF Final Report on the 2019 AEM Survey, June 26, 2020.

Exhibit 15 – Environmental Justice – Methodology for Identifying Communities of Concern

Exhibit 16 – Rural Community Assistance Corporation Letter to State Water Resources Control Board – Division of Financial Assistance, March 30, 2017

Exhibit 17 – Monterey Peninsula Water Management District 2019 Update

Exhibit 18 – Monterey Peninsula Water Management District 2020 Update

Note: These are not Commission staff's Recommended Findings

Exhibit 19 – Monterey Peninsula Water Management District – Analysis of Available Well Capacity for 10-Year Maximum Daily Demand (MDD) and Peak Hour Demand (PHD)

Exhibit 20 – Final Supplemental Environmental Impact Report for the Proposed Modifications to the Pure Water Monterey Groundwater Replenishment Project, April 2020, Appendix M: Source Water Operational Plan Technical Memorandum

Exhibit 21 – California American Water Peer Review of Supply and Demand for Water on the Monterey Peninsula, Hazen and Sawyer, January 22, 2020

Exhibit 22 – Expert Report and Recommendations of Peter Mayer, P.E., Regarding Water Supply and Demand for Water on the Monterey Peninsula, April 21, 2020 and Supplemental Report, July 1, 2020.

Exhibit 23 – California American Water Peer Review of CCC Staff Report and Lon House Report, Hazen and Sawyer, September 10, 2020.

Exhibit 24 – California American Water Peer Review of August 20, 2020 Letter from M1W to CCC, Hazen and Sawyer, August 23, 2020.

Exhibit 25 – California American Water Peer Review of Supply and Demand for Water on the Monterey Peninsula, Hazen and Sawyer, August 11, 2020.

Exhibit 26 – Seaside Basin Watermaster Letter to Commission Regarding Monterey Peninsula Water Supply Project – Support, August 12, 2020.

Exhibit 27 – City of Salinas Letter to Monterey One Water Regarding 4-27-20 Agenda Item 7A, April 27, 2020.

Exhibit 28 – California-American Water Company Letter to Monterey One Water Regarding Pure Water Monterey Project—Cost, Operational Performance and Status, May 9, 2020.

Exhibit 29 – City of Monterey Letter to Monterey Peninsula Water Management District Regarding Supply and Water Demand for the Monterey Peninsula, February 4, 2020.

Exhibit 30 – California-American Water Company Advice Letter No. 1231 to the California Public Utilities Commission, March 19, 2019.

Exhibit 31 – Economic & Planning Systems Memorandum to California-American Water Company regarding One-Time Economic Impacts of Construction, August 31, 2020

Note: These are not Commission staff's Recommended Findings

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September 17, 2020

APPENDIX A – SUBSTANTIVE FILE DOCUMENTS

AECOM, *Updated Coastal Erosion Hazard Analysis for CalAm Monterey Peninsula Water Supply Project*, October 2, 2019.

AECOM, *Response to Coastal Commission Comments on Inland Dune Migration, Profile Shifts, and Wind-Blown Sand as a Coastal Hazard at Cal-Am's Proposed Wellhead Sites in the City of Marina's Coastal Zone*, June 23, 2020.

AECOM, *Supplement: Updated Coastal Erosion Hazard Analysis for CalAm Monterey Water Supply Project*, August 11, 2020.

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ATTACHMENT B

RESPONSE TO AUGUST 25, 2020 STAFF REPORT FOR APPLICATION 9-19-0918 AND APPEAL A-3-MRA-19-0034

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A. Environmentally Sensitive Habitat Areas (Staff Report, pp. 28-47)

- The Project's Final EIR/EIS determined that the Project would result in a significant and unavoidable inconsistency with the City of Marina's Local Coastal Program's ("LCP") Habitat Protection Policies regarding development in primary habitat. (Final EIR/EIS, p. 4.6-235.) However, as explained in the Project's Final EIR/EIS, the Project would not result in a substantial adverse ***physical*** impact to sensitive habitats during Project construction or operation with the implementation of all feasible and enforceable mitigation measures. (Final EIR/EIS at pp. 4.6-198, 4.6-201, 4.6-204 to 4.6-205, 4.6-215, 4.6-258 to 4.6-259.) With the implementation of the mitigation identified in the Final EIR/EIS, Cal-Am's Habitat Mitigation and Monitoring Plan ("HMMP"), and Cal-Am's proposed Special Conditions, potential impacts to ESHA would be mitigated to the maximum extent feasible. (See Applicant's Staff Report, Section IV.F.) Thus, the Commission may approve the Project under Coastal Act section 30260, which allows for coastal-dependent industrial facilities like the Project to be approved despite any potential LCP inconsistencies. (See *ibid*.)

1. <u>Scope of ESHA Impacts</u>

- The Staff Report states that the Project "would disturb up to several dozen acres of ESHA or would otherwise adversely affect, or have the potential to adversely affect, a number of sensitive plant and animal species." (Staff Report, p. 31; see also *id*., pp. 40-43.) As described in the Applicant's Staff Report, Section IV.F, and below, staff greatly overestimates the amount of ESHA the Project could impact.

    - The acreages used in the Staff Report come from the Final EIR/EIS, which conservatively assumed that all undeveloped areas in the Project's footprint within the Coastal Zone were ESHA. (Final EIR/EIS, p. 4.6-36.) This resulted in a maximum envelope of ESHA impacts associated with the Project being disclosed in the Final EIR/EIS.

    - Subsequent to the certification of the Final EIR/EIS, more detailed biological assessments have been prepared to better define the scope of biological resources impacts. The HMMP relied upon these assessments, which identified ground cover within undeveloped areas of the Project area within the Coastal Zone as not satisfying the definition of ESHA. (HMMP, p. 3-3.) These areas were then mapped with GIS accuracy. (*Id*.) Accordingly, the areas identified in the HMMP more accurately capture physical conditions that exist on the ground and should be utilized for establishing the acreage of impacts to ESHA in lieu of the conservative assumptions that were included in the Final EIR/EIS.

    - Moreover, the majority of the ESHA impacts would occur where Cal-Am proposes to install the Project's pipelines, which would be located in the Transportation Agency for Monterey County right-of-way ("TAMC ROW"). The TAMC ROW, which was previously operated by Southern Pacific Railroad, consists of remnant railroad tracks and previously disturbed dune habitat. The TAMC ROW runs from the community of Castroville to the City of Monterey,

and is, on average, 100-feet wide with a single rail track in the center. The TAMC ROW is host to existing linear utilities including electric, communications and wastewater.[1] Thus, it has already been subject to various ground disturbances as it serves as an existing utilities corridor.

- The project studied in the Final EIR/EIS was also a larger version (9.6 mgd) of the currently proposed Project (6.4 mgd), and which would have included additional intake wells and wellheads on the CEMEX property. Ultimately, the CPUC selected Alternative 5a, a 6.4 mgd project, for approval. Accordingly, the HMMP reflects subsequent design drawings prepared for the smaller desalination project as well as the completion of more detailed design for the Project components. (HMMP, p. 3-11.)

- The specific acreage of impacts to biological resources potentially impacted by the Project as updated with information provided in the HMMP as compared to the Staff Report is shown below.

Impact Location in Coastal Zone	Staff Report Acreage[2]	HMMP Acreage
CEMEX site	9	8.4
Desalinated Water Pipeline	16.9	2.12
Source Water Pipeline	11.8	4.8
Desalinated/Source Water Pipeline Overlap	0	1.95
Transmission Main Pipeline	5.4	0.1
Castroville Pipeline	0.4	0.13
Total	43.5[3]	17.5

[1] In August 2019, TAMC's Board of Directors approved an Easement Purchase Agreement and Operations Plan and Agreement with Cal-Am to install the pipelines in the TAMC ROW. (https://www.tamcmonterey.org/wp-content/uploads/2019/08/TAMC_Agenda_2019_8_28_Meeting219.pdf.)

[2] The Staff Report states that there would be overlap in potential impact acreage for certain Project components, but does not quantify the extent of overlap. For instance, the Staff Report notes that the Desalinated Water Pipeline would impact up to 16.9 acres of ESHA within the City of Marina. (Staff Report, p. 40.) But the Staff Report further provides that "some of this area of impact would likely overlap with some of the areas affected by the Source Water Pipeline construction." (*Ibid*.) Moreover, staff identifies an overlap in Desalinated Water Pipeline Construction across the City of Marina's LCP jurisdiction and the County's Coastal Zone. (*Id*., p. 41.) Staff identifies similar overlaps for the Source Water and Transmission Main Pipelines. (See *id*., pp. 41-42.)

[3] The Staff Report asserts that the Project could result in "up to about 35 acres of both temporary and permanent impacts to terrestrial ESHA during construction and operation" (Staff Report, p. 5), but the sum of potential impact acreages identified in the Staff Report totals 43.5 acres. However, as noted above the Staff Report states that there would be overlap in potential impact

- Further, as explained in Cal-Am's June 30, 2020 Letter to Commission staff ("June 30 Letter to Commission") and detailed in the HMMP, the Project would only permanently impact approximately 2.2 acres of ESHA and temporarily impact approximately 15.3 acres. (June 30 Letter to Commission, Att. A, p. 1.)

Impact Location in Coastal Zone	Permanent Acres	Temporary Acres	Total
CEMEX site	2.2	6.2	8.4
Pipelines outside of Marina	0	4.6	4.6
Pipelines within Marina	0	4.5	4.5
Total	2.2	15.3	17.5

- Staff also suggests that Project construction would result in impacts to an additional 6.6 acres of ESHA, suggesting that this acreage would be in addition to the ESHA impact locations identified in the table above. (See Staff Report, p. 43.)

  - While Cal-Am would establish several construction staging areas, the staging areas would occur in paved areas or within the construction footprint for the slant wells or pipelines. (See Applicant's Staff Report, Section IV.F.) As a result, these staging areas would not result in any additional impacts to ESHA.

2. <u>Uses of the CEMEX Site</u>

- The Staff Report incorrectly characterizes the CEMEX Settlement Agreement, suggesting that, as of December 31, 2020, the CEMEX site will be limited to public access, open space, and habitat. (Staff Report, p. 37.) Staff acknowledges Cal-Am's existing easement over a 30-acre area of the CEMEX site, but suggests that Cal-Am's proposed activities within that easement are inconsistent with public access, open space, and habitat uses. (See *ibid*.) In addition, the Staff Report claims that the HMMP proposes restoration activities in a place that is already expected to benefit from preservation pursuant to the Settlement Agreement. (*Ibid*.)

  - As Cal-Am explained in its June 30 Letter to the Commission, the Project is consistent with the Settlement Agreement's restrictions on the use of the CEMEX site because Cal-Am is proposing to use the easement to facilitate Project construction and operation. (See June 30 Letter to Commission, Att. A, pp. 3-4 [citing Settlement Agreement, § 6.1].)

  - Further, under the HMMP, Cal-Am proposes to promote the Settlement Agreement's intent by restoring approximately 14.6 acres at the CEMEX site (6.6 acres for permanent impacts, 6.2 acres for temporary impacts, and an additional 1.8 acres that is not required but is proposed to benefit the overall restoration of the CEMEX site). Restoration at the CEMEX site would include re-

acreage for certain Project components and therefore the 43.5 acre total reflects the overlap that would need to be removed to avoid double-counting the same impact areas.

establishment, rehabilitation and enhancement of habitats through removal of existing sizeable invasive species populations, and reintroduction of native species indigenous to the dune habitat. The HMMP also requires long-term management activities to remove newly emerging invasive vegetation and protect and preserve the restored and existing native habitats. (See June 30 Letter to Commission, Att. A, p. 4.)

- Moreover, Cal-Am's proposed HMMP ensures that any impacts on the CEMEX site as a result of Project construction and operation will be mitigated to the maximum extent feasible. Implementation of the HMMP will result in the restoration of approximately 14.6 acres on the CEMEX site to its natural condition, the funding for which would not be secured in the absence of Cal-Am's Project and the HMMP.

- The Staff Report's suggestion that the HMMP proposes restoration in an area that is already expected to benefit from preservation is a significant overstatement of the Settlement Agreement.

    - The Settlement Agreement requires CEMEX to transfer title to a Commission-approved entity to either manage the property for conservation uses or use the property for allowable activities, such as the proposed Project. (Settlement Agreement, § 6.1.) The Settlement Agreement does not require the future purchaser to use or manage the property for ESHA preservation or restoration.

    - In addition, the restoration activities proposed in the HMMP would be located entirely in areas that are not identified for restoration under the Settlement Agreement or CEMEX's Reclamation Plan. The Settlement Agreement and Reclamation Plan require restoration activities in certain limited areas of the CEMEX site related to sand mining activities, but they do not require restoration activities across the entire 400-acre property. Both the Settlement Agreement and Reclamation Plan focus restoration activities on the southern portion of the CEMEX site in areas where recent sand mining activities have occurred. The HMMP, however, proposes permanent mitigation in the northern portion of the CEMEX site. Specifically, the HMMP notes that the northern portion of the CEMEX site "offers highly suitable multi-resource mitigation sites of varying sizes and does not overlap with areas that CEMEX is required to restore based on the CDO and Reclamation Plan prepared for the CEMEX plant consistent with the Surface Mining and Reclamation Act (SMARA) requirements." (HMMP, p. 4-1; see also HMMP, pp. 7-12, 7-26.) Therefore, the HMMP was specifically designed to provide for permanent restoration activities in areas of the CEMEX site that are in need of restoration that are not provided for in the CEMEX Settlement Agreement or Reclamation Plan. All of the HMMP work would result in benefits to habitat beyond those contemplated in the Settlement Agreement and Reclamation Plan. No restoration or enhancement of these areas is

otherwise proposed, required, or funded under the Settlement Agreement or Reclamation Plan.

- Therefore, Cal-Am's proposed use is entirely consistent with the Settlement Agreement's intent and would result in the restoration of area that would not otherwise be restored.

3. Slant Well Construction and Maintenance

- The Staff Report states that potential impacts from well construction and maintenance cannot be considered "temporary" because Cal-Am will need to conduct maintenance at the well sites every few years, which would result in "ongoing impacts" to approximately six acres and "ongoing disturbance during the expected recovery periods." (Staff Report, p. 37.)

    - Although Cal-Am anticipates having to conduct recommended maintenance at the well sites about every five years, staff misconstrues the potential impacts. While the Final EIR/EIS indicated that the disturbed area from well construction and ongoing maintenance would be 6 acres, the HMMP explained that this area has been reduced to 2.2 acres as a result of a smaller desalination project being approved by the CPUC and subsequent refinements to Project design. (HMMP, p. 3-11.) Therefore, the updated area of disturbance for construction (including staging) would be located within a 1.2-acre area already included in the 2.2 acres identified in the HMMP as an area of *permanent* impact. (See Applicant's Staff Report, Section IV.F.)

    - To mitigate for impacts to ESHA from well site construction and maintenance, the HMMP provides for approximately 6.6 acres of restoration for the 2.2 acres of potential permanent impacts at a 3:1 mitigation ratio. (Applicant's Staff Report, Section IV.F; see also June 30 Letter to Commission, Att. A, pp. 1, 10.)

- The Staff Report states that, in order to drill the well sites within the expected Project deadlines, Cal-Am would be required to perform construction work during western snowy plover breeding and nesting season. (Staff Report, p. 38.)

    - Staff ignores Cal-Am's June 30 Response on this exact issue. (See June 30 Letter to Commission, Att. A, pp. 4-5.)

    - The CPUC's Mitigation Monitoring and Reporting Program ("MMRP") limits how and when Cal-Am can perform Project work to minimize potential impacts to western snowy plover. Cal-Am cannot perform work during western snowy plover breeding season without first obtaining approval from the U.S. Fish and Wildlife Service ("USFWS") and subject to conditions. (See Final EIR/EIS, p. 4.6-175 [emphasis added]; CPUC Decision D.18-09-017, Appx. C, p. C-18; *id.*, Appx. D, pp. D-19 to D-21.) If Cal-Am applies for, and obtains, such approval, it is anticipated that USFWS would condition the construction or maintenance work to avoid or minimize impacts to western snowy plover.

        - These measures included in the MMRP are similar to a Special Condition approved by the Commission for Cal-Am's test slant well, which did not prohibit construction during western snowy plover breeding season, but rather imposed pre-construction and pre-disturbance survey requirements and protections for any work performed between February 28 and October 1. (See Final Adopted Findings, CDP App. No. 9-14-1735, Appeal No. A-3-MRA-14-0050 (Nov. 12, 2014), pp. 8, 13-15.)

    - Further, regardless of whether construction occurs during plover breeding season, slant well construction has been designed to "occur ***outside*** of western snowy plover critical habitat and ***would not result in direct impacts on critical habitat***." (Final EIR/EIS, p. 4.6-197 [emphasis added].)

- Cal-Am agrees with staff's suggestion that impacts from disposing of well drilling spoils offsite would be *de minimis*. (Staff Report, pp. 38-39.) Any impacts would be negligible and do not create any new or more severe impacts in addition to those identified and mitigated in the Final EIR/EIS. (See June 30 Letter to Commission, Att. A, p. 6.)

- Staff asserts that "Cal-Am expects the [slant] wells to have operating lives of about 20 to 25 years," and that the wells would be impacted by coastal erosion and dune recession. (Staff Report, p. 31.) As a result, staff claims that Cal-Am would need to relocate the wells, which would result in additional ESHA impacts. (*Id*., p. 31; see also *id*., pp. 37-38, 39-40.)

    - As explained in Sections IV.H and IV.F of the Applicant's Staff Report, it would be total speculation to assess where or how Cal-Am would replace or relocate its wells after their 25-year operating life. For example, technological advancements over the next 25 years could enable the location of alternative wells in locations that are not feasible today, such as further away from the coast. Moreover, by the time Cal-Am needs to decommission the wells authorized by this permit, Cal-Am would need to apply to the Commission for authorization to replace or relocate the wells, and the Commission would need to consider whether the proposal would result in additional ESHA impacts based on the specific proposed well locations. These requirements are incorporated in Special Condition 9, under which Cal-Am must report to the Commission on the need for any replacement or relocation of the wells and apply for a CDP amendment should such actions be necessary, no later than 24 years from the commencement of operations, unless the Executive Director deems it unnecessary.

4. <u>Monterey One Water Outfall Clamp Replacement and Installation of Interior Lining</u>

- The Staff Report finds that the Monterey One Water outfall clamp replacement work required by the Final EIR/EIS would not conform to Marina's LCP or Coastal Act section 30240. (Staff Report, pp. 43-44.) In particular, staff claims that Cal-Am would replace clamps during Western Snowy Plover season, and that clamp replacement work requires heavy equipment that would disturb half an acre of critical habitat for 6-8 weeks. (*Ibid*.)

- Staff ignores that the Final EIR/EIS analyzed the potential secondary impacts of the clamp replacement work. After identifying all feasible mitigation measures, the Final EIR/EIS concluded that potential impacts to ESHA from the clamp replacement work would be less than significant with mitigation. (Final EIR/EIS, p. 4.13-28 to 4.13-33; see also Applicant's Staff Report, Section IV.F.)

    - As described in Cal-Am's local CDP application, the work would be performed late in the snowy plover nesting season when eggs would have already hatched. Moreover, although the activities could temporarily disturb approximately a half acre between the dunes and the beach, beach access would remain open, except during extreme high tide events. Any clamp replacement materials and equipment placed on the beach would be removed by sunset each day that work occurs, with the exception of limited larger equipment for which daily removal would be impracticable. Finally, all accessways impacted by construction activities would be restored to pre-construction condition or better within 3 days of construction completion. (See Applicant's Staff Report, Section IV.F.)

- Even if the Commission finds that the clamp replacement work is inconsistent with the habitat protection policies of Marina's LCP and Coastal Act section 30240, the Commission may still approve the Project as a coastal-dependent industrial facility under Coastal Act section 30260. (See Applicant's Staff Report, Sections IV.F, IV.P.)

- The Staff Report concludes that installation of the liner in the Monterey One Water outfall, as described in the Final EIR/EIS, would not conform to Coastal Act Section 30240 as a non-resource-dependent activity that would occur in ESHA. (Staff Report, p. 44.) In doing so, the Staff Report assumes the worst-case conditions for the outfall lining work, while ignoring the Final EIR/EIS's analyses and mitigation measures for that work. (See Final EIR/EIS, pp. 4.13-33 to 4.13-36.)

    - Recognizing that the installation of the outfall liner could result in environmental impacts, the EIR/EIS evaluated the potential secondary impacts of lining the outfall. (Final EIR/EIS, pp. 4.13-33 to 4.13-36.) The Final EIR/EIS identifies all feasible mitigation measures, the implementation of which would reduce ***each potential impact to less-than-significant levels***. (*Id*., pp. 4.13-33-36.)

    - Nonetheless, to address staff's concerns with potential impacts from the outfall lining work, Cal-Am has proposed an alternative approach that is as effective as the approach evaluated in the Final EIR/EIS and that would minimize or eliminate impacts to coastal resources and ESHA. (See Cal-Am's August 17, 2020 Letter to Commission.) As staff correctly points out, this alternative "spray on" method for the outfall lining work "would be done almost entirely within the outfall and ***would involve no ground disturbance within the coastal zone of the City [of Marina] or the County***." (Staff Report, p. 45 [emphasis added]; see also Applicant's Staff Report, Section IV.F.)

- The Staff Report correctly acknowledges that this new "spray-on" proposal "would appear to avoid any impacts related to ESHA and would avoid having the liner work cause a non-resource dependent use in ESHA." (Staff Report, p. 45.) However, the Staff Report errs by concluding that Cal-Am has not demonstrated that this approach is "feasible," because M1W has not chosen a final design or received the necessary permits for this work. (*Ibid*.)

    - The Coastal Act and CEQA both define "feasible" as "capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technological factors." (See Pub. Resources Code, §§ 21061.1 [CEQA], 30108 [Coastal Act].) Staff identifies no evidence that suggests the proposed outfall lining work is not "capable of being accomplished in a successful manner within a reasonable period of time." Further, while M1W's August 17, 2020 technical memorandum regarding the spray liner proposal identifies that certain issues still need to be resolved before the spray lining work can proceed, M1W does not find the method proposed to be infeasible.

    - Staff takes inconsistent approaches to "feasibility" in its Staff Report. Staff (incorrectly) concludes that the PWM Expansion—which is without a certified EIR or any project approval and must address numerous environmental concerns that have been identified—is a "feasible" alternative to the Project. (See Staff Report, p. 4.) At the same time, the Staff Report provides no reasoning as to why the proposed outfall pipeline lining work is infeasible, despite the fact that Cal-Am has provided a detailed proposal, showing that the spray-lining work could be "accomplished in a successful manner within a reasonable period of time." (See Pub. Resources Code, §§ 21061.1, 30108.) The Staff Report even concedes that it is possible the outfall lining work could be accomplished without *any* CDP from Monterey County, the City of Marina, or the Coastal Commission. (Staff Report, p. 112.)

- Proposed Special Condition 4 would require Cal-Am to implement the less impactful spray-on lining method prior to the commencement of Project operations or to obtain a CDP amendment or a new CDP should Cal-Am need to implement a different method to install the outfall liner. (Applicant's Staff Report, Section IV.F.) Therefore, Special Condition 4 ensures that approval of the current CDP application will not result in any adverse impacts to ESHA from the installation of the outfall liner. (See *ibid*.)

5. <u>Mitigation Measures & Mitigation Ratios</u>

- The Staff Report assumes that all Project-related impacts that cannot be restored within 12 months are "greater than temporary" or permanent. (Staff Report, pp. 37, 38.) Under a definition of "temporary" that requires impacts to be restored within 12 months, staff concludes that Cal-Am has proposed insufficient mitigation acreage and that the mitigation ratio for temporary impacts should be increased. (*Ibid*.; see also *id*., p. 46.)

- The Project's temporary impacts are construction impacts that can be fully restored to pre-disturbance conditions for most species following completion of construction, such as impacts from construction staging, laydown, trenching areas, and other work space that will not be occupied by permanent facilities during Project operation. Due to the proposed activities and the fact that restoration will begin concurrent with Project construction, sequencing work to ensure that impacts are temporally limited, these impacts are properly considered temporary instead of permanent. (See Applicant's Staff Report, Section IV.F.) The mitigation ratio proposed for temporary impacts is consistent the mitigation requirement included in the Final EIR/EIS. (Final EIR/EIS, p. 4.6-170.)

- The Staff Report asserts that Cal-Am's HMMP "involve[s] a number of uncertainties that make it difficult to evaluate potential mitigation success" and "proposes a number of measures that are not consistent with past Commission-approved mitigation plans." (Staff Report, p. 46.) Responses to staff's claims are provided below:

  - ***Timing and Funding for Mitigation.*** As explained in Section IV.F of the Applicant's Staff Report, because the CEMEX site has not yet been purchased by a Commission-approved entity, Cal-Am has proposed Special Condition 5 to address the uncertainty regarding the CEMEX site closure and subsequent transfer to a purchaser. Special Condition 5 requires Cal-Am, in consultation with the Executive Director, to prepare and submit a final plan that selects one of the proposed mitigation approaches for implementing the HMMP at the CEMEX site. Under any proposal, Special Condition 5 will provide certainty regarding the implementation of the HMMP, including funding mechanisms.

  - ***HMMP Reference Sites, Success Criteria, and Analysis Methods:*** The Staff Report notes concerns regarding the HMMP reference sites, success criteria, and analysis methods. The reference site and success criteria are consistent with those provided in the Final EIR/EIS. (See e.g. Final EIR/EIS pp, 4.6-177, 4.6-179, 4.6-181, 4.6-190, 4.6-219, and 4.6-220.) In addition, as provided in the HMMP "[p]roject impact areas will be surveyed for pre-Project/baseline data by the Biological Monitor or Restoration Ecologist before construction and the start of monitoring of mitigation sites in order to provide comparable sets of data by which the mitigation sites' performance will be assessed." (HMMP, p. 6-4.) Both qualitative and quantitative monitoring will occur. Quantitative monitoring will include "quantification of vegetation characteristics (e.g., native and non-native vegetation cover, species diversity, dominant species, target species cover and density) and collection of established viewpoint photographs." (*Ibid*.) The percent cover of native species will be estimated using a modified relevé method. (*Id*.) Accordingly, the HMMP is proposing reference site, success criteria, and analyses methods consistent with other habitat mitigation and monitoring plans.

  - ***Agricultural Runoff Management.*** The Staff Report states that the HMMP proposes to use agricultural runoff as part of its dune restoration. That is not accurate. In the *Monterey Peninsula Water Supply Project: CEMEX North Dunes – Agricultural Runoff Drainage System Observations and Options* prepared by

AECOM and dated August 19, 2020, AECOM provided additional information regarding the valley and agricultural runoff. As clarified in AECOM's memorandum, the HMMP proposes that the agricultural runoff into the dunes be discontinued, that all the invasive vegetation associated with the agricultural runoff be removed, and the entire dune area impacted by the agricultural runoff be restored with coastal dune habitat. AECOM notes that discontinuation or alternative management strategies for the agricultural runoff would occur as part of implementation of the HMMP. Because there is some uncertainty regarding the discontinuation or alternative management strategies for the agricultural runoff, Cal-Am has proposed Special Condition 6, which requires Cal-Am to submit a plan for Executive Director review and approval prior to permit issuance, which will detail the plan for the discontinuation or alternative management for the agricultural runoff. (See Applicant's Staff Report, Section IV.F.)

6. <u>Consistency with Marina's LCP and Coastal Act Section 30240; Coastal Act Override Under Section 30260</u>

- The Staff Report finds that the Project is not consistent with the Coastal Act and LCP provisions that require development in ESHA to be dependent on the protected habitat resources. (Staff Report, pp. 32, 34, 43.) Nonetheless, staff finds that the Project can be considered for approval under Coastal Act section 30260 as a coastal-dependent industrial facility. (*Id*., pp. 32, 43, 47.)

    - The Project would conform to the Habitat Protection Policies in Marina's LCP, as supplemented by its consistency with the Coastal Dependent Development priorities in the LCP and Coastal Act section 30260, which allows for coastal-dependent industrial facilities like the Project to be approved despite any potential LCP inconsistencies. (See June 30 Letter to Commission, Att. A, p. 1.)

    - Although the Final EIR/EIS determined that the Project would be inconsistent with provisions of Marina's LCP and Coastal Act section 30240 regarding development in protected habitat resources, the CPUC adopted a robust MMRP to ensure the Project's potential impacts to ESHA are mitigated to the maximum extent feasible. (See Final EIR/EIS, Appx. D, pp. D-1 to D-58.)

    - Moreover, Cal-Am prepared a comprehensive HMMP addressing impacts to habitat within the Coastal Zone. The HMMP would ensure that the Project would not result in substantial adverse effects on sensitive natural communities in the Coastal Zone, including ESHA, during Project construction and operation. (See Applicant's Staff Report, Section IV.F.) Further, Cal-Am has proposed Special Conditions that require implementation of the HMMP and impose additional protections against potential impacts to ESHA. (See *ibid*.) With the implementation of the HMMP and proposed Special Conditions, potential impacts to ESHA would be mitigated to the maximum extent feasible. (See *ibid*.)

    - Cal-Am agrees with staff that the Commission may approve the Project notwithstanding potential inconsistencies with the habitat protection policies in

Marina's LCP and the Coastal Act under Coastal Act section 30260. As explained below in Section K of this Response, and in the Applicant's Staff Report, Section IV.P, the Project satisfies the three tests for approval of coastal-dependent industrial facilities.

B. Wetlands and Vernal Pond ESHA (Staff Report, pp. 48-53)

- The Staff Report concludes that there are "likely" impacts to vernal ponds from Cal-Am's pumping of groundwater and therefore the Project cannot be found consistent with the Coastal Act or LCP. (Staff Report, p. 53.)
    - The Staff Report's conclusion is not based on the totality of the evidence and instead entirely relies on information provided by the City of Marina. Specifically, the City of Marina's submittal argues that the Project's pumping of groundwater would result in groundwater drawdowns that would impact certain vernal ponds that the City of Marina claims are groundwater dependent ecosystems.
- The Staff Report fails to address the robust analysis submitted by Cal-Am regarding the vernal ponds, which demonstrates that the vernal ponds are unlikely to be impacted by the Project.
    - Geoscience and AECOM prepared a thorough analysis of the vernal ponds using available information, *Understanding the Influence of Subsurface Aquifer Drawdown Upon Surface Waters and Wetlands for the Proposed Monterey Peninsula Water Supply Project* dated August 18, 2020 ("Pond Memo").
    - The Pond Memo provides a detailed assessment of the vernal ponds within the Project's drawdown area and concludes: 1) that the vernal ponds are likely not groundwater dependent; or 2) if they are groundwater dependent they are supported from a perched source, the Fort Ord Perched "A" Aquifer, which is not hydraulically connected to the Dune Sand Aquifer from which the Project would draw water. (Pond Memo, p. 35.) This conclusion is consistent with the Final EIR/EIS for the Project. (See Final EIR/EIS, pp. 8.5-688, 8.5-702.)
    - To reach its conclusion the Pond Memo evaluated existing monitoring wells, conducted water quality sampling, researched surface water conditions, examined historical aerial imagery, and reviewed previously prepared analyses regarding the ponds.
    - For six of the seven ponds at issue, the Pond Memo explains that urban development has substantially altered the existing functions of the ponds and that the main water source for those ponds is from surface water runoff, including storm water discharged from adjacent urbanized areas.
    - For the seventh pond, the Armstrong Ranch ponds, the Pond Memo explains that agricultural irrigation and historic use as a cattle pasture has affected the extent to which the ponds are groundwater dependent. The Pond Memo concludes that

surface water and rainfall are likely the source of water for the Armstrong Ranch ponds.

- The Pond Memo also notes that the Dune Sand Aquifer is directly connected to the ocean and reflects tidal changes. Accordingly, if any of the ponds were hydraulically connected to the Dune Sand Aquifer the pond surface water elevation would rise and fall with daily tidal fluctuations. None of the ponds show influence of tidal changes, which further supports that the ponds are not hydrologically connected to the Dune Sand Aquifer.

- The Staff Report disregards the comprehensive Adaptive Management Program proposed by Cal-Am.

  - While the Pond Memo concludes that the Project is not anticipated to adversely affect any vernal ponds, the Pond Memo nevertheless includes a comprehensive Adaptive Management Program whereby the ponds would continue to be evaluated prior to the commencement of Project operations, and that if it is determined that there would be impacts from Project pumping, the Adaptive Management Program requires implementation of wetland resiliency, enhancement, or restoration activities to ensure that there would be no adverse effects associated with the Project.

  - As proposed by Cal-Am at Special Condition 7, implementation of the Adaptive Management Program would occur in close coordination with Coastal Commission staff and all analysis would be required to be submitted to staff for review and approval. In addition, if wetland resiliency, enhancement, or restoration activities are necessary they would be reviewed by the Commission under a future permit amendment.

  - The Adaptive Management Program includes a three stage process:

    - Stage 1: consists of supplemental data collection and near-term monitoring that would include surveying all ponds, installing monitoring equipment, sampling water quality, evaluating the biological conditions, and conducting a historical review. Stage 1 would occur over a 12 month period to account for seasonal variation and would be completed prior to Project operations. Stage 1 would determine whether there is a connection between the ponds and the Dune Sand Aquifer.

    - Stage 2: if Stage 1 determines that there is a hydrological connection between the ponds and the Dune Sand Aquifer, Stage Two would evaluate the degree to which the Project's pumping would affect the ponds.

    - Stage 3: based on the results of Stage Two, Stage Three would require development of a Wetland Resiliency, Enhancement, Restoration, and Monitoring Plan that would require compensation for potential impacts based on specified standards. Resiliency, enhancement, and restoration

actions could include providing supplemental water, pond restoration or enhancements, on-site habitat restoration, or off-site restoration. The measures would entirely off-set all potential impacts.

- Therefore, based on the ***Pond Memo and with the implementation of the Adaptive Management Program included as Special Condition 7, the Project would ensure that any impacts to the vernal ponds are mitigated to the maximum extent feasible.***

C. Coastal Hazards (Staff Report, pp. 54-61)

- The Staff Report confirms that the desalination facility and other Project components would be located outside of the coastal zone and away from any coastal hazards, but that the slant well field at the CEMEX site could be subject to coastal hazards and "the risk from these hazards would be expected to be relatively minor." (Staff Report, pp. 55.) Cal-Am agrees.

- In particular, the Staff Report explains that the slant wells would avoid coastal hazards within their economic life of 20 to 25 years, and therefore would be consistent with the LCP's coastal hazards provisions related to the expected economic life of the development. (Staff Report, pp. 58, 60.) Again, Cal-Am agrees that the slant wells will be safe from coastal hazards within their economic life, and likely would be for much longer.

- The Staff Report states that based on the technical memorandum prepared by the Commission's coastal engineer that "the test well site and other well sites would likely be safe from erosion through 2040, the test well site could be at risk by 2060, and that both test well site and other well sites would likely be at risk by 2120." (Staff Report, p. 58.)

    - The Staff Report acknowledges that Cal-Am's coastal erosion analysis is exceedingly conservative, explaining that Cal-Am's analysis assumes the "extreme risk aversion scenarios for the years 2040, 2060, and 2120," "includes the high GHG emissions scenario for each to provide a more conservative assessment of expected effects," and "also considers the effects of both a 100-year and 500-year storm event on site erosion to provide additional conservatism." (Staff Report, pp. 57-58.) These conservative assumptions go beyond the most extreme scenarios proposed by the Commission's most recent sea-level rise guidance. The analysis concluded that the slant wells (including the test slant well) would not be at risk from coastal erosion until near 2120. (June 30 Letter to Commission, Att. A, pp. 10-13.)

    - However, the Staff Report fails to account for ***any*** reduction in coastal erosion from the end of sand mining at the CEMEX site. (See, e.g., Staff Report, Exhibit 10, p. 3.) Staff's refusal to assume any reduction of coastal retreat is not a reasonable approach, and staff does not provide any modeling or data to support its assumption. Even under staff's approach, eliminating any and all reductions to coastal retreat from the cessation of sand mining, the Staff Report only identifies a

potential impact to the test slant well by 2060, years after the well's useful life of 20 to 25 years has passed. (Staff Report, p. 58.)

- In contrast, AECOM applied a reasonable and conservative 60 percent reduction in the historic coastal retreat rate to account for the cessation of sand mining activities at the CEMEX site, based on prior analysis of retreat reductions at other sand mine closure sites along the southern Monterey Bay coastline earlier in the 20th century, combined with a site-specific sand budget analysis. (June 30 Letter to Commission, Att. A, pp. 11-12.) This reduction is based in part on a study commissioned by the Office of Naval Research that assessed sand mining impacts on long-term dune erosion in southern Monterey Bay. (*Ibid.*) Moreover, when the Commission was considering the CEMEX Settlement Agreement in 2017, its own staff prepared a technical report stating, "[i]f sand mining from the CEMEX Pond were to stop, the rate of shoreline retreat and dune erosion within the SMB Littoral Cell would likely ***reduce significantly***." (See Exhibit 5 to Commission Staff Recommendations and Findings for CEMEX Closure, p. 2, attached to June 30 Letter to Commission as Exhibit 7, [emphasis added].) Indeed, improvements to shoreline change and reductions in erosion were precisely some of the factors contemplated in seeking the closure of the CEMEX sand mining operations. (June 30 Letter to Commission, Att. A, p. 12 [quoting and citing Commission Staff Recommendations and Findings for CEMEX Closure].) Thus, when using a reasonable estimation of reduction in coastal retreat, the slant wells (including the test slant well) are projected to be unaffected by coastal hazards until near 2120.

- The Staff Report also claims that California has developed a new principle calling for permitting agencies, such as the Commission, to consider an increase in sea level of 3.5 feet by 2050. (Staff Report, p. 58.) However, as the Executive Director stated in his May 22, 2020 letter endorsing this new principle, the new principle is not a new sea level rise projection and is, in general, already accounted for by utilizing and implementing the projections and recommendations in the Commission's Sea Level Rise Policy Guidance, which was used by AECOM and staff to evaluate the potential impacts for the project.[4] Using those projections and recommendations, the slant wells will be unaffected by 3.5 feet of sea-level rise in 2050, and therefore the Project is consistent with the new state principle. AECOM provided a supplemental technical analysis confirming that no adverse impacts to the test slant well or the proposed slant well field would occur based on 3.5 feet of sea level rise at 2050. (See August 13, 2020 Letter to Commission, Exhibit 4, p. 1.) Accordingly, the Staff Report's

[4] Executive Director's Letter Endorsing "Making California's Coast Resilient to Sea Level Rise: Principles for Aligned State Action," (May 22, 2020), https://documents.coastal.ca.gov/assets/slr/CCCendorsement_SLRPrinciples.pdf.

suggestion that the principle represents a new heightened level of sea-level rise scrutiny or that the wells would be impacted under the new principle is incorrect.

- Despite these inaccuracies, the Staff Report concludes that the slant wells would be safe from coastal hazards for their economic life and would therefore be consistent with LCP and Coastal Act policies. (Staff Report, p. 61.)

- Even though the slant wells, including the test well, are not projected to be exposed to coastal hazards until near 2120, Mitigation Measure 4.2-10 conservatively requires Cal-Am to monitor and report the rate of coastal retreat to the Commission annually. (Final EIR/EIS, p. 4.2-72.) Beginning at least five years prior to anticipated slant well exposure, Cal-Am must take steps to remove the wells from service and abandon them. (*Ibid.*) Accordingly, even in the extremely unlikely event coastal erosion exceeds any of the extreme scenarios that have been analyzed, the wells would avoid costal hazards and remain consistent with Coastal Act and LCP policies. (See Applicant Staff Report, Section IV.H.)

- Further, the Project has seven wells for reliability purposes, but only needs five to be operating in order to maintain the Project's permitted water deliveries. Thus, even in the event that the test slant well needs to be decommissioned early due to potential risks from coastal hazards, the Project could continue to supply water to the Monterey Peninsula. (June 30 Letter to Commission, Att. A, pp. 12-13, 14.)

- The Staff Report claims that AECOM did not assess risk from dune recession. (Staff Report, p. 59.) This is not so. On June 30, 2020, Cal-Am submitted a detailed technical memorandum prepared by AECOM analyzing expected dune recession at the site. (Staff Report, p. 60.)

  - The Commission's technical memorandum concedes that its own analysis of dune recession did not consider cessation of sand mining at the CEMEX site, did not include any modeling of the back profile of the dunes, and covered the potential for burial only in general terms. (Staff Report, Exhibit 10 p. 4.)

  - In contrast, AECOM's analysis specifically evaluated the various mechanisms involved in dune recession and concluded that just two of the seven wells could be affected by sand burial within 20 to 25 years. (Staff Report, p. 60; see also June 30 Letter to Commission, Exhibit 9.) The analysis also found that burial could be reduced or avoided through various soft measures. In the Applicant's Staff Report at Special Condition 8, Cal-Am is required to monitor and report annually on the risk of impacts to the wellheads from dune recession and wind-blown sand and if necessary, implement soft measures such as the removal of invasive non-native plants, revegetation of native plants, and sand removal. If additional measures become necessary, Cal-Am would be required to seek approval from the Commission and mitigate any potential impacts to ESHA.

- Regardless of Cal-Am's Special Condition, which conservatively ensures no potential coastal hazard impacts, the Staff Report independently concludes that the slant wells would be safe from dune recession and sand burial for their economic life and therefore consistent with LCP and Coastal Act policies. (Staff Report, p. 60.)

- The Staff Report also claims that because the operating/economic life of the slant wells is 20 to 25 years, Cal-Am would necessarily need to relocate the wells further inland and Cal-Am does not have legal interest in property further inland that would allow it to do so. (E.g., Staff Report, p. 60.) Accordingly, the Staff Report asserts that the wells' limited operating life raises concerns about whether Cal-Am would be able to operate its desalination facility after 20 to 25 years and that future movement of the wells would conflict with plans to restore the CEMEX site pursuant to the CEMEX Settlement Agreement. (*Ibid.*)

  - It is speculative to assess how or where Cal-Am may replace or relocate its wells after their operating life. Within the wells' operating period, technical advancements may be made that would allow the replacement of the wells or development of alternative wells in alternate locations that are not feasible today. Moreover, the future scope and use of the CEMEX site has not yet been determined. Thus, consideration of future well sites and operations beyond the wells' operating period is speculative. Moreover, as explained above, Mitigation Measure 4.2-10 and the Project's seven-well design ensure that wells can be decommissioned prior to being affected by coastal hazards, if necessary, while still allowing the Project to continue operations. (See Final EIR/EIS, p. 4.2-72; June 30 Letter to Commission, Att. A, pp. 12-13, 14.) Additionally, to ensure that the Project remains consistent with the LCP's coastal hazards provisions, Special Condition 9 requires Cal-Am to return to the Commission for a CDP amendment should there be a need to replace or relocate any slant wells, no later than 24 years from the commencement of operations, unless the Executive Director deems it unnecessary.

- Therefore, for the reasons explained herein the Project is consistent with the relevant coastal hazard Coastal Act and LCP policies.

D. Protection of Coastal Waters and Marine Resources (Staff Report, pp. 62-67)

- For the reasons discussed in the Applicant's Staff Report, the Project would not involve the placement of fill in coastal waters, and therefore, would not trigger Coastal Act Section 30233. As described therein, the work required for each Project aspect that Staff has identified is temporary in nature and limited in scope, and potential impacts to receiving coastal waters, if any, would be minimal. Furthermore, the Project and associated brine discharges would have minimal impacts on receiving coastal waters, which would be mitigated below a level of significance.

- The Staff Report alleges that outfall work would coincide with Western snowy plover breeding and nesting season. (See Staff Report, p. 66.) According to staff, the area of the

beach where work is required to replace existing clamps on the outfall is designated as critical habitat for the plover, and work would represent a significant disturbance during a critical period of the plover's life cycle. (*Ibid*.)

- This issue was addressed in detail in Cal-Am's June 30, 2020 Letter. (June 30 Letter to Commission, Att. A, pp. 4-5.) Further, as discussed in the Final EIR/EIS, installation of the WEKO seal clamps is designed to occur in *late summer/early fall*. This "[t]iming would [] be late in the snowy plover nesting season, when eggs would have hatched," which would minimize any adverse impacts that construction work would have on the snowy plover breeding and nesting cycle. (Final EIR/EIS, p. 4.13-28.) Additional information on this issue is provided in Attachment B, Section A, *supra.*

- The Staff Report contends that diffuser retrofit, buoy installation, and WEKO clamp replacement would each involve placing fill in coastal waters, thereby triggering Coastal Act Section 30233. (See Staff Report, p. 66.) As discussed below, staff wrongly characterizes these Project components as involving the placement of fill in coastal waters and fails to provide any support for its determination.

  - As an initial matter, aside from the replacement of existing WEKO seal clamps within the nearshore portion of the outfall with corrosion-resistant clamps, potential modifications to the M1W outfall to retrofit its existing diffuser are not part of Cal-Am's CDP application. Potential retrofitting would be addressed through a separate CDP application to be submitted by Monterey One Water, the owner of the outfall.

  - Although the Staff Report contends that the potential diffuser retrofit, the buoy installation, and WEKO seal clamp replacement would constitute "placing fill in coastal waters in the form of new or modified structures," staff does not provide any support whatsoever for this determination or attempt to explain its conclusion in any meaningful way. (See Staff Report, p. 66.) Staff also fails to address Cal-Am's assertions regarding this issue in Cal-Am's June 30 Letter, in which a comprehensive analysis is provided along with a review of relevant Commission precedent. (See June 30 Letter to Commission, Att. A, p. 19.)

  - ***Diffuser Retrofit.*** As the Staff Report correctly notes, retrofitting the diffuser is currently a "potential design change." (See Staff Report, p. 65.) Even if this design change were implemented, "[t]he impacts associated with the physical construction of such a retrofit would likely be minor and temporary." (Final EIR/EIS, p. 4.3-109.) Construction impacts would consist primarily of minor sea-bed disturbance and temporary water quality degradation. Even so, "[w]ater quality would rapidly return to ambient conditions following completion of the retrofit." (*Ibid.*) Likewise, any disturbance to benthic communities would be short in duration and of low intensity, such that the communities are anticipated to return to baseline conditions. (*Ibid.*) Accordingly, the Final EIR/EIS determined that secondary construction and operational impacts of diffuser retrofit were determined to be less than significant. (*Id.*, pp. 4.3-109 to 4.3-110.) In light of

the extremely limited and temporary ecological footprint that the diffuser retrofit would entail and the Staff Report's failure to identify any specific aspect of the work that might constitute "fill," there is no reasonable basis to conclude that the diffuser retrofit would trigger Coastal Act section 30233.

- ***Buoy Installation.*** The Staff Report ignores Cal-Am's June 30 Letter to the Commission on this issue, which confirms that the proposed monitoring equipment and buoys are not "fill" as contemplated by the Coastal Act. (See June 30 Letter to Commission, Att. A, p. 20.) As Cal-Am previously stated, the proposed monitoring equipment and telemetry buoy would be temporarily attached to the sea floor by an anchor. (See Monterey Peninsula Water Supply Project (MPWSP) Components in Commission's Original Jurisdiction (Sept. 19, 2019), p. 5.) "The proposed temporary equipment anchoring systems are static and would be less impactful to benthic resources than a typical fishing or research vessel mooring anchor." (*Ibid*.) Importantly, installation would be complete in a matter of hours, and impacts would be limited to temporary seabed disturbance. (*Ibid.*) As such, this minor temporary anchoring does not constitute "fill." (See June 30 Letter to Commission, Att. A, p. 20.) The Staff Report neither attempts to address these facts nor provides an independent justification for characterizing the buoy installation as "fill."

- ***WEKO Clamp Replacement.*** Staff wrongly states that WEKO clamp replacement constitutes "fill" in coastal waters. Without an explanation as to how Staff reaches this conclusion, it is unclear which aspect of the clamp replacement, if any, could trigger Coastal Act section 30233. According to Staff, installation activities would occur on the beach "and possibly within coastal waters." (See Staff Report, p. 66.) However, Staff has not identified which aspect of the installation work would involve the placement of "fill" in coastal waters. As the Final EIR/EIS asserts, "[c]onstruction work shall not be conducted seaward of the mean high water line unless tidal waters have receded from the authorized work areas." (Final EIR/EIS, p. 4.13-28.) Installation activities on the beach would be conducted at a distance of roughly 100 feet from the shoreline. Additionally, while in operation, construction vehicles will "remain as high on the upper beach as possible to avoid contact with ocean waters and intertidal areas." (*Id.*, p. 4.13-29.) All construction materials will either be removed by sunset each day that work occurs or stored beyond the reach of tidal waters. (*Ibid.*) Finally, all construction activities that result in discharge of materials, polluted runoff, or wastes to the beach of the adjacent marine environment will be prohibited. (*Ibid.*) Therefore, Staff has not demonstrated that WEKO clamp replacement would involve placing "fill" in coastal waters.

- The Staff Report alleges that is unclear at this time as to what effects the desalination plant would have on water quality and marine life and what measures would be needed to ensure Cal-Am's discharge meets relevant Ocean Plan objectives and that potential adverse effects are addressed. (See Staff Report, p. 65.)

- Staff has previously raised this issue and Cal-Am responded in its June 30 Letter. (See June 30 Letter to Commission, Att. A, pp. 16-18.) Cal-Am's prior response to this issue, which Staff failed to address, is as follows:

> "**The Project's potential effects on ocean water quality and marine life were analyzed in detail in the Final EIR/EIS**. Specifically, Impact 4.3-5 assessed whether the Project's operational brine discharge would violate water quality standards or waste discharge requirements, or degrade ocean water quality. (Final EIR/EIS, pp. 4.3-95 to 4.3-113.) As discussed therein, the Final EIR/EIS concluded that implementation of the Project could potentially cause exceedances of Ocean Plan water quality objectives for the ammonia and cyanide under certain operational conditions when wastewater volumes co-mingled with the brine are low. For an additional thirteen constituents, the Final EIR/EIS determined that there is not enough information to assess concentrations at the edge of the zone of initial dilution. Therefore, the Final EIR/EIS conservatively concluded that Ocean Plan water quality objectives could potentially be exceeded during operations for some operational discharge scenarios.
>
> However, the Final EIR/EIS determined that Impact 4.3-5 would be less than significant with implementation of Mitigation Measure 4.3-5 (Implement Protocols to Avoid Exceeding Water Quality Objectives), which requires Cal-Am to perform an extensive water quality assessment prior to Project implementation. (Final EIR/EIS, p. 4.3-104.) Operational discharges that cannot be demonstrated to conform to the Ocean Plan water quality objectives may only be released following implementation of additional design features, engineering solutions, and/or operational measures that ensure compliance with these objectives.[5] (*Id*., p. 4.5-64.) In other words, **no exceedance of Ocean Plan objectives will occur because no discharges will be permitted unless the water quality assessment confirms that the discharges comply with the Ocean Plan**. The Commission did not comment on or object to Mitigation Measure 4.3-5 in its comments on the EIR/EIS."

- Additionally, Impact 4.3-4 in the Final EIR/EIS considered whether the Project would violate water quality standards or waste discharge requirements or degrade water quality from increased salinity as a result of brine discharge from the operation of the desalination plant. In order to address this concern, the Final

[5] The Final EIR/EIS also described the potential design features and operational measures that could be employed, such as retrofitting the existing outfall diffuser, additional pre-treatment of source water to the Desalination Plant component of the Project, treatment of discharge, flow augmentation, and end gate modification. (Final EIR/EIS, pp. 4.3-106 to 4.3-108.) The Final EIR/EIS also analyzed the potential secondary impacts of these potential design features and operational measures, and determined that those secondary impacts would be less than significant. (*Id*., pp. 4.3-109 to 4.3-113.)

EIR/EIS imposes Mitigation Measures 4.3-4, which requires the applicant to implement a monitoring and reporting plan in order to ensure that operational discharges from the Project are in compliance with applicable Ocean Plan salinity standards. (Final EIR/EIS, p. 4.3-93.) The plan will be approved by the Regional Water Board and MBNMS *prior to* implementation. (*Ibid.*) Moreover, monitoring will be conducted for one year *prior to* the commencement of operational discharges and will continue until at least five years after operational discharges commence. (*Id.*, p. 4.3-94.)

- As discussed in the Final EIR/EIS, implementation of these mitigation measures would ensure that impacts relating to water quality standards, waste discharge requirements, or ocean water quality, as a result of brine discharges from the Project, would be **less than significant**. Accordingly the Final EIR/EIS has thoroughly examined the effects that the desalination plant would have on water quality and the measures needed to ensure Cal-Am's discharge meets relevant Ocean Plan objectives and minimizes potential adverse effects.

- As a further precaution, the Applicant's Staff Report includes a Special Condition to ensure that all applicable water quality standards are met. The condition requires that prior to operation of the Project, the Applicant must demonstrate that discharges from the outfall would comply with the Ocean Plan and applicable water quality requirements by demonstrating that:

  - (1) a Coastal Development Permit or Amendment has been obtained and implemented for any necessary work on the Monterey One Water outfall related to the project's discharge; and/or

  - (2) Permittee has implemented other measures consistent with Final EIR/EIS Mitigation Measure 4.3-5, as necessary, outside of the Commission's jurisdiction.

- Even if buoy installation or WEKO clamp replacement would involve placing "fill" in coastal waters, the Project would conform to Coastal Act section 30233. Pursuant to Coastal Act Section 30233, fill is allowed if it meets a three-part test: 1) that there is no feasible less environmentally damaging alternative, 2) that feasible mitigation measures have been provided to minimize adverse environmental effects, 3) and that it be for certain specified purposes, including a new or expanded port, energy, or coastal-dependent industrial facility. Contrary to Staff's contention, there is no feasible or less environmentally damaging alternative project, all feasible mitigation has been identified and imposed, and these Project aspects would be used for a coastal-dependent industrial facility. (See Staff Report, p. 66.)

  - As an initial matter, even if the Project components that are the subject of these applications did involve fill, which they do not, the Commission's authority under Section 30233 would be limited to review of alternatives to those Project components within the Commission's jurisdiction that do involve fill, rather than wholesale alternatives to the entire Project. Even so, as discussed in Section J,

infra, at this time, there is no feasible or less environmentally damaging alternative project.

- Likewise, as discussed in Section K, *infra*, the Project has identified and imposed all feasible mitigation.

- Finally, the Project aspects would be used for certain specified purposes in support of a coastal-dependent industrial facility.

E. Groundwater Resources (Staff Report, pp. 68-73)

- Commission staff's analysis of the Project's potential groundwater impacts are not tied to Coastal Act Section 30231 as required. Section 30231 provides that biological productivity and water quality must be maintained through "preventing depletion of ground water supplies." (Pub. Resources Code, § 30231.) However, staff's evaluation focuses on the Project's potential public welfare impacts vis-à-vis groundwater—not the Project's potential environmental impacts to groundwater supplies in the Salinas Valley Groundwater Basin. While the Staff Report includes language confirming that "[a]lthough some commenters have expressed concern that the Project would adversely affect the water supply wells of Marina Coast Water District, . . . neither the Final EIR/EIS nor the Commission's independent hydrogeologist found evidence that such impacts are reasonably foreseeable" (Staff Report, p. 68), such a finding should be the basis of a conclusion that the Project is consistent with Coastal Act Section 30231. As described in the Applicant's Staff Report and throughout this Section, the Project will not adversely affect groundwater supplies in the SVGB and therefore is consistent with Coastal Act Section 30231.

1. MCWD Production Wells

- Project pumping will not adversely affect MCWD's water supply wells. The Staff Report recognizes that "neither the Final EIR/EIS nor the Commission's independent hydrogeologist found evidence that [impacts to MCWD water supply wells] are reasonably foreseeable." (Staff Report, p. 68.) However, Cal-Am disagrees with staff's suggestion that "additional modeling and data may be needed to more fully characterize the Project's likely effects on groundwater." (*Ibid*.) Because ***the EIR/EIS, the HWG, State Water Resources Control Board, and the Commission's independent hydrogeologist agree that groundwater impacts to MCWD's production wells are not reasonably foreseeable***, no further modeling is necessary. (See also Applicant's Staff Report, Section IV.J.) Notably, the only hydrogeologists claiming impacts to MCWD's wells are MCWD's paid consultants, and those claims are unsubstantiated and based on flawed or limited technical analysis.

2. Ocean Water Percentage ("OWP") and Groundwater Gradients

- Staff asserts that the modeling performed by its independent hydrogeologist, Weiss Associates ("Weiss"), shows the Project pumping would not reach the long-term OWP of 96-99% identified in the Final EIR/EIS, but rather that the OWP "would vary based on

whether it was a wet or dry season, how much irrigation occurred, etc." (Staff Report, p. 71.) Staff further asserts that the EIR/EIS's modeling "did not include this recharge component," rendering the EIR/EIS's projected OWP ranges inaccurate. (*Ibid*.)

- Staff misrepresents the Final EIR/EIS's and Weiss's OWP analyses and conclusions—all of which support an estimated OWP range of 87-99% under realistic, reasonable assumptions.

  - The EIR/EIS's modeling resulted in OWP ranging from 83-99% across the short- and long-term. (See Final EIR/EIS, Appx. H to Appx. E3, p. 11.) However, the EIR/EIS discounted the low bookend of the OWP range (83% after year 1 and 86% after year 2) because the results assumed a groundwater gradient not actually representative of the local conditions. (See *ibid*.; see also Final EIR/EIS, p. 8.2-44.) Using reasonable assumptions based on actual data, the EIR/EIS estimated OWP after one year of Project pumping to be 87 to 93%. (Final EIR/EIS, p. 4.4-56.) After two years of Project pumping, the OWP estimate increases to 92-97%. (*Ibid*.) Long-term equilibrium OWP would ultimately fall between 96-99%. (*Ibid*.) Thus, the EIR/EIS's estimated OWP ranges are consistent with Weiss's predicted ranges of 86-97% under reasonable modeling scenarios.

- Further, the EIR/EIS modeling did account for rainfall recharge and used reasonable rainfall recharge assumptions (5 in./yr.). (See Final EIR/EIS, Appx. E3, p. 65 [explaining that "seasonal changes in rainfall will result in a non-steady (i.e., fluctuating) increase in salinity from year-to-year, with some higher rainfall years showing a decrease in salinity and some lower rainfall years showing an increase in salinity."]; *id*., Appx. E3, p. 13 ["long term OWP is most influenced by net amount of recharge that occurs within the capture [zone]."].)

  - Average annual rainfall for the area is 14.8 inches, but only a fraction of total annual rainfall actually becomes groundwater recharge—typically 30%. (See HWG Comments on Weiss Report (Aug. 13, 2020), p. 4.)

  - In its July 2020 report ("2020 Weiss Report"), Weiss unrealistically assumed groundwater 100% recharge resulting from precipitation of 10 to 15 inches per year in its modeling scenarios, resulting in OWP ranging from 63% to 68% (assuming a flat gradient in the 180-Foot Aquifer), and from 69% to 96% (assuming landward gradient in the 180-Foot Aquifer). (See 2020 Weiss Report, Tables 2-2b.)

  - Even if the modeling used a conservation assumption in which recharge resulting from precipitation is less than 50% of average annual total rainfall, which is still much higher than the 30% recharge rate typically assumed in modeling, the resulting OWP ranges from 88-99%, consistent with the EIR/EIS's analyses. (HWG Comments on Weiss Report, p. 3; see also Final EIR/EIS, p. 4.4-56 [OWP ranges from 87-99%].)

- Although the 2020 Weiss Report uses unrealistic groundwater recharge amounts in certain scenarios, the Report nonetheless confirms that, with realistic rainfall recharge assumptions, the OWP amounts projected in the EIR/EIS are accurate. Therefore, the Project will not extract greater amounts of seawater than initially projected in the EIR/EIS. (See also Applicant's Staff Report, Section IV.J.) As the HWG confirms, there is "no need to further refine estimates of OWP within [this] range." (HWG Comments on Weiss Report, p. 2.) Moreover, even if the Project's source water has a greater OWP than the EIR/EIS predicted, that would not be an environmental impact. (See Final EIR/EIS, p. 8.2-13; see also June 30 Letter to Commission, Att. A, p. 29.)

- The Staff Report states that the 2020 Weiss Report "concluded that the amount of seawater extracted would vary due to the direction and slope of the groundwater gradient." (Staff Report, p. 71.) The Staff Report acknowledges that current gradients are landward, but then assumes a flat or seaward gradient "could be developed through the implementation of the Salinas Valley Groundwater Management Plan." (*Ibid*.)

  - As explained in Applicant's Staff Report, Section IV.J, ***OWP will likely exceed 88% even assuming a seaward gradient in the Dune Sand Aquifer***, using reasonable assumptions for other model inputs. (See also HWG Comments on Weiss Report, p. 3.) The HWG explained that the 2020 Weiss Report demonstrates that "[a]ssumed seaward gradients in the Dune Sand Aquifer **do not result in any significant difference** in OWP results." (*Id*., p. 1 [emphasis added]; see also *id.*, p. 3 ["OWP exceeds 88% for the assumed seaward gradient in the DSA using reasonable assumptions for other model inputs (e.g., landward gradient in the 180-Foot Aquifer, which represents current, historical, and projected future conditions; rainfall recharge that is less than 50% of average annual total rainfall)."].)

  - In reviewing the 2020 Weiss Report, the HWG explained that "[t]he only OWP estimate less than 88% required unreasonable/unsubstantiated rainfall recharge over the long-term or flat/seaward hydraulic gradients in the 180-Foot Aquifer (an unrealistic future conditions assumption that is not consistent with the GSP) that would require decades to centuries to reduce OWP." (*Id*., p. 3.)

    - The Sustainable Groundwater Management Act ("SGMA") does not require seaward gradients. (See *id*., p. 9.) "SGMA requires that the extent and magnitude of seawater intrusion not be exacerbated compared to current conditions, but does not require that existing seawater intrusion be mitigated/restored." (*Ibid*.)

    - In fact, the Staff Report correctly recognizes that "***even with a flat or shoreward gradient, . . . it could take several decades to increase the percentage of non-seawater, due to the large volumes of seawater that have already intruded to inland areas***." (Staff Report, p. 71 [emphasis added].) The 2020 Weiss Report confirms:

> Assuming that SGMA could create a flat gradient or even a pronounced seaward gradient, for the initial decades after this condition is achieved the Project pumping wells would capture the existing saline water in the 180-Foot Aquifer . . . and OWP would likely be at or close to the 92.7 baseline value. After many decades or a few centuries when the 180-Foot Aquifer becomes filled with fresh water, this water would flow out to sea under non-pumping conditions, or would be captured by the Pumping well field if operating. Only under these conditions would the 74.9 OWP occur.

(2020 Weiss Report, p. 4-4.) Until all the seawater is flushed from the 180-Foot Aquifer, "the Pumping well field would be capturing all of the saline water currently in storage in the 180-Foot Aquifer, resulting in average OWP ***greater than 91.5***." (*Id*., pp. 5-1 to 5-2 [emphasis added].)

- The 2020 Weiss Report further explains that the existing landward gradient, caused by historic inland groundwater pumping, "is quite steep and has been for more than 60 to 80 years. ***It is highly unlikely that a similarly steep seaward gradient could be achieved under SGMA***." (2020 Weiss Report, p. 4-4 fn. 7 [emphasis added].)

Thus, "it would take more than 80 years to reverse seawater intrusion impacts after a seaward gradient is achieved." (HWG Comments on Weiss Report, p. 3.) Even assuming a seaward gradient is achieved in the 180-Foot Aquifer by 2040 as a result of SGMA (which Weiss confirms is highly unlikely), the 70.8% estimated OWP would not be reached until after 2120 *at the earliest*. (See *ibid*.)

3. Vernal Ponds

- The Staff Report states that the 2020 Weiss Report identified areas of expected groundwater drawdown beneath nearby wetland and vernal pond areas. (Staff Report, p. 71.) "[T]his represents a previously unknown and unanalyzed potential impact of the proposed Project that could result in the spatial and/or temporal loss of up to several dozen acres of those wetland areas." (*Ibid*.)
    - As explained in Applicant's Staff Report, Section IV.G, and Section B, *supra*, vernal ponds are not likely to be hydrologically connected to the Dune Sand Aquifer from which the Project will pump water, and there is no technical justification for assuming a connection between Project pumping, groundwater in the Dune Sand Aquifer, and vernal ponds in the Project vicinity. Although the vernal ponds are unlikely to be affected by Project pumping, Cal-Am has nonetheless proposed an Adaptive Management Program that would include ongoing monitoring and evaluation of the ponds to determine conclusively that the ponds are hydrologically disconnected to the Dune Sand Aquifer, or to what extent Project pumping might affect the ponds, and Cal-Am has proposed to

mitigate and/or offset any potential adverse effects to the ponds should Project-related impacts be identified through the Adaptive Management Program.

4. Return Water Settlement Agreement

- Staff asserts that the Return Water Settlement Agreement contemplates that Cal-Am would return "no more than about 700 acre-feet of water per year." (Staff Report, p. 72.) However, "during years with higher precipitation rates, lower inland pumping rates, or other reasonably foreseeable conditions, Cal-Am would need to return up to 2,100 acre-feet per year." (*Ibid*.)

    - It is unclear which OWP estimate on which staff relies to yield a return water calculation of 2,100 afy. However, as explained in Applicant's Staff Report, Section IV.J, and above, the 2020 Weiss Report confirmed the EIR/EIS's conclusions that, under reasonable and realistic assumptions, OWP would range from 88-99%. (See also Final EIR/EIS, p. 4.4-56.) These OWP estimates formed the basis of the CPUC's approval of the Return Water Settlement Agreement, in which the parties agreed to an expected return water obligation of approximately 700 afy at a cost of $110 per acre-foot. (See CPUC Decision D.18-09-017, p. 109.) If the return water calculations for a particular year are less than the expected approximately 700 afy, then Cal-Am will make additional water available to Castroville for purchase at a cost of $580 per acre-foot. (*Ibid*.) If the return water obligation exceeds the approximately 700 af in a particular year, then Cal-Am will make the surplus available for delivery to the Castroville Seawater Intrusion Project. (*Ibid*.)

- The Staff Report concludes that, if Cal-Am's return water obligations are higher than expected, the "return" water would be subsidized by Cal-Am's ratepayers or would result in additional costs to Cal-Am that it may cover through additional cost recovery requests to the CPUC. (Staff Report, p. 72.) "That subsidy . . . could range from about $3,000 to $5,000 per acre-foot." (*Ibid*.) "Presumably, this higher return water volume would also reduce the water Cal-Am and its customers would be able to use for future growth." (*Id*., p. 73.)

    - The Staff Report's misunderstands the CPUC's decision on the Project, where the CPUC specifically considered limiting risk to Cal-Am's ratepayers from Cal-Am's return water obligations under the Return Water Settlement Agreement. Specifically, the CPUC allocated the costs and risks associated with the high Return Water obligations to Cal-Am, not on ratepayers. (CPUC Decision D.18-09-017, p. 111; see also Applicant's Staff Report, Sections IV.J, IV.N.)

        - Further, the CPUC is requiring Cal-Am to "track all MPWSP expenses in a memorandum account that will be subject to reporting requirements and submission of a Tier 2 advice letter process when the project is completed" so that the CPUC can continue to assess whether the Project "is used and useful as well as [to] ensure that the water produced is delivered for use by Cal-Am customers as opposed to a disproportionate

portion of the water going to meet the return water obligation." (CPUC Decision D.18-09-017, p. 138.) The CPUC determined that the return water percentages included in the EIR/EIS are reasonable, and any percentages above those are presumed "unreasonable." (See *id*., pp. 151-152.) Cal-Am ratepayers would not bear the costs for meeting return water obligations that are "unreasonable." (*Ibid*.) Thus, the CPUC will conduct a reasonableness review following Project start-up "will include an assessment of the facilities used and usefulness as well as to what extent the MPWSP is able to produce water for use by Cal-Am customers, as opposed to meeting the return water obligation." (*Ibid*.) Thus, the CPUC has mechanisms in place to ensure that Cal-Am ratepayers are receiving the water they need and not subsidizing Cal-Am's return water obligations.

- In addition, if Castroville had not agreed to buy the return water at its avoided cost rate, Cal-Am would be required to find an alternative outlet for this water, such as abandoning the water or injecting desalinated product water into the SVGB, which would come with its own additional costs. (See Applicant's Staff Report, Sections IV.J, IV.N.) The Return Water Settlement Agreement allows Cal-Am to meet the requirements of the Agency Act, provides a potable water supply to a disadvantaged community, and protects the Salinas Valley Groundwater Basin by alleviating a current pumping stress ahead of the seawater intrusion front.

- Further, regardless of the cost per acre-foot, that cost is not going to affect the cost for the Project on customers' water bills. The CPUC already determined the rate increase for Cal-Am's customers for the Project based on both the capital costs to build the facility and the cost of long-term operations and maintenance. As such, how much water the Project produces (or does not produce) is not a material variable in rates that customers are charged, except for minor, incremental operating and maintenance costs. Thus, if Cal-Am needs to produce more water in order to meet its return water obligations, it can do so without adding to the Project's fixed costs. (See Applicant's Staff Report, Section IV.O.3.)

5. <u>Relocation of the Project's Slant Well Network</u>

- In response to comments regarding the relocation of the existing well network, the Staff Report recognizes that current drilling technology "generally limits [well installation] to a maximum length of several hundred feet." (Staff Report, p. 73.) Further, the Staff Report explains the Project's well network cannot be located closer to the shoreline because it would increase the risks from coastal erosion and sea level rise. (*Ibid*.)

    - For the reasons explained in Applicant's Staff Report, Section IV.J, Cal-Am agrees with staff's determination that the proposed location for the slant wells is the environmentally superior design to maximize seawater capture and protect

against further inland migration of seawater in the Project area, and at the same time minimize capture of seawater intruded contaminated groundwater.

F. Energy Consumption & Climate Change (Staff Report, pp. 74-77)

- The Staff Report concludes that the Project appropriately minimizes energy consumption and is consistent with the LCP and Coastal Act policies regarding energy consumption and climate change. (Staff Report, p. 77.) Cal-Am agrees with Commission Staff's determinations.

- The Staff Report bases its conclusion by citing to data for the larger project that was analyzed in the Final EIR/EIS, not Alternative 5a, which was the reduced project alternative ultimately approved by the CPUC. To clarify the record, Alternative 5a (the Project for which Cal-Am applied to the Commission) would reduce emissions and energy use as follows:

    - As part of Alternative 5a, operational electricity use for the intake and desalination plant would be reduced to approximately 38,000 megawatt hours of electricity per year, which would be an increase of 27,000 megawatt hours per year over Cal-Am's existing baseline electrical use for its water portfolio (based on the 11,466 megawatt hour baseline used in the Final EIR/EIS). (See Final EIR/EIS, pp. 4.11-12, 5.5-341.)

- As noted in the Staff Report, the Project would reduce the carbon footprint of the Project's electricity consumption to zero with the incorporation of Mitigation Measure 4.11-1 from the CPUC's Final EIR/EIS. Specifically, Mitigation Measure 4.11-1 provides the following loading order: 1) obtain renewable energy from on-site solar panels and/or the adjacent landfill-gas-to-energy facility; 2) purchase renewable energy from off-site sources within California such as PG&E or Monterey Bay Community Power; 3) procure and retire Renewable Energy Certificates for projects or activities in California; and 4) procure and retire Carbon Offsets. Based on the loading order, Cal-Am is most likely to purchase renewable energy since it is a less expensive option than purchasing and retiring carbon offsets.

- However, the Staff Report also concludes that the PWM Expansion is a feasible alternative that would use less energy than the Project. The Staff Report notes that the PWM Expansion is proposed to operate entirely on renewable energy as opposed to Cal-Am's mitigation measure that proposes to use renewable energy, purchase emission credits, or a combination of both.

    - The Staff Report's statements that the PWM Expansion would operate entirely on renewable energy are in question. As discussed in Section J, *infra*, the PWM Expansion's proposal to use landfill gas for its energy use is facing obstacles. Therefore, the PWM Expansion's ultimate GHG impacts are not currently known.

    - The Staff Report also cites to *Golden Door Properties, LLC v. County of San Diego* (2020) 50 Cal.App.5th 467 ("*Golden Door II*") to contend that Mitigation

Measure 4.11-1's allowance of offsets and carbon credits "does not necessarily result in real, permanent, verifiable, and enforceable greenhouse gas emissions." (Staff Report, p. 77.) Therefore, the Staff Report concludes that if Cal-Am does not operate entirely on renewable energy, "it would result in higher GHG emissions than the" PWM Expansion. This misconstrues the holding of *Golden Door II* and Mitigation Measure 4.11-1's requirements.

- *Golden Door II* expressly states that the "decision is not intended to be, and should not be construed as, blanket prohibition on using carbon offsets—even those originating outside of California—to mitigate GHG emissions under CEQA," contrary to the Staff Report's suggestion. (*Golden Door II*, *supra*, 50 Cal.App.5th at p. 483.) In addition, Mitigation Measure 4.11-1 does not contain the same flaws as *Golden Door II*'s measure, which impermissibly deferred mitigation by failing to include specific, objective, or enforceable performance standards to ensure offsets actually occurred. In fact, the Staff Report does not point to anything in Mitigation Measure 4.11-1 to suggest that the offsets will not occur. Indeed, Mitigation Measure 4.11-1 contains other performance standards to ensure that mitigation of GHG emissions occurs. Mitigation Measure 4.11-1 requires Cal-Am to submit documentation annually to the "CPUC demonstrating that the project's operational electricity use in the immediately preceding calendar year resulted in net zero GHG emissions." (Final EIR/EIS, p. 4.11-20.) Should the CPUC determine that Cal-Am has not achieved net zero GHG emissions, the CPUC will provide to Cal-Am a notice to procure, submit, and retire offsets in an amount at least equivalent to the exceedance. (*Id*., p. 4.11-21.) The *Golden Door II* measure was overturned in part because it contained no such requirements for demonstrating that net zero GHG emissions were achieved or any enforcement mechanisms for the County of San Diego to ensure that mitigation was actualized. Accordingly, the Staff Report's contention that Cal-Am would result in higher GHG emissions than the PWM Expansion simply because it may involve the purchase and retirement of offsets is without merit.

- Further, as Section J, *infra*, explains, the PWM Expansion is infeasible, and should not be considered as an alternative to the Project. Accordingly, comparing the Project's energy consumption to the PWM Expansion is unnecessary.

G. Public Access and Recreation (Staff Report, pp. 78-82)

- The Staff Report concludes that the Project's impacts on public access and recreation could be consistent with Coastal Act and LCP public access and recreation policies with the implementation of special conditions. (Staff Report, pp. 80-81.) Cal-Am believes that any public access and recreation impacts are *de minimis*, but as part of the Applicant's Staff Report proposed Special Condition 10, which requires the preparation of a Public Access Plan to ensure consistency with the applicable Coastal Act and LCP policies.

1. Public Access and Recreation During Construction

- The Staff Report acknowledges that construction activities to develop the well field and pipeline in the Coastal Zone would occur hundreds of feet from the shoreline and "would have little, if any, effect on public access or recreational use." (Staff Report, p. 80.)

- However, the Staff Report suggests that impacts related to the replacement of clamps on the outfall line as well as installation of the outfall liner could impact public access and recreation. (*Ibid*.)

    - Impacts related to clamp replacement would be temporary and would only occur over a 6 to 8 week period. Lateral beach access would remain open during the 6 to 8 week period and the Final EIR/EIS includes a mitigation measure to ensure that impacts from the clamp replacement would be less than significant. (Final EIR/EIS Mitigation Measure 4.13-5.) Nonetheless, Cal-Am proposes Special Condition 10 to further ensure that there are no public access and recreation impacts.

    - Regarding the outfall liner, Cal-Am has proposed an alternative approach to the outfall liner that would maintain the existing M1W outfall pipeline and avoid groundbreaking and impacts within the Coastal Zone. Specifically, Cal-Am has proposed excavating a single access point to the pipeline outside of the Coastal Zone and manually applying a protective spray liner throughout the pipeline's interior from the access point to the beach junction box. As a result of this change it would no longer be necessary for Cal-Am to excavate, open, and install a new physical liner in the pipeline at ten locations along the M1W right-of-way and no above grade work would occur within the Coastal Zone. Accordingly, the new design of the outfall liner would entirely avoid any potential public access impacts within the Coastal Zone. Special Condition 4 requires Cal-Am to implement the proposed spray-lining method prior to the commencement of Project operations or to obtain an amendment to this CDP or a new CDP should Cal-Am need to implement a different method to install the outfall liner.

- Cal-Am agrees with the Staff Report's conclusion that Project construction would be consistent with the LCP and Coastal Act policies, and believes that proposed Special Conditions 4 and 10 further will ensure that consistency.

2. Public Access and Recreation During Operations

- The Staff Report states that "[p]roject operations … would not cause public access or recreation impacts compared to currently existing conditions." (Staff Report, p. 80.) Cal-Am agrees. However, the Staff Report claims that the "Project could result in adverse effects to public access and recreation, depending on the eventual restoration and access plan that emerges from implementation of the CEMEX Settlement Agreement." (*Id.* at p. 80.)

- To begin, regardless of whether the Project's public access impacts are evaluated against existing conditions or a potential future condition—the Project's impact on public access is *de minimis*. The Project would "fence off a quarter-acre around the wellheads and some other equipment, occupy another quarter-acre for a period of nine to 18 weeks [every five years] for maintenance, and result in use of vehicles and other equipment over an approximately 6 acre area over time." (Staff Report, p. 81; see Final EIR/EIS, pp. 3-59, 4.8-33.) While the Final EIR/EIS indicated that the disturbed area from well construction and ongoing maintenance would be 6 acres over the project's lifetime (i.e., the cumulative effects of maintenance), this area has been reduced to 2.2 acres as a result of selecting the smaller desalination project and subsequent design drawings. (See Section A.) For context, the half-acre footprint would occupy only 0.12 percent of the 400+ acre CEMEX site at any one time.

- Nevertheless, the Staff Report's claim improperly relies on a future baseline. The proper baseline is existing conditions. (See *Neighbors for Smart Rail v. Exposition Metro Line Construction Auth.* (2013) 57 Cal.4th 439, 447; CEQA Guidelines, § 15125.) Staff's post-restoration baseline is improper because final removal of CEMEX buildings and facilities is not required until December 31, 2024, with an additional year—until December 31, 2025—to complete grading and seeding. (Final EIR/EIS, p. 8.2-122.) A restoration and access plan associated with the transfer in title of the CEMEX site to a purchaser could come even later and the scope of such a plan is unknown. (See Settlement Agreement, § 6 [providing only general requirements for use of site].) Staff provides no support for its reliance on conditions more than five years in the future as a baseline for Cal-Am's CDP. The Project should properly be evaluated against existing conditions which provide no public access.

- The Staff Report incorrectly claims that the six acres that would be occupied or disturbed over the Project's lifetime, could otherwise be used for public access. (Staff Report, p. 81.)

  - To begin, as explained above, the previously estimated six acres of disturbance has been reduced to 2.2. acres as a result of selecting the smaller desalination project and subsequent design drawings.

  - Further, while the Settlement Agreement requires CEMEX to transfer title in the property to a purchaser to either manage for conservation uses, or use the property for other allowable activities, the Settlement Agreement does not require the purchaser to use and manage the property for a specific level of public accessibility.

  - In addition, the Settlement Agreement, which was approved by the Commission, explicitly provides that uses consistent with Cal-Am's existing 30-acre permanent easement are permitted. (Settlement Agreement, §§ 6.2.D.1, 23.2.) Cal-Am's easement would remain even with implementation of a future restoration and access plan.

- Therefore, to suggest that the acreage used for the Project (approximately 2.2 acres) would otherwise be used for public access misstates the Settlement Agreement.

- Although the Project would not impact public access and recreation resources, Cal-Am has proposed Special Condition 10, which provides for a Public Access Plan for both construction and operations. Notably, the Public Access Plan commits Cal-Am to modify the Public Access Plan as required by the Executive Director in light of any future restoration and access plan prepared pursuant to the CEMEX Settlement Agreement. Therefore, the Project is consistent with relevant Coastal Act and LCP policies regarding public access, and would not interfere with the CEMEX Settlement Agreement.

H. Visual Resources (Staff Report, pp. 83-85)

- Cal-Am agrees with the Staff Report's conclusion that Project components within the Coastal Zone would be largely hidden from public view, and that ongoing Project maintenance would be limited and would not conflict with the LCP's policies regarding visual resources. (Staff Report, pp. 83-84.)

- The Staff Report further concludes that the Project's impacts on visual resources could conform with LCP and Coastal Act visual resources policies if the Commission were to impose special conditions on the Project. (Staff Report, p. 84.)

- In the Applicant's Staff Report, Cal-Am has proposed Special Conditions 11 and 12 to address staff's visual resources concerns. Special Condition 11 requires implementation of a Facility Design and Screening Plan and Special Condition 12 requires implementation of a Lighting Plan. Implementation of these two plans will ensure that the Project is consistent with applicable LCP and Coastal Act visual resources policies.

I. Environmental Justice (Staff Report, pp. 86-101)

- The Staff Report downplays the potential Project benefits to Castroville, a community of concern, and the Monterey Peninsula as a whole. (See Staff Report, pp. 90-91.)

    - As described in the Applicant's Staff Report, the Project will not only provide water supplies to Castroville, a particularly underserved community, but will also protect the Peninsula's groundwater supplies from seawater intrusion and provide a reliable drought-proof water supply for economic growth and much-needed affordable housing and residential development. (See Applicant's Staff Report, Sections IV.J, IV.N, IV.P.)

    - Not only would the Project benefit the SVGB by withdrawing seawater from the seawater intruded aquifers of the SVGB and preventing further seawater intrusion from migrating inland (see Applicant's Staff Report, Section IV.J; see also Final EIR/EIS, pp. 8.5-562, 8.5-615), but also the Project would provide much needed protections to the Seaside Groundwater Basin. The Project would enable the Seaside Basin to maintain the necessary groundwater levels to prevent seawater

intrusion and the irreversible loss of groundwater storage. (See Applicant's Staff Report, Section IV.P; see also October 4, 2019 Seaside Groundwater Basin Watermaster Letter to Commission.)

- In the absence of the Project, the region would remain in a state of water poverty and would not experience the economic benefits that the Project would enable. (See Applicant's Staff Report, Section IV.P.)

    - For instance, construction of the Project is anticipated to generate $258.5 million in one-time economic impacts and support 1,762 job years in Monterey County over the anticipated development timeline. (See Economic & Planning Systems Letter to California-American Water (Aug. 31, 2020), p. 4, attached as Exhibit 31 to Applicant's Staff Report.)

    - Further, the Project could provide sufficient water for the State Water Board to lift the moratorium and for the Monterey Peninsula to meet its housing goals. In particular, the proposed Project could promote the buildout of necessary affordable housing on the Peninsula, as dictated by the RHNA for the Monterey Bay Area. (See June 30 Letter to Commission, Ex. 28, pp. 9-11; see also Applicant's Staff Report, Section IV.P.)

- The Staff Report substantially overstates the Project's potential impacts to Marina, stating that Marina already has "a disproportionate amount of nearby industrial development" and would be further adversely affected by the Project's slant well field located on the CEMEX site. (Staff Report, p. 89) In particular, staff suggests that Marina residents would be burdened by the Project's potential impacts to public access, vernal ponds, and groundwater.[6] (*Id*., pp. 89-90.)

    - As an initial matter, much of the industrial development that staff represents to be in Marina is not, in fact, within city limits. Figure 1 of the Staff Report shows that, although Marina is near a regional landfill, regional composting facility, and regional sewage plant, this industrial development is located outside of Marina's boundaries. (See Staff Report, p. 100; see also Applicant's Staff Report, Section IV.N.) Further, although Fort Ord is a contaminated site, Marina is actively working to develop the area with housing. (See Applicant's Staff Report, Section IV.N.)

    - Moreover, the Project's impacts to public access and wetlands within Marina are expected to be minimal.

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[6] Further, staff's evaluation of the Project's potential environmental justice impacts outside of the Coastal Zone exceeds the Commission's jurisdiction. (See *Sierra Club v. Cal. Coastal Com.*, 35 Cal.4th 839, 851-52.) Staff's consideration of environmental justice impacts should be limited to potential impacts within the Coastal Zone, consistent with staff's consideration of other Coastal Act and LCP policies in its Staff Report.

- ***Public Access.*** The Project's slant wells would involve the permanent development on only 0.25 acres of the approximately 400-acre CEMEX site (0.06 percent). (See Applicant's Staff Report, Sections IV.L, IV.N.) Further, Cal-Am has proposed Special Condition 10 to minimize potential impacts to public access. (See *id*., Section IV.L.)

- ***Vernal Ponds***. Based on the available evidence submitted to the Commission, any vernal ponds are unlikely to be hydrologically connected to the Dune Sand Aquifer from which the Project will pump water. (See Applicant's Staff Report, Section IV.G.) Thus, those ponds are unlikely to be affected by Project pumping. Nonetheless, Cal-Am has proposed an Adaptive Management Program that would include ongoing monitoring and evaluation of the ponds to confirm whether the ponds are hydrologically connected to the Dune Sand Aquifer, to what extent Project pumping might affect the ponds and to mitigate and/or offset for any potential adverse effects to the ponds should potential impacts be identified through the Adaptive Management Program. (See *ibid*.)

- Finally, the Final EIR/EIS, the Commission's independent hydrogeologist, the HWG, and the State Water Board all agree that the Project will not impact Marina's groundwater supply. (See Staff Report, p. 68 ["Although some commenters have expressed concern that the Project would adversely affect the water supply wells of the Marina Coast Water District, which are located about two miles from the Project's proposed well field, neither the Final EIR/EIS nor the Commission's independent hydrogeologist found evidence that such impacts are reasonably foreseeable"]; see also Applicant's Staff Report, Section IV.J.)

1. <u>Procedural Concerns</u>

- The Staff Report provides inadequate details on the extensive outreach Cal-Am performed in order to engage its customers and Monterey Peninsula residents regarding the Project. (See Staff Report, pp. 91-92.)

  - For example, Cal-Am maintained a website dedicated to the Project with information and updates for the public, sent bill inserts and direct mail pieces to customers regarding the Project, and engaged in a social media awareness campaign. (See Applicant's Staff Report, Section IV.N.)

  - Further, since 2013, Cal-Am has published a quarterly newsletter discussing Project need, status, and financing, as well as the permitting process. Cal-Am published the newsletter in local print media and circulated it via email. (See Applicant's Staff Report, Section IV.N.) Cal-Am also contributed guest editorials to inform the public on the Project. (See *ibid*.)

  - Moreover, two local agencies—the Monterey Peninsula Regional Water Authority and the Governance Committee—were established to increase public participation in the future of the Monterey Peninsula's water supply, particularly

the desalination component that the Project would provide. (See Cal-Am August 13, 2020 Letter, Ex. 1, p. 12.) These agencies hold regular public meetings to discuss issues concerning the Project. (See *ibid*.)

- Thus, in addition to the CPUC's extensive, six-year long public administrative process regarding the Project's environmental review and ratesetting, Cal-Am conducted thorough outreach to both its customers and the broader region, and ample opportunity was provided to the public to participate in the Project's review.

2. <u>Substantive Concerns – Water Costs</u>

- The Staff Report states that one of the primary concerns regarding the Project is the potential disproportionate burdens that low income ratepayers in Cal-Am's service area would experience as a result of increased rates. (Staff Report, pp. 92-96.) Although the rate increases are commensurate with other projects approved by the Commission,[7] Cal-Am has committed to further mitigating any potential disproportionate impacts on disadvantaged communities by proposing Special Condition 13 to increase the discount afforded to customers through its Customer Assistance Program ("CAP")[8] from 30% to 50%, increase enrollment in the CAP by launching a pilot program to enroll residents of multi-family housing to ensure more eligible customers can participate in the CAP, and contribute an additional $250,000 to the United Way to assist customers in Cal-Am's service territory who are having financial difficulties paying monthly bills. With implementation of Special Condition 13, the Project will be consistent with the Commission's Environmental Justice Policy.

- The Staff Report states that a 2017 Food & Water Watch survey indicates that Cal-Am's customers currently pay among the highest water rates in the country. (Staff Report, pp. 92-93.) The Staff Report also states that a MPWMD report found that costs of the Project would nearly double an average residential ratepayer's water bill by 2023.

    - As explained in the Applicant's Staff Report Section IV.N, based on available information, the CPUC approved a rate increase of about $37-$40 per month for the average Cal-Am customer in a single-family residence for desalination facility costs and financing. Although a final rate determination will be made by the CPUC when the Project goes into service, the Commission last year approved a project that would result in a $41 increase in water bills – the Morro Bay Water Reclamation Facility. (CDP App. No. 3-9-0463; see also Exhibit 1 to August 13, 2020 Letter to Commission ("Dudek Memorandum"), p. 3-4.)[9]

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[7] E.g., Morro Bay Water Reclamation Facility, CDP App. No. 3-9-0463 (June 21, 2019), https://documents.coastal.ca.gov/reports/2019/7/Th13a/Th13a-7-2019-report.pdf.

[8] Previously referenced as the Low-Income Ratepayer Assistance ("LIRA") program.

[9] In July 2019, the Commission approved the Morro Bay Water Reclamation Facility even though the project would result in a $41 monthly surcharge to Morro Bay ratepayers. The

- Staff states that Cal-Am has repeatedly increased surcharges included in water rates, which the Public Advocates Office ("PAO") has protested. (Staff Report, p. 93.)

    - As explained in the Applicant's Staff Report, Section IV.N, surcharges are included as part of the base water rates and included in customer water bills out of transparency. Certain surcharges also will be expiring in the next few years. What is relevant for the Commission's consideration of the Project is that CPUC approved a rate increase of about $37-$40 per month for the average Cal-Am customer in a single-family residence for desalination facility costs and financing.

- The Staff Report claims that Cal-Am's CAP does not currently reach all low-income customers and has not fully offset the burden on those customers. (Staff Report, p. 94.) Because many otherwise eligible ratepayers live in multi-family structures, where the water bill is in the name of a landlord or management company and not individually metered, those customers may be unable to enroll in programs to offset rate increases. (*Ibid*.)

    - As an initial matter, Cal-Am already undertakes significant outreach efforts to customers who are eligible for CAP participation. Cal-Am publicizes the Customer Assistance Program by sending physical mailers, bill inserts, and email notices to all of its customers. (See Dudek Memorandum, pp. 5; Applicant's Staff Report, Section IV.N.) However, despite these efforts, eligible customers do not all participate in the program.

    - With the implementation of Special Condition 13, Cal-Am would implement a pilot program to provide the CAP's 50% discount to landlords and management companies of master metered multi-family housing where low income tenants reside. The discount would similarly be provided to non-profit housing facility organizations and investors. This would substantially increase the number of participating customers in Cal-Am's service area.

    - With the increased 50% discount provided in Special Condition 13, based on available information average bills for eligible customers would only be expected to increase $10 to $12 per month for desalination facility costs and financing, as compared to $37 to $40 per month for non-CAP customers.

    - In addition, Special Condition 13 requires Cal-Am to contribute an additional $250,000 to the United Way to assist customers in Cal-Am's service territory who are having financial difficulties paying monthly bills.

- The Staff Report reiterates that the lived experience of residents Cal-Am's service area and the potential for higher water rates to displace low income residents requires

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Commission found that, although the project would be expensive and disproportionately impact low-income ratepayers, the project was nonetheless consistent with the Commission's Environmental Justice Policy and necessary to provide a safe and reliable supply to Morro Bay.

heightened scrutiny of the Project's environmental justice impacts. (Staff Report, pp. 95-96.)

- As described above, Special Condition 13 would prevent the Project form having unintended effects on vulnerable communities in Cal-Am's service territory by offering reduced rates to disadvantaged customers and improving Cal-Am's ability to enroll eligible customers in the CAP. (Applicant's Staff Report, Section IV.N.)

- The Staff Report downplays the Project's importance in ensuring a safe and reliable source of water to the Peninsula. (Staff Report, p. 96.) However, without the Project, there will be insufficient water to construct affordable housing and to allow the hospitality industry to rebound on the Peninsula. (See, e.g., June 30 Letter to Commission, Att. A, pp. 40, 62.) This is just one of the many adverse environmental justice impacts that would result from a failure to approve the Project's CDP.

- The Staff Report claims that the Project is unnecessary because the PWM Expansion is a feasible alternative that would supply customers with adequate, more affordable water supplies and fewer environmental justice impacts. (Staff Report, p. 96.) Staff is incorrect.

  - As more fully described at Section J, burdens related to water cost increases would not be avoided by the PWM Expansion. Projections of PWM Expansion water costs are entirely speculative at this time. Expected water costs from the Phase 1 PWM project have recently increased drastically due to technological difficulties and needed repairs. Monterey One Water estimates that Phase 1 PWM water may range between $2,508 and $3,678 per acre-foot – at minimum, more than double the rate of $1,720 per acre foot approved by the CPUC. (August 12, 2020 Cal-Am Letter to Commission, p. 3.) The projected costs for PWM Expansion would likely see similar increases in costs.

  - Moreover, the Final SEIR for the PWM Expansion was ***denied*** certification by Monterey One Water and is infeasible for myriad other reasons as explained in Applicant's Staff Report. (See Applicant's Staff Report, Section IV.O.1; May 20, 2020 M1W Board of Directors Staff Report.)

  - Notably, even if the PWM Expansion were to eventually be approved, it could fall short of meeting water demand, and will result in its own significant environmental justice impacts. Local groups representing farmers and communities of concern, such as the Monterey County Farm Bureau, the City of Salinas, and others, have voiced serious concerns regarding these significant environmental justice issues related to the PWM Expansion. (See Dudek Memorandum, pp. 14-17 [detailing these concerns]; Section J, *infra*.)

3. Substantive Concerns – Return Water Agreement to Castroville Community Services District ("CCSD")

- The Staff Report states that Cal-Am would provide water to CCSD and CSIP at a steep discount, at the expense of Cal-Am ratepayers. (Staff Report, p. 96.) As a result, staff asserts that the costs of providing discounted water to Castroville would disproportionately impact low-income ratepayers in Cal-Am's service area. (*Id*., pp. 96-97.) Staff incorrectly characterizes the Return Water Settlement Agreement and its specific provisions, as well as the intent underlying the Agreement.

    - As the Applicant's Staff Report, Section IV.N explains, many parties[10] negotiated and agreed to the Return Water Settlement Agreement's provisions, including the per-acre foot costs.

        - The Agreement requires Cal-Am to provide desalinated water to Castroville Community Services District ("CCSD") at about $110 per acre-foot for the return water. (CPUC Decision D.18-09-017, Appx. H, § 5.a.i.) This cost represents CCSD's avoided costs to produce groundwater from the SVGB to serve customer demand. (See *ibid*.) If CCSD wants to purchase additional desalinated water from Cal-Am, the cost would be approximately $580 per acre-foot, which includes various Project-related infrastructure costs. (See CPUC Decision D.18-09-017, Appx. H, § 5.a.ii.)

        - The Agreement also requires that excess return water be directed to the Castroville Seawater Intrusion Project ("CSIP") at a cost of $102 per acre-foot, representing CSIP's avoided costs to produce groundwater. (See *id*., § 5.b.)

    - Further, if Castroville did not agree to purchase the return water, Cal-Am would be required to build or use the infrastructure necessary to inject excess desalinated water into the SVGB in order to comply with the Agency Act. (See Applicant's Staff Report, Section IV.N.) This could result in additional Project costs. However, Castroville's agreement to purchase the return water avoids these costs for Cal-Am and its ratepayers. (*Ibid*.)

    - Moreover, as explained below and in the Applicant's Staff Report, Sections IV.J and IV.N, Cal-Am would incur the costs associated with any return water obligations that exceed those contemplated in the Final EIR/EIS.

- Staff asserts that "recent groundwater modeling shows that the amount of water Cal-Am may need to return to the Basin could be substantially higher than anticipated in previous modeling and in the Return Water Agreement." (Staff Report, p. 97.) As a result, the

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[10] The development of the Return Water Settlement Agreement was a collaborative effort by Cal-Am, Coalition of Peninsula Businesses, Landwatch Monterey County, the Monterey County Farm Bureau, the Monterey County Water Resources Agency, the Monterey Peninsula Regional Water Authority, Monterey Peninsula Water Management District, Monterey One Water, Planning and Conservation League Foundation, and the Salinas Valley Water Coalition. (See CPUC Decision D.18-09-017, Appx. H.)

Staff Report states that Cal-Am may need to return up to 2,100 afy (as opposed to approximately 700 afy contemplated in the Return Water Settlement Agreement) at a cost of $3,000 to $6,000 more per acre-foot. (*Ibid*.)

- Pursuant to the Return Water Settlement Agreement, ***Cal-Am***—not ratepayers—would absorb any costs associated with Cal-Am's return water obligations if the Project extracts more non-seawater than the Final EIR/EIS estimates. (See CPUC Decision D.18-09-017, p. 192; see also Applicant's Staff Report, Sections IV.J, IV.N.)

4. <u>Substantive Concerns – Cumulative Environmental Impacts</u>

- The Staff Report raises concerns that the slant wells placement on the beach will impact public access, habitat restoration, and passive public recreational use after the CEMEX closure. (Staff Report, p. 98.)

  - As discussed in Section G, the Project's footprint is *de minimis*, and would permanently occupy only a quarter-acre on the 400+ acre CEMEX site, with another quarter-acre being required for periodic maintenance activities that are recommended for the wells approximately every five years and conducted over a period of nine to 18 weeks. (Staff Report, p. 81; see also June 30 Letter to Commission, Att. A, pp. 33-35; Applicant's Staff Report, Section IV.N.) Whether this very minor Project presence would interfere with a future restoration and access plan is entirely speculative because the scope of such a plan or even if one will occur is currently unknown.

  - Moreover, the Settlement Agreement, which was approved by the Commission, explicitly provides that uses consistent with Cal-Am's existing 30-acre permanent easement are permitted. (Settlement Agreement, §§ 6.2.D.1, 23.2.) Cal-Am's easement would remain even with implementation of a future restoration and access plan.

  - Finally, staff's comparison of conditions with the Project to a speculative future, relies on an improper baseline. The proper baseline is existing conditions. (See *Neighbors for Smart Rail v. Exposition Metro Line Construction Auth.* (2013) 57 Cal.4th 439, 447; see also Section G, *supra*.) Staff provides no support for its reliance on conditions more than five years in the future as a baseline for Cal-Am's CDP. The Project should be evaluated against the site as it exists—a site which has served industrial sand mining purposes for over a century and provides no public access.

  - Nonetheless, Special Condition 10, would require Cal-Am to prepare a Public Access Plan that would, among other things, allow the Executive Director to require further public access protections once a restoration and access plan is adopted for the CEMEX site some point in the future. (See Applicant's Staff Report, Section IV.N.)

- The Staff Report points to existing industrial facilities ***outside of the coastal zone***, located ***near*** the City of Marina as evidence that Marina is overburdened with cumulative impacts from industrial facilities. (Staff Report, p. 100.)

    - First, staff's evaluation of the Project's potential environmental justice impacts outside of the Coastal Zone exceeds the Commission's jurisdiction. (See *Sierra Club v. Cal. Coastal Com.*, 35 Cal.4th 839, 851-52.)

    - Second, as stated above, much of the industrial development is not, in fact, within city limits – it is ***near*** Marina. Figure 1 of the Staff Report shows that, although Marina is near a regional landfill, regional composting facility, and regional sewage plant, this industrial development is outside of Marina's boundaries. (See Staff Report, p. 100; see also Applicant's Staff Report, Section IV.N.) Further, although Fort Ord is a contaminated site, Marina is actively working to develop the area with housing. (See Applicant's Staff Report, Section IV.N.) Even so, the Project's *de minimis* presence would not contribute to cumulative impacts on Marina. (See Section G, *supra*.) The majority of the Project's footprint and the physical desalination facility will be located outside of Marina.

- The Staff Report states that Marina residents "are concerned about the potential impacts of the proposed slant wells on their own aquifer and groundwater supply." (Staff Report, p. 101.)

    - As explained above, the Commission's independent hydrogeologist, the Final EIR/EIS, the HWG, and the State Water Board all agree that the Project will not adversely impact groundwater or Marina's municipal supply wells. (See Staff Report, p. 68; Applicant's Staff Report, Section IV.J; Section E, *supra*.)

    - Further, as described above and throughout the Applicant's Staff Report, the Project will provide benefits to both the SVGB and Seaside Groundwater Basin. (Applicant's Staff Report, Sections IV.J, IV.N, IV.P.) The Project will help prevent further seawater intrusion in the SVGB and will protect groundwater levels in the Seaside Basin, thereby preventing seawater intrusion and the irreversible loss of groundwater storage.

- The Staff Report again claims that the PWM Expansion is a feasible alternative that would "avoid all the above-referenced impacts" and result in a "significantly lower rate increase." (Staff Report, p. 101.) For the reasons discussed above and in Section [Alts], staff is wrong that the PWM Expansion represents a feasible alternative, would avoid its own significant impacts, or would result in a significantly lower rate increase. Particularly with implementation of Special Condition 13, low income customers in Cal-Am's service territory will bear little to no costs from the rate increases associated with the Project.

J. Assessment of Alternatives (Staff Report, pp. 102-146)

1. <u>Interpretation of Coastal Act Sections 30233 and 30260</u>

- The Staff Report asserts that Coastal Act section 30233 permits the Commission to analyze Project alternatives because the concrete anchors attached to the Project's temporary monitoring buoys, and the retrofit of the M1W outfall, constitute "fill." (Staff Report, pp. 103, 107.)

    - Staff provides no support for the argument that work on the existing M1W outfall would involve "fill." Resources Code section 30108.2 defines "fill" as "earth or any other substance or material, including pilings placed for the purposes of erecting structures thereon, placed in a submerged area." As discussed in Section D, *supra*, no "fill" is involved in the Project construction. Therefore, Coastal Act section 30233 does not apply. Additionally, even if certain components did constitute "fill"—which they do not—the Commission's authority would be limited to review of alternatives as to those components, not wholesale alternatives to the entire Project. (June 30, 2020 Letter to Commission, Att. A, p. 46.)

- The Staff Report next claims that under the first test of Coastal Act section 30260, the Commission may consider the PWM Expansion project as an alternative. (Staff Report, pp. 103, 107.)

    - As stated in Cal-Am's June 30 Letter to the Commission, pp. 46-47, this position ignores the plain language of section 30260, which explicitly applies only to alternative "locations," not entirely separate projects. (See Pub. Resources Code, § 30260.) Although the Commission has previously interpreted section 30260 to allow consideration of a wide variety of different alternatives, including alternative technologies and methods for accomplishing a project's objectives, it has not previously interpreted section 30260 to allow consideration of wholly separate alternative projects. (See, e.g., Staff Report for Test Slant Well, App. No. 9-14-1735, A-3-MRA-14-0050, pp. 3, 57 [evaluating on- and off-site alternative locations for the test slant well].) Further, prior instances of nuclear storage projects in which the Commission considered out-of-state alternatives are not binding precedent on this proposed Project or other Commission actions.

- Staff also claims that the Commission may consider Project alternatives outside of the Coastal Zone, even though it is only a responsible agency under Public Resources Code section 21080.5(d)(2)(A). (Staff Report, pp. 103, 107-108.) The Commission's authority as a responsible agency is limited. (See, e.g., Pub. Res. Code, § 21002.1, subd. (d); Cal. Code Regs., Tit. 14, Div. 6, Ch. 3 ("CEQA Guidelines"), §§ 15042, 15096, subd. (g)(1) ["When considering alternatives and mitigation measures, a responsible agency is more limited than a lead agency. A responsible agency has responsibility for mitigating or avoiding only the direct or indirect environmental effects of those parts of the project which it decides to carry out, finance, or approve."]; see also June 30 Letter to the Commission [listing cases].)

- Lastly, the Staff Report argues that the Commission's public trust doctrine obligations require it to assess whether "there is an alternative project that would protect the public

trust resources in the Carmel River and that would not involve as many impacts to coastal and public trust resources as this proposed Project." (Staff Report, pp. 104-105.)

- Under the public trust doctrine, state agencies have "an affirmative duty to take the public trust into account in the planning and allocation of [trust] resources, and to protect public trust uses whenever feasible." (*National Audubon Society v. Superior Court* (1983) 33 Cal.3d 419, 446.) However, there is no "procedural matrix" by which an agency must abide in carrying out a public trust determination, and there is no requirement that an agency conduct a separate public trust analysis, as staff did here. (*Citizens for East Shore Parks v. State Lands Com.* (2011) 202 Cal.App.4th 549, 576, 578.)

- The Project does not harm public trust resources. Cal-Am agrees with the Staff Report that the Project "would entail the use of seawater, a public trust resource, in a manner that would not harm that particular resource," "will not take up space on, or affect, tidelands that provide public access", "protects marine water and wildlife public trust resources," and "would end the withdrawal of water from the [Carmel] River." (Staff Report, p. 105.) However, contrary to Staff's contention, as discussed in Section A, the proposed Project also has in place satisfactory measures to mitigate any potential adverse effects construction may have on sensitive species and their habitat.

- As described in this section and in Section K, there is no feasible alternative project that better protects public trust resources. (See Section K, *infra*; Applicant's Staff Report, Section IV.P.).

2. The PWM Expansion is Not A Feasible Alternative

- The Staff Report purports to analyze the PWM Expansion as an alternative to the Project under the "feasibility" criteria set forth under Coastal Act section 30108. (Staff Report, pp. 109-115.) Contrary to staff's claims, when assessed pursuant to the section 30108 criteria, the PWM Expansion is plainly infeasible as an alternative to the Project. (See Applicant's Staff Report, section IV.O.1; see also June 30 Letter to Commission, Att. A, Section I.2.)

a. "Capable of Being Accomplished in a Successful Manner"

- Staff argues that the PWM Expansion would use the same proven technology as Phase I PWM, and that the problems faced by Phase I at startup are common for water treatment projects and are being readily resolved. (Staff Report, p. 110.)

  - The Staff Report ignores the fact that M1W has ceased all work on the PWM Expansion and also fails to acknowledge the myriad technological/operational issues with the Phase I PWM and the PWM Expansion that will prevent the projects from being completed in a successful manner or within a reasonable period of time. (See Applicant's Staff Report, Section IV.O.1.) Given that the PWM Expansion has now been delayed indefinitely and would not meet even the

low demand scenario promoted by MPWMD, it can no longer be considered a feasible alternative to the Project.

- Staff fails to acknowledge that the PWM Expansion is no longer moving forward. (See Applicant's Staff Report, Section IV.O.1; see also June 30, 2020 Cal-Am Letter to Commission, pp. 47-48.) On April 27, 2020, the M1W Board denied certification of the Final SEIR for the PWM Expansion. (See May 20, 2020 M1W Board of Directors Staff Report.) In doing so, the M1W Board acknowledged that significant flaws remain unaddressed in the Final SEIR related to its analysis of PWM Expansion source water, water supply and demand, impacts to agricultural water supplies, and the SEIR's failure to evaluate the PWM Expansion as either an alternative to or a cumulative project with the Project. (*Id.*, p. 2; August 12, 2020 Cal-Am Letter to Commission.) M1W has stated that it does not possess the funding to remedy the significant deficiencies in the PWM Expansion SEIR, and therefore has ceased all work on the Expansion. (See May 20, 2020 M1W Board of Directors Staff Report, p. 1.)

- Phase I PWM continues to face significant technical and operational barriers, and given that it will use the same technology as Phase I PWM, there is no reason to believe that the proposed PWM Expansion will not encounter similar hurdles. (See Applicant's Staff Report, Section IV.O.1; June 30 Letter to Commission, Att. A, pp. 49-50.)

    - M1W is experiencing ongoing difficulties in achieving treated water injection rates originally promised for the Phase I PWM, and currently estimates that it is capable of an annual injection rate of 2,030 afy – less than 58% of the 3,500 afy it has contractually promised to Cal-Am. (Applicant's Staff Report, Section IV.O.1.)

    - In an attempt to address these technical barriers, M1W has proposed a series of costly fixes, including repairs to the shallow wells, final commissioning of the deep wells, and construction of a third, and possibly a fourth, deep injection well. (August 12, 2020 Cal-Am Letter to Commission, p. 2; August 31, 2020 M1W Board of Directors Meeting, at 1:14:20 to 1:22:10, available at https://montereyonewater.org/290/Audio-Recordings-of-Board-Meetings.) These attempted remedies will increase Phase I PWM costs by $13 million, with no guarantee that they will allow M1W to provide Cal-Am with its promised allocation of PWM water. It should be noted that in order to achieve the lowest demand estimate of 10,855 afy set forth in the Stoldt Memo, M1W must produce 100 percent of the promised water supply from the Phase I PWM, as well as 100 percent of the promised supply from the PWM Expansion—even with the proposed fixes the evidence demonstrates that such assumptions are unrealistic. (See Section J.3, *infra*.) These measures will also cause further delay in the Phase I PWM—for example, M1W does not intend to begin construction on the third deep well until November 2020, and it is

speculative to assume that all of its technical issues could be resolved by the December 31, 2021 CDO deadline. (*Ibid.*)

- Phase I PWM has not utilized certain source waters, including agricultural wash water, since startup. (August 12, 2020 Cal-Am Letter to Commission, p. 2.) It is not clear that PWM treatment technologies will be capable of treating these untested source waters to safe levels.

- Staff does not consider adequately the uncertainty regarding disputed water rights for the PWM projects. As discussed in the Applicant's Staff Report, the Amended and Restated Water Recycling Agreement ("ARWRA") between M1W and MCWRA contains multiple requirements and conditions regarding the construction, operation, and financing of new source water for the PWM projects. The conditions to the ARWRA have yet to be satisfied, thus the reliability ARWRA source waters, even for Phase 1 PWM, is speculative due to this ongoing dispute. Likewise, the City of Salinas disputes the PWM Expansion's use of agricultural wash from the City. (Applicant's Staff Report, Section IV.O.1.) Because these issues are currently being disputed, Staff is incorrect in determining that the Phase 1 PWM issues will be easily resolved.

- Staff rebuts the argument that PWM Expansion source waters are unsecured, pointing to the Final SEIR and M1W's August 20, 2020 letter. (Staff Report, pp. 110-111.)

  - As described in Section J.3, *infra*, recent data regarding wastewater treatment plant ("WWTP") and Reclamation Ditch flows demonstrates that under both normal and dry water years, there will be insufficient source waters to supply the Phase I PWM and the PWM Expansion.

b. <u>"Within a Reasonable Period of Time"</u>

- The Staff Report claims that the Project would take 27 months to construct and begin operations once all final approvals are received, while the PWM Expansion would take 24 to 27 months. Confusingly, staff then claims that if each project began construction today, the Project would begin providing water by early 2024, while the PWM Expansion could provide water by late 2022. (Staff Report, p. 111.) This contradicts staff's statement that both projects could be completed in about the same amount of time. Staff also argues that the primary remaining barriers for the PWM Expansion are: (1) certification of the Final SEIR and (2) approval of a new Water Purchase Agreement ("WPA"), which staff claims Cal-Am could pursue expeditiously if it chose to do so. (Staff Report, pp. 111-112.)

  - Even assuming that the M1W Board was ready to approve the PWM Expansion, which it is not (see Section J.2.a, *supra*), the approval of the PWM Expansion will be further delayed by the need to recirculate the SEIR for that project. Under CEQA, when "significant new information" is added to an EIR after the public notice and comment period, but before certification of the EIR, the lead agency must provide notice of an additional public comment period before certifying the

EIR. (Pub. Resources Code, § 21092.1; CEQA Guidelines, § 15088.5; *Save Our Peninsula Committee*, 87 Cal.App.4th 99, 130.)

Appendix I to the PWM Expansion Final SEIR does not consider post-2013 WWTP flow data, which demonstrates a consistent trend of decreasing WWTP flow to source the PWM Expansion, despite the fact that M1W apparently possessed this data when preparing the Final SEIR. (See August 23, 2020 Hazen Memo, p. 4; see Applicant's Staff Report, Section IV.O.1.) Accordingly, overall demand for the source waters listed for the PWM Expansion far exceeds available supplies in both Normal/Wet years and Dry years. (August 23, 2020 Hazen Memo, p. 6.) This newly released post-2013 WWTP flow data constitutes significant new information under CEQA because M1W will be required to identify new, secure water sources for the Expansion for it to be feasible. Further, the absence of the post-2013 WWTP flow data that M1W had in its possession from the Final SEIR created a CEQA document "so fundamentally and basically inadequate and conclusory in nature that meaningful public review and comment were precluded." (See CEQA Guidelines, § 15088.5, subd. (a)(4).) As a result, the Final SEIR will need to be revised and recirculated for public comment.

M1W also has proposed the potential construction of additional deep wells in an attempt to address injection refusal issues. (August 12, 2020 Cal-Am Letter to Commission, p. 2; August 31, 2020 M1W Board of Directors Meeting, at 1:14:20 to 1:22:10, available at https://montereyonewater.org/290/Audio-Recordings-of-Board-Meetings.) Initially, M1W anticipated constructing a third deep well, but is now discussing a fourth. (*Id.*) The decision to add these additional deep wells would also constitute significant information regarding the PWM Expansion's impacts, triggering a requirement for M1W to recirculate the Final SEIR for the PWM Expansion for additional notice and comment. (CEQA Guidelines, § 15088.5, subd. (a); *Laurel Heights Improvement Assn. v. Regents of University of California* (1993) 6 Cal.4th 1112, 1129.) As drafted, the PWM Expansion Final SEIR assumes that five deep injection wells would be constructed for both Pure Water projects in total: two deep injection wells for the Phase I PWM, two deep injection wells for the PWM Expansion at sites that would be relocated from those planned for the Phase I PWM, and one additional deep injection well for the PWM Expansion, for a total of three deep injection wells for the PWM Expansion. (See PWM Expansion Draft SEIR, p. 2-22.) Should M1W be required to construct a total of four deep injection wells solely for the Phase I PWM, it is likely that it would need to construct three deep injection wells for the PWM Expansion, for a total of seven wells. Even if only one additional deep injection well is constructed for the Phase I PWM, that would result in one more deep well than was analyzed in the PWM Expansion SEIR. As the Final SEIR has not assessed the impacts of constructing these additional wells, M1W would be required to revise and recirculate the Final SEIR to provide for public notice and comment regarding these additional impacts. (See Applicant's Staff Report, Section IV.O.1; Pub. Resources Code, § 21092.1; CEQA Guidelines, § 15088.5, subd. (a)(1).)

This entire recirculation process could add an additional six to twelve months to the PWM Expansion project's timeline—further demonstrating that the PWM Expansion is not a feasible alternative.

- Delivery of water from the PWM Expansion also will be delayed by the need for the CPUC to approve a WPA between M1W and Cal-Am for PWM Expansion water. As acknowledged by the PWM Expansion Final SEIR, such a WPA is needed to secure funding to construct the Expansion and thus, "[w]ithout knowing when or whether a [WPA] will be negotiated, it is currently not possible to estimate when the [PWM Expansion] would be completed." (See PWM Expansion Final SEIR, p. 3-35.) Any WPA for the PWM Expansion would be required to incorporate additional terms beyond those included in the WPA for Phase I PWM water to provide adequate assurances to Cal-Am and its customers that the PWM Expansion water will be delivered as promised, and enhanced protections in the event that the Expansion is incapable of providing adequate supplies. (See Applicant's Staff Report, Section IV.O.1; see also June 30 Letter to Commission, Att. A, p. 72.) Such performance guarantees must include a guarantee of the full production volume of PWM Expansion product water, and a full indemnification to Cal-Am against any risk, liability, or penalties should the PWM Expansion fail to provide an adequate water supply to meet the needs of Cal-Am's customers. (See Applicant's Staff Report, Section IV.O.1; see also May 9, 2020 Cal-Am Letter to M1W, p. 5.)

- As discussed by the State Water Board, the timeline for implementation of the PWM Expansion has been delayed beyond the December 31, 2021 CDO deadline, and the Expansion requires "approvals and funding for which the details are uncertain and the timeline is indefinite"—as such, "[i]t is uncertain whether or when the proposed [PWM Expansion] may proceed beyond its currently pending environmental review . . ." (See May 8, 2020 State Water Board Letter to Coastal Commission, pp. 4-5.) As such, it is unlikely that the PWM Expansion could be constructed and operational within a reasonable period of time as compared to the Project. (See Applicant's Staff Report, Section IV.O.1.)

- The Staff Report argues that Cal-Am must, for its part: (1) design and obtain permits to install an outfall liner; (2) obtain approvals to either use MCWD's pipeline or construct a new parallel delivery pipeline; and (3) overcome ongoing litigation with the City of Marina and MCWD, all of which the Staff Report claims will delay Project implementation. (Staff Report, pp. 112-113.)

  - None of the matters raised by the Staff Report here present the likelihood of significantly delaying the Project.

  - First, as described in an August 17, 2020 letter to the Commission, Cal-Am now proposes to install a liner to the existing M1W outfall from within the outfall itself via a spray-on method. (See August 17, 2020 Cal-Am Letter to Commission; see also Applicant's Staff Report, Section IV.O.5; Section A.4, *supra*.) As the spray-on liner would be installed entirely from within the outfall, and because the outfall

pipe would be accessed from points outside of the coastal zone, installation would not involve any ground disturbance within the coastal zone, and therefore would not require that Cal-Am obtain a CDP for the work. (See August 17, 2020 Cal-Am Letter to Commission, p. 3.) Cal-Am has proposed a Special Condition to ensure that this less impactful, feasible alternative approach to the outfall liner is pursued. (See Applicant's Staff Report, Special Condition 4.) As such, installation of the outfall liner will not cause any delay in Project implementation.

- Second, existing agreements already permit Cal-Am to utilize the pipeline shared with MCWD to convey Project water, and there remains sufficient excess capacity in the pipeline to accommodate Project water. (June 30 Letter to Commission, Att. A, pp. 54-55.) As acknowledged by the Staff Report, in the event that MCWD continues to unreasonably refuse to permit Cal-Am to exercise its right to utilize the pipeline, Cal-Am has proposed to construct an additional product water conveyance pipeline, running parallel to the shared pipeline. Approvals for this proposed parallel pipeline will come before MPWMD at its October Board meeting. (See July 31, 2020 MPWMD Board of Directors Final Minutes, p. 1.) Therefore, Cal-Am's ability to utilize the shared pipeline, or to obtain approvals for a new parallel pipeline, are not anticipated to cause any substantial delay in the Project's schedule.

- Third, with respect to the litigation initiated by the City of Marina, and in which MCWD has filed a cross-complaint, Cal-Am believes the claims in that case are meritless, and has demurred to MCWD's cross-complaint. (See Applicant's Staff Report, Section IV.O.1.) Further, the CPUC has declared that with respect to brackish groundwater to be extracted by the Project, Cal-Am may develop appropriative groundwater rights if the Project extracts otherwise unusable groundwater without harm to existing users, and Cal-Am thereafter returns any fresh water to the Basin—that framework cannot be modified through this litigation. (*Ibid.*) Moreover, the temporary stay currently in place as a result of MCWD's litigation with the County of Monterey is expected to be lifted following the Commission's decision on the Project. (*Ibid*.) As such, it is unlikely that the litigation initiated by Project opponents will cause significant delay in Project implementation.

c. "Taking into account economic, environmental, social, and technological factors"

- **Economic**—Staff argues that Project water would cost $6,000 to $8,000 per acre-foot, while PWM Expansion water would cost about $2,300 per acre-foot. (Staff Report, pp. 113-114.)

  - The Staff Report's acre-foot cost comparisons are not relevant to potential rate increases on Cal-Am's customers. As stated in the Applicant's Staff Report, based on available information the CPUC approved a rate increase of about $37-$40 per month for the average Cal-Am customer in a single family residence for the desalination facility, and that increase is not tied to per acre foot water

costs. (See Applicant's Staff Report, Section IV.O.1.) The CPUC's rate increase was based on a calculation of the annual revenue required to repay capital costs to build the facility, including set financing repayment requirements, and the annual operations and maintenance. The amount of water the facility produces is not a material variable in rates that customers are charged, except for minor, incremental operating and maintenance costs. Thus, regardless of the amount of water produced each year, the amount needed to be recovered annually from customers for physical construction and operation of the facility and for financing/loans essentially remains the same. (*Ibid.*) That is why the CPUC found that approving a smaller 4.8 MGD desalination facility would not result in any "significant, if any, cost savings to ratepayers" and determined that alternative was not feasible. (CPUC Decision 18-09-017, p. 129.)

- Further, projections of ***PWM Expansion water costs are entirely speculative*** at this time, and given recent increases in Phase I PWM water costs, the projected costs for PWM Expansion water are likely to see similar increases. (See Applicant's Staff Report, Section IV.O.1.) Given the above-discussed technological difficulties facing the Phase I PWM, M1W staff projects that at the current anticipated delivery rate of 2,030 afy, costs for Phase I PWM water may be as high as $3,678 per acre-foot. (August 12, 2020 Cal-Am Letter to Commission, p. 3.) These costs are more than double the rate of $1,720 per acre-foot approved by the CPUC for Phase I PWM water. (*Ibid.*) It is highly likely that the PWM Expansion would face similar cost hikes. Moreover, current cost projections for PWM Expansion water do not account for costs already expended on the Project, which are anticipated to be recovered via future water rate increases that would be expected to increase customer bills by approximately $10 to $20 per month even if the desalination facility is not built. (Applicant's Staff Report, Section IV.O.1.) It is therefore both irresponsible and speculative to compare estimated PWM Expansion water costs to Project water costs at this time.

- **Environmental**—The Staff Report claims that the Project would result in significant adverse effects to ESHA, groundwater, and marine life, while the PWM Expansion would be built entirely outside the coastal zone and would have relatively few environmental impacts. (Staff Report, p. 114.)

    - The Staff Report mischaracterizes the extent of the Project's environmental impacts. (See Applicant's Staff Report, Section IV.O.1.) As described above, the Project would be consistent with the Coastal Act and City of Marina LCP policies regarding coastal waters with the implementation of Cal-Am's proposed special conditions. (See Section D, *supra*; see also Applicant's Staff Report, Section IV.J.) Further, even without the implementation of special conditions, the Project is entirely consistent with all policies regarding groundwater. (See Section E, *supra*; see also Applicant's Staff Report, Section IV.J.) Finally, while the Project would be inconsistent with the Coastal Act and Marina LCP policies regarding ESHA, including wetland/vernal ponds EHSA, the Project would incorporate

mitigation measures to reduce impacts to ESHA to the maximum extent feasible. (See Section A, *supra*; see also Applicant's Staff Report, Section IV.F.)

- Further, there remains significant uncertainties regarding the PWM Expansion's environmental impacts. (See Applicant's Staff Report, Section IV.O.1.) The M1W Board has recognized that the PWM Expansion SEIR does not fully address a number of environmental issues, and therefore denied certification of the SEIR. (May 20, 2020 M1W Board of Directors Staff Report.)

- Finally, the Commission cannot purport to assess the PWM Expansion, which does indeed lie entirely outside the coastal zone, while simultaneously ignoring each and every one of the Expansion's environmental impacts. Staff cannot have it both ways—the Commission must either conduct a complete analysis of the PWM Expansion, including a thorough examination of ***all*** of the Expansion's impacts regardless of where they occur, or it must abandon its attempt to analyze and substitute an alternative for the Project where the alternative lies entirely outside the Commission's coastal zone jurisdiction.

- **Social**—The Staff Report asserts that the Project would have much greater environmental justice-related effects on low-income ratepayers and other communities of interest. (Staff Report, p. 114.)

  - As discussed in Section I, *supra*, Cal-Am offers rate assistance programs for low-income ratepayers, and, as required in proposed Special Condition 13, Cal-Am must implement additional ratepayer assistance programs to address potential barriers to access, customer outreach, and the need to offset any rate increases for low-income customers. (See Applicant's Staff Report, Section IV.O.1.) Moreover, Cal-Am will offer discounted Project water rates to Castroville, a disadvantaged community whose groundwater supply has diminished in recent decades due to overpumping. (*Ibid.*) Proposed Special Condition 13 will ensure that Cal-Am's low income customers will not be required to absorb the costs of providing this discounted water to Castroville residents. (*Ibid.*)

  - In contrast, the PWM is highly likely to cause a number of environmental justice-related impacts, which the Staff Report wholly ignores.

    - First, M1W currently proposes to use more than 3,700 afy in agricultural produce wash water generated by the City of Salinas in order to produce the 2,250 afy in treated water planned for the Expansion. However, Salinas disputes M1W's rights to use these agricultural wash waters, which the City argues is needed to "support farmers, ranchers, and the City's agricultural industry." (See Applicant's Staff Report, Section IV.O.1; January 29, 2020 City of Salinas Letter to M1W, pp. 1-2.)

    - Second, implementation of the PWM Expansion, without the Project, will not enable Cal-Am to provide an adequate water supply to meet even the lowest demand projections set forth in the Stoldt Memo. (See Applicant's

Staff Report, Section IV.O.2.) Without a sufficient water supply, there will be insufficient water available to construct affordable housing in Cal-Am's service area, which will force employees in the Monterey Peninsula service industry to continue residing in more affordable inland communities and contend with lengthy commutes to their jobs on the Peninsula. (*Id.*, Section IV.O.1.) These workers will then be forced to bear additional economic burdens, including costs spent on gasoline or other modes of transportation, in order to commute to the Peninsula, and reduced Coastal access opportunities. (*Ibid.*)

- Third, because WWTP flows that the PWM Expansion is projected to rely upon as source water are continuing to decline, in most situations there would be insufficient source waters to supply both the Expansion and the CSIP. (See Section J.2.a, *supra*; see also Applicant's Staff Report, Section IV.O.1.) Without adequate source water to supply the CSIP project, continued groundwater pumping resulting in seawater intrusion in the SVGB will continue to progress, disproportionately affecting the disadvantaged community of Castroville. (See Applicant's Staff Report, Section IV.O.1.)

- **Technological**—Staff acknowledges that the Project would utilize proven slant well technology, while claiming that the startup issues seen with Phase I PWM will be easily remedied. (Staff Report, pp. 114-115.)

  - Staff does not provide any evidence to back up its claims that the ongoing technological issues with the Phase I PWM, and by extension the PWM Expansion, can be readily corrected. (See Section J.2, *supra*.) M1W has proposed a series of fixes in an attempt to bring Phase I PWM production and injection rates up to planned capacity levels. (*Ibid.*) However, it is speculative at this time to assume that these repairs and additional measures will be effective.

3. Water Supply and Demand

- The Staff Report purports to evaluate the PWM Expansion under the criteria of the Coastal Act section 30108 definition of feasibility and concludes that the PWM Expansion is a feasible alternative to the Project. (Staff Report, p. 109.) Cal-Am and the Commission staff fundamentally disagree as to the feasibility of the PWM Expansion, the current and future water demand for the Cal-Am Monterey service area, and the availability of source water for the PWM Expansion.[11]

  - As explained in Applicant's Staff Report, Cal-Am's desalination facility would provide a more reliable and drought resilient water supply than would the PWM

[11] In response to the Staff Report's claims regarding Monterey Peninsula supply and demand and PWM Expansion source water, Hazen and Sawyer prepared an additional report debunking the Staff Report's assertions (the "September 10, 2020 Hazen Memo"), attached to the Applicant's Staff Report as Exhibit 23.

Expansion. (Applicant's Staff Report, Section IV.O.2.) When combined with Cal-Am's other available water sources, and when considering the most restrictive projections of demand presented to the Commission by MPWMD, only Cal-Am's Project is capable of providing an adequate water supply to meet the Peninsula's current and future demands. Only the addition of the Project to Cal-Am's water portfolio would allow Cal-Am to reduce its withdrawals from the Carmel River in accordance with requirements of the State Water Board's CDO.

- As shown in Table 1 below, the Commission has been presented with conflicting estimates and projections of current and future water demand for the Peninsula. As explained in Applicant's Staff Report, the Commission does not need to determine the validity of these competing demand projections because even when it is assumed that the lowest demand projections from MPWMD are accurate (10,855 afy), the PWM Expansion is not capable of and cannot be relied upon to satisfy that level of demand. (Applicant's Staff Report, Section IV.O.2.)

Table 1: Comparison of existing and future demand scenarios

	2018 CPUC	MPWMD March 2020	MPWMD September 2019	MCWD	2019 Cal-Am Rate Case[12]
Existing demand:	12,000	9,817 – 10,863	9,788 – 11,232	9,985	**9,338** – 9,789 (to 2023)
Future demand:	~14,000 at an unspecified future date	10,884 – 12,287	**10,855** – 12,656	10,412 – 10,983	NA

- **Additional Demand for Seaside Groundwater Basin.** The Seaside Groundwater Basin Watermaster also has concluded that in order to achieve protective water levels and prevent seawater intrusion, the Basin will require replenishment of an additional 1,000 afy over the next 25 years. (October 4, 2019 Seaside Groundwater Basin Watermaster Letter to Commission, p. 2.) Accordingly, each of the demand numbers presented above should be increased by 1,000 acre-feet. The Staff Report concedes that only the Project is capable of replenishing this additional water, however, claims without support that the Watermaster's identification of this 1,000 afy demand is merely "speculative"

[12] The purpose of a rate case is to determine what rates are needed for the next three years to cover the expenses of operating and maintaining the water supply system. To do that, it must be determined what those expenses will be, and what revenue will be generated from customers. Since part of a customer's bill is based on amount of water use, expected demand over the next three years is important to determine expected revenue. In projecting demand over the next three years, Cal Am used demand in 2019 for 2019-2022 based on the assumption that no growth would occur due to the moratorium. The issue of what supplies are needed to adequately and reliability provide water to meet customer demand at all times over decades to come is completely different. If a water system is sized only to meet average current demands, it will not have sufficient water to supply customers on the hottest summer days, in times of drought, or to accommodate growth.

since there is no contract in place to purchase the water. (See Staff Report, p. 120.) Notably, there are either no contracts in place or disputed contracts for numerous PWM Expansion source waters that Commission staff rely upon as part of staff's determination that sufficient source waters exist for the Expansion to be considered a feasible alternative. (See June 30 Letter to Commission, Att. A, pp. 50-51 [describing disputed ARWRA source waters and City of Salinas' agricultural produce wash water].) Despite staff's position on those source waters, somehow staff considers the Watermaster's determination to be speculative in the absence of a contract. (See June 30 Letter to Commission, Att. A, pp. 50-51 [describing disputed ARWRA source waters and City of Salinas' agricultural produce wash water].) Commission staff cannot have it both ways.

- *Sufficiency of Available Supplies to Meet Demand.* As explained in Hazen and Sawyer's August 11, August 23 and September 10, 2020 expert analysis submitted to the Commission, the analyses provided by proponents of the PWM Expansion fail to demonstrate that the Pure Expansion has reliable sources of water necessary to meet demand on the Monterey Peninsula, assuming 10,855 afy demand.

  To conclusively demonstrate that the PWM Expansion is not a feasible alternative capable of meeting even a conservative estimate of demand, Appendix A in the September 10, 2020 Hazen Memo provides an updated accounting of Cal-Am's water supply portfolio, assuming operation of the PWM Expansion, but without the Project. Appendix A in the September 10, 2020 Hazen Memo controls for multiple Aquifer Storage and Recovery ("ASR") scenarios and surface water scenarios and demonstrates that the PWM Expansion cannot meet 10,855 afy demand. Hazen Appendix A is reproduced below.

September 10, 2020 Hazen Memo, Appendix A

Source / Assumption Scenario	Proposed by Others			ASR Controlled*			Wastewater & Reclamation Ditch Controlled*		
	CPUC	MPWMD 2020	MPWMD 2019	No ASR	Half ASR (650 AFY)	Full ASR (1,300 AFY)	Updated Table 9 – Normal Year building Reserve	Updated Table 10 – Normal Yr after full Reserve	Updated Table 11 – Dry Year
1. Carmel River	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376
2. Seaside Groundwater Basin	774	774	774	774	774	774	774	774	774
3. Aquifer Storage and Recovery	1,300	1,300	1,300	0	650	1,300	1,300	1,300	1,300
4. Sand City Desalination Facility	94	94	94	94	94	94	94	94	94
5. Pure Water Project	3,500	3,500	3,500	3,500	3,500	3,500	3,700	3,500	0
6. Pure Water Expansion	-	2,250	2,250	2,250	2,250	2,250	528	719	0
7. Other Available Supplies	-	300	406	-	-	-	-	-	-
Total without desalination Project	9,044	11,594	11,700	9,994	10,644	11,294	9,772	9,763	5,544
Surplus/Deficit assuming 10,855 afy demand	**-1,811**	**739**	**845**	**-861**	**-211**	**439**	**-1083**	**-1,092**	**-5,311**

* Figure 2 from the August 11, 2020 Hazen and Sawyer report depicts these alternative scenarios. (August 11, 2020 Hazen Memo, p. 19.)

The availability of the individual water supply sources included in Hazen Appendix A above are described in more detail in Applicant's Staff Report. (Applicant's Staff Report, Section IV.O.2.)

Specifically, as shown in Hazen Appendix A, Hazen concluded that ASR was incapable of consistently providing enough water supply to meet the 10,855 afy demand. (August 11, 2020, Hazen Memo, pp. 5-6.) In concluding the PWM Expansion can meet demand, MPWMD's General Manager unrealistically assumes that ASR will provide 1,300 afy of supply at all times and that no droughts will occur between now and 2034. As explained in Applicant's Staff Report, ***the assumption that ASR can reliably produce 1,300 afy on a consistent multi-year basis is unreasonable and speculative.*** (Applicant's Staff Report, Section IV.O.2.) First, as shown in the August 11, 2020 Hazen Memo, ASR using excess Carmel River water in the past 15 years has only achieved an output of 1,300 afy once and an input of 1,300 afy twice. (August 11, 2020 Hazen Memo, p. 5.) Second, during droughts, injection and recovery from ASR is essentially unavailable. (January 23, 2020 Hazen Memo, pp. 6-8; August 11, 2020 Hazen Memo, p. 5.) Third, ASR has proven to be incapable of building up a drought reserve to consistently deliver 1,300 afy. For the last 15 years, average annual storage of ASR is approximately 138 afy, and the last five years have seen an average of 352 afy. (August 11, 2020 Hazen Memo, p. 5.) Such amounts are insufficient storage to provide 1,300 afy over a multi-year drought. Hazen Appendix A accounts for the overall variability of ASR and shows that when realistic assumptions regarding ASR availability are made, there is an overall supply deficit ranging from -211 afy to -861 afy. Hazen found that this deficit will occur even when it is assumed that all other supplies will be fully available.

As explained in Applicant's Staff Report and as found by Hazen and Sawyer, wastewater and surface water flows are insufficient water sources for the Phase I PWM and the PWM Expansion to produce their promised supplies of 3,500 and 2,250 afy, respectively. (Applicant's Staff Report, Section IV.O.2; August 23, 2020 Hazen Memo, pp. 6-15.) Specifically, the PWM Expansion SEIR and analysis provided by PWM Expansion proponents did not evaluate wastewater flows beyond 2013 when considering if wastewater is a reliable water source. In response to the August 11, 2020 Hazen Memo demonstrating that wastewater flows declined significantly since 2013, M1W made wastewater flow information for 2014 to 2019 available to the Commission and the public for the first time on August 20, 2020. However, M1W's new flow information only confirmed that wastewater flow has declined by 2,110 acre-feet since 2013, essentially as Hazen and Sawyer predicted. Further, using recent recorded flow data from the U.S. Geological Survey, Hazen and Sawyer demonstrate that the Reclamation Ditch flows originally analyzed in the PWM Expansion SEIR were significantly overestimated by 16 to 67 percent in critical summer months. (August 11, 2020 Hazen Memo, pp. 10-11.) As shown in Hazen Appendix A, when current wastewater and surface water flows are accounted for, thereby reducing potential output from the Phase I PWM and PWM Expansion, implementation of the PWM Expansion (in lieu of the Project) is expected to result in a supply deficit ranging from -1,083 in normal year to -5,311 in dry years, even assuming MPWMD's low estimate of Peninsula water demand.

Although a supply deficit will occur when either ASR availability or wastewater and surface water flows are accounted for, if these scenarios occurred simultaneously, a greater supply deficit would result.

- The Staff Report also claims that M1W has agreements for more than enough water to supply the PWM Expansion. (Staff Report, p. 110.) However, Tables 2 and 3 provided by the PWM Expansion SEIR, coupled with the analysis of WWTP flows in the Applicant's Staff Report, plainly demonstrates that staff is incorrect. When all available assumed and estimated source water flows according to the Source Water Priority Table 3 in Appendix M to the SEIR are available, there is only 2,297 afy actually available to the PWM Expansion. (September 10, 2020 Hazen Memo, pp. 2-3.) The maximum treated water that could be produced by PWM Expansion with such source waters is 1,860 afy—that output is further reduced to 1,597 afy if the source water flows are reduced to account for current wastewater flows. (*Ibid*.) These outputs are far below the 2,250 afy assumed by M1W and the Staff Report for the PWM Expansion, and would not provide an adequate supply to meet Peninsula demand. (See Applicant's Staff Report, IV.O.2.)

4. <u>PWM Expansion Conformity with Project Objectives and Criteria</u>

- The Staff Report evaluates the Project's and the PWM Expansion's compliance with the primary and secondary Project objectives as set forth in the EIR/EIS. Staff concludes that PWM Expansion could meet each of these objectives, largely because the Staff Report had already concluded that the PWM Expansion could provide an adequate water supply to meet Cal-Am's needs and lift the CDO. (Staff Report, pp. 133-135.)

    - The Staff Report's conclusions regarding the PWM Expansion's ability to satisfy Project objectives and meet the feasibility criteria set forth by the CPUC were thoroughly addressed and refuted in Cal-Am's June 30 Letter. (See June 30 Letter to Commission, Att. A, pp. 63-73.)

    - Staff's determination that the PWM Expansion can meet all Project objectives is based upon the mistaken conclusion that the Expansion can provide a reliable water supply that will meet demand in Cal-Am's Monterey District service area—as explained above, even using the low end demand figures from MPWMD, Peninsula supply with the PWM Expansion, but without the Project, cannot accommodate that demand. (See Section J.3, *supra*; see also Applicant's Staff Report, Section IV.O.3.) Project Primary Objectives 1 through 7 each explicitly concern the proposed project's ability to accommodate present and future demand for water on the Monterey Peninsula as calculated by the CPUC, and thereby enable Cal-Am to abide by the requirements of the State Water Board CDO and deliver needed supplies to Peninsula water users. (Applicant's Staff Report, pp. Section IV.O.3.) Given that the PWM Expansion cannot provide a sufficient supply to meet even the hypothetical low demand figures, let alone the determinations of current and future demand issued by the CPUC, it cannot, by definition, satisfy these basic Project objectives. (*Ibid*.) As stated by the CPUC, the PWM Expansion would satisfy the basic purposes of the Project "***only in***

conjunction with construction of a desalination plant of some size within five to fifteen years" and would only delay the necessary implementation of a desalination project of some size. (CPUC Decision D.18-09-017, Appx. C, p. C-71 [emphasis added].) The Staff Report does not introduce any new evidence to suggest that the PWM Expansion is any more capable of meeting these objectives than when previously addressed by Cal-Am. (See June 30 Letter to Commission, Att. A, pp. 64-67.)

- With respect to Primary Objective 8, regarding minimizing energy requirements and GHG emissions, staff newly calls into question whether Cal-Am can use the carbon offsets ordered as a mitigation measure by the CPUC. (Staff Report, p. 134.) As explained above, implementation of Project Mitigation Measure 4.11-1 would result in the Project having zero net emissions from electricity consumption. (See Section F, *supra*.) The Staff Report's claim that this mitigation measure is "less certain to provide actual greenhouse gas benefits" is entirely without support. Moreover, the case cited by staff, *Golden Door Properties, LLC v. County of San Diego* (2020) 50 Cal.App.5th 467, has no bearing on the Project's carbon offset program. In *Golden Door Properties*, the California Court of Appeal concluded that the respondent county's GHG mitigation measures, permitting the purchase of carbon offset credits from any carbon offset registry anywhere in the world, lacked sufficient safeguards to ensure that the offsets were permanent and enforceable. (*Id.* at pp. 347-348.) By contrast, the GHG reduction program MM 4.11-1 provides a detailed loading order for achieving net zero GHG emissions for the Project, including the possibility of purchasing and retiring carbon offsets from approved registries that represent reduction of sequestration of one metric ton of CO2e ***within California***. (See Final EIR/EIS, p. 4.11-20.) Any comparison between the Project's carbon offset plan and the mitigation measures rejected in *Golden Door* is unjustified.

- As to Primary Objective 9, requiring minimization of project costs and water rate increases, the Staff Report's conclusion that the PWM Expansion conforms better to this objective is pure conjecture. (Staff Report, p. 134.) Phase I PWM project costs continue to skyrocket—as of June 2020, M1W stated that at the current projected delivery of 2,030 afy, costs for Phase I PWM water would increase to $3,678 per acre-foot. (See Applicant's Staff Report, Section IV.O.3; August 12, 2020 Cal-Am Letter to Commission, p. 3.) Even under the most optimistic scenario presented by M1W, Phase I PWM water costs will amount to $2,508 per acre-foot—almost a 50 percent increase over the water rate approved for Phase I by the CPUC. (Applicant's Staff Report, Section IV.O.3.) There is every reason to assume that the PWM Expansion will face similar cost overruns and therefore no evidence to conclude that the Expansion conforms to this objective.

- Secondary Objective 1 requires that project facilities be sited in areas that are protected against future sea-level rise—the Staff Report claims that the Project well field "would likely be affected directly by sea level rise and the accompanying erosion of the shoreline." (Staff Report, pp. 134-135.) However, as described in Section C, *supra*, with current sea level rise projections, and

incorporating the reduction in coastal erosion rates to be expected from cessation of sand mining at the CEMEX site, the Project's well field would not be affected by climate change-related erosion, including dune recession, until near 2120. (See also Applicant's Staff Report, Section IV.H.) While two of the seven slant wells could be affected by sand burial from windblown sand prior to 2040, these impacts would be avoided with the implementation of special conditions proposed by Cal-Am. (*Ibid.*) As such, the Project well field, with the implementation of special conditions, will not be affected by coastal erosion during the wells' expected operating life and is therefore consistent with this objective. (See Applicant's Staff Report, Section IV.O.3.)

- The Staff Report's conclusion that the PWM Expansion can provide adequate conveyance capacity to accommodate any future supplemental water supplies, as required by Secondary Objective 2, is based entirely upon Exhibit 17 to the Staff Report, a one-page analysis of available well capacity to meet 10-year MDD and PHD prepared by MPWMD General Manager Stoldt, which was also included as Exhibit 9 to the 2019 Staff Report. (Staff Report, p. 135.) However, the Staff Report fails to explain how this report prepared by Stoldt speaks to the PWM Expansion's ability to provide excess conveyance capacity for ***future*** water projects, as is required to satisfy Secondary Objective 2. (See Applicant's Staff Report, Section IV.O.3.) By contrast, Cal-Am's project would provide adequate conveyance capacity to meet build out demand in accordance with adopted general plans and therefore satisfies this Project objective. (*Ibid.*)

- The Staff Report concludes that the PWM Expansion can meet Secondary Objective 3, which requires improvement of the ability to convey water to the Monterey Peninsula cities by improving existing connections at water satellite systems and by providing additional pressure to move water over the Segunda Grade. (Staff Report, p. 135.) In reality, staff has failed to provide ***any*** evidence that the PWM Expansion will provide such necessary conveyance improvements. (Applicant's Staff Report, Section IV.O.3.) Staff instead focuses on Cal-Am's ability to utilize the existing shared pipeline to convey Project product water. However, as explained above, existing agreements permit Cal-Am to utilize the shared pipeline, and the pipeline has ample capacity to serve Cal-Am's uses for the Project. (See June 30 Letter to Commission, Att. A, pp. 54-55.) Moreover, even if Cal-Am is required to construct an additional parallel pipeline to carry Project water, that potential additional pipeline remains before MPWMD for approval, and will be considered by the MPWMD Board in October 2020.

- The Staff Report goes on to apply each of the criteria used by the CPUC to assess the Phase I PWM, to the PWM Expansion, and concludes that the Expansion meets each of the criteria. (Staff Report, pp. 135-140.) Cal-Am has previously addressed each of the Staff Report's conclusions regarding PWM Expansion conformity with the CPUC's criteria (see June 30 Letter to Commission, Att. A, pp. 69-73). As explained in that submittal and the Applicant's Staff Report, based on the available evidence, the PWM Expansion cannot satisfy the feasibility criteria set forward by the CPUC. (See Applicant's Staff Report, Section IV.O.3.)

5. Adverse Environmental Effects

The Staff Report purports to compare the relative environmental impacts of the Project and the PWM Expansion, and concludes the PWM Expansion would have less adverse environmental impacts. (Staff Report, p. 140.)

- Staff contends that the Project would have significant adverse effects on coastal resources, including ESHA and protected species, while PWM Expansion would have few, if any, effects on coastal resources. (Staff Report, p. 140.)

    - As discussed in Section A, *supra*, Cal-Am's proposed Project would be inconsistent with Coastal Act and Marina LCP policies regarding sensitive habitat including wetland/vernal pond ESHA. (See Sections A, B, *supra.*) But with the implementation of Special Conditions 4, 5, and 7, the Commission will have adopted all feasible mitigation to reduce potential ESHA impacts, including potential wetland/vernal pond ESHA impacts. The proposed Project will also be consistent with all other Coastal Act and LCP policies with implementation of Special Conditions. (See Section J.2.c, *supra*; see also Applicant's Staff Report, Section IV.O.4.) The Project is also not anticipated to be impacted by sea level rise of coastal erosion until near the 2120 planning horizon, well beyond the economic lifespan of the Project's wells. (See Section C, *supra*.) Further, the CPUC has already determined that the Project will not result in substantial adverse impacts to coastal waters or marine resources during Project construction or operation with the implementation of all feasible and enforceable mitigation measures.

    - In contrast, the environmental analysis conducted for the PWM Expansion, as discussed in various comment letters on the PWM Expansion Draft and Final SEIRs, has significant flaws and requires substantial additional analysis. (See June 30 Letter to Commission, Ex. 20, Cal-Am Comments on PWM Expansion Final SEIR; see also January 30, 2020 Cal-Am Comments on PWM Expansion Draft SEIR, provided separately to Commission staff.) In fact, based on these significant flaws, the M1W Board denied certification of the SEIR. (See June 30 Letter to Commission, Ex. 18, M1W Board of Directors Staff Report.) Consequently, the full scope of the PWM Expansion's environmental impacts remains unknown.

    - Therefore, the Staff Report's conclusion that the PWM Expansion would have fewer adverse environmental effects is not supported by substantial evidence.

- Staff asserts that the PWM Expansion would be greenhouse gas neutral, while Cal-Am's Project, even with mitigation measures, "is less certain to result in permanent, enforceable, and verifiable" greenhouse gas reductions. (Staff Report, p. 140.)

    - As explained previously, the CPUC imposed Mitigation Measure 4.11-1, which requires Cal-Am's operations to result in net zero operational emissions, either through securing on-site or off-site renewable energy, or purchasing and retiring

renewable energy or carbon credits. (See Section F, *supra*; Applicant's Staff Report, Section IV.O.4.) Thus, the PWM Expansion is not more likely to achieve greenhouse gas reductions; rather, emissions related to both projects' electricity use are slated to be carbon neutral, though they would reach that goal through different means. (See Applicant's Staff Report, Section IV.O.4.)

- Moreover, the PWM Expansion's proposal to utilize landfill gas as a power source is uncertain at this time. (June 30 Letter to Commission, Att. A, p. 67.) If M1W is unable to secure reduced bids or obtain additional funding for this infrastructure, it will be unable to implement the landfill gas power system.

- Staff further states that "an underlying environmental concern applicable to both projects" is the possible effect of Cal-Am not having an adequate water supply to allow Cal-Am to reduce its Carmel River withdrawals by the CDO deadline. (Staff Report, p. 140.) Staff concludes that the risk of delay is "at least as likely to occur" if the Project moves forward instead of PWM Expansion. (*Ibid.*)

    - The assertion that the Project has a higher risk of delay than the PWM Expansion is not supported by the available facts. Cal-Am's Project has received numerous approvals, while the PWM Expansion has obtained no approvals. The PWM Expansion will also experience further delay due to the M1W Board's decision not to certify the Final SEIR, the lack of resources needed to revise the analysis in the Final SEIR, the potential need to recirculate the Final SEIR for further public review. (Applicant's Staff Report, Section IV.O.1.) Cal-Am would also need to seek CPUC approval of a WPA to provide funding for M1W to implement the PWM Expansion. (*Ibid*.) Further, there are questions about how long it could take the Original PWM Project to achieve its water delivery obligations. (See June 30 Letter to Commission, Ex. 25, PWM Status Update Presentation; Section J.2.a, *supra*.) It is virtually impossible that the PWM Expansion would meet the CDO 2021 deadline.

6. Areas of Uncertainty

- The Staff Report claims that both the Project and PWM Expansion involve certain "areas of uncertainty" that relate to the Expansion's status as a feasible Project alternative. (Staff Report, pp. 141-145.) Staff dismisses each "area of uncertainty" related to the PWM Expansion as inconsequential, while concluding that each identified uncertainty for the Project poses significant barriers to Cal-Am. The Staff Report appears willing to accept as insignificant the major questions surrounding the PWM Expansion, while simultaneously condemning the Project based on unfounded conjecture put forward by Project opponents like MCWD.

- Staff lists the following "areas of uncertainty" for the PWM Expansion:

    - **Amount of water produced**—Staff acknowledges that Phase I PWM is currently producing less water on startup than predicted, but asserts that this will be easily

remedied under M1W's plans, and argues that similar issues will not impact a potential supply from PWM Expansion. (Staff Report, p. 141.)

- Staff inappropriately dismisses the significant technological barriers facing the Phase I PWM that have yet to be resolved and which continue to cause significant uncertainty regarding the amount of water that the Phase I PWM is capable of producing. (See Applicant's Staff Report, Section IV.O.5.)

- **Type of source water**—The Staff Report refutes claims that there are potential issues associated with treating agricultural runoff that will be used by PWM Expansion. (Staff Report, p. 141.)

  - Despite staff's claims, the fact remains that that no agency has ever analyzed the impacts from using wastewater contaminated with pesticides or other chemicals as source water for the PWM Expansion. (June 30 Letter to Commission, Att. A, pp. 70-71.) Unless and until such analysis occurs, there will continue to be uncertainty regarding the PWM Expansion's ability to treat agricultural runoff to safe levels. (See Applicant's Staff Report, Section IV.O.5.)

- **CEQA**—The Staff Report acknowledges that the vote to certify the PWM Expansion Final SEIR failed, but argues that the M1W board is free to reconsider the Final SEIR if it so chooses. Staff argues that the primary area of controversy for the Final SEIR was whether adequate source waters exist for the Expansion, and that substantial evidence shows that source waters are adequate. (Staff Report, p. 142.)

  - The Staff Report fails to recognize that multiple, independent barriers remain before the M1W Board may certify the Final SEIR for the PWM Expansion. (See Applicant's Staff Report, Section IV.O.5.) First, in denying certification of the Final SEIR, the M1W Board of Directors explicitly recognized the myriad remaining flaws in the Final SEIR's analysis, including unresolved gaps regarding source water availability, water supply and demand, impacts to agricultural supplies, and the Final SEIR's failure to analyze the PWM Expansion as either an alternative to or a cumulative project with the Project. (*Ibid*; see also May 20, 2020 M1W Board of Directors Staff Report, p. 2.) M1W does not have the funds to correct these major deficiencies in the Final SEIR, and therefore has stopped all work on the PWM Expansion—there is no indication that M1W intends to resume its efforts to certify a complete SEIR any time soon. (See Applicant's Staff Report, Section IV.O.5.)

  - Further, as discussed above, before M1W is able to certify the PWM Expansion SEIR, it will be required to recirculate the SEIR for additional public notice and comment regarding substantial new information that has been learned since the Draft SEIR was circulated. (See Applicant's Staff

Report, Section IV.O.1; see Section J.2.b, *supra*, CEQA Guidelines, § 15088.5, subd. (a); *Cadiz Land Co.*, *supra*, 83 Cal.App.4th at p. 95.) As such, there continues to be significant uncertainty regarding when or whether M1W will be able to issue a certified Final SEIR for the PWM Expansion.

- **Funding and Water Purchase Agreement**—Staff claims that while Cal-Am would need to seek CPUC approval of a new WPA for PWM Expansion water, Cal-Am "has not had an incentive to do this to this date because it is pursuing its desalination project." The Staff Report therefore argues that there would be no barriers to WPA consideration "if Cal-Am needs to proceed with the Pure Water Expansion." (Staff Report, p. 142.)

  - The Staff Report fails to acknowledge that Cal-Am has in fact met with M1W and MPWMD on multiple occasions to discuss a WPA for PWM Expansion water. (See Applicant's Staff Report, Section IV.O.5; see Section J.4, *supra*; Applicant's Staff Report, Exhibit 30, p. 1.) However, Cal-Am determined that it could not, at that time, pursue a WPA for Expansion water given the significant uncertainties surrounding the PWM Expansion. (See Applicant's Staff Report, Exhibit 30, p. 2.) As demonstrated above, these uncertainties remain unaddressed. Finally, as discussed above, any WPA for PWM Expansion water would need to include additional performance measures to guarantee delivery of the full production volume of the PWM Expansion, and indemnification to Cal-Am in the event that the Expansion does not provide an adequate supply. (See Applicant's Staff Report, Section IV.O.5.) These protections would be necessary to ensure that Cal-Am does not need to undertake additional Carmel River or Seaside Basin withdrawals to serve its customers if water demand cannot be met by the PWM projects, without the Project. Accordingly, there is no reason to believe that Cal-Am could reasonably enter into a WPA for PWM Expansion any time soon, much less obtain the CPUC's approval of such an agreement.

- Staff lists the following "areas of uncertainty" for the Project:

  - **Coastal hazards and expected operating life of slant wells**—Staff argues that there are two areas of uncertainty associated with the Project slant wells: (1) the rate of erosion at the CEMEX site cannot be known until sand mining ceases; and (2) while Cal-Am acknowledges that the wells would need to be related after 20-25 years, Cal-Am has not identified alternative well locations. Therefore, there is uncertainty about how the Project would operate after the first 20-25 years of its 60-year operating life. (Staff Report, p. 142.)

    - As explained in Section C, *supra*, the Project well field will not be affected by climate-change-related coastal erosion until at least 2120. (See Applicant's Staff Report, Section IV.O.5.) With the implementation of special conditions proposed by Cal-Am, the current slant well sites will

allow the wells to avoid hazards related to coastal erosion during their expected operating life. (*Ibid.*)

- **Water rights**—the Staff Report asserts that there are two areas of uncertainty associated with Project water rights: (1) whether Cal-Am will be able to satisfy its ongoing burden to demonstrate that its withdrawals and use of fresh water (non-seawater) will not harm or cause injury to any other legal water user; and (2) whether Cal-Am will need to incur additional costs to return greater percentages of SVGB water to Castroville. (Staff Report, p. 143.) Staff also points out that Marina has filed litigation regarding limitations on uses of water at the CEMEX site. (*Id.*, p. 144.)

    - As acknowledged by the Staff Report, no water rights are necessary for the extraction of seawater from the SVGB. (Staff Report, p. 70.) With respect to the non-seawater component of the Project's source water, Cal-Am has proposed protections to ensure that its withdrawal of water does not harm existing SVGB groundwater users. (See Applicant Proposed Measures 4.4-3.) Further, the EIR/EIS explicitly concluded that the Project would not impact groundwater supplies in the SVGB. (See Final EIR/EIS, pp. 4.4-64 to 4.4-70.) The Commission's own independent hydrogeologist confirmed groundwater supplies will not be adversely impacted by Project operation. (See Applicant's Staff Report, Section IV.J.)

    - Additionally, it is not expected that the Project would withdraw greater amounts of "non-seawater" than estimated in the EIR/EIS. Rather, the Commission's independent hydrogeologist confirmed that, under reasonable modeling scenarios, the range of ocean water percentages to be utilized by the Project are consistent with the modeling set forth in the EIR/EIS. (See Section E*, supra*.) Regardless, even if Cal-Am were to extract a greater percentage of "non-seawater" than originally estimated in the EIR/EIS, the CPUC has imposed costs associated with noncompliance with the Return Water Settlement Agreement on Cal-Am, not the ratepayers. (CPUC Decision D.18-09-017, p. 111; see also Applicant's Staff Report, Sections IV.J, IV.N.)

    - Further, any determination regarding water rights is not within the Commission's jurisdiction. On the contrary, the State Water Board—the agency charged with responsibility for regulating state water resources (Water Code, § 174; Pub. Resources Code, § 30412)—has determined that Cal-Am can develop all necessary water rights to operate the Project. (CPUC Decision D.18-09-017, p. 80.) Nothing has occurred since the time of the State Water Board's 2013 opinion to change the Board's assessment in any way.

    - Finally, as explained in Section J.2.b, *supra*, Cal-Am believes that the claims made by Marina and MCWD in the litigation over water use at the

CEMEX site are meritless. The CPUC has already determined that Cal-Am may develop appropriative groundwater rights if the Project extracts otherwise unusable groundwater without harming other existing lawful groundwater users, and Cal-Am returns any fresh water to the Basin. (*Ibid*.) This framework by which Cal-Am may perfect rights to Project source water cannot be modified via this litigation.

- **Effects on wetlands and vernal ponds**—Staff argues that, as discussed in Staff Report Section II.G, recent hydrogeological monitoring conducted by the Commission's hydrogeologist suggests that Cal-Am's slant wells could result in groundwater drawdown at nearby vernal ponds and wetlands. Staff notes that there is no currently available data to confirm whether there is a connection between groundwater and the wetlands/vernal ponds. (Staff Report, p. 144.)

    - As stated in the Staff Report, recent reports regarding Project slant well impacts on nearby vernal ponds and wetlands are inconclusive. (See Applicant's Staff Report, Section IV.O.5.) As such, Cal-Am has proposed a Special Condition requiring the implementation of an Adaptive Management Program which would monitor the vernal ponds to determine: (1) whether the ponds are groundwater dependent and (2) if so, what changes to the ponds might be associated with Project-related drawdowns. (Applicant's Staff Report, Special Condition 7.) If the additional analysis determines that there would be impacts from pumping-related drawdowns, Special Condition 7 would thereafter require Cal-Am to implement a Wetland Resiliency, Enhancement, Restoration, and Monitoring Plan to mitigate for potential vernal pond impacts. (*Ibid.*) Accordingly, any uncertainty has been adequately addressed through a Special Condition.

- **Lack of water distribution pipeline**—Staff notes that: (1) MCWD claims that its product water pipeline does not have sufficient capacity to accommodate Project product water and (2) MPWMD chose not to make the necessary approval for Cal-Am to construct a parallel pipeline at this time. (Staff Report, p. 144.)

    - The Staff Report fails to recognize that existing agreements explicitly permit Cal-Am to utilize the shared pipeline for the conveyance of Project product water, and that there remains sufficient capacity in the pipeline to accommodate such water. (See Applicant's Staff Report, Section IV.O.5; June 30 Letter to Commission, Att. A, pp. 54-55.) Moreover, Cal-Am's alternate proposal to construct an additional pipeline, running in parallel to the shared pipeline, remains entirely feasible—while MPWMD has not yet issued the approvals for the parallel pipeline, the MPWMD Board will consider approvals for the pipeline at its October meeting. (See July 31, 2020 MPWMD Board of Directors Final Minutes, p. 1.) Cal-Am has every reason to believe that MPWMD will issue approvals for the proposed conveyance pipeline.

- **Lack of required outfall liner**—The Staff Report states that there is no approved design in place for the outfall liner proposed as a mitigation measure in the EIR/EIS, and that it is unknown what additional environmental review or permits would be needed for the liner. Staff further addresses Cal-Am's suggestion of a "spray-on" liner, but notes that M1W has not yet evaluated this proposal, and argues that any installation of the spray-on liner that requires work on the beach would adversely affect snowy plover habitat. (Staff Report, pp. 144-145.)

    - As a threshold matter, the Staff Report ignores the fact that the CPUC analyzed reasonably foreseeable impacts of the liner installation method proposed in the Final EIR/EIS, and concluded that these impacts would be less-than significant with mitigation. Nevertheless, Cal-Am has proposed to the Commission a less-impactful feasible alternative method for installing the liner that would be done almost entirely within the outfall and would involve no ground disturbance within the Coastal Zone of the City or the County. (See August 17, 2020 Cal-Am Letter to Commission.) As described in Section IV.F of the Applicant's Staff Report, Cal-Am has proposed Special Condition 4, which would require Cal-Am to implement this proposed spray-lining method prior to the commencement of Project operations. (See Applicant's Staff Report, Section IV.F.) Because Special Condition 4 guarantees there will be no adverse impacts to ESHA caused by the installation of the outfall liner, this future Project component does not raise concerns regarding Project certainty.

7. <u>"No Action" Alternative</u>

- The Staff Report states that under a "no action" alternative, Cal-Am would need to pursue alternative water supply solutions. (Staff Report, pp. 145-146.) Staff argues that the most likely scenario is that Cal-Am would pursue the PWM Expansion. (*Ibid.*) Staff also notes that if Cal-Am needs to obtain an additional supply in the next decade due to shortfalls in PWM Expansion supply, then it may be possible that Cal-Am would need to continue overpumping from the Carmel River. (*Id.*, p. 146.)

    - Cal-Am agrees with the Staff Report that the other water supply projects which have been considered over the past two decades have proposed to use open water intake and could also affect areas of ESHA, thereby potentially causing greater adverse impacts than Cal-Am's proposed Project. (See Staff Report, pp. 145-146.) In the course of reviewing the Project over six years, the CPUC analyzed, and rejected eleven different alternatives to the Project, including the PWM Expansion. Cal-Am also agrees that none of those proposals could meet the deadline imposed by the State Water Board's CDO. Cal-Am is not likely to pursue them.

    - As explained above and in Applicant's Staff Report, the PWM Expansion is not a feasible alternative and has a greater risk of delay than does the desalination Project due the M1W's declining to certify the Final SEIR, the lack of resources needed to revises the analysis in the Final SEIR, and the potential need to

recirculate the Final SEIR for further public review. (See Section J.2.b, *supra*; Applicant's Staff Report, Section IV.O.1.)

- Additionally, if the Project is not approved, Cal-Am will not have an adequate water supply in place to meet its obligation under the State Water Board's CDO. Although Cal-Am could seek an extension of the CDO deadline, approval of such an extension is speculative. Moreover, any extension would lead to continued excessive water withdrawals from the Carmel River in order to make up for shortfalls in supplies from the PWM project as a whole. The Staff Report does not adequately acknowledge the very real possibility that Cal-Am will be forced to continue pumping from the Carmel River to meet regional water demands or otherwise implement severe water rationing measures, along with any associated environmental, economic and environmental justice impacts.

K. Coastal Act Section 30260 Override for Coastal-Dependent Facility (Staff Report, pp. 147-153)

- Cal-Am agrees with the Staff Report's determination that Coastal Act section 30260 applies to the Project, has been incorporated into Marina's LCP, and that the Commission may conduct a section 30260 analysis in considering the Project. (Staff Report, pp. 148-149.) Cal-Am also agrees with staff's determination that the Project is coastal-dependent and an industrial facility (*Ibid.*), but disagrees that it does not meet the three tests under section 30260 (*Id.*, pp. 150-153). As explained in the Applicant's Staff Report, Section IV.P, and below, the Project satisfies section 30260, and the Commission may approve it.

1. Alternative Locations

- The Staff Report wrongly contends that under section 30260 the PWM Expansion is a feasible and less environmentally damaging alternative to the Project. (*Id.*, pp. 150-151.) First, as noted in the Applicant's Staff Report, Section IV.P, the alternatives analysis required under Section 30260 allows the Commission to only consider alternative *locations* for its project, not entirely different alternative projects. (See also June 30 Letter to Commission, Att. A, p. 76 [citing cases].) Second, even if the Commission could consider a separate alternative project, the PWM Expansion is not a feasible alternative. (See Applicant's Staff Report, Section IV.O [explaining that, among other reasons, the PWM Expansion is infeasible due to technological issues, delay, increased costs, and unknown environmental impacts].)

- As described in Applicant's Staff Report, Section IV.P and in the June 30 Letter to the Commission, Att. A, pp. 76-77, the Final EIR/EIS evaluated alternative locations for the Project's slant well network and determined that the CEMEX site is the environmentally superior alternative location. For instance, the two alternative locations considered for the slant wells were found infeasible due to impacts on marine and terrestrial biological resources, an inability to draw sufficient water, and additional permitting complexity.

- To the extent staff cites Coastal Act section 30233 regarding fill in coastal waters as a basis for evaluating whether alternative projects are less environmentally damaging, this

is incorrect. (See Staff Report, p. 150.) As explained above in Sections D and J and in Applicant's Staff Report, Sections IV.H and IV.O, Coastal Act section 30233 allows diking, filling, or dredging of open coastal waters only "where there is no feasible less environmentally damaging alternative." The Project does not involve the "diking, filling, or dredging" of coastal waters. (See Pub. Resources Code, § 30233.) The Project's underwater monitoring equipment and single buoy do not constitute "fill" as contemplated by section 30233 because the equipment uses anchors placed on the seafloor. (See June 30 Letter to Commission, Att. A, p. 77.) In addition, the potential retrofitting of the outfall diffuser and replacement of WEKO seal clamps on the outfall would not involve "fill" in coastal waters. (See Applicant's Staff Report, Section IV.I.) Accordingly, the alternatives analysis for the Project should not include an analysis under Coastal Act section 30233.

  - Moreover, even if the Project components that are the subject of these applications did involve fill, which they do not, the Commission's authority under Section 30233 would be limited to review of alternatives to those components within the Commission's jurisdiction that do involve fill, rather than wholesale alternatives to the entire Project. (Section J, *supra*; June 30 Letter to Commission, Att. A, p. 46.)

- Therefore, as concluded in the Applicant's Staff Report, Section IV.P, there is no feasible less damaging alternative to the Project, and the Project meets the first test of Section 30260.

2. <u>Public Welfare</u>

- The Staff Report contends that denial of the Project would not adversely affect the public welfare. (Staff Report, pp. 151-153.) To the contrary, to not permit the Project would have significant adverse effects on the public welfare.

- Although the Staff Report "acknowledges the need for Cal-Am to obtain a new water supply," it does not provide adequate disclosure of the Project's numerous benefits. (*Id.*, p. 151.) Specifically, the Staff Report either ignores or does not adequately address the following ways the public will be affected if the Project is not approved, as discussed in the Applicant's Staff Report, Section IV.P:

  - Without the Project, a deficit between available water supplies and total demand will result and worsen over time, potentially leading to prohibitions on all or specified non-essential water uses. Failure to approve the proposed Project could lead to severe rationing and restrictions on water usage, including restrictions on watering and irrigating and requirements for specific reductions in residential and commercial water use (Final EIR/EIS, pp. 5.4-10 to 5.4-11);

  - Without the Project, Cal-Am would fail to meet the CDO milestones, which could have harmful consequences for Cal-Am, its customers, the community, and the regional economy. Even if Cal-Am sought an extension of the CDO deadline, approval by the State Water Board is uncertain, and any extension could lead to

continued excessive water withdrawals from the Carmel River and associated environmental impacts, as well as pumping from the Seaside Groundwater Basin that could lead to seawater intrusion;

- The CDO imposes a moratorium on new service connections and certain increases in use until Cal-Am certifies that it has obtained sufficient alternative water supplies. Notably, the moratorium and water supply deficit prevent the development of essential affordable housing in the region. If the proposed Project is approved, it could promote the buildout of necessary affordable housing on the Peninsula, as dictated by the Regional Housing Needs Assessment ("RHNA") for the Monterey Bay Area;

- The Project would provide a water supply to replace that obtained from the Carmel River, benefiting the river watershed (Final EIR/EIS, p. 4.6-126);

- The Project would prevent further seawater intrusion into the SVGB (*id*., p. 4.4-92; D.18-09-017, Appx. C, p. C-75);

- The Project would provide sufficient water to support economic growth, particularly the County's "four pillars"—agriculture, tourism, education, and research.

- Further, as discussed above in Section I and in the Applicant's Staff Report, Section IV.N, the Project will not only benefit the SVGB, but will also provide much needed protections to the Seaside Groundwater Basin, which is another critical water supply source for the Peninsula. (Section I, *supra*; Applicant's Staff Report, Section IV.N.) Providing adequate protections to the Seaside Groundwater Basin is necessary to maintain protective water levels for the Seaside Basin to prevent seawater intrusion and irreversible loss of basin storage.

- Furthermore, as explained in the Applicant's Staff Report, Section IV.N, Cal-Am has a rate assistance program for qualifying water consumers that will help defray increased water costs associated with the Project. Cal-Am has also proposed Special Condition 13, which would expand upon the current ratepayer assistance program and benefit more lower income customers.

- Staff also contends that the public will be adversely affected because sand mining operations at the CEMEX site will cease on the proposed site and the property will be set aside for public benefit. (Staff Report, pp. 151-152.) But staff ignores the current reality of the site conditions. Cal-Am selected this site in part because the area was already disturbed and industrialized. (See Applicant's Staff Report, Section IV.L.)

    - Further, prior to the CEMEX site becoming open for public access, a government agency or non-profit entity approved by the Commission must purchase the property. It is unclear when that would occur or what the exact scope of use for the site would be. (See *ibid*.)

- Moreover, the Project would have a nominal effect on public use of the area. The Project components will only occupy 0.06 percent of the 400-acre CEMEX site, with some minimal additional occupation for recommended maintenance activities approximately every five years. (See Applicant's Staff Report, Section IV.L.) None of the areas impacted by the Project's construction or operation, including those maintenance activities, would impede beach use or access. (*Ibid.*; Final EIR/EIS, pp. 3-59, 4.8-33.)

- As discussed in Section A, *supra*, and in Applicant's Staff Report, Section IV.F, Cal-Am's HMMP also proposes restoration activities on the CEMEX site which would provide significant improvements to that area of dune ecosystem because no restoration or enhancement of the area is otherwise proposed, required or funded under the Settlement Agreement. (See Section A, *supra*; Applicant's Staff Report, Section IV.F.) The Settlement Agreement does not require the future purchaser to use or manage the property for ESHA preservation or restoration. (See Applicant's Staff Report, Section IV.F.) However, in its HMMP, Cal-Am has proposed areas for restoration that have not been identified for restoration under the Settlement Agreement. (*Ibid.*)

- The Staff Report also states that the PWM Expansion could provide a water supply adequate for current and expected future growth and that will allow Cal-Am to meet its obligations regarding reduced withdrawals from the Carmel River. (Staff Report, p. 151.)

  - As described in Section J of this Response and in Section IV.O of the Applicant's Staff Report, the PWM Expansion is not a feasible alternative because, among other things, it will not provide sufficient water to meet even the low demand number put forth by MPWMD. (See Applicant's Staff Report, Section J [discussing PWM Expansion's technological issues, uncertainty regarding the availability of source water for the PWM Expansion, inability to provide adequate water supply, and Monterey One Water's decision not to move forward with the project's development].)

- The Staff Report further contends that the PWM Expansion will better eliminate concerns regarding adverse effects to groundwater. (Staff Report, p. 152.) However, the Project will not adversely affect groundwater supplies in the SVGB, as described in Section E, *supra*, and in the Applicant's Staff Report, Section IV.J. The Commission's independent hydrogeologist and the Final EIR/EIS confirmed that the Project will not impact Marina's supply wells (see Staff Report, p. 68), and that the Project will withdraw primarily seawater from the SVGB—not groundwater that is usable for irrigation or human consumption without treatment. In addition, the Commission's independent hydrogeologist confirmed that the OWP of the Project's source water would range between 88-99% under reasonable assumptions, consistent with the EIR/EIS's conclusions. (See Applicant's Staff Report, Section IV.J.)

3. Mitigation to the Maximum Extent Feasible

- Staff asserts that because the Project does not meet the first two tests under section 30260, it is not necessary to consider the third test. Nevertheless, Staff claims that adverse environmental effects have not been "fully mitigated." (Staff Report, p. 153.)

    - Although the Staff Report uses the phrases interchangeably, the Coastal Act and its regulations do not require that impacts be "fully mitigated,", but rather requires that impacts are mitigated to the "***maximum extent feasible***."[13] (See, e.g., 14 Cal. Code Regs., § 13053.5, subd. (a); see also *id.*, §§ 13328.1, 13356, subd. (b)(2), 13540, 13666.4.) Similarly, the City's LIP states that, for CDPs, the City's Planning Commission shall consider "feasible mitigation measures which substantially reduce significant impacts of the projects as described in any applicable EIR." (LIP, p. 24.)

    - As discussed above in Section A and in the Applicant's Staff Report, Section IV.F, the extent of ESHA impacted will be less than staff identifies in the Staff Report. Instead of the approximately 35 acres staff claims, the Project will only impact approximately 17.5 acres, and all but 2.2 acres only would be temporarily impacted.

    - Further, Cal-Am will implement the CPUC's MMRP and has proposed additional mitigation in its HMMP and Special Condition 5 to address staff's additional ESHA concerns. (See Section A *supra*; Applicant's Staff Report, Section IV.F.) With implementation of these measures and conditions, impacts to ESHA will be mitigated to the maximum extent feasible. (See *ibid*.)

    - In addition, Cal-Am has proposed a separate mitigation program specific to vernal ponds, which would be required under proposed Special Condition 7. (See Section B *supra*; Applicant's Staff Report, Section IV.G.) As a result, potential impacts to vernal ponds would be mitigated to the maximum extent feasible.

    - Finally, potential impacts to coastal hazards, coastal waters, visual resources, and public access are mitigated also to the maximum extent feasible through Special Conditions 3, 8, 9, 10, and 11. (See Section A, C, G, I, *supra*; Applicant's Staff Report, Section IV.F, IV.H, IV.I, IV.L, IV.M.)

- Because Cal-Am's Project meets each of the three tests under Coastal Act section 30260, the Commission should approve the Project.

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[13] As explained above, "feasible" means "capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technological factors." (See Pub. Resources Code, § 30108.) The City's Zoning Ordinance definition of "feasible" is substantively identical to the Coastal Act's definition. (Marina Municipal Code, § 17.41.110.)

ATTACHMENT C

RESPONSES TO MCWD'S AUGUST 14, 2020 COMMENT LETTER, ATTACHMENTS A & B

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A. Environmentally Sensitive Habitat Areas ("ESHA")

- MCWD argues that Cal-Am incorrectly estimates the Project's potential impacts to ESHA by using the wrong standard for temporary impacts, and that, "[a]s determined by the City's biologists, Cal-Am would need to provide at least 50.72 acres of habitat to mitigate the impacts to ESHA within City's jurisdiction." (MCWD Letter, pp. 4, 6.) Further, MCWD argues that regardless of the extent of ESHA impacts, the Project remains inconsistent with Marina's LCP because it impacts "any ESHA." (*Id*., p. 4.)

    - MCWD incorrectly states that Cal-Am is using the wrong standard for temporary impacts. Cal-Am's position is that temporary impacts to be those impacts on habitat resulting from construction that can be fully restored to pre-disturbance conditions following completion of construction, such as impacts from construction staging, laydown, trenching areas, and other work space that will not be occupied by permanent facilities during Project operation. For these type of activities, restoration work will occur concurrent with Project construction, sequencing work to ensure that the impacts are temporally limited. Therefore, these construction-related impacts are correctly identified as temporary.

    - As explained above in Attachment B, Section A of this Response, the impacts to ESHA were previously overestimated in the Final EIR/EIS and have been significantly reduced because the CPUC approved a smaller desalination project than was studied as the project in the EIR/EIS, subsequent design drawings have been prepared, and more detailed biological assessments have defined the scope of biological resource impacts. Therefore, the acreages provided in Attachment B, Section A show the full scope of impacts to biological resources including ESHA in the Coastal Zone.

    - In addition, as explained above in Attachment B, Section A of this Response, the Project conforms to the LCP's habitat protection policies because the Project would not result in substantial adverse impacts to sensitive natural communities, including ESHA, during Project construction or operations with the implementation of feasible and enforceable mitigation measures.

    - Further, because the Project is a coastal-dependent industrial facility that would not result in a substantial adverse impact on sensitive habitats, the Project may be sited in an area defined as primary habitat without violating the City of Marina's LCP and the Coastal Act. (Pub. Resources Code, § 30260; see also Attachment B, Sections A, K; Applicant's Staff Report, Sections IV.F, IV.P.)

- MCWD contends that it is unclear whether Cal-Am has considered impacts to secondary habitat. (MCWD Letter, p. 5.)

    - Contrary to MCWD's contention, Cal-Am's HMMP very clearly considers impacts to secondary habitat. As the HMMP provides "[f]or purposes of this analysis, this document assumes that both primary and secondary habitat would correspond with the CCC's definition of ESHA." (HMMP, p 3-3.) Further,

HMMP Table 3-1 Permanent and Temporary Impacts to Special-Status Biological Resources specifically identifies the acreage of secondary impacts to the Special-Status Biological Resources, HMMP Table 3-3 Mitigation Requirements by Biological Resource identifies the amount of mitigation that is necessary for secondary impacts by resource category, and HMMP Table 3-4 Total Impact Acreages and Mitigation Requirements by Project Components summarizes the total mitigation necessary for secondary impacts. (See HMMP p 3-6 – 3-7 and 3-9 – 3-10.) As provided in Table 3-4, the HMMP proposes to mitigate for 4.457 acres of impacts to secondary habitat. Accordingly, it is very clear that Cal-Am considered and proposed mitigation for impacts to secondary habitat as part of the HMMP. MCWD's comment is entirely without basis.

- MCWD asserts that construction of the Project's slant wells will result in the long-term loss of 7 acres and temporary loss of 2 acres. (MCWD Letter, pp. 5-6.) MCWD further argues there would be additional losses as a result of the future need to relocate wells due to sea level rise and coastal erosion. (*Id*., p. 6.) According to MCWD, Cal-Am must provide evidence or commit that future sites for the replacement slant wells would not be located in ESHA; otherwise, staff must consider the ESHA impacts permanent. (*Ibid*.)

    - Contrary to MCWD's assertion, construction of the Project's slant wells would result in only 2.2 acres of permanent impacts to ESHA and 6.2 acres of temporary impacts. (See Attachment B, Section A; Applicant's Staff Report, Section IV.F.)

    - In addition, as explained in Applicant's Staff Report, Sections IV.F and IV.H, and above in Attachment B, Sections A and C, it is speculative to assess at this time where or how Cal-Am would replace or relocate its wells after their 25-year operating life because technological advancements over the next 25 years could enable the location of alternative wells in locations that are not feasible today. If any relocation or replacement is necessary, Special Condition 9 would require that Cal-Am seek an amendment from the Commission. Further, by the time Cal-Am needs to decommission the wells authorized by this CDP, Cal-Am would need to apply to the Commission for authorization to replace or relocate the wells, and the Commission would need to consider whether the proposal would result in additional ESHA impacts based on the proposed well locations.

- MCWD argues that pipeline construction would result in at least 35 acres of ESHA impacts, and that it is unknown how much ESHA would be impacted by the installation of a liner within the Monterey One Water outfall pipeline. (MCWD Letter, p. 6.)

    - As shown above in Attachment B, Section A of this Response, the Project will not result in 35 acres of ESHA impacts associated with pipelines as MCWD claims, but rather would potentially result in impacts to only 9 acres outside of the CEMEX site associated with pipelines—all of which would be temporary impacts. (See Attachment B, Section A; see also Applicant's Staff Report, Section IV.F.)

- Moreover, as described in Applicant's Staff Report, Section IV.F, Cal-Am has proposed a feasible, less-impactful alternative to install a protective liner throughout the Monterey One Water outfall. The alternative spray lining method would involve minimal groundbreaking activities outside of the Coastal Zone, and the application of the liner would occur entirely within the pipeline itself. (See *ibid*.) Under proposed Special Condition 4, Cal-Am would be required to implement this alternative liner method to avoid impacts to Coastal Zone resources, including ESHA.

- MCWD claims that Cal-Am's proposed mitigation is not permitted under the Coastal Act because "section 30240 does not permit a process by which the habitat values of an ESHA can be isolated and then recreated in another location." (MCWD Letter, p. 5 [quoting *Bolsa Chica Land Trust. v. Super. Ct.* (1999) 71 Cal.App.4th 493, 507].)

  - Contrary to MCWD's assertion, Cal-Am does not propose to "recreate" ESHA elsewhere as a means to be consistent with provisions in Marina's LCP and Coastal Act section 30240 prohibiting non-resource dependent uses in ESHA. Rather, Cal-Am has proposed all feasible mitigation measures to ensure that impacts to ESHA are mitigated to the maximum extent feasible under the Coastal Act and Marina's LCP. (See Applicant's Staff Report, Section IV.F.) Despite proposing all feasible mitigation measures the Project would remain inconsistent with Coastal Act section 30240. Proposing mitigation in another location for permanent impacts is entirely appropriate outside of the context of a Coastal Act section 30240 consistency evaluation. (See, e.g., *Masonite Corp. v. County of Mendocino* (2013) 218 Cal.App.4th 230, 238-239 [permitting offsite mitigation]; see also *Preserve Wild Santee v. City of Santee* (2012) 210 Cal.App.4th 260, 279-280 [same].) Therefore, the HMMP's proposal to mitigate for permanent impacts at the CEMEX site in another area of the CEMEX site is permitted under the Coastal Act.

  - Pursuant to Coastal Act section 30260, because the Project is a coastal-dependent industrial facility, the Commission may consider approving the Project notwithstanding potential inconsistencies with Marina LCP and Coastal Act policies regarding habitat protection. One of the tests under Section 30260 is whether the Project's potential impacts are mitigated to the maximum extent feasible.

    - As explained in Applicant's Staff Report, Section IV.P, the Project's potential impacts to ESHA are mitigated to the maximum extent feasible because Cal-Am would implement the CPUC's robust MMRP, Cal-Am's proposed HMMP, and proposed Special Conditions 5, 7.

- MCWD contends that areas identified for mitigation in the HMMP are already slated for preservation or restoration after sand mining activities cease at the CEMEX site. (MCWD Letter, p. 7.) Accordingly, MCWD claims that Cal-Am's proposed mitigation would not yield additional habitat beyond what would otherwise occur and would actually result in a net loss of ESHA. (*Ibid*.)

- As explained in Attachment B, Section A the areas proposed for restoration under the HMMP at the CEMEX site are located entirely within areas that are not identified for restoration under the Settlement Agreement or Reclamation Plan. Absent the implementation of the HMMP by Cal-Am no restoration or enhancement of these areas is otherwise proposed, required, or funded.

- MCWD claims that all ESHA mitigation requires buffer areas, but Cal-Am failed to provide buffers in its HMMP. (MCWD Letter, p. 7.)

    - Contrary to MCWD's contention the HMMP included buffer areas from the pipelines and facilities. (HMMP, p. 1-1.) Specifically, the HMMP provided for a 25-foot work areas on both sides of the centerline of most pipelines and around facilities. (*Id*.) Work area limits along the Castroville pipeline are 30 feet from the centerline on each side. (*Id*.) Accordingly, the HMMP accounted for buffers from the Project's pipelines and facilities.

- MCWD argues that Cal-Am has not provided assurance that the proposed restoration activities at the CEMEX site would occur or that the mitigation would be consistent with the goals of the entity ultimately purchasing the site. (MCWD Letter, p. 7.) Further, MCWD argues that Cal-Am has not proposed a long-term management plan or mitigation to restore the CEMEX site after the useful life of the Project has expired. (*Ibid*.)

    - As explained in Attachment B, Section A and Section IV.F of the Applicant's Staff Report, because the CEMEX site has not yet been purchased by a Commission-approved entity, Cal-Am has proposed Special Condition 5 to address any uncertainty regarding the CEMEX site closure and subsequent transfer to a purchaser as well as long-term management of the restoration area.

- MCWD claims that agricultural runoff will reduce the success of the HMMP.

    - As explained in Attachment B, Section A and Section IV.F of the Applicant's Staff Report, Cal-Am has proposed Special Condition 6, which requires Cal-Am to submit a plan for Executive Director review and approval prior to permit issuance, which will detail the plan for the discontinuation or alternative management for the agricultural runoff. Therefore, any concerns regarding agricultural runoff will be fully addressed.

- MCWD claims that the HMMP is inadequate because the California Department of Fish and Wildlife and the US Fish and Wildlife Service have been left out of the process. (MCWD Letter, p. 6.)

    - Contrary to MCWD's claims, Fish and Wildlife have always been involved in the process of developing the Project's mitigation program. In fact, the US Fish and Wildlife Service have issued Biological Opinion dated October 18, 2018 on which the HMMP was based, and the California Department of Fish and Wildlife have issued an Incidental Take Permit for the Project on December 19, 2019. (See ITP No. 2081-2018-027-04.)

B. Coastal Hazards

- MCWD's Letter argues that the Final EIR/EIS's sea-level rise analysis was superseded by the state's and Commission's more recent guidance that projects higher sea level elevations occurring more quickly. (MCWD Letter, p. 8.)

    - The Final EIR/EIS was prepared based on the best available science at the time. Since that time, the Ocean Protection Council and the Commission have updated their sea-level rise guidance. (See, e.g., June 30, 2020 Letter to Commission, pp. 10-11.) Cal-Am and staff have both evaluated the Project based on this more recent guidance and found that the Project as proposed is consistent with applicable LCP and Coastal Act policies.

    - MCWD references an August 2020 Legislative Analyst's Office Report[1] that it claims represents new state guidance that sea level rise will be higher and faster than previously expected. (MCWD Letter, p. 8.) But this report relies on the very same state guidance, such as the Ocean Protection Council's State of California Sea-Level Rise Guidance 2018 Update, which AECOM and staff have already reviewed and used to update the Project's coastal hazards analysis. MCWD's claim that the report constitutes new information is meritless.

- MCWD argues that the Project is not coastal-dependent pursuant to Coastal Act section 30260. As more fully explained in Section J, MCWD is wrong. The Project is a coastal dependent development as defined by Coastal Act section 30101, which states that a coastal-dependent development or use "means any development or use which requires a site on, or adjacent to, the sea to be able to function at all."

- MCWD states that LCP policies must account for at least 50 years of safety and stability. Although the Project, with Special Conditions, would be safe and stable for 50 years, the LCP and Coastal Act only require that a Project is protected for its economic life. This understanding is shared by Commission staff. (Staff Report, p. 61 ["the proposed well site locations would allow the wells to avoid hazards from coastal erosion during their expected operating life and are therefore consistent with the above-referenced LCP provisions"].) Here, the substantial evidence shows and staff agrees that the Project would be protected for the economic life of the slant wells.

    - The practical effect of MCWD's position would be that any development planned for less than 50 years near the beach would be prohibited, regardless of whether that development would be impacted by wave erosion. This is both nonsensical and inconsistent with the LCP's language and intent, which is meant to ensure that developments are sited to be protected from coastal hazards during their economic lives. (See Staff Report pp. 54-55.) Here, the slant wells would be protected during their operational/economic lives of 20 to 25 years. (*Id.* at p. 61.)

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[1] Legislative Analyst's Office, "What Threat Does Sea-Level Rise Pose to California?" (Aug. 2020), https://lao.ca.gov/reports/2020/4261/sea-level-rise-081020.pdf.

- MCWD further claims that the soft measures included in Special Condition 8 proposed by Cal-Am to prevent sand burial are unrealistic to avoid the long-term effects of dune recession. MCWD's contention is not only entirely unsupported by any expert analysis, but is contradicted by the City of Marina and the Commission's guidance documents.[2] Soft measures, such as revegetating and monitoring, are dune restoration practices commonly understood to mitigate dune recession. (June 30, 2020 Letter to Commission, p. 13.)

    - MCWD further argues that if the soft measures fail, any hard measures such as sand fencing, would cause additional impacts. (August 14, 2020 MCWD Letter, p. 9.) However, as described above and in Cal-Am's June 30, 2020 letter, the likelihood of the wells being affected by coastal erosion or sand burial is extremely limited – only two wells could potentially be affected by dune migration during their economic lives. (June 30, 2020 Letter to Commission, p. 12-13.) Those impacts would be mitigated through Special Condition 8. Evaluating other measures at this time is entirely speculative and, if necessary, would be the subject of further Commission review and conditions based on actual circumstances. Additionally, because not all wells are necessary for operation, potentially impacted wells could be decommissioned if ultimately necessary without impacting Project operations. (See Final EIR/EIS, p. 4.2-72; June 30, 2020 Letter to Commission, pp. 12-13, 14.)

    - Finally, MCWD claims that not analyzing potential hard measures now constitutes improper deferral of mitigation. (MCWD Letter, p. 9.) MCWD's continued attempt to impose CEQA principles applicable to EIRs onto the Commission's review is groundless. The CEQA Guidelines state that "[f]ormulation of mitigation measures should not be deferred until some future time." (CEQA Guidelines, § 15126.4(a)(1)(B).) Neither the Coastal Act nor the LCP include any such provision. The Commission's role in issuing coastal development permits is to determine whether "the proposed development is in conformity with the certified local coastal program" and other applicable Coastal Act policies. (Coastal Act, § 30604.) Conformance with Section 30253 of the Coastal Act is a Coastal Act policy, not a CEQA threshold.

    - Even so, under CEQA, the specific details of a mitigation measure "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

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[2] City of Marina Local Coastal Program, Land Use Plan, p. 21, 61-62 (2013) ("The impact of development on areas already subject to wind erosion problems is low to moderate and can be mitigated through the permit process (e.g., geotechnical investigation prior to permitting development, revegetation with appropriate groundcovers, provision of 'boardwalk' accessways, sand fences, etc.)"), https://cityofmarina.org/DocumentCenter/View/10046/LUP-with-figures---complete; see also June 30, 2020 Letter to Commission, p. 13.

can feasible achieve that performance standard and that will be considered, analyzed, an potentially incorporated in the mitigation measure." (CEQA Guidelines, § 15126.4(a)(1)(B).) Here, Special Condition 8 meets all of these requirements by committing Cal-Am to annual monitoring of dune migration and implementation of specific types of restoration and stabilization activities as necessary, which would be reviewed and approved by the Executive Director prior to implementation. Further, Special Condition 8 provides that if measures are necessary that could impact ESHA, they would be separately permitted and ESHA impacts would be mitigated at a 3:1 ratio. The measure also provides for the possibility of removal of the well entirely if necessary. Therefore, Special Condition 8 ensures that potential dune migration and windblown sand impacts can be fully mitigated or avoided, and is not improper deferral under CEQA.

- Additionally, to ensure that the Project remains consistent with the LCP's coastal hazards provisions, Special Condition 5 requires Cal-Am to return to the Commission for a CDP amendment should there be a need to replace or relocate any slant wells.

C. Protection of Coastal Waters and Marine Resources

- Contrary to MCWD's assertions, the Project would not involve the placement of fill in coastal waters, and therefore, would not trigger Coastal Act Section 30233. As discussed in the Final EIR/EIS, the Project components that MCWD has taken issue with are temporary in nature and limited in scope, and potential impacts to receiving coastal waters, if any, would be minimal. Furthermore, the Project and associated brine discharges would have minimal impacts on receiving coastal waters, which would be mitigated below a level of significance.

- MCWD argues that the full extent of impacts to coastal waters and marine resources is unknown because Cal-Am "failed to include critical project components in its CDP application." (See MCWD Letter, p. 10.) MCWD argues that because Cal-Am has not included the outfall work as part of its CDP application, it is not presently known how exactly the brine would be processed and discharged into the ocean, and how that would impact coastal waters. (See *id*., p. 79.)

    - MCWD has not identified the "critical project components" that it alleges were excluded from Cal-Am's CDP application. To the extent MCWD's contention relates to the M1W outfall, Cal-Am thoroughly discussed the extent of the outfall's impacts to coastal waters and marine resources in its June 30 Letter to the Commission, in response to similar inquiries by Staff. (See June 30 Letter to Commission, pp. 16-17.)

    - As Cal-Am has repeatedly maintained, aside from the WEKO seal clamp replacement on the nearshore portion of the outfall, work on M1W's outfall is separate from the Project components before the Commission and may be separately conditioned when M1W applies for a CDP for that work (if a CDP is necessary). Even so, as Cal-Am explained in its June 30 Letter to the

Commission, the impacts associated with the potential structural changes to the outfall were fully described and analyzed in the Final EIR/EIS. (Final EIR/EIS, pp. 4.3-109 to 4.3-110; see also *id*., Appx. D1 (Roberts 2017); *id*., Appx. D3 (Trussel Tech); June 30 Letter to Commission, pp. 17-18.) Construction impacts would be minor and temporary, design specifications would be reviewed and approved by Monterey bay National Marine Sanctuary *before* implementation of the retrofit work, and benthic communities are expected to recover to baseline conditions as a result of any potential disturbance. (Final EIR/EIS, p. 4.3-109.)

- As a further precaution, Applicant's Staff Report includes a Special Condition to ensure that all applicable water quality standards related to the outfall are met. The condition requires that prior to operation of the Project, the Applicant must demonstrate that discharges from the outfall would comply with the Ocean Plan and applicable water quality requirements by demonstrating that:

  - (1) a Coastal Development Permit or Amendment has been obtained and implemented for any necessary work on the Monterey One Water outfall related to the Project's discharges; and/or

  - (2) Permittee has implemented other measures consistent with Final EIR/EIS Mitigation Measure 4.3-5, as necessary, outside of the Commission's jurisdiction.

- With respect to project impacts to coastal waters and marine resources generally, these impacts have been thoroughly examined in the Final EIR/EIS, and reiterated in Cal-Am's June 30, 2020 Letter. (See Final EIR/EIS, pp. 4.3-1 to 4.3-129, 4.5-1 to 4.5-72, 5.5-29 to 5.5-82, 5.5-110 to 5.5-137; June 30 Letter to Commission, pp. 16-18.)

- MCWD argues that the Project's seafloor anchors, buoys, and other mooring instruments constitute the placement of "fill" in open coastal waters, for purposes of Coastal Act section 30233. (See MCWD Letter, pp. 10-11.)

  - In support of this contention, MCWD cites to three prior applications, claiming that "the Commission has historically regarded seafloor anchors, mooring, and other devices as 'fill' under section 30233." (MCWD Letter, p. 11.) As described below, each of these examples involves work that is substantially greater in magnitude and duration than the Project components MCWD has identified. MCWD cites to these applications as an attempt to distort application of the Commission's precedent. In fact, a review of the applications that MCWD has cited confirms that the Commission would not generally consider the Project components at issue in this application to be "fill" for purposes of the Coastal Act.

  - MCWD cites to the following applications in attempting to characterize certain Project components as fill in coastal waters:

- Application No. 9-16-1153, involving installation of up to four 700-pound anchoring devices on the seafloor for a period of up to three years.[3]

- Application No. E-12-012-A1 involving installation of 80 anchoring devices, the majority of which would either be "metal like anchors or 12-foot long helical screw anchors that would be *drilled into the seafloor*."[4]

- Application No. 5-03-151-A1, involving the placement of "six one-ton concrete blocks on the ocean floor."[5]

  - Each of these applications proposes the placement of substantially larger objects or a substantially greater number of objects within coastal waters than the Project calls for. Work required for the Project's seafloor anchors, buoys, and mooring instruments is temporary in nature and limited in scope, and potential impacts to receiving coastal waters, if any, would be minimal. As such, ***the precedent that MCWD cites to in no way suggests that the Project components MCWD has identified would involve the placement of "fill" in coastal waters for purposes of the Coastal Act***. To the contrary, the precedent suggests that the Commission would not generally consider the temporary and minor work that the Project entails, as involving the placement "fill" in coastal waters.

- MCWD further suggests that the Project would adversely impact ocean water quality due to seasonal unavailability of wastewater for mixing with brine discharges and insufficient impact mitigation. (MCWD Letter, pp. 79-80.) For these reasons, MCWD concludes that the final method for discharge is unknown, has not been fully analyzed, and there will not be sufficient wastewater available for mixing with the brine discharges. (See *id.*, p. 80.)

  - With respect to impacts associated with brine discharges, the Project's potential environmental impacts from brine discharges were fully analyzed in the Final EIR/EIS. (See June 30 Letter to Commission, pp. 94-95.) As Cal-Am explained in its June 30, 2020 Letter to the Commission:

    - "The Project's potential effects on ocean water quality and marine life were analyzed in detail in the Final EIR/EIS. Specifically, Impact 4.3-5 assessed whether the Project's operational brine discharge would violate water quality standards or waste discharge requirements, or degrade ocean water quality. (Final EIR/EIS, pp. 4.3-95 to 4.3-113.) As discussed therein, the Final EIR/EIS concluded that implementation of the Project

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[3] Staff Report, Application No. 9-16-1153 (April 21, 2017), available at: https://documents.coastal.ca.gov/reports/2017/5/w9a/W9a-5-2017-report.pdf (pp. 3, 7).

[4] Staff Report, Application No. E-12-012-A1 (July 13, 2018), available at: https://documents.coastal.ca.gov/reports/2018/7/f11a/f11a-7-2018-report.pdf (pp. 10, 15).

[5] Staff Report, Application No. 5-03-151-A1 (July 12, 2006), available at: https://documents.coastal.ca.gov/reports/2006/7/W16a-7-2006.pdf (p. 8.).

could potentially cause exceedances of Ocean Plan water quality objectives for the ammonia and cyanide under certain operational conditions when wastewater volumes co-mingled with the brine are low. For an additional thirteen constituents, the Final EIR/EIS determined that there is not enough information to assess concentrations at the edge of the zone of initial dilution. Therefore, the Final EIR/EIS conservatively concluded that Ocean Plan water quality objectives could potentially be exceeded during operations for some operational discharge scenarios.

- However, the Final EIR/EIS determined that Impact 4.3-5 would be less than significant with implementation of Mitigation Measure 4.3-5 (Implement Protocols to Avoid Exceeding Water Quality Objectives), which requires Cal-Am to perform an extensive water quality assessment prior to Project implementation. (Final EIR/EIS, p. 4.3-104.) Operational discharges that cannot be demonstrated to conform to the Ocean Plan water quality objectives may only be released following implementation of additional design features, engineering solutions, and/or operational measures that ensure compliance with these objectives.[6] (*Id*., p. 4.5-64.) In other words, no exceedance of Ocean Plan objectives will occur because no discharges will be permitted unless the water quality assessment confirms that the discharges comply with the Ocean Plan. The Commission did not comment on or object to Mitigation Measure 4.3-5 in its comments on the EIR/EIS."

- Additionally, Impact 4.3-4 considered whether the Project would violate water quality standards or waste discharge requirements or degrade water quality from increased salinity as a result of brine discharge from the operation of the Project desalination plant. In order to address this concern, the Final EIR/EIS imposes Mitigation Measures 4.3-4, which requires the applicant to implement a monitoring and reporting plan in order to ensure that operational discharges from the Project are in compliance with applicable Ocean Plan salinity standards. (Final EIR/EIS, p. 4.3-93.) The plan will be approved by the Regional Water Board and MBNMS *prior to* implementation. (*Ibid.*) Moreover, monitoring will be conducted for one year *prior to* the commencement of operational discharges and will continue until at least five years after operational discharges commence. (*Id.*, p. 4.3-94.)

[6] The Final EIR/EIS also described the potential design features and operational measures that could be employed, such as retrofitting the existing outfall diffuser, additional pre-treatment of source water to the Desalination Plant component of the Project, treatment of discharge, flow augmentation, and end gate modification. (Final EIR/EIS, pp. 4.3-106 to 4.3-108.) The Final EIR/EIS also analyzed the potential secondary impacts of these potential design features and operational measures, and determined that those secondary impacts would be less than significant. (*Id*., pp. 4.3-109 to 4.3-113.)

- As discussed in the Final EIR/EIS, implementation of these mitigation measures would ensure that impacts relating to water quality standards, waste discharge requirements, or ocean water quality, as a result of brine discharges from the Project, would be less than significant. Accordingly the Final EIR/EIS has thoroughly examined the effects that the desalination plant would have on water quality and implemented adequate mitigation to minimize any potential adverse effects.

- MCWD reiterates concerns that the California Department of Fish and Wildlife (CDFW) raised regarding potential impacts of the Project on sensitive habitants and special status biological resources. In doing so, MCWD falsely suggests that "agencies with authority over marine protected areas have not yet reviewed the project…" (MCWD Letter, p. 80.)

  - As Cal-Am has previously noted, the Final EIR/EIS evaluated potential Project impacts on biological resources in detail and concluded that the Project would not result in a significant impact on marine biological resources with implementation of the mitigation measures identified. (Final EIR/EIS, pp. 4.5-47, 5.5- 134; June 30 Letter to Commission, pp. 82-84.)

  - In addition, as discussed in Attachment B, Section A, CDFW and U.S. Fish and Wildlife have been involved in the process of developing the Project's mitigation program and CDFW has issued an Incidental Take Permit for the Project on December 19, 2019. (See ITP No. 2081-2018-027-04.)

  - In its response, MCWD states that to "[its] knowledge, agencies with authority over marine protected areas have not yet reviewed the project to determine whether it would impact marine species or whether the project is even permittable under the relevant laws." MCWD has overlooked or ignored the fact that Monterey Bay National Marine Sanctuary, a federal agency that is part of the National Oceanic and Atmospheric Administration and whose mission is to "understand and protect the coastal ecosystem… of the Monterey Bay National Marine Sanctuary," prepared the Final EIR/EIS in conjunction with the CPUC. This basic oversight underscores the haphazard nature of MCWD's allegation.

D. Groundwater Resources

1. Adequacy of Existing Groundwater Modeling

- MCWD argues that the Final EIR/EIS's modeling has significant limitations and cannot accurately calculate OWP, thereby underestimating the amount of fresh water that the Project will extract. (MCWD Letter, p. 21; see also *id*., pp. 83-84.) Thus, the Commission must conduct additional investigation and modeling. (*Id*., pp. 12-13, 25.)

  - MCWD's arguments and additional modelling requests are based on assumptions and its own technical analyses that have been rejected in numerous other administrative and judicial proceedings, and are contrary to the findings of the Commission's own technical consultant.

- The extensive groundwater modeling for the Final EIR/EIS involved a multi-year, peer-reviewed effort that conservatively analyzed the Project's OWP and potential impacts to groundwater supplies in the SVGB. (See June 30 Letter to Commission, Att. A, pp. 20-22.)

- Further, as described in Applicant's Staff Report, Section IV.J, the Final EIR/EIS's modeling adequately characterized the Project's potential impacts to groundwater resources in the SVGB and the Project's estimated OWP. The EIR/EIS's OWP estimates are consistent with the 2020 Weiss Report's results for scenarios using reasonable groundwater input assumptions.

- The additional modeling MCWD suggests would only duplicate the extensive groundwater modeling and analyses performed to-date, and thus, is not required. The Commission is "not required to exhaust all suggested testing" before approving the Project. (See *Cadiz Land Co. v. Rail Cycle* (2000) 83 Cal.App.4th 74, 102.)

- MCWD suggests that even the 2020 Weiss Report's conclusions have limited value because Weiss could not fully evaluate the Project's potential groundwater impacts using a new groundwater model "due to a lack of funding and time." (MCWD Letter, pp. 14, 20; see also *id*., p. 73.)

    - There is no need to conduct additional investigation and modeling beyond what Weiss performed, much less for the costs proposed, because the 2020 Weiss Report's findings for modeling scenarios – where it used reasonable parameters and assumptions – confirm the Final EIR/EIS's conclusions. (See Applicant's Staff Report, Section IV.J.)

    - Further, "[p]revious and current modeling results are consistent with field data collected during pumping of the Test Slant Well over a three-year period from April 2015 to February 2018." (HWG Comments on Weiss Report, p. 3.) Thus, "[t]here is no need to further refine estimates of OWP within a range of 88 to 99%." (*Ibid*.)

    - Although Cal-Am maintains that additional groundwater modeling by Weiss was unnecessary in the first instance, Commission staff appropriately directed Weiss to modify the existing model before embarking on a most ambitious and expensive path that would likely prove unnecessary. (See 2020 Weiss Report, p. 3-1 ["To address the recommendations contained in [Weiss's 2019] technical report in potentially less time than would be needed if the field work was included, it was decided that the NMGWM^{2016} would be revised and implemented prior to the field work to see if a range of OWP and capture estimates could be calculated that would account for any reasonable variation in the range of possible aquitard configurations and discontinuities."].)

        - Notably, the 2020 Weiss Report does not suggest that the Commission must conduct transient modeling, as MCWD claims. Rather, the 2020

Weiss Report explains that, should the Commission feel more modeling is necessary to refine the Project's OWP, calibrated transient modeling could be the next step. (See 2020 Weiss Report, p. 5-2.) As explained in Applicant's Staff Report, Section IV.J, and throughout this Response, additional modeling is not required.

- MCWD argues that the 2020 Weiss Report is flawed because it does not address MCWD's comments on Weiss' Scope of Work for the groundwater modeling. (MCWD Letter, p. 15.) According to MCWD, Weiss should have: (i) conducted additional field work to better define hydrogeologic conditions; (ii) incorporated the airborne electromagnetic ("AEM") data and Fort Ord groundwater salinity data; (iii) incorporated seaward gradients in the 180-Foot Aquifer consistent with the applicable Groundwater Sustainability Plan ("GSP"); and (iv) evaluated the impacts of CEMEX's sand mining operations on the Final EIR/EIS's modeling and data from the test slant well. (Id., pp. 15-16.)

    - The Commission is not required to conduct every type of modeling and analysis that MCWD requests.[7] (See *Cleveland Nat. Forest Found. v. San Diego Assn. of Govts.* (2017) 3 Cal.5th 497, 512 [citations omitted].)

    - ***Investigation into Hydrogeologic Conditions.*** MCWD ignores that the 2020 Weiss Report assumed hydrogeologic conditions and other parameters favorable to MCWD's position, such as seaward gradients in the Dune Sand Aquifer. With the exception of unrealistic assumptions regarding flat or seaward gradients in the 180-Foot Aquifer and above-average rainfall recharge, the resulting OWP estimates were generally consistent with the Final EIR/EIS's estimates. (See 2020 Weiss Report, pp. 2-3, 4-9; see also Applicant's Staff Report, Section IV.J.)

    - ***AEM Studies and Fort Ord Salinity Data.*** For the reasons set forth in Applicant's Staff Report, Section IV.J, additional modeling is not required to incorporate the results of MCWD's AEM studies or the Fort Ord data.

    - ***Seaward Gradients in the 180-Foot Aquifer under SGMA.*** SGMA does not require a flat or seaward gradient in the 180-Foot Aquifer. (See HWG Comments on Weiss Report, pp. 6, 9.) Rather, SGMA "requires that the extent and magnitude of seawater intrusion not be exacerbated compared to current conditions, but does not require that existing seawater intrusion be mitigated/remediated." (*Ibid*.)

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[7] MCWD argues that MCWD and the City of Marina asked for this additional investigation as part of Marina's consideration of Cal-Am's local CDP application, but that "Cal-Am refused." (MCWD Letter, p. 20.) However, Cal-Am did not refuse to conduct any additional investigation. Rather, Cal-Am disagreed with MCWD's and Marina's position that supplemental environmental review of the Project's potential groundwater impacts was required—a position that was and continues to be incorrect and belied by the record, as described below.

- Further, the "hypothetical construction of a flat to seaward gradient in the 180-Foot Aquifer and 400-Foot Aquifer (based on an incorrect assumption about SGMA) is inconsistent with the groundwater elevation minimum thresholds and measurable objectives in the [GSP]." (*Id*., p. 2 [underlining in original].)

- In addition, the 2020 Weiss Report confirmed it could take decades to centuries to achieve a flat or seaward gradient in the 180-Foot Aquifer through the implementation of SGMA. (See Applicant's Staff Report, Section IV.J; see also Attachment B, Section E.)

- ***Impact of CEMEX Operations on EIR/EIS's Modeling.*** For the reasons set forth in Applicant's Staff Report, Section IV.J, the net effect of the CEMEX operations on the test slant well was to *lower* salinity levels, not increase OWP as MCWD suggests.

- MCWD suggests that Cal-Am and the Commission cannot rely on the HWG's critique of Weiss' Scope of Work because the Final EIR/EIS's superposition modeling was not peer-reviewed except by the HWG. (MCWD Letter, p. 25.)

  - As explained in Applicant's Staff Report, Section IV.J, the Project's groundwater modeling was subjected to extensive peer-review, and all HWG work product was peer-reviewed by the CPUC's EIR/EIS consultant team. (See also Final EIR/EIS, pp. 4.4-6, 8.2-27.)

  - Further, the HWG's critique of the Weiss Report and other evaluations of groundwater issues constitute substantial evidence upon which the Commission may rely. (CEQA Guidelines, § 15384, subd. (b) ["Substantial evidence shall include facts, reasonable assumptions predicated upon facts, and expert opinion supported by facts"].) "While there may be conflicting opinion as to the need for additional [modeling], that is not fatal to the [environmental review]." (*Cadiz*, *supra*, 83 Cal.App.4th at p. 101; see also *Save Cuyama v. County of Santa Barbara* (2013) 213 Cal.App.4th 1059, 1069 [county could rely on expert's conclusions regarding hydraulic impacts despite differing opinions by EPA and petitioner's expert].) The Commission is not required to "correctly solve a dispute among experts." (*Cadiz*, *supra*, 83 Cal.App.4th at pp. 101-102.)

2. No Significant New Information Regarding Groundwater Impacts Requires the Commission to Perform Supplemental CEQA Review

- MCWD argues that significant new information regarding the Project's potential groundwater impacts requires the Commission to perform supplemental environmental review under CEQA. (See MCWD Letter, pp. 16, 26-28, 73.) In particular, MCWD identifies the 2020 Weiss Report, 2017 and 2019 AEM studies, and Fort Ord salinity data.

- The triggers for further environmental review are not satisfied here, and, thus, the Commission is not required to conduct additional environmental review regarding the Project's potential groundwater impacts.

    - Public Resources Code section 21166 unambiguously states that "[w]hen an environmental impact report has been prepared for a project pursuant to this division, ***no subsequent or supplemental environmental impact report shall be required by the lead agency or by any responsible agency***" unless certain events occur. (Pub. Resources Code, § 21166 [emphasis added].)

    - The triggers for additional environmental review are narrowly limited to: (1) substantial project changes that will require major revisions to the previous EIR; (2) substantial changes regarding project circumstances that will require major revisions to the previous EIR; or (3) new information of substantial importance that was not known or could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified. (CEQA Guidelines, § 15162, subd. (a).) However, subsequent project changes or new information must "require major revisions of the previous EIR . . . ***due to the involvement of new significant environmental effects or a substantial increase in the severity*** of previously identified significant effects."[8] (*Ibid.* [emphasis added].) Additionally, where new information arises, it must be of substantial importance, not have been known and could not have been known at the time the EIR was certified, and show "either that the project will have one or more significant effects not previously discussed in the EIR or that significant effects previously examined will be substantially more severe than shown in the EIR." (*A Local & Regional Monitor v. City of Los Angeles* (1993) 12 Cal.App.4th 1773, 1800 [internal citation omitted].)

- *First*, the 2020 Weiss Report's conclusions are generally consistent with the Final EIR/EIS's evaluation of the Project's OWP. (See Applicant's Staff Report, Section IV.J.) Therefore, the 2020 Weiss Report is not significant new information requiring additional environmental review.

    - Moreover, Cal-Am's return water obligations are not mitigation for any environmental impact. (See Final EIR/EIS, p. 8.2-13.) Rather, OWP and return water are relevant to Cal-Am's compliance with the Agency Act. (See *ibid*.)

- *Second*, the AEM data does not constitute significant new information. The CPUC evaluated and rejected the 2017 AEM study as part of its review of the

[8] "The term 'significant effect' on the environment is defined in the CEQA Guidelines as 'a substantial, or potentially substantial, *adverse change* in any of the *physical conditions* within the area affected by the project . . . .'" (*Fund for Envtl. Def.*, *supra*, 204 Cal.App.3d at p. 1552 [citing CEQA Guidelines, § 15382] [emphasis in original].)

Project. (See Applicant's Staff Report, Section IV.J; see also CPUC Decision D.18-09-017, Appx. J.) Similarly, the 2019 AEM study merely repeats the same general flawed conclusions as the 2017 AEM study. (See Applicant's Staff Report, Section IV.J; see also HWG Comments on AGF Final Report on the 2019 Airborne Electromagnetic Survey of Selected Areas Within the Marina Coast Water District (June 26, 2020).) Thus, the AEM surveys are not significant new information requiring additional environmental review.

- *Third*, the Fort Ord data are not new. In response to MCWD's same comment during the Marina Planning Commission process, the HWG explained that the Ford Ord data is not "new information" following the CPUC's approval of the Project "as it has been collected from the same wells for many years." (See HWG Comments (Apr. 12, 2019), p. 3.) Most importantly, however, the HWG confirmed that the Ford Ord data is irrelevant to the Project's groundwater modeling and impacts because the wells are "not located in the potential MPWSP project impact area." (*Id*., p. 11.) Accordingly, the Fort Ord data is neither new nor significant, and, thus, does not warrant further environmental review.

- MCWD argues that the AEM study has now been peer-reviewed, and, thus, the Commission should consider it in evaluating the Project's groundwater impacts. (See MCWD Letter, pp. 26-27.)

  - As Section IV.J. of the Applicant's Staff Report explains, the AEM studies and "data" are of limited utility and technically insufficient to characterize "fresh" groundwater. Upon reviewing the 2019 AEM study, the HWG found "[t]he use and interpretation of data in this matter [] ***inappropriate and deeply troubling***." (HWG Comments on AGF Final Report on the 2019 Airborne Electromagnetic Survey of Selected Areas Within the Marina Coast Water District (June 26, 2020), p. 1.)

  - Further, the Commission is entitled to rely on the HWG's assessment of the AEM studies; it is not required to "correctly solve a dispute among experts." (*Cadiz*, *supra*, 83 Cal.App.4th at pp. 101-102; see also *Save Cuyama Valley, supra*, 213 Cal.App.4th at p. 1069.)

- MCWD argues that monitoring well data constitutes significant new information confirming that groundwater gradients in the Dune Sand Aquifer have changed from landward to seaward, and that seaward gradients are required in the 180-Foot Aquifer pursuant to SGMA. (MCWD Letter, p. 34.)

  - ***Dune Sand Aquifer Gradient.*** As HWG explained in response to MCWD's ***same comments last year***, "[e]xamining the data from the **entire** Monterey Peninsula Water Supply Project (MPWSP) monitoring network, and for the period throughout the long-term pumping period, there is no clear seaward gradient over the project area in the DSA during this period (2015-2018)." (HWG Response to Marina Planning Commission (Jan. 25, 2019), p. 2.) "The Fall 2018 data, similar to Fall 2017 data, indicates that the Dune Sand Aquifer gradient is landward

between the CEMEX monitoring wells and MW-8S, and locally seaward between the CEMEX monitoring wells and MW-7S." (*Id*., p. 5.) "While there may be localized and seasonal variations in Dune Sand Aquifer hydraulic gradients, the net result has been and continues to be sea water intrusion within the area encompassed by the MPWSP monitoring well network." (*Id*., p. 2.) Therefore, MCWD's information is not new.

- Regardless, even if the Dune Sand Aquifer gradient is seaward, the Project's source water would still have an OWP ranging from 88-99%. (See HWG Comments on Weiss Report, p. 1; see also Applicant's Staff Report, Section IV.J.) Because that OWP range is consistent with the EIR/EIS's analysis, information regarding purported changes in the Dune Sand Aquifer groundwater gradient is not significant information requiring additional environmental review.

- ***180-Foot Aquifer.*** SGMA's requirements and the Salinas Valley Basin GSP are not significant new information. The CPUC considered SGMA's impact when evaluating the Project's potential impacts. (See, e.g, CPUC Decision D.18-09-017, Appx. J, pp. 18-19.)

  - Further, as explained in above in Attachment B, Section E, SGMA does not require a flat or seaward gradient. "[T]he occurrence or implementation of conditions leading to a flat to seaward hydraulic gradient in the 180-Foot and 400-Foot Aquifers is neither required under SGMA nor specified in the 180-400-Foot Aquifer Subbasin GSP." (HWG Comments on Weiss Report, p. 9.) Thus, hypothetical flat or seaward gradients in the 180-Foot Aquifer following implementation of the GSP is not significant new information.

- MCWD contends that the 2020 Weiss Report constitutes significant new information regarding the Project's capture zone that shows the Project will create groundwater impacts "over many square miles and extract significant quantities of fresh water from the basin." (MCWD Letter, p. 35; see also *id*., pp. 83-84.)

  - As an initial matter, a 3,000 mg/L TDS standard is not appropriate to delineate fresh water because it would not be suitable for drinking water or irrigation unless treated. (See Applicant's Staff Report, Section IV.J.) Indeed, the Staff Report recognizes that a 3,000 mg/L TDS standard delineates groundwater that would be "suitable for drinking water, ***if treated***." (See Staff Report, p. 70, fn. 64 [emphasis added].) Rather, regulations under the Safe Drinking Water Act designate the Secondary Maximum Contaminant Levels, or Consumer Acceptance Levels, for TDS in drinking water as 500 mg/L. (See *id*., fn. 63; Applicant's Staff Report, Section IV.J.)

  - As the HWG explains, the 2020 Weiss Report depicts "Fresh Water Capture Zones," but these zones are misleading because "most of the water is still coming from the ocean," not from inland. (HWG Comments on Weiss Report, p. 5.) This

finding is consistent with the Final EIR/EIS's analysis and, thus, is not new. (See Final EIR/EIS, p. 4.4-70 [explaining that because the slant wells are located along the coast, their capture zone would pull in primarily seawater].)

- Further, although the 2020 Weiss Report identifies capture zones of varying sizes, capture zones are influenced by local conditions, including groundwater gradients. (See Final EIR/EIS, p. 4.4-65.) Thus, the use of unreasonable assumptions or inputs not representative of actual local conditions will impact the resulting capture zone in the model. (See *ibid.*; see also Applicant's Staff Report, Section IV.J.)

- Based on years of monitoring well data and extensive modeling, the Final EIR/EIS concluded that the Project "would extract primarily seawater and smaller volume of highly brackish ambient groundwater from a localized coastal capture area." (Final EIR/EIS, p. 4.4-69 to 4.4-70.) Because the slant wells would be located along the coast, "seawater would be the primary source of recharge, and the regional inland gradient would preclude inland groundwater in the Dune Sand Aquifer and the 180-Foot Aquifer from being drawn to the capture zone." (*Ibid.*)

3. Ocean Water Percentage ("OWP")

- MCWD asserts that the 2020 Weiss Report demonstrates that the Final EIR/EIS's modeling was not conservative and did not accurately bookend the estimated OWP range. (MCWD Letter, p. 19.) According to MCWD, Weiss predicted OWP ranges from 86.1% to 97.4% based on "currently observed seasonal variations in the landward hydraulic gradient" in the Dune Sand Aquifer; the resulting average OWP of 91.7% is below the Final EIR/EIS's long-term range OWP estimate of 93% to 99%. (*Id.*, p. 21.)

  - MCWD incorrectly construes the EIR/EIS's estimates. The OWP range estimated in the Final EIR/EIS is 87-99% (Final EIR/EIS, p. 4.4-56), which is consistent with the 2020 Weiss Report's results assuming seaward gradients in the Dune Sand Aquifer and reasonable rainfall recharge. (See HWG Comments on Weiss Report, p. 1 ["Assumed seaward gradients in the Dune Sand Aquifer do not result in any significant difference in OWP results."]; see also *id.*, pp. 2, 3.)

  - The 2020 Weiss Report's results show that "OWP exceeds 88% for the assumed seaward gradient in the [Dune Sand Aquifer] using reasonable assumptions for other model inputs (e.g., landward gradient in the 180-Foot Aquifer, which represents current, historical, and projected future conditions; rainfall recharge that is less than 50% of average annual total rainfall)." (HWG Comments on Weiss Report, p. 3; see also Applicant's Staff Report, Section IV.J.)

- MCWD suggests that, based on the 2020 Weiss Report, the OWP would decrease to 70.8% under a flat gradient and would decrease even further under seaward gradients in the 180-Foot Aquifer. (MCWD Letter, pp. 22, 34.)

- The OWP estimates provided in the 2020 Weiss Report for a flat to seaward gradient in the 180-Foot Aquifer would take "many decades or even centuries in real-world conditions. The [] model does not consider the large volume of saline water in storage in the 180-Foot Aquifer . . . that would have to be replaced by fresh water before the OWP at the Pumping well field would begin to decrease, and approach the [] OWP calculated by the model." (2020 Weiss Report, p. 4-3.)

- Further, "[t]he OWP calculated for the Project well field output under the 0.00 [flat] gradient . . . will only gradually be approached as the existing salt water flows seaward; ***it will not "instantaneously" reach the 65 to 75 percent range calculated by the model***." (2020 Weiss Report, p. 4-12 [emphasis added].) It would take decades to centuries before such an OWP range is reached. (See *id*., p. 4-3.)

- For a detailed discussion of hypothetical groundwater gradients in the 180-Foot Aquifer and the 2020 Weiss Report's conclusions regarding OWP under such scenarios, see Applicant's Staff Report, Section IV.J.

- MCWD contends that CEMEX's operations during the test slant well pumping period could have impacted the Final EIR/EIS's modeling of OWP by increasing the predicted OWP. (MCWD Letter, pp. 22-23.) Further, MCWD argues that CEMEX's operations could have elevated water levels, thereby decreasing the amount of groundwater drawn the Project could cause. (*Id*., p. 23.)

    - As explained in Applicant's Staff Report, Section IV.J, the EIR/EIS accounted for CEMEX's operations in evaluating the Project's OWP and potential groundwater impacts. (See also HWG Comments on Technical Appendices/Attachments to Letters Submitted by MCWD and City of Marina (Aug. 15, 2018), pp. 30-31; Final EIR/EIS, Appx. E3, pp. 49-53.)

- MCWD argues that the 2020 Weiss Report shows that the Final EIR/EIS overstated predicted OWP and, in turn, understated Cal-Am's return water obligations, which raises public welfare concerns in the form of increased costs to ratepayers. (MCWD Letter, pp. 38-39.)

    - In approving the Return Water Settlement Agreement, the CPUC explained that Cal-Am—not ratepayers—would incur the costs for meeting its return water obligation if that obligation "is increased due to a greater OWP than that estimated in the FEIR/EIS." (CPUC Decision D.18-09-017, p. 192.) For a detailed discussion of Cal-Am's return water obligations and potential impacts to Cal-Am ratepayers, see Applicant's Staff Report, Sections IV.J & IV.N.

- MCWD claims that the CPUC acknowledged that the Project's source water component would need to be reevaluated if (1) pumping from inland areas is reduced to the point that the groundwater system is in equilibrium; and (2) pumping depressions are reduced such that there is no longer a landward gradient. (MCWD Letter, p. 21.)

- As an initial matter, the CPUC was quoting the State Water Board's 2013 review of the Project ("2013 State Water Board Report," EIR/EIS, Appx. B2), not imposing any sort of condition on the Project.

- Further, MCWD ignores that, in the same paragraph, the CPUC confirms that "***[m]ost of the water entering the slant wells would still come from the ocean if the gradient were seaward rather than landward as it is today***." (CPUC Decision D.18-09-017, Appx. J, p. 17 [emphasis added].) Indeed, the 2020 Weiss Report confirms that OWP would average around 91.5% assuming a seaward gradient in the 180-Foot Aquifer that does not currently exist. (See 2020 Weiss Report, pp. 4-11 to 4-12, 5-1 to 5-2.) Instead, the 2020 Weiss Report confirms that a seaward gradient could not exist for decades to centuries given the volume of existing seawater in the 180-Foot Aquifer and ocean recharge. (See *id.*, p. 4-3.)

4. <u>Groundwater Salinity</u>

- MCWD asserts that water with more than 500 mg/L TDS is not "useless," as most groundwater requires some treatment or blending before it is used for drinking water. (MCWD Letter, pp. 28-29; see also *id*., pp. 83-84.) Moreover, "with the exception of the elevated nitrate concentrations, all the groundwater sample results meet drinking water standards for potable supplies." (*Id*., pp. 28-29.) Further, elevated nitrate levels does not indicate seawater intrusion, but rather some other "source of recharge that contributes a contaminant." (*Id*., p. 29.)

    - The Staff Report and MCWD's own argument confirm that water with TDS levels exceeding 500 mg/L need treatment before consumption as drinking water or use in irrigation. (See Staff Report, p. 70.)

    - Further, MCWD is wrong when it claims that "with the exception of the elevated nitrate concentrations, all the groundwater sample results meet drinking water standards for potable supplies." (MCWD Letter, p. 29.) Final EIR/EIS Table 8.2.8-1 shows groundwater samples from MPWSP monitoring wells located within the slant well capture zone exceeding drinking water standards for TDS and chloride. (See Final EIR/EIS, p. 8.2-48.)

    - In addition, as MCWD implicitly recognizes, groundwater data from the monitoring wells show elevated nitrate levels indicative of some source of contamination. (MCWD Letter, p. 29.) Whether this contamination is a result of seawater intrusion is irrelevant to the fact that the water still requires treatment before use as drinking water or in irrigation.

    - Finally, MCWD ignores the groundwater data showing chloride concentrations at levels twice the National Secondary Drinking Water Regulation (250 mg/L) and that exceeds the concentration for water to be considered of 'Class III – injurious or unsatisfactory' quality for agricultural irrigation (350 mg/L)." (CPUC Decision D.18-09-017, Appx. J, p. 20.) Groundwater quality data from the test slant well indicates that groundwater in the Project area contains between 11,680

mg/L to 16,037 mg/L—over 45 times the National Secondary Drinking Water Regulation. (Final EIR/EIS, p. 8.5-877.)

5. Monterey County Water Resources Agency Act Compliance

- MCWD contends that the State Water Board did not confirm that the Project is consistent with the Agency Act in the 2013 State Water Board Report. (MCWD Letter, p. 31.)

    - Cal-Am never argued that the State Water Board has authority to implement the Agency Act. MCWRA is the agency responsible for interpreting and enforcing the Agency Act. (See June 30 Letter to Commission, pp. 24, 27.)

    - The State Water Board made a finding consistent with that understanding in the 2013 State Water Board Report. (Final EIR/EIS, Appx. B2, p. 40 [although "it does not appear that the Agency Act . . . operate[s] to prohibit the Project," "[t]he State Water Board is not the agency responsible for interpreting the Agency Act or MCWRA's ordinances"].)

- MCWD argues that the 2013 State Water Board Report is flawed for three reasons. First, the State Water Board relied on Cal-Am's "inaccurate representation of groundwater conditions." Second, the State Water Board focused on "incidentally extracted usable groundwater," not "fresh water withdrawn," in reaching its opinion. The Project is not feasible if Cal-Am is required to return all "incidentally extracted usable groundwater." Third, the Agency Act does not differentiate between "usable groundwater" and "groundwater." (MCWD Letter, pp. 31-32.)

    - *First*, the State Water Board did not rely on "Cal-Am's inaccurate representation of groundwater conditions," but rather relied on "the available technical information" provided by the CPUC, who requested the State Water Board's input on whether Cal-Am has the legal right to extract desalination feedwater for the Project. (Final EIR/EIS, Appx. B2, pp. 1, 63-65.)

    - *Second*, MCWD's distinction between "usable groundwater" and "fresh water" is a distinction without a difference. The water withdrawn by the Project's slant wells is not potable water and is not suitable for human consumption or irrigation without treatment. (See Applicant's Staff Report, Section IV.J; see also Final EIR/EIS, Appx. B2, p. 47 ["Water that is currently unusable, due to its location in the Basin and corresponding quality, could be rendered usable if desalinated and would thus be surplus to current water supplies in the Basin."].)

        - Further, as described above, MCWD's reliance on a 3,000 mg/L TDS standard to delineate "fresh" water is inappropriate because such water is not potable without treatment. (See Attachment B, Section E; see also Final EIR/EIS, p. 4.4-70 [seawater intrusion has degraded groundwater within the Project capture zone, rendering it "unusable for potable water supply due to its high salinity."].)

- *Third*, as explained in Applicant's Staff Report, Section IV.J, the Project will extract primarily seawater; any groundwater extracted would be returned to the SVGB consistent with Cal-Am's return water obligations. (See also Final EIR/EIS, p. 4.4-70.) Cal-Am's return water obligations do not differentiate between "groundwater" and "usable groundwater," but depend on the amount of "non-seawater" extracted. (See CPUC Decision D. 18-09-017, pp. 103-112 [explaining that any "non-seawater" extracted from the SVGB will be returned to the basin as part of Cal-Am's Agency Act obligations].)

- MCWD argues that the Return Water Settlement Agreement, including the 1:1[9] return water ratio, does not mitigate the Project's groundwater impacts. (MCWD Letter, pp. 32, 35.)

    - As Cal-Am explained in its June 30 Letter, Cal-Am's return water obligations are not mitigation for environmental impacts. (See June 30 Letter to Commission, p. 29; see also Final EIR/EIS, p. 8.2-13 ["The purpose of the return water element of the project is not to alleviate or address any environmental effects."].)

    - Further, MCWD provides no legal authority for its assertion that a 1:1 return water ratio is insufficient. MCWRA, as the agency vested with interpreting and enforcing the Agency, agreed to the terms of the Return Water Settlement Agreement (see Final EIR/EIS, Appx. H), and has the authority to enforce Cal-Am's compliance with the Agency Act—not the Commission.[10]

6. <u>Water Rights</u>

- MCWD contends that the Commission is not bound by dicta in the CPUC's Decision regarding water rights. (MCWD Letter, pp. 30, 33, 72-73.) Although MCWD recognizes that the Commission lacks jurisdiction to determine the Project's water rights, MCWD claims that the Commission still must evaluate whether significant new information exists that affects the feasibility of Cal-Am's ability to obtain water rights. (*Id*., p. 33.) According to MCWD, water rights are "now being litigated in the Monterey County Superior Court." (*Ibid*.)

    - As the Staff Report explains, no water rights are necessary for the extraction and use of seawater from the SVGB. (Staff Report, p. 70.) And as MCWD concedes,

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[9] "[F]or every one AF of 'usable' groundwater extracted, it must only be replaced with one AF of desalinated water." (MCWD Letter, p. 32.)

[10] MCWD also argues that Cal-Am assumes that compliance with the Agency Act constitutes compliance with other groundwater laws, the Coastal Act, CEQA, and SGMA. (MCWD Letter, p. 32.) Cal-Am never suggested that its compliance with the Agency Act constitutes compliance with other applicable laws. Rather, Cal-Am explained that its return water obligations under the Agency Act are not mitigation for environmental impacts under CEQA and that the Project is consistent with Coastal Act section 30231. (See June 30 Letter to Commission, p. 29.)

the issue of water rights is outside the Commission's jurisdiction. (MCWD Letter, p. 33.)

- Further, nothing has changed since the CPUC approved the Project that renders the Project infeasible because of water rights. The pending litigation MCWD refers to pertains to a case filed by the City of Marina against CEMEX, Cal-Am, and MCWRA pursuant to a 1996 annexation agreement. (*City of Marina v. RMC Lonestar, et al.,* Monterey Superior Court Case No. 20CV001387.) In that case, MCWD, a party to the 1996 annexation agreement, filed a cross-complaint with causes of action against Cal-Am related to water rights issues. Cal-Am believes MCWD's claims are without merit and filed a demurrer to MCWD's claims on September 9, 2020.

    - MCWD's claims are not ripe because the Project is not completed and Cal-Am is not presently extracting water. Further, until the Project pumps water, it is impossible to determine if MCWD's water rights would be infringed. Any determination of water rights is premature until the Project is complete and operating.

    - Moreover, although the CPUC did not adjudicate Cal-Am's or others' water rights as part of its review of the Project, the CPUC did determine the legal framework applicable to the setting of the Project's water rights. The framework explains that Cal-Am does not need to obtain water rights to extract seawater. With respect to brackish groundwater extracted by the Project, the CPUC declared that Cal-Am could develop appropriative groundwater rights if the Project extracts otherwise unusable groundwater without harm to existing lawful users, and that any fresh water is returned to the Basin. MCWD cannot revisit that framework through this litigation.

- Thus, Commission staff's assessment of water rights – that none are necessary for the extraction and use of seawater – is consistent with the framework set forth in the CPUC's Decision. MCWD's pending cross-complaint does not call into question the feasibility of the Project on the basis of water rights.

- MCWD argues that the State Water Board did not actually determine that Cal-Am has or will develop the necessary water rights to operate the Project, but rather spoke in general terms about what Cal-Am must show to obtain water rights. (MCWD Letter, p. 30.) Moreover, MCWD claims that the 2013 State Water Board Report was premised on the assumption that there is no usable groundwater in the Project area, and that the Project wells would extend under Monterey Bay and extract only seawater. (*Id*., pp. 31, 33.) Finally, MCWD argues the State Water Board issued the Report prior to the passage of SGMA, rendering the Report outdated. (*Id*., p. 31.)

    - As Cal-Am explained in its June 30 Letter, the State Water Board confirmed that Cal-Am *could* develop the necessary water rights to operate the Project. (June 30 Letter to Commission, pp. 26-27.) Cal-Am did not represent that the State Water

Board has already made a water rights determination, as Cal-Am understands that such a determination would come with operation of the Project in the future.

- Moreover, as explained above, the 2013 State Water Board Report relied on "the available technical information" for the Project in rendering its opinion. (Final EIR/EIS, Appx. B2, pp. 1, 63-65.) That information demonstrated (and is still accurate today) that the seawater intrusion has degraded groundwater within the Project capture zone, rendering it "unusable for potable water supply due to its high salinity." (Final EIR/EIS, p. 4.4-70; see also Applicant's Staff Report, Section IV.J.)

- Finally, MCWD provides no support or explanation for its assertion that the passage of SGMA meaningfully changes the 2013 State Water Board Report or otherwise invalidates the State Water Board's conclusions in that report. The Project remains consistent with SGMA and would promote SGMA's goals by preventing further seawater intrusion into the SVGB.[11] (See CPUC Decision D.18-09-017, Appx. J, pp. 18-19.)

7. <u>Relocation of the Project's Slant Well Network</u>

- MCWD claims that Cal-Am could use horizontal wells for a reduced size project, with the wells located outside of the Coastal Zone. MCWD also argues that, according to Cal-Am, the slant wells are not "coastal dependent" because the OWP would fall within the same predicted range regardless of slant well length. (MCWD Letter, pp. 37-38.)

  - The CPUC already considered horizontal wells as an alternative intake technology for the Project. The EIR/EIS explained that the use of horizontal wells on the CEMEX site would involve the installation of more than 2,500 feet of pipeline, which presented physical and technical feasibility issues. (Final EIR/EIS, Appx. I1, pp. I1-6 to I1-7.) If Cal-Am were to use horizontal wells outside of the Coastal Zone, ***more*** pipeline would be required, increasing the physical and technical feasibility challenges discussed in the EIR/EIS. In addition, the EIR/EIS explained that the use of horizontal wells would not avoid or minimize any of the impacts associated with the proposed slant wells. (*Ibid*.)

  - Moreover, as Applicant's Staff Report, Section IV.J explains, at the coast, seawater entering the slant wells has the shortest and least restricted pathway through the overlying seafloor deposits. (See Final EIR/EIS, p. 4.4-65.) Further, in their proposed location, the slant wells would have a zone of capture with a western extent just offshore where the drawdown would be deepest, creating more flow of seawater to the slant wells. (*Ibid*.) Additionally, the drilling technology

[11] Contrary to MCWD's assertions that the Project would exacerbate seawater intrusion (MCWD Letter, p. 83), the Project will prevent further seawater intrusion from migrating inland, thereby providing significant benefits to the Monterey Peninsula, the agricultural community of Castroville, and CSIP by safeguarding groundwater resources for agricultural uses. (See Applicant's Staff Report, Section IV.N.)

involved in installing slant wells generally limits wells to a maximum length of several hundred feet. (See Applicant's Staff Report, Section IV.J.) Thus, to capture groundwater contaminated by seawater intrusion effectively, the slant wells cannot be moved further inland and outside of the Coastal Zone.

8. Groundwater-Dependent Ecosystems

- MCWD argues that there are vernal ponds and wetlands that are groundwater dependent ecosystems ("GDE"s) and that the vernal ponds and wetlands are located in areas that will experience significant drawdowns from the Project. (MCWD Letter p. 17.) MCWD notes that if the vernal ponds are connected to the underlying groundwater they could be significantly impacted by the Project and that additional field work and modeling is needed to assess these potential effects. (*Ibid.*) MCWD further states that the "only evidence in the record indicates these vernal ponds and wetland areas are connected to the underlying groundwater" and that without additional information the Staff Report cannot address whether the Project is consistent with Coastal Act and LCP policies regarding vernal ponds. (*Id.*, p. 18.)

    - As discussed above in Attachment B, Section B, Cal-Am submitted a detailed analysis regarding the vernal ponds, which demonstrates that the vernal ponds are not likely to be hydraulically connected to the Dune Sand Aquifer from which the Project will pump water, and therefore are unlikely to be impacted by the Project. Nevertheless, Cal-Am proposes Special Condition 7, which would require implementation of an Adaptive Management Program whereby the ponds would continue to be evaluated prior to Project operations. If it is determined that the ponds could be adversely affected from Project pumping, the Adaptive Management Program requires implementation of wetland resiliency, enhancement, or restoration activities to ensure that there would be no adverse effects associated with the Project. Therefore, the analysis requested by MCWD has been prepared and the Commission has sufficient evidence to conclude that any impacts to the vernal ponds will be mitigated to the maximum extent feasible.

- MCWD also argues that an alternatives analysis is required. As noted in Section I a complete analysis of alternatives has been prepared and the PWM Expansion is not a feasible alternative to the Project. Consistent with CEQA Guidelines Section 15126.6 the alternatives analyzed in the Final EIR/EIS include a reasonable range of alternative including those that would not have resulted in drawdowns in the vicinity of the vernal ponds and wetlands. In addition, as noted above, with implementation of Special Condition 7 potential impacts to the vernal ponds would be reduced to the maximum extent feasible.

E. Energy Consumption & Climate Change

- MCWD argues that Mitigation Measure 4.11-1 cannot reduce the Project's carbon footprint to zero because the measure requires the purchase of offsets, contending that *Golden Door Properties, LLC v. County of San Diego* (2020) 50 Cal.App.5th 467 ("*Golden Door II*") invalidated a similar mitigation measure. (MCWD Letter, pp. 39-40.)

MCWD fundamentally misunderstands the *Golden Door II* court's holding, as well as Mitigation Measure 4.11-1.

- MCWD contends that in *Golden Door II*, the "main problem with the offset mitigation measure was that it lacked sufficient safeguards to ensure the offsets were 'real, permanent, verifiable, and enforceable,'" because the measure did not identify protocols for the measure's identified registries to implement. (MCWD Letter, p. 39-40.) In *Golden Door II*, the County of San Diego attempted to argue that because its measure was "substantially similar" to California's cap-and-trade program (this is what the MCWD letter refers to as the CARB-approved registry), the offset credits purchased under the measure were "real, permanent, verifiable, and enforceable" and therefore contained performance standards under CEQA. (*Golden Door II*, *supra*, 50 Cal.App.5th at p. 511.) Because compliance with cap-and-trade was the basis for the County's argument that its measure was sufficient under CEQA, the court looked to cap-and-trade standards, including whether the measure included rigorous rulemaking procedures for offset protocols like the cap-and-trade program. (*Id*., pp. 511-515.) Accordingly, *Golden Door II* does not hold that the ***only*** way for an offset measure to comply with CEQA is to incorporate cap-and-trade requirements, and recognized that its holding was "necessarily limited to the facts of this case." (*Id*., p. 483.) Mitigation Measure 4.11-1 need not include CARB-approved protocols for cap-and-trade to comply with CEQA because unlike the measure in *Golden Door II*, it does not utilize cap-and-trade requirements as the basis for the measure's CEQA compliance.

  Indeed, Mitigation Measure 4.11-1 contains other performance standards to ensure that mitigation of GHG emissions occurs. Mitigation Measure 4.11-1 requires Cal-Am to submit documentation annually to the "CPUC demonstrating that the project's operational electricity use in the immediately preceding calendar year resulted in net zero GHG emissions." (FEIR, p. 4.11-20.) Should the CPUC determine that Cal-Am has not achieved net zero GHG emissions, the CPUC will provide to Cal-Am a notice to procure, submit, and retire offsets in an amount at least equivalent to the exceedance. (*Id*., p. 4.11-21.) The *Golden Door II* measure was overturned in part because it contained no such requirements for demonstrating that net zero GHG emissions were achieved or any enforcement mechanisms for the County of San Diego to ensure that mitigation was actualized.

- MCWD contends that Mitigation Measure 4.11-1 is "problematic" because it leaves the decision to move to the next loading order option up to Cal-Am "solely on what Cal-Am believes is 'reasonable,'" speculating that Cal-Am will "no doubt . . . select the cheapest option." (MCWD Letter, p. 40.) Cal-Am committed to quantify and describe the carbon footprint for all operational components, summarize available "state-of the art energy recovery and conservation technologies available for utility scale desalination facilities," and then implement "feasible energy recovery and conservation technologies." (FEIR, p. 4.11-19.) Should a technology be infeasible, the GHG Emissions Reduction Plan will "clearly explain why such technology is considered to be infeasible." (*Ibid*.) Only after Cal-Am has implemented all feasible conservational technologies will

Cal-Am implement Mitigation Measure 4.11-1 subsection (b) which provides the requirement that all operational electricity usage results in net zero GHG emissions. (*Id*., p. 4.11-20.) Specifically, Mitigation Measure 4.11-1(b) requires that Cal-Am adhere to the following loading order: 1) obtain renewable energy from on-site solar panels and/or the adjacent landfill-gas-to-energy facility; 2) purchase renewable energy from off-site sources within California such as PG&E or Monterey Bay Community Power; 3) procure and retire Renewable Energy Certificates for projects or activities in California; and 4) procure and retire Carbon Offsets. (*Id*., p. 4.11-20.) Cal-Am is required to "progress through the loading order on the basis of the options' physical and economic feasibility." (*Ibid*.) Cal-Am notes that the purchase of zero carbon electricity currently is, and likely will continue to be, a less expensive option than purchasing and retiring carbon offsets, rendering MCWD's concern that offsets will compose the entirety of Cal-Am's mitigation meritless.

- MCWD additionally argues that the PWM Expansion is the best alternative because it does not result in significant greenhouse gas emissions or energy impacts. (MCWD Letter, p. 40.) As discussed in Section I *infra*, the PWM Expansion's proposed use of landfill gas is facing obstacles placing into question the PWM Expansion's actual energy impacts. Further, as discussed in Section I, the PWM Expansion is infeasible and should not be considered as an alternative to the Project.

F. Public Access and Recreation

- MCWD's Letter claims that the Project would be inconsistent with the Coastal Act and LCP policies regarding public access and recreation. (MCWD Letter p. 41.) The MCWD Letter also argues that because the Commission has not yet approved a restoration and access plan pursuant to the CEMEX Settlement Agreement it is difficult to estimate the full extent of impacts. (*Ibid*.) Finally, the MCWD Letter claims there would be public access and recreation impacts associated with the outfall liner. (*Ibid*.)

  - As discussed above in Attachment A, Section IV.L:

    - Coastal Commission staff determined that the Project could conform with Coastal Act and LCP public access and recreation policies with the implementation of special conditions. (Staff Report, pp. 80-81.) Cal-Am has proposed Special Condition 10 to ensure that the Project is consistent with relevant Coastal Act and LCP policies regarding public access.

    - Evaluating the Project's impacts against what would occur as part of a not yet approved restoration plan under the CEMEX Settlement Agreement is the improper baseline for evaluating the Project's public access and recreation impacts.

    - Cal-Am has redesigned the outfall liner such that construction would not impact public access or recreation.

- Further, MCWD claims that Cal-Am's proposed Public Access Plan would not cure the Coastal Act and LCP inconsistencies and would constitute improper deferral of mitigation. (MCWD Letter, p. 41.)

    - The Project would only occupy 0.06 percent of the 400+ acre CEMEX site and would occupy an additional 0.25 acre of the CEMEX site periodically for maintenance, amounting to 2.2 acres over the course of the Project's life—accordingly the Project's impact on public access would be *de minimis*. The Staff Report agreed that a special condition could ensure that the Project is consistent with public access and recreation policies. (Staff Report, pp. 81-82.).

    - Despite the minor scope of potential impacts, Cal-Am proposed Special Condition 10, which ensure that the Project would be consistent with the Coastal Act and LCP. The Public Access Plan was prepared consistent with other Coastal Commission public access plans and does not constitute improper deferral of mitigation.[12] The proposed Public Access Plan specifically requires that Cal-Am prepare a detailed Public Access Plan indicating the location of construction and maintenance areas, staging areas, and access corridors on the CEMEX site. Accordingly, the Public Access Plan would ensure that the Project is consistent with public access and recreation policies.

    - Moreover, MCWD's attempt to impose CEQA principles regarding deferral of mitigation onto the Commission's review of LCP and Coastal Act consistency are baseless. CEQA states that "[f]ormulation of mitigation measures should not be deferred until some future time." (CEQA Guidelines, § 15126.4(a)(1)(B).) However, neither the Coastal Act nor the LCP include any such provision. The Commission's role in issuing coastal development permits is to determine whether "the proposed development is in conformity with the certified local coastal program" and other applicable Coastal Act policies—the Commission's role does not include conducting a review under CEQA. (Coastal Act, § 30604.)

- Therefore, consistent with the Staff Report conclusion, with the implementation of Special Condition 10 the Project would be consistent with Coastal Act and LCP policies related to public access and recreation.

G. Visual Resources

- MCWD contends that construction and operation of the project will adversely impact visual resources within the City of Marina and in the Coastal Zone. (See MCWD Letter, pp. 42-43.)

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[12] For examples of similar recently imposed conditions requiring a plan or document prior to CDP issuance see Staff Report, CDP No. 5-19-1266 (June 18, 2020), https://documents.coastal.ca.gov/reports/2020/7/F17d/F17d-6-2020-report.pdf and Staff Report, CDP No. 6-20-0190 (July 23, 2020), https://documents.coastal.ca.gov/reports/2020/8/TH7b/TH7b-8-2020-report.pdf.

- ***MCWD's arguments are inconsistent with the Staff Report***. The Staff Report concluded that the Project "would not be on prominent ridgelines, and permanent development would mainly be hidden from public view." (Staff Report, p. 84.) The Staff Report further concluded that while "ongoing maintenance activity at the well head sites might be visible from nearby public locations, it would likely be limited in extent so that it would not conflict with the LCP's requirement that development below the ridgelines be limited in height and mass to blend into the face of the dunes." (*Ibid*.) Further, the Staff Report determined that while "[c]onstruction activities would have several temporary adverse visual impacts . . . none . . . [would] conflict with the LCP's or Coastal Act's visual resource policies." (*Ibid*.) The Staff Report further stated that "the Commission could adopt special conditions requiring that Cal-Am implement any additional measures needed to ensure . . . [the] Project would conform to . . . visual resource-related provisions." (*Ibid*.) In the Applicant's Staff Report, Cal-Am has proposed Special Conditions 11 to address staff's visual resources concerns. Special Condition 11 requires implementation of a Facility Design and Screening Plan and Special Condition 12 requires implementation of a Lighting Plan. Implementation of these two plans will ensure that the Project is consistent with applicable LCP and Coastal Act visual resources policies.

- ***MCWD's arguments are inconsistent with the Final EIR/EIS***. The Final EIR/EIS concluded that temporary construction activities for the Project would have a less than significant impact on visual resources. (Final EIR/EIS, p. 4.14-30 - 4.14-33.) While not required to avoid a significant impact, the Final EIR/EIS included Mitigation Measure 4.14-1 to ensure a clean and orderly construction site. (Final EIR/EIS, p. 4.14-33.) Mitigation Measure 4.14-1 requires basic daily site maintenance and construction area screening where appropriate. (Final EIR/EIS, p. 4.14-33.) Regarding permanent impacts, the Final EIR/EIS concluded that impacts would be less than significant with mitigation and included Mitigation Measures 4.14-3a (Facility Design) and 4.14-3b (Facility Screening) to ensure that Cal-Am will design the Project to avoid or minimize contrast with the surrounding setting and screen the facilities from public views to the extent feasible. (Final EIR/EIS, p. 4.14-42 - 4.14-43.)

- MCWD also contends that there would be visual impacts associated with the outfall liner construction work. (See MCWD Letter, p. 42.)

  - The Final EIR/EIS concluded that construction activities associated with the outfall liner would be less than significant. (Final EIR/EIS, p. 4.13-31.)

  - Further, as discussed herein, Cal-Am recently proposed an alternative approach to the outfall liner that would maintain the existing M1W outfall pipeline and avoid groundbreaking and impacts within the Coastal Zone. Specifically, Cal-Am has proposed excavating a single access point to the pipeline outside of the Coastal Zone and manually applying a protective spray liner throughout the pipeline's interior from the access point to the beach junction box. As a result of this change it would no longer be necessary for Cal-Am to excavate, open, and install a new

physical liner in the pipeline at ten locations along the M1W right-of-way and no above grade work would occur within the Coastal Zone. Accordingly, the new design of the outfall liner would entirely avoid any potential visual impacts within the Coastal Zone.

H. Environmental Justice

- MCWD asserts that the Project would provide water "far beyond the amount actually required to serve future demand," while providing "an incidental benefit . . . to Castroville Community Services District." (MCWD Letter, pp. 43, 44; see also *id.*, p. 45.) According to MCWD, resolving water quality problems for Castroville is not a Project objective and cannot offset the "environmental injustice" of locating more industrial development in Marina, which would bear all the burden and no benefit. (*Id.*, p. 44.)

    - As explained above in Attachment B, Section I and in the Applicant's Staff Report, the Project will protect the Peninsula's groundwater supplies in the SVGB and Seaside Groundwater Basin from seawater intrusion and provide a reliable drought-proof water supply for economic growth and much-needed affordable residential development. (See Applicant's Staff Report, Sections IV.J, IV.N, IV.P.) These are benefits that all residents of the Monterey Peninsula would enjoy, including residents in Marina.

    - Further, the Applicant's Staff Report describes in detail, the Project is appropriately sized to meet the Peninsula's projected future demand. (See Applicant's Staff Report, Section IV.O.)

    - Moreover, the Project's benefits to Castroville, a disadvantaged community, are significant. (See Applicant's Staff Report, Section IV.N.) Castroville's agricultural operations are vital to the region's economy. (See Dudek Memorandum, p. 6.) However, Castroville is facing serious water shortages due to seawater intrusion in the SVGB. (*Ibid.*) The Project will not only prevent further seawater intrusion in the SVGB, but will also reduce Castroville's need to pump water from the SVGB as a result of Cal-Am providing desalinated water to Castroville pursuant to the Agency Act and Return Water Settlement Agreement. (See Applicant's Staff Report, Section IV.N.)

    - Finally, as discussed in Section F, the Project's footprint in Marina is *de minimis*, and would permanently occupy only a quarter-acre on the 400+ acre CEMEX site. (Staff Report, p. 81; see also June 30 Letter to Commission, pp. 33-35; Applicant's Staff Report, Section IV.L.) Such a limited footprint would not create additional burden on the City of Marina.

- MCWD claims it would be an "injustice" to "impos[e] additional significant water costs on Cal-Am's customers, who are already paying the highest water rates in the nation." (MCWD Letter, pp. 44, 79.) MCWD argues that Cal-Am's data shows average bills increasing from $78/month to over $105/month before desalination, and that desalination

would add more than $41 to those monthly bills. "That outcome would result in Cal-Am's average customer paying $147 per month, nearly 50% more than the Food and Water Watch study's control amount, while still using less water." (*Id*., pp. 46, 79.)

- Desalination is expected to increase costs, but, as determined by the CPUC, this increase is necessary to achieve a safe and reliable source of water for the Peninsula. (CPUC Decision D.18-08-017, pp. 123-24.) With implementation of Special Condition 13, these costs would not be shouldered by low income customers. Because the Customer Assistance Program ("CAP") discount would increase from 30% to 50%, enrolled customers in single family homes could see a bill increase of only about $10 to $12 per month for desalination facility costs and financing. This would be a substantial reduction in monthly compared to customers who are not in the CAP program. Additionally, Special Condition 13 commits Cal-Am to contribute an additional $250,000 to the United Way to assist customers in having financial difficulties paying monthly bills.

- MCWD argues that its "own water supply will be threatened by the project's slant wells pumping 17,000 AFY in close proximity to Marina Coast's groundwater wells." (MCWD Letter, p. 44; see also *id*., p. 45.)

  - As explained above in Attachment B, Sections E and I, ***the Project will not impact Marina's municipal supply wells***. (See also Staff Report, p. 68; Applicant's Staff Report, Section IV.J.)

- MCWD contends that the Project will permanently impact "at least seven acres of unique Flandrian Dunes, including ESHA," as well as adversely affect the "freedom to enjoy such pristine open space, *free of cost*." (MCWD Letter, p. 44.) In addition, MCWD argues that Cal-Am's assertion that only a small area would be permanently fenced from public access misses the point about impacts to ESHA and impairing the public's access to all "presently-existing features of the property." (*Id*., p. 45.)

  - ***ESHA.*** Although the Project would be inconsistent with Marina LCP's habitat protection policies because the Project is not a resource-dependent use, the Final EIR/EIS determined that the Project would not result in a significant adverse ***physical*** impact to sensitive habitats. (See Attachment B, Section A.) Further, with implementation of the mitigation identified in the Final EIR/EIS, Cal-Am's HMMP, and the Special Conditions identified in the Applicant's Staff Report, potential impacts to ESHA would be mitigated to the maximum extent feasible. (See Applicant's Staff Report, Sections IV.F, IV.P.) The Project would conform to the LCP's habitat protection policies as supplemented by Coastal Act section 30260, which allows the Commission to approve the Project as a coastal-dependent industrial facility. (See *id*., Section IV.P.)

  - ***Public Access.*** As explained in Attachment B, Section G, the Project's presence is *de minimis* and as compared to "existing features of the property," would not prevent ***any*** public access because the CEMEX site is not currently publicly accessible. Further, although the Final EIR/EIS indicated that the disturbed area

from ongoing well maintenance would be 6 acres, that area has been reduced to 2.2 acres as a result of selecting the smaller desalination project and subsequent design drawings. (See Section A.) Therefore, any future, speculative impacts to public access and recreation are even smaller than previously analyzed.

- MCWD contends that Cal-Am's assertion that the Project would help prevent further seawater intrusion is based on flawed groundwater modeling in the Final EIR/EIS. (MCWD Letter, pp. 45-46.) According to MCWD, more modeling must be performed to incorporate the AEM and Fort Ord data. (*Ibid*.) MCWD also argues that a flat groundwater gradient "must be achieved during the life of the project under the SGMA." (*Id*., p. 46.)

    - ***Sufficiency of Groundwater Modeling.*** As explained in the Applicant's Staff Report, Section IV.J, the extensive groundwater modeling for the Final EIR/EIS involved a multi-year, peer-reviewed effort that conservatively analyzed the Project's OWP and potential impacts to groundwater supplies in the SVGB. (See also Attachment B, Section E; Attachment C, Section D.)

        - Further, as the Applicant's Staff Report explains, no additional modeling to incorporate the AEM studies and Fort Ord data is required or appropriate. (See Applicant's Staff Report, Section IV.J.) The AEM studies are flawed and inaccurately characterize "fresh" water in the SVGB, and the Fort Ord data are from outside the Project area. (See *ibid*.)

    - ***Groundwater Gradients.*** As explained in the Applicant's Staff Report, Section IV.J, SGMA does not require that groundwater gradients in the SVGB be flat or seaward. Rather, SGMA requires that existing seawater intrusion not be exacerbated. (See *ibid*.; see also Attachment B, Section E; Attachment C, Section D.)

- MCWD argues that the CPUC's rate determinations have no bearing on the Project's environmental justice impacts to the Marina, Fort Ord, and Seaside communities served by MCWD. (MCWD Letter, p. 46.)

    - While true that CPUC's "just and reasonable" rate determination does not affect potential impacts to communities served by MCWD and not Cal-Am, it is a necessary consideration when evaluating the Project's environmental justice impacts. The CPUC already considered the rate increases associated with the Project, acknowledged that they were not insignificant, but determined they were just and reasonable considering the need to supply reliable water to the Peninsula. (CPUC Decision D.18-09-017, pp. 19-20, 123-124.) The other environmental impacts allegedly borne by Marina, Fort Ord, and Seaside communities are separately addressed in Attachment B, Section I. (See also Applicant's Staff Report, Section N.)

- MCWD asserts that the Project is no longer required for Cal-Am to serve its customers and comply with the CDO. (MCWD Letter, p. 46.) Further, MCWD claims that the "No

Action or PWM Expansion alternatives meet most or all of the project objectives," with "little to no adverse environmental impact" and "far less cost to Cal-Am's customers." (*Ibid*.)

  - As thoroughly described in Attachment B, Section J, the PWM Expansion is not a feasible alternative and would raise a host of its own environmental impacts. A "No Action" alternative would also fail to meet project objectives and leave the Peninsula without a reliable water supply. (See, e.g., Applicant's Staff Report, Section O.)

- MCWD argues that the CPUC's provision of required CEQA and NEPA notices and meetings "provided scant real opportunity for engagement to hard-working, low-income citizens in Marina and the Ord Community." (MCWD Letter, p. 47.)

  - MCWD provides no support for its assertion that the CPUC's and Monterey Bay National Marine Sanctuary's public hearings as part of the Project's environmental review did not provide meaningful opportunities for Marina and Fort Ord residents to participate. As explained in the Applicant's Staff Report, Section IV.N, the public—including Marina residents—had ample opportunities to participate before the CPUC and other agencies regarding the Project's environmental review and ratesetting. (See also CPUC Decision D.18-09-017, Appx. J, Ex. A.) Numerous Marina residents and organizations participated in those proceedings.

- MCWD argues that Cal-Am does not explain what environmental justice policies would be frustrated by the public acquisition of the Monterey District system. (MCWD Letter, pp. 47-48.)

  - MCWD ignores that acquisition of Cal-Am's water delivery system in Monterey could cost more than $1 billion. (See June 30 Letter to Commission, pp. 43-44.) These costs would necessarily be borne by ratepayers and would likely result in rate increases substantially in excess of those estimated from the Project. Thus, the disproportionate environmental justice impacts that MCWD alleges would result from the Project would likely occur many times over if a public takeover of the water system were to occur.

- MCWD claims that rates will be higher if the project were not operated at full capacity. (MCWD Letter, p. 77.)

  - As explained in Attachment B, Section J, the Project will be required to operate at or the expected 86% capacity to meet water demands within the Peninsula. However, even if the Project operates at a reduced capacity, how much the water facility produces (or does not produce) is not a material variable in rates that customers are charged, except for minor, incremental operating and maintenance costs. Thus, whether the project produces 2,000 acre feet or 10,000 acre feet of water each year, the amount needed to be recovered annually from customers for to repay physical construction costs, including set financing repayment

requirements, and annual operation and maintenance costs essentially remains the same. Based on available information, the CPUC approved a rate increase of about $37-$40 per month for the average Cal-Am customer in a single-family residence for the desalination facility, and that increase is not tied to per acre foot water costs. That is why the CPUC found that approving a smaller 4.8 MGD desalination facility would not result in any "significant, if any, cost savings to ratepayers" and determined that alternative was not feasible. (CPUC Decision 18-09-017, p. 129.)

- MCWD alleges that rates are increasing as conservation increases, and that this must be addressed through a change to pricing structure that would need to be approved by the CPUC. (MCWD Letter, p. 78.)

    - MCWD is correct that the CPUC has sole jurisdiction over ratemaking and any change of this nature would need to be considered through an entirely separate process. (MCWD Letter, p. 78.) As Cal-Am has previously explained, water conservation and reduction in water use can have the unintended consequence of increasing water prices because water utilities generally have high fixed costs associated with infrastructure, improvements, staff, and maintenance. This situation is not unique to Cal-Am; on average, about 70 percent of a water utility's revenue is devoted to fixed costs. When sales are reduced as a result of water conservation, the variable costs go down, but the fixed costs remain, so the cost of each unit of water must increase to support the fixed costs and keep the water utility's finances stable. While customers who conserve will always pay less than those who do not, they may not see substantial reductions in monthly bills due to conservation because the fixed costs remain. (See June 30 Letter to Commission, p. 93.)

- MCWD also states that Cal-Am has not provided information regarding how much water its customers use or how much they pay altogether for their water. (MCWD Letter, p. 79.)

    - Cal-Am has provided ample information on how much water its customers use and how much they pay for the water based on average use and average costs. (See Dudek Memorandum, pp. 3-4; June 30 Letter to Commission pp. 37, 92-93.)[13] Moreover, Attachment B, Section I and the Applicant's Staff Report, further describe the costs to customers who are eligible for Cal-Am's Customer Assistance Program. For example, because the discount associated with the Customer Assistance Program, as proposed under Special Condition 13, will increase from 30% to 50%, water bills for enrolled customers will actually decrease after Project implementation.

I. Assessment of Alternatives

[13] Additional information regarding rates in the Monterey service area is available here: https://www.amwater.com/caaw/Customer-Service-Billing/Water-Rates/Monterey-District.

1. Interpretation of Coastal Act Sections 30233 and 30260

- MCWD asserts that Coastal Act sections 30233 and 30260 and CEQA require the Commission to consider complete alternatives to desalination facilities, relying on guidance documents issued by the Commission. (MCWD Letter, pp. 48-49, 67-68.)

    - MCWD misleadingly cites two guidance documents issued by the Commission for the proposition that an alternatives analysis may be "need[ed] to evaluate whether using or providing a public water source is a feasible option" and that the Commission's policy is to consider complete alternatives to desalination under Coastal Act sections 30233 and 30260. (MCWD Letter, pp. 48-49.) The Commission's policy statements do not support MCWD's claims.

        - First, the policy statements affirm that section 30233 only applies to projects involving any diking, dredging, of filling in coastal waters. (See *Briefing on the Applicability of Coastal Act Policies to Public and Private Desalination Facilities*, dated February 20, 2003, p. 7 ["Section 30233(a) requires in part that projects involving fill in coastal waters be allowed only under particular conditions."] [emphasis added]; *Desalination and the Coastal Act*, dated March 20, 2004, p. 30 ["*To place fill in coastal waters*, a proposed development must fall within one of the eight categories listed under Coastal Act section 30233"] [emphasis added].) As explained in Applicant's Staff Report, section 30233 does not apply to the proposed Cal-Am Project because the Project does not propose diking, filling, or dredging of coastal waters. (Applicant's Staff Report, Section IV.I.)

        - Second, the policy statements affirm that section 30260 is limited to considering alternative locations. (See *Briefing on the Applicability of Coastal Act Policies to Public and Private Desalination Facilities*, dated February 20, 2003 ["Section 30260 states that coastal-dependent facilities may be permitted . . . if there are no feasible, less environmentally damaging *alternative locations*."] [emphasis added]; *Desalination and the Coastal Act*, dated March 20, 2004, p. 30 [noting section 30260 asks "[a]re *alternative locations* infeasible or more environmentally damaging?"] [emphasis added].) Further, as discussed in the Staff Report Response, there is no feasible alternative project that better protects public trust resources. (Applicant's Staff Report, Section IV.P.)

    - As explained in the Applicant's Staff Report, Section IV.O, Coastal Act section 30233 does not apply to the Proposed Project. (See Pub. Resources Code, § 30233, subd. (a); June 30, 2020 Letter to Commission, pp. 45-46.) Here, the Project does not involve any diking, dredging, or filling of open coastal waters—as such, section 30233 does not provide the Commission with any authority to consider whether there is a "feasible less environmentally damaging alternative" to the Project. (June 30, 2020 Letter to Commission, p. 46; Section C, *supra*.) Even if certain components did constitute "fill"—which they do not—the

Commission's authority would be limited to review of alternatives as to those components, not wholesale alternatives to the entire Project. (June 30, 2020 Letter to Commission, p. 46.)

- Similarly, the plain language of section 30260 grants the Commission the authority to consider only "***alternative locations***" for coastal-dependent facilities—nothing in this section permits the Commission to assess wholesale project alternatives. (June 30, 2020 Letter to Commission, pp. 46-47; see also Attachment B, Section J.1.) Further, as discussed in Attachment B, Section J.1, the Commission is limited to considering alternatives only within the Coastal Zone.

2. <u>Feasibility</u>

- MCWD argues that the PWM Expansion is "ready to be approved and implemented in short order," asserting that while the M1W Board declined to certify the Final SEIR on April 27, 2020, in a second vote at that meeting, the M1W expressly voted against denying certification of the Final SEIR and terminating further action on the PWM Expansion. (MCWD Letter, p. 49.)

  - First, MCWD ignores that a letter from M1W to Cal-Am explicitly confirmed that the M1W Board had, on April 27, 2020, taken action "denying certification" of the Final SEIR for the PWM Expansion. (See June 8, 2020 M1W Letter to Cal-Am, p. 1.)

  - Second, MCWD's assertion that the PWM Expansion can be implemented in short order wholly ignores the fact that M1W lacks the funding to correct the deficiencies identified in the PWM Expansion SEIR, which prompted the M1W Board to deny certification of the SEIR. (See Applicant's Staff Report, Section IV.O.1.) As stated by M1W itself, "[M1W] does not have additional budget funds at this time for dealing with any additional deficiencies that have been identified . . . or could be identified in the future. [M1W] has suspended all of the remaining contracts on these matters to prevent further consultant expenditures." (See May 20, 2020 M1W Board of Directors Staff Report, p. 1.) Moreover, as explained in M1W's August 20, 2020 letter to the Commission, M1W has suspended all work on the PWM Expansion. (See August 20, 2020 M1W Letter, p. 3.)

  - Finally, before M1W could certify the PWM Expansion SEIR, it must recirculate the SEIR to provide for public notice and comment regarding significant new information, including the post-2013 wastewater or "WWTP" flow data recently disclosed by M1W. (See Applicant's Staff Report, Section IV.O.1; see Attachment B, Section J.2.b; Pub. Resources Code, § 21092.1; CEQA Guidelines, § 15088.5.) Similarly, as discussed below, M1W has proposed the potential construction of additional deep wells. Initially, M1W anticipated adding a third deep injection well, but is now discussing adding a fourth. (See August 31, 2020 M1W Board of Directors Meeting, at 1:14:20 to 1:22:10 [discussing amending bid

request for the third deep injection well to include construction of a fourth deep injection well], available at https://montereyonewater.org/290/Audio-Recordings-of-Board.) Should M1W choose to construct these wells, it would again be required to revise and recirculate the PWM Expansion SEIR to permit public notice and comment regarding the impacts associated with these wells. (See Applicant's Staff Report, Section IV.O.1.) There is no reason to believe that M1W will be able to suddenly pick up the pieces of the PWM Expansion and approve and implement a complex water treatment system "in short order."

- MCWD asserts that the M1W Board did not deny certification of the Final SEIR due to deficiencies in the SEIR's environmental analysis, but rather that the agenda packet for the M1W Board's April 27, 2020 meeting contained detailed responses to Cal-Am comments on the SEIR. (MCWD Letter, pp. 49-50.)

    - Contrary to MCWD's claims, M1W has expressly acknowledged that the following significant deficiencies remain unaddressed in the SEIR that was provided to the M1W Board for certification:

        - The SEIR did not adequately address comments expressing concern that M1W cannot document the quantity and reliability of the source water available for the PWM Expansion;

        - The SEIR fails to support its conclusions regarding long-term water supply and demand, which are contrary to the CPUC demand determination and estimates from Peninsula cities;

        - The SEIR fails to properly evaluate potential impacts to agricultural water supplies due to reductions in available agricultural irrigation water because of the Expansion;

        - The SEIR does not evaluate the PWM Expansion as either an alternative to or a cumulative project with the Project. (May 20, 2020 M1W Board of Directors Staff Report, p. 2; August 12, 2020 Cal-Am Letter to Commission.)

    - M1W staff has stated that they do not have the funding to fix these deficiencies, and has therefore halted all work on the PWM Expansion. (See May 20, 2020 M1W Board of Directors Staff Report, p. 1.) It does not appear that M1W intends to or is capable of correcting these significant deficiencies in the near future.

- MCWD asserts that the Commission was required to consider the PWM Expansion as an alternative to the Project because there is "ample new information demonstrating that PWM Expansion is a feasible alternative." (MCWD Letter, p. 50.)

    - MCWD does not point to any new information demonstrating that the PWM Expansion has become a feasible Project alternative. In fact, just the opposite has occurred. In an August 20, 2020 letter to the Coastal Commission, M1W provided new information regarding wastewater flows from 2014 to 2019, that

were not previously available to the public or analyzed in the SEIR for the PWM Expansion. In an August 23, 2020 memorandum (the "August 23, 2020 Hazen Memo"), Hazen & Sawyer evaluated the new flow information and found that the new flow information only further confirmed the conclusion that source water for the PWM Expansion is inadequate and speculative and that the Expansion is not a feasible alternative to Cal-Am's Project. This analysis built upon the Hazen & Sawyer memorandum provided to the Commission on August 11, 2020, which reached the same conclusion (the "August 11, 2020 Hazen Memo").

- Moreover, M1W's new information regarding wastewater flows, which would provide a significant proportion of the source waters for the PWM Expansion, itself constitutes significant new information under CEQA.

    - Under CEQA, when "significant new information" is added to an EIR after the public notice and comment period, but before certification of the EIR, the lead agency must provide notice of an additional public comment period before certifying the EIR. (Pub. Resources Code, § 21092.1; CEQA Guidelines, § 15088.5; *Save Our Peninsula Committee*, 87 Cal.App.4th 99, 130; *Cadiz Land Co. v Rail Cycle* (2000) 83 Cal.App.4th 74, 95.)

    - Appendix I to the PWM Expansion Final SEIR does not consider post-2013 WWTP flow data, which demonstrates a consistent trend of decreasing WWTP flow to source the PWM Expansion, despite the fact that M1W apparently possessed this data when preparing the Final SEIR. (See August 23, 2020 Hazen Memo, p. 4; see Applicant's Staff Report, Section IV.O.1.) Accordingly, overall demand for the source waters listed for the PWM Expansion far exceeds available supplies in both Normal/Wet years and Dry years. (August 23, 2020 Hazen Memo, p. 6.) This newly released post-2013 WWTP flow information constitutes significant new information under CEQA because M1W must identify and analyze available water sources for the Expansion in order to demonstrate whether that project is feasible or whether potential environmental impacts could result. Regardless of where this new water is sourced, its diversion to the PWM Expansion could generate a significant new impact, which has yet to be evaluated. Likewise, by not including post-2013 WWTP flow data, which appears to have been in M1W's possession for years, M1W has created a document "so fundamentally and basically inadequate and conclusory in nature that meaningful public review and comment were precluded." (See CEQA Guidelines, § 15088.5, subd. (a)(4).) Because the public was unable to accurately analyze whether the PWM Expansion could achieve its stated purpose, the Final SEIR failed in its fundamental purpose as an informational document by excluding this crucial information from public consideration. As a result of all of these flaws, the Final SEIR will need to be revised and recirculated for public comment, a process that could add at least an additional six to twelve

months or more to the project's timeline—further demonstrating that the PWM Expansion is not a feasible alternative.

- Similarly, M1W has proposed the potential construction of additional deep wells in an attempt to resolve the injection refusal issues currently faced by the Phase I PWM. Initially, M1W anticipated adding a third deep injection well, but is now discussion adding a fourth. (See August 31, 2020 M1W Board of Directors Meeting, at 1:14:20 to 1:22:10 [discussing amending bid request for the third deep injection well to include construction of a fourth deep injection well], available at https://montereyonewater.org/290/Audio-Recordings-of-Board.) Should M1W choose to construct these wells, it would again be required to revise and recirculate the PWM Expansion SEIR to permit public notice and comment regarding the impacts associated with these wells. (See Applicant's Staff Report, Section IV.O.1.)

- MCWD contends that the PWM Expansion satisfies each of the alternative feasibility criteria under CEQA and the Coastal Act, and is in fact more feasible than the Project. (MCWD Letter, pp. 50-53.)

  - As further explained below, the PWM Expansion has not been demonstrated to be a feasible project and should not be considered an alternative to the Project. (See Applicant's Staff Report, Section IV.O.1; see also June 30, 2020 Cal-Am Letter to Coastal Commission, Att. A, Section I.2.)

    a. "Capable of Being Accomplished in a Successful Manner"

- MCWD takes issue with Cal-Am's statement that the serious concerns with technology proposed for use in the Phase I PWM means that the PWM Expansion is not capable of being accomplished in a successful manner. Instead, MCWD argues that M1W has addressed each of Cal-Am concerns regarding the Phase I PWM and states that "there is no evidence suggesting that the issues raised by Cal-Am cannot be resolved." (MCWD Letter, pp. 50-51.)

  - As noted in the Applicant's Staff Report, the Phase I PWM continues to face significant, ongoing technological issues preventing the project from operating at full capacity, including sinkholes and/or subsidence, and injection refusal. (See Applicant's Staff Report, Section IV.O.1.) As a result, M1W estimates that current annual injection volume for Phase I PWM is only 2,030 afy—less than 58 percent of the 3,500 afy allocated for Cal-Am under the Water Purchase Agreement ("WPA"). (August 12, 2020 Cal-Am Letter, p. 2.)

  - In response to Cal-Am's concerns regarding inadequate injection rates from the Phase I PWM, M1W has proposed costly repairs to the shallow wells, final commissioning of the deep wells, and the addition of a third, and possibly a fourth, deep injection well. (August 12, 2020 Cal-Am Letter, p. 2.) However, it is not clear that these proposed actions will allow the Phase I PWM to operate at its expected capacity. In fact, M1W has recently been forced to propose the

addition of a fourth deep injection well, as the previously proposed third well is apparently inadequate to remedy injection refusal issues. (See August 31, 2020 M1W Board of Directors Meeting, at 1:14:20 to 1:22:10 [discussing amending bid request for the third deep injection well to include construction of a fourth deep injection well], available at https://montereyonewater.org/290/Audio-Recordings-of-Board.) Given that Phase I PWM and PWM Expansion would utilize the same technology, the technological concerns associated with the Phase I PWM apply equally to the PWM Expansion, and it is likely that M1W would also be forced to propose a similar continuing cycle of fixes for the PWM Expansion as is often the case for groundwater replenishment projects. (See Applicant's Staff Report, Exhibit 23, September 10, 2020 Hazen Memo, p. 5.)

- MCWD claims that concerns regarding availability of source waters for the PWM Expansion were fully addressed in Appendix M to the Final SEIR, and that there is far greater uncertainty regarding the Project's source waters. (MCWD Letter, p. 51.)

    - MCWD admits that PWM Expansion source water is "subject to certain seasonal variability." (MCWD Letter, p. 51.)

    - As Cal-Am has previously explained to the Commission, the water rights that M1W claims are available for the PWM Expansion in SEIR Appendix M are not permanent water rights, but instead are merely interruptible use entitlements, and many of those entitlements are disputed by the holders of the water rights. (August 12, 2020 Cal-Am Letter, p. 4.) The following issues remain regarding claimed PWM Expansion source waters: ARWRA source waters; questionable modifications of source waters; disputed agricultural source waters; source water quality issues; and overestimation of water supplies during drought years. (*Id.*, pp. 4-5.)

    - Regarding source waters, M1W, the Stoldt Memo, and MCWD do not account for the risks of using wastewater as a primary water source for the PWM Expansion—wastewater is subject to significant variability according to demand and drought conditions. (August 11, 2020 Hazen Memo, pp. 6-7.) Appendix I to the PWM Expansion SEIR fails to account for WWTP flows since 2013, or the fact that WWTP flows have been decreasing on the Peninsula, and thereby overstates available wastewater flows that may be used as source water. (*Id.*, p. 7.) Indeed, data regarding wastewater flows was entirely unavailable until it was provided by M1W in its August 20, 2020 letter to the Commission. Under a corrected WWTP flow analysis using this new information, there would be significantly depressed WWTP source water supplies for the PWM Expansion in Normal/Wet years, and no flow available for Phase I PWM and PWM Expansion during Dry years. (August 23, 2020 Hazen Memo, p. 6.) Moreover, the significant new information regarding wastewater flow data post-2013 requires recirculation of the PWM Expansion Final SEIR for renewed notice and comment. (Pub. Resources Code, § 21092.1; CEQA Guidelines, § 15088.5; *Cadiz Land Co.*, *supra*, 83 Cal.App.4th at p. 95.)

- With respect to surface water flows, recent data from the U.S. Geological Survey shows that average surface water flows in the Reclamation Ditch are lower than assumed in the Final SEIR, and therefore the SEIR overstates the availability of Reclamation Ditch flow as source water for the Phase I PWM and the PWM Expansion. (August 11, 2020 Hazen Memo, p. 11.) Moreover, agricultural flows have decreased by one-third in recent years, meaning that monthly flows to the Blanco Drain and the Agricultural Wash Water are also below what is projected in the SEIR. (*Ibid.*)

- Updated Figure 4 in the August 23 Hazen Memo shows that when lower WWTP and Reclamation Ditch flows are accounted for, demand for source waters identified for the PWM Expansion far exceeds available supplies in Normal/Wet years and in Dry Years. (August 23, 2020 Hazen Memo, p. 6.) Without an adequate source water supply, the Peninsula will have to choose between supplying source water for the PWM Expansion or for the CSIP system. (August 11, 2020 Hazen Memo, pp. 13-14.)

- Finally, the PWM Expansion fails to comply with state mandates specifically designed to ensure that water suppliers are capable of providing a drought-proof supply in the face of advancing climate change. Specifically, Governor Newsom's 2020 Water Resilience Portfolio's makes clear that water supplies must plan for prolonged drought conditions, and "[d]evelop strategies to protect communities and fish and wildlife in the event of a drought lasting at least six years."[14] As discussed above, during Normal/Wet years and in Dry years, the PWM Expansion will have inadequate source waters, and this deficit will only increase during prolonged periods of drought—as such, the Expansion does not achieve Governor Newsom's water supply resilience goals. Only the Project is capable of providing a reliable, drought-proof supply to the Monterey Peninsula.

b. "Within a Reasonable Period of Time"

- MCWD argues that while the PWM Expansion may not be implemented before the CDO deadline, "the evidence shows that PWM Expansion could be implemented long before the [Project]," and therefore can be completed within a reasonable period of time. To support this argument, MCWD again notes that the M1W Board rejected a motion to cease work on the PWM Expansion. (MCWD Letter, pp. 51-52.)

  - MCWD does not provide *any* evidence to support its assertion that the PWM Expansion can be implemented before the Project. Moreover, the M1W Board has denied certification of the PWM Expansion SEIR, which must now be recirculated to account for the significant new information disclosed by M1W regarding wastewater flow data and the potential additional deep injection wells. (Pub. Resources Code, § 21092.1; CEQA Guidelines, § 15088.5; *Cadiz Land Co.*,

[14] 2020 Water Resilience Portfolio (July 2020), p. 26, available at https://waterresilience.ca.gov/wp-content/uploads/2020/07/Final_California-Water-Resilience-Portfolio-2020_ADA3_v2_ay11-opt.pdf.

supra, 83 Cal.App.4th at p. 95.) Coupled with the fact that M1W does not possess the funding to correct deficiencies in the SEIR, and M1W's order to its staff to suspend work on any aspect of the PWM Expansion (see August 20, 2020 M1W Letter to Commission, p. 3), it is clear that ***the Expansion has now been delayed indefinitely.***

- MCWD claims that the Commission is not bound by the CDO deadline in determining whether the PWM Expansion is a feasible Project alternative. (MCWD Letter, p. 76.)

    - Without a feasible water supply, Cal-Am cannot provide a supply to replace its Carmel River withdrawals, which it is currently obligated to cease by the December 31, 2021 CDO deadline. The State Water Board CDO provides that the conditions thereto, as well as conditions set forth in previous iterations of the CDO, "shall remain in effect until (a) Cal-Am certifies, with supporting documentation, that is has obtained a permanent supply of water that has been substituted for the water illegally diverted from the Carmel River and (b) the Deputy Director for Water Rights concurs, in writing, with this certification." (State Water Board Order WR 2016-0016, p. 27.) As such, if Cal-Am does not obtain a new, permanent supply to replace its Carmel River withdrawals by the CDO deadline, the CDO conditions, including the moratorium on new service connections mandated by the 2009 State Water Board CDO, will remain in effect. The Commission must consider the CDO deadline, as failure to meet the CDO milestones would result in severe consequences for Cal-Am and its customers, including continuation of the service connection moratorium and the potential for mandatory rationing and further restrictions on water usage. (See Final EIR/EIS, pp. 5.4-10 to 5.4-11.)

c. <u>"Taking Into Account Economic, Environmental, Social, and Technological Factors"</u>

- MCWD argues that the PWM Expansion would "cost much less" than the Project, and would save Monterey Peninsula ratepayers millions of dollars. (MCWD Letter, p. 52.)

    - While PWM Expansion would cost somewhat less than Cal-Am's Project, it will not provide sufficient water to meet Peninsula water demand (even the low demand numbers advocated by MPWMD), and therefore it is not a feasible alternative. It also should be noted that Phase I PWM is facing significant cost overruns, which will be passed onto Cal-Am ratepayers. The CPUC approved a rate of $1,720 or less per-acre-foot for Phase I PWM water—as of June 2020, M1W stated that at the current projected delivery of 2,030 afy, costs would increase to $3,678 per-acre-foot. (August 12, 2020 Cal-Am Letter, p. 3.) Even under M1W's best case scenario, after repairs to the shallow wells, commissioning of deep wells, and the addition of a third deep well, costs would be $2,508 per acre-foot—a nearly 50 percent increase from the rate approved by the CPUC. (*Ibid.*)

- Moreover, MCWD fails to acknowledge that costs to Cal-Am's customers for Cal-Am's Project already have been established by the CPUC based on the capital costs to build the facility, the cost of long-term operations and maintenance, and the cost of financing, and are not materially affected by the per acre-foot cost of water. (See Applicant's Staff Report, Section IV.O.1.) Based on available information, the CPUC approved a rate increase of about $37-$40 per month for the average Cal-Am customer in a single family residence for the desalination facility, and that increase is not tied to per acre-foot water costs. That is why the CPUC found that approving a smaller 4.8 MGD desalination facility would not result in any "significant, if any, cost savings to ratepayers" and determined that alternative was not feasible. (CPCU Decision 18-09-017, p. 129.)

- MCWD asserts that the PWM Expansion is environmentally superior, for purposes of the Commission's alternatives analysis, because unlike the Project, the PWM Expansion is situated entirely outside the coastal zone. (MCWD Letter, p. 52.)

  - MCWD's argument is entirely circular—the Commission cannot assess a Project alternative that is situated entirely outside the coastal zone, while simultaneously ignoring any environmental impacts of such a project that take effect outside of the coastal zone. MCWD cannot have its cake and eat it too. The Commission is not authorized to analyze the impacts of projects located outside of its jurisdiction – the coastal zone – and thus, cannot purport to assess the PWM Expansion's environmental impacts against those of the Project. (See *Sierra Club v. Cal. Coastal Com.* (2005) 35 Cal.4th 839, 860; *Schneider v. Cal. Coastal. Com.* (2006) 140 Cal.App.4th 1339, 1347; June 30, 2020 Cal-Am Letter to Commission, p. 47.)

  - Moreover, MCWD assumes, without any evidence, that projects situated outside of the coastal zone are inherently environmentally superior to projects within the coastal zone. It is a gross overgeneralization to assume that a project located outside the coastal zone has fewer environmental impacts, without first conducting a complete analysis of that project's effects.

  - Further, to the extent that Coastal Act section 30260 permits the Commission to analyze alternative project locations, such analysis is limited to alternative locations ***within*** the Commission's coastal zone jurisdiction. Nothing in the Coastal Act permits the Commission to analyze the relative environmental impacts of siting projects at locations ***outside*** the coastal zone.

  - MCWD fails to recognize that, with the implementation of proposed special conditions, the Project is consistent with all of the policies set forth in the Coastal Act and the Marina LCP, except for those related to ESHA. (See Applicant's Staff Report, Section IV.O.1.) Moreover, the Project would incorporate mitigation measures to the maximum extent feasible to reduce impacts to ESHA. (*Ibid.*) In contrast, significant questions regarding the impacts of the PWM Expansion remain unresolved and caused the M1W Board to deny certification of the Final SEIR for the Expansion. (*Ibid.*) Further, M1W has to this point failed

to evaluate the potential impacts from seawater intrusion to the SVGB, should the PWM Expansion be constructed in lieu of the Project. (*Ibid.*) Finally, as explained by the Seaside Groundwater Basin Watermaster, without supplemental supplies that only the Project can provide, the Watermaster cannot maintain adequate groundwater levels in the Basin to "avoid seawater intrusion and irreversible loss of Basin storage." (See August 12, 2020 Seaside Groundwater Basin Watermaster Letter to Commission, p. 1; see also Applicant's Staff Report, Section IV.O.2.) Without the additional water to be supplied by the Project, it is likely that seawater intrusion within the Seaside Basin will worsen and cause the loss of available Basin storage, resulting in potentially significant impacts to groundwater resources. (See Applicant's Staff Report, Section IV.P.) Therefore, substantial evidence does not demonstrate that the Expansion will have fewer environmental impacts compared to the Project.

- MCWD claims that the CPUC's analysis of the Project in the EIR/EIS is "not relevant" to the Commission's review of the Project's environmental impacts under the Coastal Act. (MCWD Letter, p. 52.)

    - As the lead agency, the CPUC reviewed the Project and its environmental impacts over a six-year-long administrative process. Throughout this process, the CPUC engaged federal, state, and local agencies, members of the public, and other stakeholders. Dozens of parties, including MCWD, became parties to the CPUC proceedings, enabling them to participate in legal briefing and oral arguments, join in technical workshops on various Project issues, and offer written and oral evidence taken under oath. When the CPUC issued the Final EIR/EIS, MCWD appealed it to the California Supreme Court, arguing in part that the Project would have adverse environmental impacts. The California Supreme Court found CPUC's analysis and approval adequate. (Order Denying Petitions for Writ of Review, *Marina Coast Water District, et al. v. Public Utilities Commission*, Case No. S253585 (Aug. 28, 2019).) The analysis set forth in the EIR/EIS is therefore no longer subject to challenge and as such, as a CEQA responsible agency, the Commission is required to consider and rely upon the CPUC's and EIR/EIS's evaluation of the Project's impacts. (See CEQA Guidelines, §§ 15096, subds. (a), (f).) As a responsible agency for the Project, the Commission's CEQA authority is inherently limited to considering and avoiding only those impacts caused by Project components within the Commission's coastal zone jurisdiction. (See, e.g., Pub. Res. Code, § 21002.1, subd. (d) ["A responsible agency shall be responsible for considering only the effects of those activities involved in a project which it is required by law to carry out or approve."]; CEQA Guidelines, §§ 15042, 15096, subd. (g)(1) ["When considering alternatives and mitigation measures, a responsible agency is more limited than a lead agency. A responsible agency has responsibility for mitigating or avoiding only the direct or indirect environmental effects of those parts of the project which it decides to carry out, finance, or approve."].)

- In response to Cal-Am's argument that the PWM Expansion is socially infeasible because it will deprive the disadvantaged community of Salinas of valuable agricultural wash

water, MCWD argues that M1W has made clear that there is not currently any method by which the agricultural wash water can be put to beneficial use by Salinas residents. In the alternative, MCWD contends that M1W has rights to adequate source water for the PWM Expansion without use of agricultural wash water. Finally, MCWD argues that even if the PWM Expansion did rob Salinas residents of agricultural wash water, the Project will cause comparatively more harm to disadvantaged communities by "jeopardizing the sole source of drinking water" for these communities." (MCWD Letter, pp. 52-53.)

- Salinas continues to dispute M1W's rights to use the City's agricultural wash water for the PWM Expansion, and argues that the ARWRA only permits M1W to use agricultural produce wash water for Phase I PWM, and not the Expansion. (January 29, 2020 City of Salinas Letter.) The City further explained that these water sources will not be available for use by the PWM Expansion because "the City fully intends to use available agricultural wash water for its own purposes, including to support farmers, ranchers and the City's agriculture industry, as determined by the City in its sole and absolute discretion." (*Id.*, p. 2.) The Commission therefore should not consider the agricultural wash water as an available water source for the Expansion Project.

- MCWD's contention that M1W has rights to adequate source water for the PWM Expansion, without using agricultural wash water, is incorrect. As discussed in Cal-Am's Response to Staff Report, the analyses provided by proponents of the PWM Expansion already fail to demonstrate that the Pure Expansion has reliable sources of water necessary to meet demand on the Monterey Peninsula, even when assuming MPWMD's lowest 10,855 afy demand. (Attachment B, Section J.3.)

- Finally, MCWD's claim that the Project is "jeopardizing the sole source of drinking water" for Salinas residents is without merit. As discussed in the Applicant's Staff Report, extensive studies have been performed as part of the Project's CEQA review before the CPUC, which have concluded that the Project's well field would have relatively limited effects on nearby groundwater supplies conditions in the SVGB, and negligible or no effect on regional groundwater supplies. (See Applicant's Staff Report, Section IV.J.) Moreover, the Commission's own independent hydrogeologist confirmed that Project operation will not adversely affect groundwater supplies. (*Ibid.*)

- MCWD claims that there is no evidence that the PWM Expansion is technically infeasible and that the Phase I PWM "has not faced any 'technological roadblocks.'" MCWD further claims that there is uncertainty regarding the Project's proposal to use slant well technology to draw in brackish groundwater for desalination. (MCWD Letter, p. 53.)

    - MCWD's claim that Phase I PWM has not faced any technological difficulties is simply false. As described above, due to a serious of technological issues, including sinkholes and subsidence in the shallow wells and injection refusal in the deep wells, the Phase I PWM's injection rate continues to be far below the

3,500 afy promised to Cal-Am under its existing WPA with M1W. (See Applicant's Staff Report, Section IV.O.1; see also Attachment B, Section J.2.a; August 12, 2020 Cal-Am Letter, p. 2.)

- Further, MCWD ignores that operation of the Project's test slant well has demonstrated the technical feasibility of slant well technology, and at least two other projects in California have similarly conducted successful tests as a method of supplying source water to desalination facilities. (See Applicant's Staff Report, Section IV.O.1.) Moreover, subsurface slant wells, such as those planned for the Project, are the type of intake technology preferred by the state resources agencies, including the Commission, for desalination facilities under the California Ocean Plan. (See California Ocean Plan, Section III.M.2.d(1)(a).)

3. Use of MCWD Pipeline

- MCWD argues that there is not sufficient capacity in the MCWD pipeline for use to transport Project product water, and that Cal-Am has not demonstrated that it could feasibly construct a product water pipeline running parallel to MCWD's, rendering the Project infeasible. (MCWD Letter, pp. 53-54.)

  - As a threshold matter, the March 10, 2009, Potable Water Wheeling Agreement between Cal-Am and MCWD, as well as Water Code sections 1810-1814, entitle Cal-Am with the legal right to use this shared pipeline while there is sufficient capacity available in the pipeline. (See June 30, 2020 Cal-Am Letter to Commission, pp. 54-55.) This shared pipeline has adequate capacity to serve CalAm's uses given that the Project will produce 6.4 mgd of desalinated water and the capacity in the Shared Pipeline is 15.9 mgd on an average day and 14.3 mgd at peak hour. (*Ibid.*) MCWD's arguments to the contrary have been rejected by the CPUC and the California Supreme Court. (See Order Denying Petitions for Writ of Review, *Marina Coast Water District, et al. v. Public Utilities Commission*, Case No. S253585 (Aug. 28, 2019).)

  - In any case, as acknowledged by the Staff Report, in the event that MCWD continues to unreasonably refuse to permit Cal-Am to exercise its right to utilize the pipeline, Cal-Am has proposed to construct an additional product water conveyance pipeline, running parallel to the shared pipeline. (See Staff Report, pp. 112-13; June 30, 2020 Cal-Am Letter to Commission, p. 55.) Approvals for this proposed parallel pipeline will come before MPWMD at its October Board meeting. (See July 31, 2020 MPWMD Board of Directors Final Minutes, p. 1.) There is no reason to believe that MPWMD will not issue approvals for the pipeline. As a result, Cal-Am's ability to utilize the shared pipeline, or to obtain approvals for a new parallel pipeline, will not cause contribute to uncertainty regarding the Project's operations.

4. Supply and Demand

- MCWD claims that Cal-Am's demand numbers submitted to the CPUC in its general rate case support a finding of decreased demand, and that recent analyses submitted to the Commission support the 2019 Staff Report's conclusions on supply and demand. (MCWD Letter, pp. 54, 82-83.)

    - MCWD's contention demonstrates a misunderstanding regarding the purpose of a general rate case, which is to forecast revenue—not plan a long-term water supply system. The rate case is intended to calculate the revenue required for the next three years and propose rates necessary to meet that revenue requirement. To support the calculation, the rate case includes tables used to forecast customers, water sales and operating revenues over that time period. As specifically noted in the 100-day update for Monterey, "There is no forecasted growth in the Central Division due to the Moratorium." (July 1, 2019 Cal-Am application for CPUC's General Rate Case A1907004, Exhibit A, p. 302, available at https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M308/K837/308837881.PDF) Table 3.14 in the update therefore uses the same total annual number of 9,789.4 acre-feet for 2019, 2020, 2021 and 2022. (*Id.* at 317.) Forecasting sales for three years is not the same as planning a water supply system to meet long-term needs, and does not consider issues like maximum month demand – which was a critical factor in the CPUC's demand determination for the Project. (See Applicant's Staff Report, Section IV.O.2; CPUC Decision D.18-09-017, pp. 21-24.) A supply that barely met an average annual demand number over a few year period would still be unable to meet maximum demands.

    - MCWD's contention also ignores the fact that only Cal-Am's Project can meet Peninsula water demand even under the most conservative demand estimate as presented by MPWMD to the Commission. As demonstrated in the Applicant's Staff Report, even assuming the low demand figure proposed by MPWMD (10,855 afy), when ASR is accounted for at a realistic level, or when WWTP flows and Reclamation Ditch flows are accounted for based on current flow data, the Pure Water Expansion cannot meet the Peninsula's water demand. (Applicant's Staff Report, Section IV.O.2; September 10, 2020 Hazen Memo, p. 6.) When these two scenarios are combined, which is certain to occur, the Peninsula is left in a perpetual water supply deficit that the PWM Expansion cannot satisfy. (*Id.*)

        a. CPUC Determinations of Supply and Demand

- MCWD contends that the Commission is not bound by the CPUC's determination of supply and demand in Cal-Am's Monterey service area, and can "consider the changes in demand and supply circumstances" since the CPUC issued its decision on the Project in 2018. MCWD claims that MPWMD, instead, should be afforded "greater weight" in its calculations of supply and demand. (MCWD Letter, pp. 54, 55, 82-83.)

    - MCWD's claims demonstrate a misunderstanding of the law. As Cal-Am explained in its June 30, 2020 Letter to Commission, the CPUC's determinations of appropriate levels of supply and demand in Cal-Am's service area cannot now

be second-guessed by the Commission, MPWMD, or any other agency. (See June 30, 2020 Letter to Commission, pp. 56-57.) As previously explained, "[T]he jurisdiction to determine the adequacy of service actually being rendered by a public utility under its franchise is vested exclusively in the [CPUC] when it has elected to determine whether the service is inadequate." (*California v. Super. Ct.* (1976) 56 Cal.App.3d 399, 408; see also *City of Oakland v. Key System* (1944) 64 Cal.App.2d 427, 435.)

- MCWD claims that these authorities stand only for the proposition that the CPUC is the exclusive agency for determining whether Cal-Am is providing adequate services to its customers—this is a distinction without a difference. By definition, the CPUC cannot determine adequacy of service to a public utility's customers without determining current and future levels of supply and demand for such public utility. In this case, the CPUC carried out its explicit statutory mandate to determine the adequacy of service in Cal-Am's service area, and thereby reached binding determinations of supply and demand in the area. The CPUC's decision has been upheld by the California Supreme Court, and is now final.

b. Critiques of the Stoldt Memo

- Relying on the Mayer Report, MCWD claims that the January Hazen Memo, which Cal-Am used in critiquing the Original Stoldt Memo, contains "numerous errors, mischaracterizations, and incorrect conclusions." (MCWD Letter, p. 55.)

  - MCWD's claims regarding the January Hazen Memo are refuted by the August 11, 2020, August 23, and September 10, 2020 Hazen Memos. The August 11, 2020 Hazen Memo explains that the January Hazen Memo was written to reflect the substantial concerns with assuming lower Peninsula water demands that do not adequately analyze the range of uncertainty in water availability in the area. (August 11, 2020 Hazen Memo, p. 16.) The higher demands included in the January Hazen Memo are warranted to provide a buffer for uncertainty, which WaterDM and MPWMD have been unwilling to address. For example, Water MD and MPWMD have avoided updating the flow data for the PWM Expansion to the reflect the project's actual supply of source water and instead assume that all paper water rights are fully available. (*Ibid.*) Indeed, as a matter of good engineering principles, supply and demand planning for the Monterey Peninsula, which is continuously dependent on new sources of water, requires planners to analyze these risks and apply an appropriate level of reliability and resiliency. (*Ibid.*) In contrast, it is MPWMD and WaterDM's analyses that rely on outdated and inaccurate flow data for the PWM Expansion, overestimate the availability of ASR water, and presume increased water conservation without the implementation of more stringent measures, which actually contain "numerous errors, mischaracterizations, and incorrect conclusions." (See MCWD Letter, p. 55.)

  - If there was any doubt as to the veracity of the January Hazen Memo, those concerns were dispelled when M1W released the post-2013 wastewater flow

information that was absent from the PWM Expansion's Final SEIR. Using this new information, Hazen and Sawyer confirmed their prior conclusion that "there is not enough wastewater flow to support the WM Phase One and the PWM Expansion as a reliable source of water supply for the Peninsula." (August 23, 2020 Hazen Memo, p. 3.)

- Finally, in Response to the Staff Report, Hazen and Sawyer provided additional analysis, including Appendix A, which offers a comprehensive accounting of water supply and demand on the Monterey Peninsula, accounting for different scenarios based on the variability in Cal-Am's water supply. Like Hazen and Sawyer's prior analyses, Appendix A demonstrates that when ASR supplies are described at reasonable levels, the PWM Expansion cannot meet the lowest demand estimates set forth by the MPWMD of 10,855 afy. Similarly, when WWTP and Reclamation Ditch flows to the Phase I PWM and PWM Expansion are reduced to account for recent data, the Expansion cannot meet the lowest estimate of demand in Cal-Am's service area. (September 10, 2020 Hazen Memo, p. 6.)

c. The Stoldt Memo's Supply and Demand Estimates

- MCWD argues that the Stoldt Memo's demand estimates, and the 2019 Staff Report's reliance on such estimates, were reasonable, and claims that the Supreme Court's rejection of MCWD's and Marina's challenges to the CPUC's decision do not "freeze" customer demand. Rather, MCWD claims that whether the Commission can revisit the CPUC's determination of supply and demand is controlled by a "three-part test" set forth in *San Diego Gas & Electric Co. v. Superior Court* ("*Covalt*") (1996) 13 Cal.4th 893. (MCWD Letter, pp. 55-56.)

  - MCWD does not explain the relevance of the *Covalt* case, nor does this case appear to provide any support for the proposition that the Commission can override the CPUC's binding determinations of supply and demand in Cal-Am's service area. Rather, *Covalt* is concerned with whether Public Utilities Code section 1759, which vests exclusive jurisdiction in the California Supreme Court and the courts of appeal to review any determination by the CPUC, permits a private plaintiff to file an action for damages against an electrical utility. (See 13 Cal.4th at p. 903.)

- MCWD claims that the CPUC's determinations of future supply and demand are outdated and inflated, and argues that the Mayer Report's estimates of supply and demand for 2040 (between 10,412 and 10,983 afy) are based upon AMBAG estimates of future population growth. (MCWD Letter, p. 56.)

  - As discussed above, the CPUC's determinations of supply and demand in the Cal-Am service area are binding and cannot now be second-guessed by MCWD, the Commission, or any other entity. (*California v. Super. Ct.*, *supra*, 56 Cal.App.3d at p. 408; *Key System*, *supra*, 64 Cal.App.2d at p. 435; see also June 30, 2020 Letter to Commission, pp. 56-57.)

- With respect to the Mayer Report's estimate of future demand based upon AMBAG future population growth, MCWD fails to explain why such a method would yield more accurate projections of future demand than the methodology utilized by the CPUC, which required specific and thorough determinations of future supply based upon demand associated with Pebble Beach buildout, projected economic recovery, and existing legal lots of record. (CPUC Decision D.18-09-017, pp. 50-51.)

    - By generalizing based upon broad AMBAG growth projections, the Mayer Report fails to account for these factors specific to Cal-Am's service area, including the above facets of future demand assessed by the CPUC, and artificial demand depression caused by the moratorium on new service connections.

    - Moreover, as stated by the City of Monterey, projecting future demand based upon AMBAG population growth is improper—AMBAG's growth scenario, established six years ago, does not consider current and future legislative mandates to increase affordable housing construction. (February 4, 2020 City of Monterey Letter to MPWMD, p. 1.)

- MCWD argues that while Cal-Am's customers have already reduced their annual water use by 30 percent, the Mayer Report demonstrates that Cal-Am customers can further reduce their consumption by 0.26 percent annually, resulting in a further decrease in demand. (MCWD Letter, p. 83.)

    - Any argument that Cal-Am customers can further reduce their water usage below already historically-low levels is not only wholly speculative, it unreasonably assumes that existing water conservation measures will result in increased conservation without the implementation of more stringent measures, such as moratoriums and water rationing. (August 11, 2020 Hazen Memo, p. 17.)

    - Cal-Am has already heavily invested in water conservation programs, as well as funding research into water loss and loss detection in order to cut water usage. (*Ibid.*) Cal-Am's customers are considered some of the most water efficient users in the State of California. (See CPUC Decision D.18-09-017, p. 28; June 30, 2020 Letter to Commission, p. 99.)

    - MCWD and the Mayer Report ignore the fact that the Project was specifically designed to obviate the need to implement even more stringent water conservation measures, which would put additional strain on Cal-Am's customers, Peninsula businesses, the local and regional economy, and the ability to meet state-mandated housing goals.

        d. Stoldt's Prior Statements

- MCWD attempts to dismiss the fact that Stoldt has adopted conflicting positions of Peninsula supply and demand over time, attributing these positions to "changing circumstances." (MCWD Letter, p. 56.)

    - As discussed in Cal-Am's June 30, 2020 Letter to Commission, MPWMD General Manager Stoldt has developed a track record of taking inconsistent positions regarding Monterey Peninsula water demands depending on the circumstances and as described in further detail below, provided the Commission with a manipulated memorandum intended to bolster his recent positions regarding Peninsula supply and demand. (See June 30, 2020 Letter to Commission, p. 60.) For example, although the Stoldt Memo asserts that Monterey Peninsula demand estimates should be reduced due to implementation of various water conservation efforts, which Stoldt argues represent a permanent reduction in demand, Stoldt previously argued that recent decreases in demand should not be used to justify reductions in Cal-Am's diversion limits, because these reductions were likely due to extensive water conservation campaigns that could not be assumed permanent. (*Ibid.*) Likewise, in a series of emails regarding the State Water Board proceedings, Stoldt argued that depressed demand levels seen in recent years cannot be used to justify reductions in Cal-Am's diversions from the Carmel River because drought awareness and corresponding cuts in water were likely to fade, economic activity on the Peninsula had been cut due to implementation of the CDO, and demand rebounds were likely once drought conditions abate. (*Ibid.*) The Stoldt Memo is based on the exact opposite assumptions. These contradictions demonstrate that the only "changing circumstance" that explains Stoldt's conflicting water demand reasoning is an intent to frustrate Cal-Am's Project. As a result, it is inappropriate to rely on the Stoldt Memo, particularly where supply and demand already has been evaluated and determined through an unbiased, public evidentiary process before the CPUC.

e. <u>PWM Expansion and Maximum Month Demand</u>

- MCWD argues that implementation of the PWM Expansion, without the Project, will provide sufficient water to meet maximum month demand in Cal-Am's Monterey Service area. MCWD further contends, based on the Mayer Report, that Cal-Am "confuses peak capacity operations calculations" with "planning for an adequate future water supply on an annual basis." MCWD argues that regulations requiring calculations of peak capacity do not apply to estimates of current and future annual demand. (MCWD Letter, p. 56.)

    - As discussed in the Applicant's Staff Report, the proper way to ensure adequate capacity is by calculating demand based on maximum month demand, as required by the California Waterworks Standards (Cal. Code Regs., tit. 22, § 64554, subds. (a), (b)(2)). (Applicant's Staff Report, Section IV.O.2.) MPWMD's conclusion that the Pure Water Expansion can meet maximum daily demands and peak hourly demand relies on the availability of drought reserves to meet such demand. However, MPWMD also assumes that no drought conditions will occur on the Monterey Peninsula between now and 2034, allowing for the buildup of such

reserves. This assumption is untenable in light of the fact that California has experienced a drought in every decade over the last century, and recharge of groundwater reserves is essentially unavailable under drought conditions. (*Ibid.*) Moreover, as Hazen and Sawyer have explained, MPWMD focused on the distinction between maximum day demand and annual demand, but avoids assessing the long-term historical data in determining future demands for the Monterey Peninsula. (See August 11, 2020 Hazen Memo, p. 16.) In any case, even when using the most conservative 10,855 afy demand projection prepared by MPWMD, which was not calculated based on maximum month demand, only Cal-Am's Project would be able to meet demand in Cal-Am's service territory. (See Applicant's Staff Report Section IV.O.2; September 10, 2020 Hazen Memo, p. 6.)

- MCWD claims that Cal-Am currently has sufficient available supplies to manage its peak demand periods, even if Cal-Am does not have an additional supply by 2022. (MCWD Letter, pp. 56-57, 74, 83.)

    - MCWD does not provide any evidence to support this claim, and ignores the CDO deadlines. Moreover, MCWD's argument ignores serious concerns over the reliability of Cal-Am's existing water supplies. The concerns are addressed in detail in Applicant's Staff Report, Section IV.O.2, and demonstrated in the September 10, 2020 Hazen Memo, Appendix A, but are summarized below.

        - First, the ASR has not proven itself capable of building up a drought reserve to consistently deliver 1,300 acre-feet, and for the last 15 years, average annual storage of ASR is approximately 138 afy, with average annual storage of ASR at 352 afy over the last five years. These amounts are not sufficient storage to provide 1,300 acre-feet annually over a multi-year drought. Therefore, Cal-Am cannot rely on ASR to meet peak demand periods. (See Applicant's Staff Report, Section IV.O.2; September 10, 2020 Hazen Memo, Appx. A.)

        - Second, due to technical issues and decreasing wastewater flows, PWM Phase I cannot be relied upon to supply Cal-Am's service with the currently projected 3,500 afy. (See Applicant's Staff Report, Sections IV.O.1, 2; September 10, 2020 Hazen Memo, Appx. A.) In fact, due to technical issues regarding PWM Phase I's injection wells, PWM Phase I is currently only capable of producing 2,030 afy, which is less than 58 percent of the 3,500 afy the project was intended to produced. (See Applicant's Staff Report, Section IV.O.1, 2.) Additionally, as discussed above, decreasing source water flows for PWM Phase I cast further doubt on the project's ability to supply the Peninsula. (See *ibid;* September 10, 2020 Hazen Memo, Appx. A.) Due to this trend, PWM Phase 1 does not offer a reliable source of water for Cal-Am to meet peak demands.

        - Finally, MCWD claims that Cal-Am will have sufficient water supplies provided it can prudently manage the Seaside Groundwater Basin storage

capacity. (MCWD Letter, pp. 56-57.) This argument ignores the fact that in 2019, the Seaside Groundwater Basin Watermaster, which is tasked with protecting and managing the Basin, identified the Project as "the only project before [it] that will protect the Seaside basin" by replenishing the Basin and ensuring that protective water levels are maintained. (October 4, 2019 Seaside Groundwater Basin Watermaster Letter to Commission.) On August 12, 2020, the Watermaster echoed its support for the Project, finding that "the MPWSP is necessary to meet the long-term water demands of the Monterey Peninsula," and "[n]o other project has been identified to reliably meet the communities' water needs sufficiently to get the community out from under the State Water Board's Cease and Desist Order." (August 12, 2020 Seaside Groundwater Basin Watermaster Letter to Commission, p. 1.) This is because the Watermaster concluded that the Basin will require replenishment of an additional 1,000 afy over the next 25 years in order to achieve protective water levels. (*Id.*, p. 2.) As a result, Cal-Am will likely be forced to withdraw less than the 744 afy from the Basin that it is currently entitled to. (Applicant's Staff Report, Section IV.O.2.) Water from the Seaside Basin simply cannot be relied upon for Cal-Am to meet peak demand periods as MCWD claims.

f. ASR Water Supplies

- MCWD claims that Cal-Am's arguments regarding unreliability of ASR water supplies is "misleading," asserting that: (1) the CPUC's 2016 approval of the new Monterey Pipeline means that only water year 2016-2017 and later should be considered in analyzing ASR recovery volumes and (2) that Cal-Am's ASR permits 20808A and 20808C permit it to withdraw up to 5,326 afy, and are estimated to yield an average of 1,920 afy for injection. MCWD therefore contends that an average ASR injection and recovery rate of 1,300 afy is "reasonable." (MCWD Letter, p. 57.)

    - MCWD's claim that ASR permits 20808A and 20808C are estimated to yield an average of 1,920 afy for injection ignores the fact that the face values of these permits have been the same since the ASR permits were first issued, but the ability to actually divert water to ASR is conditioned. As a result, the ability for Cal-Am to withdraw water under these permits should be based on historic diversion numbers, not the entitlements established by the permits. Paper water is not sufficient to supply the Peninsula. Water rights must result in actual water flows.

    - The Mayer Report's projection of drought conditions only occurring one year out of five is wholly unreasonable and ignores changing conditions in California, including global climate change. Indeed, as Hazen and Sawyer explained, ASR water availability is reduced to 63 percent in a single dry year and further reduced to 4 percent following three consecutive dry years, which means that ASR does not meet Water Code reliability standards (five consecutive historic driest years) or Governor Newsom's 2020 Water Resilience Portfolio (consideration of a drought lasting six years). (August 11, 2020 Hazen Memo, pp. 5.)

- The actual data surrounding ASR speaks for itself. Over the past 15 years, ASR has stored an average of 138 acre-feet annually. Over 15 years, there is only 700 acre-feet claimed as stored—and only twice has the system injected more than the 1,300 afy claimed by MPWMD. (August 11, 2020 Hazen Memo, pp. 5, 19.)

- MCWD also contends that storage data after the CPUC's 2016 approval of the Monterey Pipeline should be considered. While there is no requirement to limit review of ASR historical information, data from the last five years reveals that average annual storage of ASR is still only 352 afy. (August 11, 2020 Hazen Memo, pp. 5; Applicant's Staff Report, Section IV.O.2.) This does not change Hazen's conclusions about the availability of ASR as a water supply, particularly in drought years.

- Indeed, as shown in Appendix A of the September 10, 2020 Hazen Memo, when ASR supplies are described at reasonable levels, the PWM Expansion cannot meet even the lowest demand estimates set forth by the Stoldt Memos of 10,855 afy. (September 10, 2020 Hazen Memo, Appx. A.)

g. PWM Expansion Ability to Meet Regional Housing Goals

- MCWD argues that the 190 afy required to meet regional housing goals is accounted for in the Mayer Report. MCWD therefore concludes that the PWM Expansion can provide a supply sufficient to meet regional housing goals. (MCWD Letter, pp. 57-58.)

  - As discussed above, the CPUC has already made binding determinations of Monterey Peninsula supply and demand, and the Mayer Report fails to demonstrate that Peninsula supply, with PWM Expansion but without the Project, can meet this demand. In reality, only the Project can provide an adequate, reliable, and permanent supply to ensure that regional housing requirements are met. Assuming it functions properly at all times, the PWM Expansion can only meet current water demands, without reasonable growth. (See August 11, 2020 Hazen Memo, pp. 5-6.) PWM Expansion is simply incapable of providing the additional 190 afy that MPWMD concedes is necessary to meet the Peninsula's RHNA goals.

  - Moreover, the 190 afy figure quoted by MCWD substantially understates the water required to meet demand related to regional housing goals.

    - The City of Monterey projects a need for 1,700 additional housing units by 2030, which represents a need for an additional 255 afy—which is 75 percent more than the need projected by MPWMD and quoted by MCWD for the entire region. (See February 4, 2020 City of Monterey Letter to MPWMD, p. 1.)

    - This 255 afy figure is just for one Peninsula city—including actual housing projections from other cities on the Peninsula only further increases the actual amount of water needed for housing. New RHNA

numbers for the Monterey Peninsula will be released in December 2023 and are anticipated to include substantial increases in required housing because of the State's ongoing housing crisis. Indeed, the Bay Area's updated RHNA, issued in June 2020, reflects a 135 percent increase in required housing over the previous period.[15] There is no scenario under which PWM Expansion can provide the water supply needed for this housing.

- Moreover, the recently enacted provisions of the Housing Accountability Act and Housing Crisis Act provide for stricter enforcement of affordable housing goals throughout California. (See Cal. Gov. Code §§ 65589.5, subds., (d), (f)(1), (k)(1), 66300, et seq.) As such, there is an additional onus on Peninsula governments to construct significant additional affordable housing, and ensure that there is an adequate water supply available for that housing.

- Finally, there is currently a moratorium on new service connections on the Monterey Peninsula—this effectively prohibits the construction of additional affordable housing, which would create new water demand. If an adequate water supply is not secured and the moratorium is not lifted, no additional water will be made available for housing growth. Notably, even with the moratorium in place, housing-related demand for water on the Monterey Peninsula continues to grow.

    - In response to a request from MPWMD, several Monterey Peninsula cities provided projections for near-term housing water needs from the Cal-Am system—given that the CDO remains in place, these projections are related solely to metered properties. (See August 4, 2020 MPWMD Policy Advisory Committee Action Items, p. 1.) In response, the responding cities projected a need for an additional 88-95 afy for metered properties—as noted by MPWMD, this total does not include several key jurisdictions. (*Ibid.*) As a result, MPWMD is seeking 75 afy of relief from the CDO to accommodate this demand from the cities. (*Ibid.*) Plainly, housing-related need for water will only continue to grow, and only a new permanent water supply, with demonstrable ability to meet the needs in Cal-Am's service area, will lift the CDO and moratorium. Such demand from population growth is reflected in MCWD's own 2020 Water Master Plan, which shows that MCWD's average annual demand is expected to nearly double by 2042.[16] The PWM Expansion is not a

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[15] The Regional Housing Needs Determination from the Association of Bay Area Governments is available here: https://www.hcd.ca.gov/community-development/housing-element/docs/ABAGRHNA-Final060920(r).pdf.

[16] Marina Coast Water District Water Master Plan, May 2020, Table 5.5, available at: https://www.mcwd.org/docs/engr_files/master_plans/MCWD_WaterMasterPlan_Final_052920.pdf.

permanent water supply, nor is it adequate to provide water to satisfy state-mandated housing needs.

h. Stoldt's Doctored Memo

- MCWD calls Cal-Am's arguments regarding the exhibit doctored by Stoldt that was used in the 2019 Staff Report "frankly ridiculous." MCWD refers to a letter from its own President to support its claim that Stoldt's doctored memo was "properly based on currently available information." (MCWD Letter, p. 58.)

    - Despite MCWD's apparent indignation, the fact remains that MPWMD General Manager Stoldt modified a draft technical memorandum prepared as an exhibit to the PWM Expansion Draft SEIR without identifying his modifications as changes to the original, in order to support the 2019 Staff Report's claims regarding ASR supply. (See June 30, 2020 Letter to Commission, p. 63.) As previously explained, it appears that Stoldt intentionally manipulated the technical memorandum to make it appear that the memorandum's authors had concluded that the ASR reserve could provide a supply to withstand a four-year drought by 2034. (*Ibid.*) Stoldt's efforts to manipulate the draft technical memorandum, and the conclusions that he added thereto, remain improper, and should not have been used by Commission staff to bolster unsupportable claims regarding the viability of ASR supplies. (*Ibid.*)

5. PWM Expansion Conformity to Project Objectives

- MCWD argues that the PWM Expansion is the only alternative capable of meeting all primary and secondary project objectives, and that most Project objectives can be met even by a No Action alternative. MCWD claims that current supplies should be sufficient to meet demand from Cal-Am's customers for at least the next ten years. (MCWD Letter, pp. 58-59.)

    - As explained in Cal-Am's June 30, 2020 letter to the Commission, the PWM Expansion is not capable of satisfying the Project objectives, and therefore cannot be a feasible alternative to the Project. (June 30, 2020 Letter to Commission, pp. 63-68; see Attachment B, Section J.4.) The fact remains that the PWM Expansion does not provide enough water to meet the CPUC-determined levels of demand in Cal-Am's Monterey District service area, an essential prerequisite to satisfying most of the Project objectives. (See *id.*, pp. 63-67; see also October 15, 2019 Cal-Am Letter; January 2020 Hazen Memo.)

        - Moreover, even under the depressed demand estimates put forward by Stoldt and MCWD, Peninsula water supply with the PWM Expansion, but without the Project, would barely suffice to meet current demand assuming all water supplies are working perfectly – which is wholly unrealistic. (June 30, 2020 Letter to Commission, pp. 58-60; see Applicant's Staff Report, Section IV.O.2.) Again, as explained by the CPUC, the PWM Expansion would satisfy the basic purposes of the

Project "***only in conjunction with construction of a desalination plant of some size within five to fifteen years***" and would merely delay the necessary implementation of a desalination project of some size. (CPUC Decision D.18-09-017, Appx. C, p. C-71 [emphasis added].)

- With respect to the claim that the Project cannot meet the primary project objectives due to MCWD's intransigence regarding Cal-Am's use of the shared pipeline, existing permits clearly permit Cal-Am to utilize the pipeline, and the pipeline has ample excess capacity to convey Project water. (See June 30, 2020 Cal-Am Letter to Commission, pp. 54-55.) Regardless, if needed, Cal-Am may construct an additional, parallel pipeline to convey Project water—approvals for that potential parallel pipeline will come before MPWMD in October 2020. (See Applicant's Staff Report, Section IV.O.3.)

- MCWD's claim that the PWM Expansion can satisfy Project objectives, and that compliance with Carmel River diversion limits and Seaside Basin pumping limits can be satisfied even without a new supply, assumes that both ASR and Phase I PWM operate at full capacity at all times. Given the significant shortfalls in ASR injection in Dry years, and the current deficiencies in Phase I PWM treatment and injection of product water, this assumption is wholly untenable. (See August 11, 2020 Hazen Memo, pp. 6, 17.) Even with full ASR, Phase I PWM, and PWM Expansion supplies, Peninsula water supplies would barely suffice to meet Stoldt's low demand estimates and would place Cal-Am's customers at serious risk if any one of these supplies should fail. (*Id.*, p. 6.)

- On the contrary, the Project is the only proposed water supply solution that is capable of providing the Cal-Am service area with reliable and sustainable water supplies across a series of probable scenarios, including prolonged drought conditions, limited wastewater flows, deficient Phase I PWM injection, limited agricultural drain flows, flows from the Sand City Desalination Plant, and potentially deficient flows from ASR supplies. (Applicant's Staff Report, Section IV.O.2; September 10, 2020 Hazen Memo, Appx. A [demonstrating that when ASR supplies are described at reasonable levels or WWTP and Reclamation Ditch flows to the Phase I PWM and PWM Expansion are reduced to account for recent data, the Expansion cannot meet even the lowest estimate of demand in Cal-Am's service area].)

- MCWD again turns to the status of the PWM Expansion, claiming that M1W has shown that adequate source water supplies are available, and that the PWM Expansion Final SEIR remains "substantially complete," such that the PWM Expansion can move forward when the M1W Board is prepared to take up the matter again. (MCWD Letter, p. 59.)

    - MCWD's claim that the PWM Expansion is ready to move forward at a moment's notice is divorced from reality. In truth, significant doubts remain as to the PWM Expansion's feasibility.

        - First, contrary to MCWD's assertions, source water for the Expansion is anything but secure, and the claimed "water rights" for the Expansion consist mainly of interruptible use entitlements, many of which are disputed by the actual holders of the water rights. (August 12, 2020 Cal-Am Letter, p. 4.) Significant evidence demonstrates that M1W drastically overestimates the availability of source waters for the PWM Expansion. (See Applicant's Staff Report, Section IV.O.2.)

        - Moreover, wastewater flows, upon which the PWM Expansion would heavily rely, have been decreasing steadily in recent years, and analyses by Hazen & Sawyer demonstrate that WWTP flows to the PWM Expansion would be heavily depressed in Normal/Wet years, and flows to Phase I PWM and the PWM Expansion would be completely unavailable in Dry years. (August 23, 2020 Hazen Memo, p. 6.) Recent wastewater flow data provided by M1W only supports these conclusions.

    - Further, there is no evidence that M1W can simply approve the PWM Expansion at a moment's notice. (See Applicant's Staff Report, Section IV.O.1; Section B.2, *supra*.) In truth, there remain significant deficiencies in the Final SEIR for the PWM Expansion, and M1W currently lacks the funding to correct these flaws. (See May 20, 2020 M1W Board of Directors Staff Report, p. 1.) M1W staff have also been ordered to cease any work on the PWM Expansion. (See August 20, 2020 M1W Letter, p. 3.) There is no reason to believe that the PWM Expansion Final SEIR, and therefore the Expansion itself, will be approved at any time in the near future.

- MCWD argues that there remains significant doubt in the Project's construction schedule due to: (1) issues related to a Project source water pipeline, (2) a lack of a CDP for the brine outfall liner, and (3) a lack of a right to pump source water for the Project and related litigation of Cal-Am's water rights. (MCWD Letter, p. 59.)

    - As discussed above, Cal-Am's existing agreements permit it to utilize the shared pipeline with MCWD, and there is sufficient capacity in the pipeline to accommodate Project water. (See June 30, 2020 Cal-Am Letter to Commission, pp. 54-55.) Moreover, Cal-Am remains able to pursue construction of a parallel Project water pipeline, if MCWD continues to refuse to honor its agreements regarding the shared pipeline.

    - With respect to the M1W outfall, Cal-Am has proposed an updated liner installation method, whereby Cal-Am would install a spray-on liner from within the pipeline itself. (See August 18, 2020 Cal-Am Letter to Commission.) This method would involve no ground disturbance within the Coastal Zone of the City of Marina or the County, and therefore would not require Cal-Am to obtain a CDP. In fact, Cal-Am has proposed Special Condition 4 would require Cal-Am to implement this proposed spray-lining method prior to the commencement of Project operations since it is a feasible alternative. (See Applicant's Staff Report, Section IV.F.) This would guarantee that the outfall liner work will result in no

adverse impacts to environmentally sensitive habitat areas, and therefore this future Project component does not raise substantial concerns regarding Project certainty.

- Finally, Cal-Am's rights to Project source water will have no impact on the Project's construction schedule. The EIR/EIS has already examined Cal-Am's potential water rights to the Project, and determined that Cal-Am could develop appropriative rights to that portion of the Project's source water that will be extracted from the Salinas Valley Groundwater Basin. (See June 30, 2020 Cal-Am Letter to Commission, p. 26; Final EIR/EIS, pp. 2-32 to 2-34.)

    - Moreover, in 2013, the State Water Board, the agency charged with primary responsibility for regulating state water resources (Water Code, § 174; Pub. Resources Code, § 30412), determined that Cal-Am can develop all necessary water rights to operate the Project. (See June 30, 2020 Letter to Commission, pp. 26-27; CPUC Decision D.18-09-017, p. 80.) Despite MCWD's allegations, and the City of Marina's frivolous lawsuit, Cal-Am's ability to develop water rights to Project feedwater do not pose any barrier to Project implementation.

- MCWD argues that Cal-Am's "recalcitrance" in following the CPUC's order to consider PWM Expansion if the Project is delayed, along with its "unwillingness" to discuss the terms of a purchase agreement for PWM Expansion water, constitute the primary barrier to PWM Expansion implementation. (MCWD Letter, pp. 59-60.)

    - MCWD blatantly ignores the myriad flaws in both the PWM Expansion and the Phase I PWM, including a lack of secure water rights for Expansion source water, the numerous technical difficulties faced during Phase I PWM construction and startup, and the fact that work on the PWM Expansion has ceased completely and that project is now indefinitely delayed. (See Attachment B, Section J.2.)

    - Further, MCWD's claims of Cal-Am's recalcitrance in following the CPUC's orders with respect to the PWM Expansion are unfounded. In truth, Cal-Am has met with M1W and MPWMD on multiple occasions to discuss a WPA for PWM Expansion product water. (See Applicant's Staff Report, Exhibit 30, p. 1.)

        - However, Cal-Am determined that it would not, at that time, pursue a WPA for PWM Expansion water, given significant uncertainties in Expansion source water availability, environmental impacts, permitting requirements, source water, funding, and product water pricing. (*Id.*, p. 2.) MCWD provides no additional evidence to demonstrate that Cal-Am is "unwilling" to discuss a WPA for PWM Expansion water, should the Expansion somehow prove to be a feasible source of water to the Monterey Peninsula.

    - Moreover, any WPA for the PWM Expansion would be required to include more stringent performance guarantees to provide adequate assurances to Cal-Am and

its customers that the Expansion water would be produced as promised, and greater protections in the event that Expansion water is not or cannot be produced at necessary levels to meet the Peninsula's water demand. (See Applicant's Staff Report, Section IV.O.2.) Such performance guarantees would include a guarantee of the full production volume of PWM Expansion water, and a full indemnification for Cal-Am against any risk, liability, or penalties in the event that the PWM Expansion fails to provide an adequate water supply. (*Ibid.*; see also May 9, 2020 Cal-Am Letter to M1W, p. 5.) In the absence of such guarantees, Cal-Am would be forced to bear the risk of the PWM Expansion not meeting its supply promises, which could cause Cal-Am to draw additional water from the Carmel River resulting in substantial penalties. (See Applicant's Staff Report, IV.O.3.)

6. Overall Adverse Project Effects

- MCWD claims that the Commission is not bound by the CPUC's analysis of the Project's environmental impacts in the EIR/EIS. (MCWD Letter, p. 60.) As discussed above, as a CEQA responsible agency, the Commission is required to consider the CPUC's—the lead agency— analysis of the Project's environmental impacts. (See Section I.2.c; see also CEQA Guidelines, §§ 15096, subds. (a), (f).)

- MCWD argues that even if neither the Project nor the PWM Expansion is implemented by January 1, 2022, Cal-Am may still comply with the legal limit on its Carmel River withdrawals, even without an extension of the CDO. (MCWD Letter, pp. 60, 74, 83.) MCWD further argues that the No Action alternative and the PWM Expansion would result in fewer adverse impacts than the Project (*Ibid.*)

    - For the reasons discussed in Applicant's Staff Report, Section IV.O.2, MCWD's statement that Cal-Am can meet its water supply obligations without a supplemental supply is simply false. Additionally, as explained in an August 12, 2020 letter submitted to the Commission by the Seaside Groundwater Basin Watermaster, if no action is taken (i.e., neither the proposed Project nor the PWM Expansion is adopted), protective water levels will not be achieved and the Seaside Groundwater Basin will not be protected against seawater intrusion. (August 12, 2020 Seaside Watermaster Letter, p. 4.) An additional 1,000 acre-feet of replenishment water is needed to prevent seawater intrusion in the Paso Robles and Santa Margarita Aquifers. (August 12, 2020 Seaside Watermaster Letter, p. 4.) This additional supply is critical to achieving protective water levels in the Seaside Basin, and cannot be achieved without the implementation of reliable, long-term water supply. As such, the Watermaster expressly concluded that the Project "is the only possible supplemental water project . . . that is capable of providing the additional water supply" needed to protect the Basin. (*Ibid*.) Further, the Watermaster determined that "[w]ithout the quantities of supplemental supplies from the [Project], CAW and other Seaside Basin pumpers may not be able to meet the pumping reductions called for in the Seaside Basin Decision." (*Id.*, p. 3.)

- MCWD contends that the Project faces a greater risk of delay than the PWM Expansion, arguing that the Phase I PWM is on track to deliver the planned total of 3,700 afy once shallow wells have stabilized and third deep well has been installed. (MCWD Letter, p. 60.)

    - MCWD fails to acknowledge significant, ongoing technical deficiencies in the Phase I PWM, as well as the overwhelming likelihood that the PWM Expansion will face similar barriers to construction and operation. (See Attachment B, Section J.2.a.)

        - As explained above, sinkholes and subsidence are affecting the Phase I PWM shallow wells, and these wells are not currently injecting any water and are likely to only ever operate at 25 percent capacity. (August 12, 2020 Cal-Am Letter, p. 2.)

        - Moreover, Phase I PWM deep injection wells are only operating at rates of 70 percent or less due to injection refusal, and therefore M1W estimates that current annual injection volume for Phase I PWM will only be 2,030 afy, or less than 58 percent of the 3,500 afy allocated to Cal-Am. (*Ibid.*)

        - Solutions proposed by M1W to address these technical flaws—repairs to shallow wells, final commissioning of deep wells, and construction of a third well which will not begin until November 2020—would increase Phase I PWM project costs by as much as $13 million. (*Ibid.*) Most recently, M1W has identified the probable need for a fourth deep well, the timing of which remains uncertain. (See August 31, 2020 M1W Board of Directors Meeting, at 1:14:20 to 1:22:10 [discussing amending bid request for the third deep injection well to include construction of a fourth deep injection well], available at https://montereyonewater.org/290/Audio-Recordings-of-Board.)

        - Finally, some source waters for Phase I PWM, including critical agricultural wash water, have not been used since startup and present additional technical challenges. (*Ibid.*)

    - The Phase I PWM will clearly continue to experience significant delays and cost overruns, and there is every reason to believe that the PWM Expansion will face similar barriers to implementation. MCWD's claims that the Project will face greater delays than the PWM projects ignore these realities.

7. <u>"No Action" Alternative</u>

- MCWD argues that if the Commission denied Cal-Am's application, Cal-Am would likely pursue the PWM Expansion, and that this would be a reasonable outcome. (MCWD Letter, p. 61.) As discussed in the Applicant's Staff Report, Section IV.O, the PWM Expansion is not a feasible alternative.

- MCWD further argues that under a No Action alternative, as a result of Cal-Am's customer's conservation efforts and an expanded ASR project with MPWMD, Cal-Am is capable of supplying its customers' needs for the next decade, while still complying with the State Water Board CDO. (MCWD Letter, p. 61.)

    - As discussed in the Applicant's Staff Report, Section IV.O.2, despite its ratepayers' conservation efforts, Cal-Am will be at a significant deficit without a new supply without the adoption of the proposed Project. The no action alternative is not feasible for the same reasons the PWM Expansion is not feasible. (See Applicant's Staff Report, Section IV.O.5.) Only Cal-Am's Project is capable of providing an adequate water supply to meet current and expected future demands and allow the water system to conform to the state's design and capacity requirements. Other supplies relied upon by MCWD and other project opponents, including ASR supplies, are not reliable – particularly in times of drought – and cannot be counted on to provide the necessary water supplies to serve even MPWMD's demand projections for Cal-Am's service area. (See *id.*, Section IV.O.2.)

8. <u>Alternative Slant Well Locations</u>

- MCWD argues that "feasible alternative location and technologies" for intake wells exist and should be considered that will reduce impacts to ESHA and groundwater and will be located outside the coastal zone. (MCWD Letter, p. 75.)

    - MCWD ignores the fact that the EIR/EIS already considered, and rejected, alternative intake well locations, and concluded that locating the Project's slant wells at the CEMEX site is the environmentally superior alternative. No new information has been provided that would change the CPUC's conclusion.

        - As explained in Cal-Am's responses to questions posed by Commissioners at the November 14, 2019 Commission hearing on the Project, the EIR/EIS and the CPUC examined the feasibility of constructing intake systems at both the Moss Landing and Potrero Road sites. (See June 30, 2020 Cal-Am Letter to Commission, pp. 84-86.)

        - In both cases, the EIR/EIS found the alternative intake systems to be infeasible—a slant well system located at Potrero Road would draw excessive quantities of groundwater from the Salinas Valley Groundwater Basin and would result in significant and unavoidable impacts to marine and terrestrial biological resources due to capture of groundwater that would otherwise flow into Elkhorn Slough, while locating open ocean intakes at Moss Landing would result in increased impacts to marine habitat and biological resources related to intake construction and operation, as compared to the Project. (Final EIR/EIS, pp. 5.4-14, 5.4-19, 5.4-21, 5.4-39, 5.4-50, 5.6-4, 5.6-6.)

- Given these increased impacts, the EIR/EIS concluded that siting intake systems at either Potrero Road or the Moss Landing Site would not "offer an overall environmental advantage over the proposed project," and thereafter selected the Project, with a slant well system at the CEMEX site, as the environmentally superior alternative. (*Id.*, pp. 5.6-6, 5.6-8.) The CPUC affirmed this decision, concluding that no Project alternatives are feasible, capable of meeting Project objectives, or reducing significant Project-related impacts. (CPUC Decision D.18-09-017, pp. 79-80.)

  - Moreover, despite its claims that feasible alternative locations and technologies for the Project's slant wells exist, MCWD fails to identify ***any*** possible locations outside of the coastal zone where Cal-Am could feasibly locate a subsurface intake system.

  - Finally, even ignoring the EIR/EIS's thorough evaluation of alternative Project intake technologies and sites, an agency need not consider "every conceivable alternative" to a project. (CEQA Guidelines, § 15126.6, subd. (a); *Citizens of Goleta Valley v. Bd. of Supervisors* (1990) 52 Cal.3d 553, 556.) Instead, the selection and consideration of project alternatives is governed by a "rule of reason." (CEQA Guidelines, § 15126.6, subd. (a).) "[T]he discussion of alternatives need not be exhaustive," and need not analyze every alternative recommended by third parties. (*Sierra Club v. City of Orange* (2008) 163 Cal.App.4th 523, 548; *Cherry Valley Pass Acres & Neighbors v. City of Beaumont* (2010) 190 Cal.App.4th 316, 354-355.) Given the EIR/EIS's consideration and rejection of a range of alternative intake systems and sites, there is no reason to further evaluate the possibility of unspecified intake system sites outside the coastal zone.

- MCWD argues that the Project's intake wells could function "equally well" outside the coastal zone, and that the wells would likely need to be moved inland to account for sea-level rise, and therefore the Project is not "coastal dependent." (MCWD Letter, p. 75.)

  - MCWD does not provide any evidence to support its claims that the slant wells could feasibly function in a location outside of the coastal zone, nor does MCWD provide any proposal for inland locations where the slant wells could feasibly be sited. What's more, the CPUC did not identify any such locations in its six-year CEQA review of Cal-Am's Project, in which MCWD was a major participant. MCWD's argument that alternative well locations should be reviewed now by the Commission is nothing but a red herring.

J. Coastal Act Section 30260 Override for Coastal-Dependent Facility

1. General Legal Framework

- MCWD contends that the Commission retains limited appellate jurisdiction and cannot rely on Coastal Act section 30260 to approve the Project because the only basis for this

type of appeal is whether a project is consistent with the LCP. (MCWD Letter, pp. 61-63.)

- MCWD's jurisdictional argument has been properly rejected by staff (Staff Report, pp. 147-148), and the California Court of Appeal in MCWD's challenge to the Commission's grant of a CDP allowing Cal-Am to locate its test slant well on the CEMEX site—the very same location where the Project's wells will be located. (See *MCWD v. Cal. Coastal Com.* (2016) 2016 WL 6267909.) Marina's LCP must be applied consistent with the Coastal Act and state policy. (See *McAllister v. Cal. Coastal Com.* (2009) 169 Cal.App.4th 921, 931; *MCWD*, 2016 WL 6267909, at *13.)

- Furthermore, as the Staff Report explained, Marina's LCP incorporates Coastal Act section 30260 to determine permissible uses at the proposed Project site. (See Staff Report, pp. 147-148.) The LCP permits coastal-dependent uses in already disturbed areas and "states that this designation is consistent with section 30260." (*MCWD*, 2016 WL 6267909, at *13; see Land Use Plan, p. 38; see also Marina Municipal Code, § 17.41.160 [includes coastal-dependent industrial uses within the coastal conservation and development district].)

- Therefore, the Commission may properly conduct an analysis and approve Cal-Am's Project under Coastal Act section 30260.

2. <u>Qualification as a Coastal-Dependent Industrial Facility</u>

- MCWD argues that section 30260 does not apply because the Project is not "coastal-dependent." (MCWD Letter, p. 63.)

  - As the Staff Report correctly concludes, the Project is a coastal-dependent industrial facility. (See Staff Report, p. 149.) The Project involves the processing of raw materials (water) and must be located adjacent to Monterey Bay to extract *primarily seawater* from beneath the seafloor. (*Ibid.* [rejecting claims that the Project will be primarily drawing brackish water].) In addition, the Project's Source Water Pipeline is necessary to convey that water to the desalination facility. (*Ibid.*) Further, the Project will use the M1W outfall to convey the facility's brine discharges into coastal waters. (*Ibid.*) If the Project were moved away from the coast, the entire basis for and underlying analysis of the Project would change. (See Final EIR/EIS, p. 4.4-56.)[17]

- MCWD further argues that Cal-Am cannot rely on its use of the M1W outfall to show that the Project is coastal-dependent because, according to MCWD, Cal-Am asserts that the outfall is not relevant to its CDP applications. (MCWD Letter, p. 63.) MCWD

[17] This is also consistent with the Court of Appeal reasoning in *MCWD I*, which concluded that the "test slant well meets the [City's] LCP's definition of a coastal-dependent industrial facility." (2016 WL 6267909, at *13.)

conflates the various outfall-related aspects of the Project and misconstrues Cal-Am's position.

- As described below in Section K of this Response, Cal-Am's proposed spray-lining work to maintain the integrity of the existing outfall pipeline is not development under the Coastal Act, or alternatively, is exempt from CDP requirements. Although the outfall lining work is not part of the CDP applications pending before the Commission, Cal-Am has nonetheless proposed Special Condition 4, which requires Cal-Am to obtain all necessary approvals for the outfall lining work and to implement the spray lining method to the pipeline to avoid impacts to coastal resources. (See Applicant's Staff Report, Section IV.F.)

- The aspects of the outfall maintenance that will occur in the Coastal Zone, such as the replacement of the outfall clamps along the beach, are included in Cal-Am's local CDP application and, thus, are before the Commission as part of Appeal No. 9-19-0918. (See Applicant's Staff Report, Section IV.F.)

- The fact that Cal-Am did not include the outfall lining work as part of its CDP application does not mean the outfall pipeline and Cal-Am's use of the pipeline to convey brine discharge is not coastal-dependent.

3. <u>Alternative Locations</u>

- MCWD argues that the PWM Expansion is a feasible alternative and that there are also alternative locations for the Project's slant well network outside of the Coastal Zone. (MCWD Letter, pp. 63-64.)

  - As explained in detail in the Applicant's Staff Report, Sections IV.O and IV.P, and above in Section I, the PWM Expansion is not a feasible alternative, and the proposed location for the slant wells is the environmentally superior alternative location.

4. <u>Public Welfare</u>

- MCWD asserts that Cal-Am simply argues that not approving project would adversely affect public welfare because it "would have no other options for complying with the CDO and could not supply sufficient water to its water district." (MCWD Letter, p. 64.) This is a complete oversimplification of Cal-Am's position. Additionally, MCWD contends that the Project will actively harm the public "for numerous reasons." (*Ibid.*) Not only does MCWD fail to specify what these "numerous reasons" are, but MCWD is also incorrect.

  - As explained in detail in the Applicant's Staff Report, Section IV.P, and Attachment B, Section K, the Project would have numerous benefits to the public and denial of the Project would result in detrimental effects to the public welfare.

5. <u>Mitigation to the Maximum Extent Feasible</u>

- MCWD asserts generally that Cal-Am has not shown "that impacts have been mitigated to the maximum extent feasible," and that Cal-Am has not provided certain information "to evaluate critical project components."[18] (MCWD Letter, p. 64.)

    - As explained in detail in the Applicant's Staff Report, Section IV.P, and Attachment B, Section K, the Project's potential impacts will be mitigated to the maximum extent feasible. For example, implementation of the CPUC's mitigation measures, Cal-Am's HMMP, Cal-Am's Adaptive Management Program for Vernal Ponds, and proposed Special Conditions 5, 7 will assist in ensuring that impacts are mitigated to the maximum extent feasible.

      Further, contrary to MCWD's assertions (MCWD Letter, p. 64), Cal-Am is not refusing to provide critical information regarding impacts resulting from the installation of the outfall liner. As explained in Attachment B, Section [Outfall], the outfall work for M1W is outside the scope of Cal-Am's CDP application. Nonetheless, Cal-Am has proposed Special Condition 4 to require installation of the outfall liner using the spray-lining method to avoid potential impacts to coastal resources. (See Applicant's Staff Report, Section IV.F.)

K. Proposed Outfall Liner

- MCWD incorrectly contends that the failure to consider the proposed outfall lining work in the current CDP application amounts to improper "piecemealing" of environmental review for Project elements within the Coastal Zone. (MCWD Letter, pp. 11, 64-66, 71-72.)

    - Here, the CPUC, as lead agency, already prepared, circulated, and adopted the Final EIR/EIS for the entire Project, which includes a detailed discussion of the impacts related to the most environmentally impactful methodology proposed for the outfall pipeline lining work. (See Final EIR/EIS, pp. 4.13-33 to 4.13-36.) Thus, no element of the Project is evading environmental review.

        - The authorities MCWD cites to support its claim that a second CDP for the outfall lining work would result in improper "piecemealing" are inapposite. MCWD's cases involve CEQA lead agencies failing to analyze the environmental impacts of development so related to the project under consideration that it must be considered a "single project" or the "whole of an action" under CEQA. (CEQA Guidelines § 15378, subd. (a); see e.g. *San Joaquin Raptor/Wildlife Rescue Center v. County of Stanislaus* (1994) 27 Cal.App.4th 713, 732; *Tuolumne County Citizens for Responsible Growth, Inc. v. City of Sonora* (2007) 155 Cal.App.4th 1214,

[18] MCWD no longer argues that impacts be "fully mitigated." Instead, impacts need only be mitigated to the "maximum extent feasible." (See, e.g., 14 Cal. Code Regs., § 13053.5, subd. (a); see also id., §§ 13328.1, 13356, subd. (b)(2), 13540, 13666.4.)

1226.) Consistent with these cases, the Final EIR/EIS analyzed the impacts associated with the outfall pipeline lining work.

- Further, the section of the CEQA Guidelines upon which MCWD relies also states that "[t]he term 'project' refers to the activity which is being approved and which may be ***subject to several discretionary approvals*** by governmental agencies. ***The term "project" does not mean each separate governmental approval***." (CEQA Guidelines § 15378, subd. (c) [emphasis added].) The CDP application at issue here is not its own "project," but merely one of several discretionary approvals for the larger Project. MCWD does not cite any authority holding that such independent, discretionary approvals, which are not on their own projects, must be made at the same time under a single proceeding.

- MCWD's piecemealing argument also ignores the limited role responsible agencies play during a project's environmental review. Here, the Coastal Commission is acting as a responsible agency; the CPUC was the Project's lead agency under CEQA. Generally, "[a] responsible agency may refuse to approve a project in order to avoid direct or indirect environmental effects ***of that part of the project which the responsible agency would be called on to carry out or approve***." (CEQA Guidelines § 15042 [emphasis added].) Accordingly, a responsible agency "complies with CEQA by considering the EIR or negative declaration prepared by the lead agency and by reaching its own conclusions on whether and how to approve the project involved." (CEQA Guidelines § 15096, subd. (a).) This division of authority between lead and responsible CEQA agencies may result in separate approval processes for individual elements of a larger project that are developed in different jurisdictions, but it does not necessarily mean a project has been improperly piecemealed. Here, the public and decisionmakers have been appraised of the worst-case potential impacts of the outfall liner work via the Final EIR/EIS. In addition, Cal-Am has proposed Special Condition 4 requiring it to obtain the specific approvals needed to install the spray-on lining to the M1W outfall and to install the spray-on lining before commencing Project operations.

- Notably, the Coastal Commission has previously required multiple CDPs or CDP amendments for different stages of a single project's construction.

  - For example, in its September 26, 2019 Staff Report for the San Onofre Nuclear Generating Station (SONGS) Units 2 and 3 Decommissioning Project, staff imposed a special condition that "would require the applicant to return within six months of completion of the proposed project with a permit amendment application that includes the proposed removal, to the extent feasible, of all remaining onshore structures at SONGS that may be exposed in the future due to coastal processes or that otherwise would have coastal impacts if they were to remain." (September 26, 2019 Staff Report re Songs Units 2 and 3 Decommissioning, p. 2.) This special condition was part of a practical approach to separate approvals within a larger project, and MCWD offers nothing to

suggest that the Coastal Commission is barred from adopting a similar approach here.

- Like the above example, proposed Special Condition 4 would require Cal-Am to submit a complete application for a new or amended permit for the outfall liner work if the proposed "spray-on" liner method, described below, is not feasible. (See Applicant's Staff Report, Section IV.F.)

- Finally, MCWD's piecemealing claims do not consider that the spray-on lining work as proposed by Cal-Am and required by Special Condition 4 is not "development" within the meaning of the Coastal Act, or, in the alternative, would be exempt from CDP requirements as a repair or maintenance activity. (August 17, 2020 Letter to Commission, pp. 2-3.) Accordingly, it is unlikely the outfall pipeline lining would even require a CDP.

  - Cal-Am's proposed outfall lining work does not meet the definition of "development" under Public Resources Code section 30106. Cal-Am does not propose to build or expand any existing structure related to the outfall pipeline, but would simply apply a coating to the outfall pipeline's interior to protect against future corrosion. If any groundbreaking activities did occur, they would be in the unincorporated County, outside of the Coastal Zone. Finally, the work would not involve the discharge or disposal of waste through the outfall. (August 17, 2020 Letter to Commission, p. 3.) Indeed, as discussed in Attachment B, Section F, the Staff Report acknowledges that the proposed "spray on" method for the outfall lining work "would be done almost entirely within the outfall and would involve no ground disturbance within the coastal zone of the City or the County." (Staff Report, p. 45.)

  - Even if the outfall pipeline lining did constitute "development" under the Coastal Act, the work would nevertheless be exempt from CDP requirements as "[r]epair or maintenance activities that do not result in an addition to, or enlargement or expansion of, the object of those repair or maintenance activities." (See Pub. Resources Code, § 30610, subd. (d).) Likewise, the Coastal Act exempts work for "any necessary utility connection." (Pub. Resources Code, § 30610, subd. (f).) Here, the proposed outfall pipeline lining would fall under these exemptions. In fact, the Staff Report acknowledges that the proposed outfall pipeline lining work ***could be accomplished without any CDP***. (See Staff Report, p. 112.)

L. Scope of the Commission's Authority

- MCWD argues that the Commission's role as a CEQA responsible agency does not excuse the Commission from considering whether feasible alternatives exist that could avoid or substantially lessen environmental impacts. (MCWD Letter, pp. 68-70.)

  - As explained in Attachment B, Section J, contrary to MCWD's assertions, the Commission's authority as a CEQA responsible agency is limited. (See, e.g., Pub. Res. Code, § 21002.1, subd. (d); Cal. Code Regs., Tit. 14, Div. 6, Ch. 3

("CEQA Guidelines"), §§ 15042, 15096, subd. (g)(1) ["When considering alternatives and mitigation measures, a responsible agency is more limited than a lead agency. A responsible agency has responsibility for mitigating or avoiding only the direct or indirect environmental effects of those parts of the project which it decides to carry out, finance, or approve."]; see also June 30 Letter to Commission [listing cases].) Therefore, the Commission is limited to its jurisdiction—the Coastal Zone—in evaluating the Project and alternatives under CEQA.

- Further, supplemental environmental review is prohibited unless one of three specific triggers is satisfied. As explained above in Section D of this Response, the triggers for supplemental environmental review have not been satisfied here. (See Attachment C, Section D [citing Pub. Resources Code, § 21166; CEQA Guidelines, § 15162, subd. (a).) Thus, the Commission is not required to conduct supplemental environmental review.

- MCWD contends that Cal-Am has suggested that the Commission, as a CEQA responsible agency, "is not only permitted but *required* to consider project components in isolation from the rest of the project." (MCWD Letter, p. 70 [emphasis in original].)

  - MCWD misconstrues the "project" at issue and Cal-Am's argument. "The term 'project' refers to the activity which is being approved and which may be ***subject to several discretionary approvals*** by governmental agencies. ***The term "project" does not mean each separate governmental approval***." (CEQA Guidelines § 15378, subd. (c) [emphasis added].) The CDP application at issue here is not its own "project," but merely one of several discretionary approvals for Cal-Am's larger Project. MCWD does not cite any authority holding that such independent, discretionary approvals, which are not on their own projects, must be made at the same time under a single proceeding.

  - In addition, the division of authority between CEQA lead and responsible agencies may result in separate approval processes for individual elements of a larger project that are developed in different jurisdictions, but it does not necessarily mean a project has been improperly piecemealed. (See Attachment C, Section K.) Indeed, here, the CPUC, as lead agency, already prepared, circulated, and adopted the Final EIR/EIS for the entire Project. Thus, no element of the Project has evaded environmental review by the lead agency, and the Commission is limited to considering only those aspects of the Project within its permitting jurisdiction.

- MCWD argues that "enforcement of private contract provisions and the Agency Act are not within the CPUC's jurisdiction," such that the Commission is not precluded from considering such issues independently. (MCWD Letter, p. 73.)

  - As the Applicant's Staff Report, Section J explains, MCWRA is vested with the authority to interpret and enforce the Agency Act, including Cal-Am's compliance with the Agency Act.

- It is unclear what "private contract provisions" MCWD is referring to, but to the extent MCWD is referring to the Return Water Settlement Agreement, the CPUC approved the Agreement and has authority over the ratesetting provisions contained therein. (See CPUC Decision D.18-09-017, Appx. H.) MCWRA then has the authority to ensure Cal-Am is complying with the Agency Act by meeting its return water obligations as set forth in the Return Water Settlement Agreement.

- Ultimately, none of these issues fall within the Commission's jurisdiction, which is limited to those Project components located within the Coastal Zone, which are specifically identified in the Staff Report. Further, the Commission is only responsible for assessing the Project's consistency with the Coastal Act and applicable LCPs in determining whether to approve or deny Cal-Am's CDP application. (See Pub. Resources Code, § 30200; see also *Charles A. Pratt Construction Co. v. Cal. Coastal Com.* (2008) 162 Cal.App.4th 1068, 1075.) Thus, the Commission's review is limited to Project components within the Coastal Zone and potential impacts to Coastal Zone resources. (See June 30 Letter to Commission, p. 81.)

- MCWD claims that, in arguing for deferral to the State Water Board on matters of water quality, Cal-Am is "asking the Commission to forego thorough review of the [Project's] potential groundwater impacts." (MCWD Letter, p. 73.)

  - Cal-Am has never argued that the Commission should forego reviewing the Project's potential groundwater impacts. Rather, Cal-Am explained that the Project's existing groundwater data is extensive and the Final EIR/EIS's groundwater modeling conservatively evaluated the Project's potential groundwater impacts such that additional modeling is neither required nor appropriate. (See June 30 Letter to Commission, pp. 21-23, 82.) In other words, the Commission should review the existing, robust record in reviewing the Project's consistency with the Coastal Act's groundwater protection policies—not perform additional, unnecessary groundwater modeling.

    - Indeed, the State Water Board has reviewed the existing groundwater record for the Project, and concluded that the modeling "already conducted, revised, and relied upon by the Public Utilities Commission . . . provides a conservative overprediction of the volume of shallow, inland water that the Project would capture during full operation." (See Letter from Eileen Sobeck, State Water Board, to John Ainsworth, Coastal Commission (May 8, 2020), p. 3.) As a result, "State Water Board staff's opinion remains that the groundwater impacts of the Project will not be any greater than those stated, analyzed, and mitigated under the Public Utilities Commission's certified Final EIR," even if additional modeling is conducted. (*Id.*, p. 3.)

M. Role of Other Agencies

- MCWD argues that the CPUC is not playing any further role with respect to the Project. (MCWD Letter, p. 73.) MCWD is wrong.

    - Following its approval of the Project, as the lead agency the CPUC oversees Cal-Am's compliance with the MMRP. (CPUC Decision D.18-09-017, p. 161.)

    - Further, the CPUC is charged by statute with exclusive jurisdiction to oversee Cal-Am's ratesetting and determine utility supply and demand. (See June 30 Letter to Commission, p. 83.) "[T]he jurisdiction to determine the adequacy of service actually being rendered by a public utility under its franchise is vested exclusively in the [CPUC] when it has elected to determine whether the service is inadequate." (See *Citizens Utilities Company of California v. Super. Ct.* (1976) 56 Cal.App.3d 399, 408; see also *City of Oakland v. Key System* (1944) 64 Cal.App.2d 427, 435.) Therefore, only the CPUC has the authority to make binding determinations as to the levels of supply and demand within Cal-Am's service area. (See June 30 Letter to Commission, p. 83 [citing CPUC Decision D.18-09-017, pp. 167-171, 194-195].)

    - Accordingly, the CPUC has a continued role over the Project.

- MCWD argues that Cal-Am "overstates the power of the [State Water Board] in relation to the existing moratorium on new water connections." (MCWD Letter, p. 74.) According to MCWD, it is the CPUC—not the State Water Board—that has the power to lift the moratorium as soon as Cal-Am determines it has sufficient water supplies to replace its Carmel River withdrawals. (*Ibid*.)

    - As explained in Cal-Am's June 30 Letter to the Commission, the CDO that the State Water Board adopted in 2009 imposed a moratorium on new service connections and certain increases in use until Cal-Am obtained sufficient alternative water supplies. (See State Water Board Order WR 2009-0060, p. 59; see also June 30 Letter to Commission, pp. 83-84.) In 2016, the State Water Board approved an amended CDO that would maintain Cal-Am's effective diversion limit from the Carmel River from the start of water year 2015-2016 until December 31, 2021, as long as Cal-Am meets defined Project approval and construction milestones. (See State Water Board, Order WR 2016-0016, p. 19.) Currently, the State Water Board oversees Cal-Am's compliance with the CDO's milestones. (*Id*., pp. 20-21.)

    - Further, MCWD is simply wrong. The ***State Water Board***—not the CPUC—imposed the moratorium and has the power to lift it provided that Cal-Am certifies that it has secured sufficient permanent water supplies for its Monterey service district. (See *id*., p. 27.)

        - The CPUC decision MCWD cites recognizes as such. Decision 11-03-048 is a CPUC Decision "***to recognize [the] moratorium mandated by the State Water Resources Control Board***." (See CPUC Decision D.11-03-048, p. 1 [emphasis added].) The decision directs Cal-Am to acknowledge

the moratorium ordered by the State Water Board in Cal-Am's tariffs; it does not give the CPUC the authority to lift the State Water Board-imposed moratorium.

- In fact, MCWD's assertion that the CPUC will lift the moratorium when Cal-Am files an advice letter is belied by the text of Decision 11-03-048, which requires that Cal-Am file an advice letter after it has received concurrence from the State Water Board. "Cal-Am is directed to file an advice letter removing this tariff provision when it receives a ***written concurrence of the Depute Director of Water Rights of the State Water Sources Control Board*** with Cal-Am's finding that a permanent supply of water is ready to serve as a replacement for the unlawful diversions of Carmel River water." (CPUC Decision D.11-03-048, p. 2 [emphasis added].)

- In sum, MCWD's assertion that the State Water Board has no further role to play with respect to enforcing the CDO and current moratorium on new service connections is belied by the CDO's plain terms and the very CPUC decision upon which MCWD relies.

ATTACHMENT D

ALTERNATIVE MOTION AND RESOLUTION TO APPROVE COASTAL DEVELOPMENT PERMITS NOS. A-3-MRA-19-0034 AND 9-19-0918

The Applicant requests that the Commission approve Coastal Development Permits Nos. A-3-MRA-19-0034 and 9-19-0918 for the Monterey Peninsula Water Supply Project as submitted by the Applicant, subject to the Standard and Special Conditions within Sections II and III of the Applicant's Staff Report, included as Attachment A to the Applicant's letter dated September 11, 2020.

To approve the Project pursuant to the Applicant's request, the following Motions are in order:

Motion for Appeal A-3-MRA-19-0034: I move that the Commission **approve** Coastal Development Permit A-3-MRA-19-0034 for the development proposed by the applicant subject to conditions.

Moving Commissioner's Recommendation of Approval: I recommend a **YES** vote.

RESOLUTION TO APPROVE WITH CONDITIONS CDP A-3-MRA-19-0034 ON APPEAL:

The Commission hereby approves Coastal Development Permit A-3-MRA-19-0034 and adopts the findings set forth in Section IV of the Applicant's Staff Report, included as Attachment A to the Applicant's letter dated September 11, 2020 on the ground that the development as conditioned will be in conformity with the City of Marina Local Coastal Program and Coastal Act access and recreation policies. Approval of the permit complies with the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the development on the environment, or 2) there are no further feasible mitigation measures or alternatives that would substantially lessen any significant adverse impacts of the development on the environment.

Motion for CDP 9-19-0918: I move that the Commission **approve** Coastal Development Permit Application No. 9-19-0918 for the development proposed by the applicant subject to conditions.

Moving Commissioner's Recommendation of Approval: I recommend a **YES** vote.

RESOLUTION TO APPROVE COASTAL DEVELOPMENT PERMIT NO. 9-19-0918:

The Commission hereby approves Coastal Development Permit 9-19-0918 and adopts the findings set in Section IV of the Applicant's Staff Report, included as Attachment A to the Applicant's letter dated September 11, 2020 on the ground that the development as conditioned will be in conformity with the policies of Chapter 3 of the Coastal Act. Approval of the permit complies with the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the development on the environment, or 2) there are no further feasible mitigation measures or alternatives that would substantially lessen any significant adverse impacts of the development on the environment.

Th3a & 4a

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

California-American Water

OPPOSED LETTERS

Luster, Tom@Coastal

From:	MWChrislock <mwchrislock@redshift.com>
Sent:	Monday, August 24, 2020 6:57 PM
To:	Padilla, Stephen@Coastal; Bochco, Dayna@Coastal; Turnbull-Sanders, Effie@Coastal; Hart, Caryl@Coastal; Aminzadeh, Sara@Coastal; Brownsey, Donne@Coastal; Escalante, Linda@Coastal; Wilson, Mike@Coastal; Groom, Carole@Coastal; Rice, Katie@Coastal; Howell, Erik@Coastal; Uranga, Roberto@Coastal; Ainsworth, John@Coastal; Luster, Tom@Coastal; Dettmer, Alison@Coastal; Schwartz; Schwartz, Noaki@Coastal
Cc:	CalAmMonterey@coastal
Subject:	Monterey Herald Commentary on Cal Am's Desal

Hello Coastal Commissioners and Staff,

This was published August 23rd in the Monterey Herald. It has new information concerning the Carmel River and the state's CDO. It also explains what's going on with Castroville and Cal Am's desal. I hope you will find it valuable.

The numbers used in the article came from the Monterey Peninsula Water Management District. You can see the staff notes here https://www.mpwmd.net/wp-content/uploads/WSP-June-1-2020-Item-2-Revised.pdf

Melodie Chrislock
Managing Director
PUBLIC WATER NOW
http://www.publicwaternow.org
mwchrislock@redshift.com
831 624-2282

https://www.montereyherald.com/2020/08/22/commentary-cal-am-pits-castroville-against-the-peninsula/

Monterey Herald • August 23, 2020

Commentary: Cal Am Pits Castroville Against the Peninsula

By **MELODIE CHRISLOCK**

There's great news to report! The Pure Water Monterey project has injected the required 1,000 acre-feet of operating reserve into the Seaside Basin. This allows Cal Am to begin delivering water in September.

And Pure Water Monterey's start-up issues are quickly being resolved. A third injection

well is in process and will increase injection volume. The full 3,500 acre-feet that Pure Water Monterey was designed to provide will be available by December 2021.

How does this affect the Carmel River and the State's Cease and Desist Order? Our 5-year average draw from the river is 6,314 acre-feet. We are legally allowed to use 3,376 acre-feet. With the addition of 3,500 acre-feet from Pure Water Monterey, we will have a surplus of over 500 acre-feet by December 2021. There will be no fines and no rationing. The long-standing problem of overdrafting the Carmel River is very close to resolution. Due to our conservation and Pure Water Monterey, we have solved the problem. The numbers don't lie.

However, while we've solved the Carmel River problem, this will not give us the water we need for growth or lift the moratorium on new water hook-ups. And it will not allow payback of the Seaside Basin overdraft. That's why we need the additional 2,250 acre-feet from the expansion of Pure Water Monterey.

The expansion is more than enough water for decades of growth at a fraction of the cost of desal, and it could be completed in about 18 months. But Cal Am is blocking the expansion because it earns a 9.2% rate of return on capital investments like this desal plant.

But why is Castroville arguing for Cal Am's desal project? Wasn't this a water supply for the Peninsula?

The big problem is that the source water for Cal Am's desal is 100% groundwater, not ocean water. This desal would need to draw over 17,000 acre-feet per year from the Salinas Valley Groundwater Basin near Marina. But the Agency Act that governs this critically overdrafted Basin states, "For the purpose of preserving the balance, no groundwater from the basin may be exported for any use outside the basin."

So Cal Am came up with a scheme that gave Castroville 700 acre-feet as a trade-off to keep some water in the basin in an attempt to satisfy the Agency Act. How does putting back 700 acre-feet make up for illegally exporting 17,000 acre-feet?

You think that's crazy? Eric Tynan's recent letter "Reality Check" claims Castroville is doing the Peninsula a favor by taking this 700 acre-feet of desalinated water off our hands every year at $110 an acre-foot. But the cost of this water is estimated at $7,000 an acre-foot. Castroville is asking the Peninsula to pay $6,890 per acre-foot to subsidize their water. That's a subsidy of almost $5 million a year! Who came up with this plan? We can't afford that kind of generosity when Cal Am is already charging us a fortune for water. Our bills are already the highest in the nation, and this desal plant would double them.

No one argues that Castroville has a seawater intrusion problem. But whose

responsibility is it to solve this? Why aren't the growers in Castroville and the city of Salinas stepping up to solve a problem they helped create?

How can you ask Monterey Peninsula ratepayers to pay $1.2 billion for a desal plant they don't need to solve a seawater intrusion problem for Castroville?

This 700 acre-feet for Castroville is the reason that powerful Salinas Valley agricultural interests want to force this desal plant on the Peninsula. And Cal Am is using their influence on the Monterey One Water Board to block the Pure Water Monterey Expansion.

Melodie Chrislock is the Managing Director of Public Water Now.

Luster, Tom@Coastal

From: McCoy, Alexandra@Coastal
Sent: Monday, August 17, 2020 11:19 AM
To: Luster, Tom@Coastal
Subject: FW: Environmental Justice: Please Deny Cal Am Permit

See email from Marina resident advocating for denial of the cal-am permit

Please note that due to the current COVID-19 shelter in place orders throughout the State, all correspondence with Commission staff should be conveyed via email, in addition to other means if required by the Coastal Act or regulations.

Alexandra McCoy

California Coastal Commission
Coastal Planner | Central Coast District
alexandra.mccoy@coastal.ca.gov | (831) 427 - 4865

From: "CentralCoast@Coastal" <CentralCoast@coastal.ca.gov>
Date: Monday, August 17, 2020 at 9:39 AM
To: "McCoy, Alexandra@Coastal" <alexandra.mccoy@coastal.ca.gov>
Subject: Fwd: Environmental Justice: Please Deny Cal Am Permit

From: Margaret Davis <attnmargaret@gmail.com>
Sent: Wednesday, August 12, 2020 8:03:01 AM
To: CentralCoast@Coastal <CentralCoast@coastal.ca.gov>
Subject: Environmental Justice: Please Deny Cal Am Permit

August 12, 2020

California Coastal Commission

Commissioners and Staff

CentralCoast@coastal.ca.gov

Re: Deny Cal Am development permit for Monterey Peninsula Water Supply Project

Dear Members of the Coastal Commission and Staff,

Please reject Cal Am's application for a coastal-development permit for the Monterey Peninsula Water Supply Project (MPWSP).

The Cal Am's project would moot a technically superior, cheaper, and environmentally preferred alternative water supply project that avoids the serious problems of the MPWSP.

Cal Am seeks to exploit the Salinas Valley Groundwater Basin, the sole potable water source for the City of Marina and its diverse residents. The project will cause grave harm in this basin.

An independent analysis by licensed professional engineer of hydrogeology and modeling, Barbara Ford (paid for and distributed by Water Plus), found significant modeling errors in two studies funded by Cal Am as part of its EIR. These errors distorted the data in the studies and produced inaccuracies as to project feasibility and environmental safety.

This faulty modeling was nevertheless relied upon in Cal Am's draft EIRs and reported without correction to the CPUC.

As noted by Ford, the Cal Am hydrogeologist admits that Cal Am's project will ruin Marina's water source, stating,

> But the slant well pumping is designed to replace freshwater in the Dune Sand/A Aquifer unit and 180-ft aquifer with seawater over some unreliably quantified aquifer volume and timeframe based on the HydroFocus report excerpt presented below:
>
> > ... When the pumps are turned on, the wells initially extract the existing ambient mix of native groundwater in storage, but as pumping continues the wells extract increasing proportions of infiltrating recharge from the ocean. The ocean recharge gradually replaces the ambient water within the capture zone, and moves within the capture zone toward the well but does not spread beyond the capture zone. In map view, the capture zone is a 2-dimensional surface that delineates the underlying aquifer volume where *ocean water replaces ambient groundwater and ultimately becomes the primary water source to the wells* [emphasis added].
>
> Because the slant well pumping is designed to replace aquifer freshwater with seawater, *the pumping necessarily results in an increase in seawater intrusion into aquifer areas still containing freshwater* [emphasis added]. (Cal Am draft EIRs 2015, 2017, Appendix E-2, p. 36)

That is, the "aquifer areas still containing freshwater," vital to Marina's water supply, will inevitably be spoiled by seawater intrusion.

This admission by Cal Am's hydrogeologist is a startling walkback of the corporation's consistent claim that the project will not worsen seawater intrusion, but instead draw fresh water into Marina's upper aquifers.

Cal Am's aggressive hegemony into an aquifer to which it has no legal rights and its faulty, self-serving hydrogeological assertions have cost our local cities, agencies, and citizens tremendous time, money, anxiety, and doubt about the future.

Low-income Marina has been forced to defend its affordable water supply from deep-pocketed corporate interests that would destroy it.

As advocates for all California residents, charged to pursue equity and social justice as well as environmental integrity, please let justice be done.

Very truly yours,

Margaret Davis

Former Planning Commissioner

Marina, California

attnmargaret@gmail.com

Luster, Tom@Coastal

From: Jonas Minton <jminton@pcl.org>
Sent: Wednesday, August 12, 2020 9:55 AM
To: Luster, Tom@Coastal
Subject: Fwd: for the slide
Attachments: 00832022.PPTX; Coastal Commission Public comment August 11 2020.docx

Pleases share with Commissioners and the record the attached transcript of my public comment today re CALAM's desalination project. The slide refrenced in my comment is in the link below.

Carmel River Diversions Starting Dec. 31, 2020

CALAM average diversion last 5 years	6,313 acre-feet
CALAM legal entitlement	3,376 acre-feet
Pure Water Monterey Phase 1	3,500 acre-feet
Balance - surplus	563 acre-feet

Luster, Tom@Coastal

From: Jonas Minton <jminton@pcl.org>
Sent: Wednesday, August 12, 2020 9:55 AM
To: Luster, Tom@Coastal
Subject: Fwd: for the slide
Attachments: 00832022.PPTX; Coastal Commission Public comment August 11 2020.docx

Pleases share with Commissioners and the record the attached transcript of my public comment today re CALAM's desalination project. The slide refrenced in my comment is in the link below.

Coastal Commission Public comment August 11, 2020

Jonas Minton

I'm Jonas Minton with the Planning and Conservation League. I'm pleased to hear that Secretary Blumenfeld shares the goal of returning water to the Carmel River. That is a cause I have devoted myself to for the past 20 years. And in that time illegal diversions have been reduced 85%.

I do note that it was not CALEPA, not Fish and Game and not NMFS that got this started. I am the person who initiated and pursued the Cease and Desist Order calling CALAM into account. There is no person on the planet more dedicated to keeping water in the Carmel River.

However the desal project is not needed to accomplish the goal that Secretary Blumenfeld and I share. I have years of experience that allow me to cut to the bottom line for you. When I served as Deputy Director of the California Department of Water Resources a regular part of my responsibilities was to review supply and demand balances.

The key date in the Cease and Desist Order is December 31, 2021. That is when CALAM must stop all of its illegal diversions.

Slide please

Here is the bottom line balance sheet. CALAM reports that its average annual diversions over the past 5 years have been 6,313 acre feet. They have an undisputed legal right to 3,376 acre feet. Phase One of Pure Water Monterey will provide them 3,500 acre feet. That will leave CALAM with an actual surplus of 563 acre feet.

The bottom line is that CALAM's own data prove the desal project is not needed for CALAM to comply with the Cease and Desist Order and to achieve the goal Secretary Blumenfeld and I share. Thank you.

August 7, 2020

Tom Luster
California Coastal Commission

Re: Response to Cal Am's June 30, 2020 letter to Tom Luster

Dear Tom,

I hope it's clear to the Commission that Cal Am is the only obstacle to the expansion of Pure Water Monterey. Without a water purchase agreement from Cal Am, the project cannot obtain financing and move forward. Cal Am is blocking progress on this project.

The Pure Water Monterey Expansion would make Cal Am's proposed desal unnecessary. Killing the competition is a strategy we've all come to expect from corporate America, but this is a public water supply. For Cal Am to say that the PWM Expansion is wholly infeasible is an absolute lie.

What is true is that Cal Am asked the Monterey One Water Board NOT to certify the Expansion's SEIR in a last-minute letter to the Board.

There were no environmental reasons not to certify the SEIR. Any environmental impacts were mitigated. Remember this is the expansion of an already existing and permitted potable groundwater replenishment project with a state of the art water purification plant. The EPA said it was a model they wanted to use nationally.

Cal Am's June 30, 2020 letter to the Commission refuting the November, 2019 Coastal Commission staff report stated that your staff "severely understates the PWM Expansion's own potential environmental effects. Notably, the M1W Board denied certification of the PWM Expansion's SEIR based on inadequate analysis of that project's environmental impacts."

What environmental impacts? There was absolutely no basis not to certify the SEIR. There were no environmental issues, and Monterey One's CEQA attorney repeatedly and publicly reminded the Board of this fact. With no negative environmental impacts to cite, the issues the Board raised were not real. They were false concerns used as excuses to justify their refusal to certify the SEIR.

The PWM Expansion SEIR certification was clearly not denied on environmental grounds. In fact, certification was not denied at all. The SEIR has simply not yet been certified. This was a decision based on politics, not environmental issues. It was all political theater and false statements to give guilty board members cover for refusing to certify the SEIR. The whole point was to use the lack of certification against the Expansion to influence the Coastal Commission's upcoming decision. Cal Am's letter is clear evidence of this strategy.

But why would Monterey One board members back Cal Am's desal over the agency's own award-winning project? Agricultural interests on the Monterey One Board are sabotaging their project to secure 700 AFY of desalinated water that Cal Am has promised to the Castroville Community Services District.

Castroville has a seawater intrusion problem that is threatening its municipal wells. Farmers and the City of Salinas have overdrafted their groundwater resources creating this seawater intrusion problem in Castroville. Cal Am has given them a cheap solution, desalinated water for a $110 an acre-foot. That is the real reason the SEIR was not certified. But why should Monterey Peninsula ratepayers be asked to foot the bill for a $1.2 billion desal plant they don't need to solve a problem they didn't create?

Cal Am asked Monterey One not to certify the SEIR, essentially bribing vulnerable members with 700 AFY of cheap water. Now Cal Am turns around and uses the outcome of its manipulation to claim that the project is environmentally inadequate because the SEIR was not certified.

The reasons given for not certifying the Pure Water Monterey SEIR had nothing to do with environmental impacts, and they were simply not true. I want to set the record straight on the issues below.

- Monterey One can provide the promised volume of water. The full 3,500 AFY from Pure Water Monterey will be available by the State's CDO deadline of December 2021. Pure Water Monterey was designed with four deep injection wells to store this water in the Seaside Basin. To keep cost down, only two wells were built. It has become clear in the start-up phase that a third well is needed. Monterey One is in the process of adding this 3rd well to increase the injection volume to 3,500 AFY.

- Source water rights are secure. Monterey One has the legal rights to the source water needed for the Pure Water Expansion. Most of this is municipal wastewater. About 16% is polluted agricultural runoff from the Blanco Drain and Reclamation Ditch. This is the only agricultural water used. Monterey One has contractual rights to this. It has been made clear that the agricultural wash water from the City of Salinas is not needed and would not be used in the Expansion. This is another false argument that was raised and refuted by Monterey One staff.

- Water quality has been addressed. The Division of Drinking Water under the State Water Resources Control Board has already permitted the use of agricultural runoff as source water for Pure Water Monterey. It is already being used in the initial project. The inclusion of this source water would not result in lingering pesticides in the PWM Expansion product water.

- Cal Am continues to claim the Pure Water Monterey Expansion is not enough water. But three separate reports funded by three public agencies have all concluded that the Expansion can protect the Carmel River and provide a drought-proof water supply

sufficient to meet the Monterey Peninsula's current and future demands for decades. The CPUC with a little help from Cal Am got this wrong.

• Cal Am looks to the CPUC for past justification of its position on the PWM Expansion. After the CPUC asked Monterey One Water to provide a report on the Expansion, they decided it wasn't sufficiently developed for them to consider at that time, but they expressed interest in its potential. No analysis of environmental impacts was ever done. To say the CPUC concluded that the PWM Expansion was not a feasible alternative to desalination is misleading. Time has passed, and new information is available. The PWM Expansion now has a sound SEIR waiting to be certified.

In closing, on behalf of the 4,000 plus local members of Public Water Now, we hope you will see the wisdom in denying Cal Am's permit for this oversized, overpriced, environmentally damaging desal project. Our public agencies working together have solved our water supply problem with Pure Water Monterey and its Expansion.

The Monterey Peninsula wants the most affordable and environmentally conscious water supply project. In our view, that is the Pure Water Monterey Expansion.

Thank you,

Melodie Chrislock
Managing Director

PUBLIC WATER NOW
http://www.publicwaternow.org
mwchrislock@redshift.com
831 624-2282

July 21, 2020

California Coastal Commission

Commission Chair, Steve Padilla, Commissioners, Tom Luster and Staff

Subject: Request for Denial of California-American Water Company (CalAm) Coastal Development Permit Application

Dear Chair Padilla, Commissioners, Tom Luster and Staff,

With respect and gratitude to our Founding Fathers who created this great democratic republic for "We the People", I herein voice deep concern for the critical issue coming before you for decisive deliberations on September 17, 2020, namely, the California-American Water Company (CalAm) application for a coastal development permit in support of its Monterey Peninsula Water Supply Project (MPWSP).

As an original co-founder of Citizens for Just Water, a party to the CPUC MPWSP proceeding, I urgently bring to your attention essential facts that should inform your decision to deny the MPWSP coastal development permit on the basis that this project is environmentally unjust and, if approved, would supplant a much more viable and environmentally preferable alternative water supply project that is free of the many downside defects that invalidate the MPWSP.

In 2014 the State of California enacted the Sustainability Groundwater Management Act (SGMA) to restore, protect, and preserve the 21 critically over drafted groundwater basins and other potentially threatened water supply sources that worsened to the point that legislation became necessary to ensure water safety, conservation and reliability. The Salinas Valley Groundwater Basin is on this list, with the freshwater Perched Dune Sand and Dune Sand Aquifers being under siege due to the MPWSP slant well pumping of freshwater from these precious aquifers that provide the sole potable water supply source for the City of Marina and its citizens.

An independent licensed professional engineer specializing in hydrogeology and modeling has conducted an analysis of two separate studies CalAm funded as part of its two draft Environmental Impact Reports for the MPWSP, conducted by consultants Geoscience Support Services, Inc. (Geoscience) and HyrdroFocus Inc., respectively. These CalAm EIR analyses provided much erroneous modeling that distorted the data, providing inaccurate information pertaining to the feasibility and environmental safety of the MPWSP.

Dr. Ron Weitzman, President of Water Ratepayers of the Monterey Peninsula (aka Water Plus), conscious of the vital importance of accurate modeling, hired an independent licensed professional engineer specializing in hydrogeology and modeling, to conduct a thorough analysis of the two CalAm hydrogeological studies.

Dr. Ron Weitzman, a Princeton University statistician specializing in linear and stochastic modeling, contracted engineer firm, GeoHydroScience, llc's expert, Barbara Ford, to perform an objective, independent analysis of the slant well operations as well as assess the reliability of analysis in the CalAm reports. This study revealed the faulty modeling and erroneous,

inaccurate data contained in the two CalAm draft EIR's and modeling in Appendix E-2 from 2015 and 2017. Unfortunately, those reports comprised flawed analysis that became part of the official FEIR analysis reported to the CPUC. As Professional Engineer Barbara Ford stated in her final published report, Dr. Weitzman had understood that the MPWSP objective was that the test slant well would not cause additional seawater intrusion; he had requested that any available information from the consultants' (GeoScience and HydroFocus) reports that did not support his understanding be included in the report. Directly taken from the GeoHydroScience, llc report:

> "Review of the consultants' reports identifies that seawater intrusion would increase. The increase in inland extent due to creation of a cone of depression from pumping was not reliably determined in the consultants' model. But the slant well pumping is designed to replace freshwater in the Dune Sand/A Aquifer unit and 180-ft aquifer with seawater over some unreliably quantified aquifer volume and timeframe based on the HydroFocus report excerpt presented below (pg. 36):
>
> > 'A capture zone refers to the three-dimensional volume of aquifer that contributes the water extracted by the wells. When the pumps are turned on, the wells initially extract the existing ambient mix of native groundwater in storage, but as pumping continues the wells extract increasing proportions of infiltrating recharge from the ocean. The ocean recharge gradually replaces the ambient water within the capture zone, and moves within the capture zone toward the well but does not spread beyond the capture zone. In map view, the capture zone is a 2-dimensional surface that delineates the underlying aquifer volume where ocean water replaces ambient groundwater and ultimately becomes the primary water source to the wells.'
>
> Because the slant well pumping is designed to replace aquifer freshwater with seawater, the pumping necessarily results in an increase in seawater intrusion into aquifer areas still containing freshwater." Pp.24-25

Alarmingly, the CPUC failed to even mention the Dune Sand Aquifers in its certification approval document for the MPWSP. The HydroFocus report stands as the 'Achilles heel' of the MPWSP because its own hydrogeologist confirmed that the CalAm slant well was designed to "replace freshwater with seawater", which necessarily has the outcome that the Salinas Valley Groundwater Basin Dune Sand Aquifers and other aquifers will experience seawater intrusion into freshwater aquifers if the MPWSP is allowed to proceed. This gross oversight and failure to consider all the ramifications of the hydrogeological evaluations has cost our communities huge financial and emotional capital expended in citizen and city defense of its precious water supply source against an avaricious for-profit non-local corporation that has no compunction about blatantly depleting the freshwater supply belonging to a community outside its jurisdiction. This is the reason for the outrage and massive citizen investment in time, energy and funds to struggle against this environmental injustice.

In addition to SGMA, the State of California requires that all available water resources be used to ensure adequate drought-proof water supply and avoidance of wasting valuable water sources, such as rain and agriculture runoff. This is another justification for supporting Pure Water Monterey Expansion, that is the environmentally preferable water supply alternative to the MPWSP. Pure Water Monterey Expansion has solid confirmed studies attesting to its feasibility and viability as a water supply source for decades to come, without all the unreliable and destructive elements of the MPWSP.

I pray that finally our citizens' voices will be heard and environmental justice accorded. We regret that so much effort and repetition of input has had to be submitted, but our voices have to matter; our voices have to make a difference as the agencies involved must be responsible to "We the People".

Thank you for your invaluable work for our communities. We salute you for validating the public good and supporting environmental justice. We urge you to seriously support the environmentally preferable water supply alternative, Pure Water Monterey Expansion, and deny the CalAm MPWSP coastal development permit.

Very respectfully,

s//Margaret-Anne Coppernoll//

Margaret-Anne Coppernoll, Ph.D.
308 Costa Del Mar Road
Marina, California 93933
Email: mcopperma@aol.com

Luster, Tom@Coastal

From:	George Riley <georgetriley@gmail.com>
Sent:	Friday, July 03, 2020 2:58 PM
To:	Padilla, Stephen@Coastal; Brownsey, Donne@Coastal; Turnbull-Sanders, Effie@Coastal; Wilson, Mike@Coastal; Howell, Erik@Coastal; Uranga, Roberto@Coastal; Groom, Carole@Coastal; Mann, Zahirah@Coastal; Faustinos, Belinda@Coastal; Luce, Shelley@Coastal; Ward, Christopher@Coastal
Cc:	Ainsworth, John@Coastal; Luster, Tom@Coastal
Subject:	California American Desal CDP

This is going to email addresses of Commissioners and key staff, and by hard copy to all others.

I appreciate your patience and your service.

I'm George Riley. I am an elected member of the Monterey Peninsula Water Management District (MPWMD). Although I am on the Board, I am speaking as an individual. I speak for myself. I speak as a ratepayer.

Ocean desal is a water supply of last resort! Why? High cost, immense energy demands, unmitigated environmental impacts, no proven track record.

Cal Am has tried two desal proposals before this current one. Both failed. And left stranded costs of $32 million on ratepayers. (ML pilot desal - $12M; and REPOG - Regional Deal Project - $20M) The current desal is worse because of startling deficiencies. It lacks 3 infrastructure components – pump station, a pipeline bypass, brine discharge liner. It lacks water rights. It is located in a state-designated over-drafted basin. It relies on stale data. It faces litigation.

Current deficiencies show that Cal Am and its desal are not ready for approval.

I want to add two points:

First, the Water Management District, my District, is committed to the recycled water project, called Pure Water Monterey Expansion. a) My District advanced $1 million to complete the SEIR. b) My District adopted a professional and vetted water demand and supply report that factually states that Monterey Peninsula water needs are far less than Cal Am and the CPUC predicted. c) And my District recently officially endorsed the recycled water expansion over Cal Am's desal, and communicated this decision to this Commission. d) The Pure Water Monterey Expansion is very much alive with the District.

Second, less than one year ago, in September 2019, the US Dept of Energy announced a $100 million national research grant to advance desal technology and engineering. The lead agency is Berkeley Livermore Labs. The purpose is to make desal more affordable, more efficient and

more reliable. This is an indirect reminder that Cal Am's desal is not economically and environmentally ready for prime time.

Please, do not support a project of last resort ahead of other options. Please, wait for more desal options from the $100 million national research commitment before allowing Cal Am's experimental coastal desal project to proceed.

George T. Riley

1198 Castro Road, Monterey CA 93940

831-645-9914

Luster, Tom@Coastal

From: Jonas Minton <jminton@pcl.org>
Sent: Wednesday, June 10, 2020 9:50 AM
To: Luster, Tom@Coastal
Subject: Fwd: Powerpoint - final?
Attachments: 00830084.PPTX

Hello Tom. Below are my comments with two slides that I provided during the Public Comment period at today's Coastal Commission meeting. Please share them with Commission staff who advise the Commission on environmental justice issues.

Thank you.

Jonas Minton

Coastal Commission Public Comment June 10, 2020

Jonas Minton, Planning and Conservation League, (916) 719-4049 jminton@pcl.org

My comments are about systemic racism in the context of CALAM's proposed desalination project. Yes, there is a real nexus.

Systemic racism is not limited to policing. It extends to economic racism.

(Slide 1 please) Let's look at CALAM's customers. On this chart you can see the major difference in family income between CALAM's white customers and people of color. Pebble Beach is 91% white with a median family income of $99,788. Carmel is also 91% white with a median income of $90,734, On the other hand the City of Seaside is 77% NON WHITE with a median income of just $57,653. The City of Marina would receive no water from the project but would suffer the greatest impacts. Its population is 65% NON WHITE, with median family income of $60,410.

(Slide 2 please) CALAM ratepayers already have some of the highest rates in the entire nation. If you approve the desal plant their water costs rates would skyrocket to more than $147 per month.

Although these are major rate increases, many predominantly white customers in affluent areas like Pebble Beach and Carmel would be able to afford it. But for many people of color in Seaside this could be a straw that breaks their back.

The Monterey Peninsula has water supply alternatives that will not impose such huge economic burdens on disadvantaged people. The desal project is not one of them.

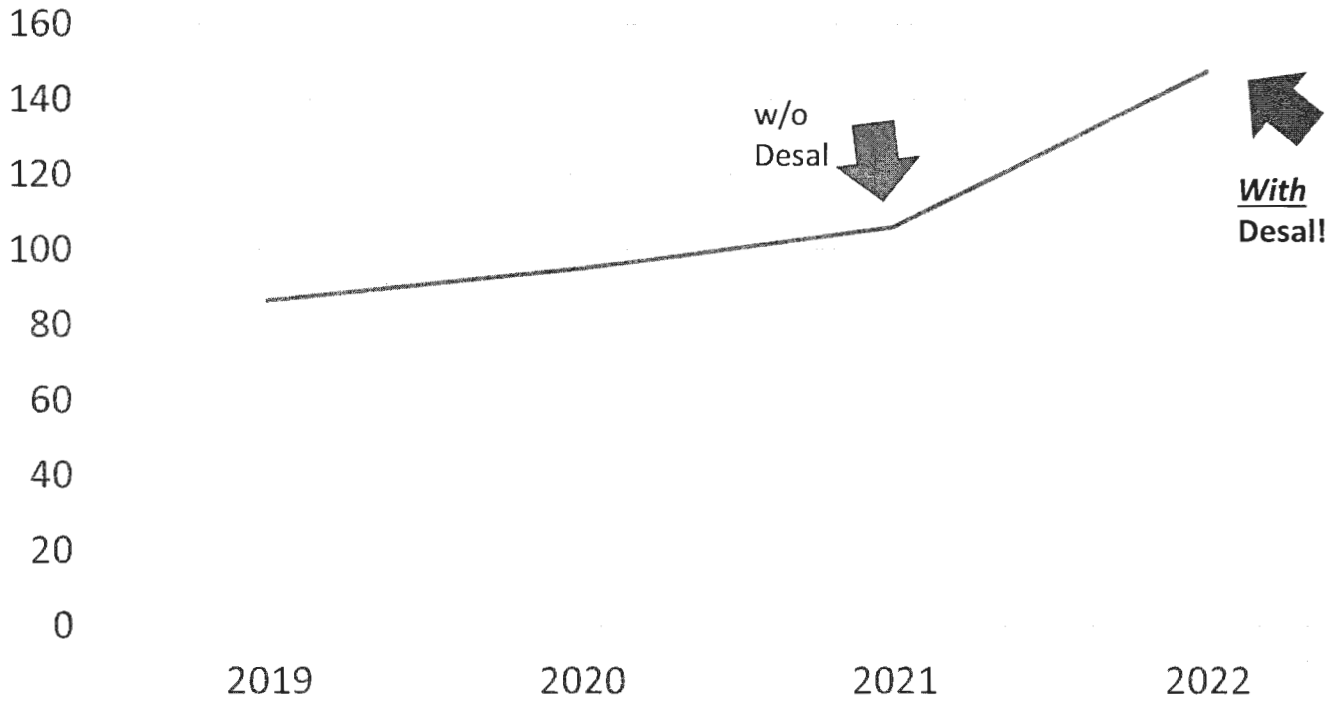
George Floyd, may you rest in peace. Now it's our responsibility to fight for peace and economic Justice.

Thank you.

Racial and Economic Inequality

	% White	% Non-white	Median Annual Family Income
Pebble Beach	91	9	$99,788
Carmel-by-the-Sea	91	9	$90,734
Marina	35	65	$60,410
Seaside	23	77	$57,653

Rate Spike if Desal is Approved



Luster, Tom@Coastal

From: Mike <mgk333@sbcglobal.net>
Sent: Monday, June 08, 2020 9:43 PM
To: CalAmMonterey@coastal
Subject: Fwd: Please Support the Monterey One Pure Water Recycling Project

Dear California Coastal Commission and Staff,
I am forwarding my comments to you that were sent to the State Water Resources Control Board earlier today.

Michael Kennedy
Marina, CA

Begin forwarded message:

> **From:** Mike <mgk333@sbcglobal.net>
> **Date:** June 8, 2020 at 2:27:35 PM PDT
> **To:** Joaquin Esquivel <joaquin.esquivel@waterboards.ca.gov>, Sean Maguire <sean.maguire@waterboards.ca.gov>, Dorene D'Adamo <dorene.dadamo@waterboards.ca.gov>, Laurel Firestone <laurel.firestone@waterboards.ca.gov>, tam.doduc@waterboards.ca.gov
> **Cc:** Thomas Gibson <Thomas.Gibson@resources.ca.gov>, Mark Gold <mark.gold@resources.ca.gov>, Scott Morgan <scott.morgan@water.ca.gov>, David Sandino <David.Sandino@water.ca.gov>, Mathew Dumloa <Matthew.Dumlao@ltg.ca.gov>
> **Subject: Please Support the Monterey One Pure Water Recycling Project**
>
> Mr. Esquivel and State Water Resources Control Board Members,
>
> As a proposed remedy to the water situation on the Monterey Peninsula, Cal Am is pushing for industrial slant wells on the soon-to-be-closed CEMEX sand mining site in Marina.
>
> The proposed slant wells have three perilous concerns -- legal, environmental and economic:
>
> 1. Legally - Cal Am has absolutely no water rights in Marina
> 2. Environmentally - Cal Am's illegal water grab will permanently harm Marina's groundwater aquifers and coastal ecosystem.
> 3. Economically - The experimental slant wells will commit the Cal Am ratepayers to even higher water bills
>
> But there is clearly a win-win solution that will satisfy both the Peninsula ratepayers *and* the people of Marina and the Ord communities that is worthy of serious consideration:
>
> Expansion of the Monterey One Pure Water Recycling Project.
>
> The current Monterey One Pure Water Recycling Project already involves Cal Am and will create necessary water and replenishment of the Seaside Basin.
>
> Expansion of the Pure Water Recycling Project is a win-win because:
>
> - Expansion of the Pure Water Recycling Project will be much less expensive than the harmful and illegal slant wells. Over 30 years, Cal Am's desal will cost an estimated **$1.2 billion**; the Pure Water Monterey Expansion will cost exponentially less, only $190 million.

- With the Pure Water Monterey Recycling Project, there will be no intrusion into -- and no permanent damage of -- Marina's sole source of water.

- The Cal Am slant wells desalination project uses **6.5 times more energy** than the Pure Water Monterey Expansion project.

- The Cal Am slant well desalination will produce **six to seven million gallons per day** of brine discharged into the Monterey Bay, while the Pure Water Monterey project will produce **only 0.5 million gallons per day**of concentrate (much less dense than brine) discharged into the bay.

- The Cal Am slant wells create permanent damage to environmentally sensitive habitat areas; the Pure Water Monterey project is not on the shoreline and has no ESHA impacts.

Please reject the unproven, experimental slant wells and focus on the expansion of Pure Water Monterey that is a viable remedy with regional cooperation and support.

Respectfully,
Michael Kennedy
Marina, CA

Luster, Tom@Coastal

From: Ron Weitzman <ronweitzman@redshift.com>

Sent: Saturday, June 06, 2020 9:42 AM
To: Esquivel, Joaquin@Waterboards; Maguire, Sean@Waterboards; Dadamo, Dorene@Waterboards; Firestone, Laurel@Waterboards; Doduc, Tam@Waterboards; Sobeck, Eileen@Waterboards; Lauffer, Michael@Waterboards; Westhoff, Steven@Waterboards; Luster, Tom@Coastal; Groom, Carole@Coastal; Hart, Caryl@Coastal; Bochco, Dayna@Coastal; Brownsey, Donne@Coastal; Turnbull-Sanders, Effie@Coastal; Howell, Erik@Coastal; Ainsworth, John@Coastal; Rice, Katie@Coastal; Escalante, Linda@Coastal; Wilson, Mike@Coastal; Uranga, Roberto@Coastal; Aminzadeh, Sara@Coastal; Padilla, Stephen@Coastal; Luster, Tom@Coastal
Cc: Kathy Biala; 'Alvin Edwards'; 'Chuck Cech'; 'Dan Presser'; 'David Beech'; 'Dixk Rotter'; 'Flora Anderson'; 'George Riley'; 'Janice Parise'; 'Judi Lehman'; 'Marc Jeffrey Del Piero'; 'Margaret-Anne Coppernoll'; 'Michael Baer'; 'Morley Brown'; 'Mryleen Fisher'; 'Nader Agha'; 'Nancy Selfridge'; 'Ray Stevenson'; 'Ron Weitzman'; 'Stephen Collins'
Subject: Support for Kathy Biala's 5 June 2020 Letter to the State Water Board & Others

To: State Water Resources Control Board and Others Addressed in Kathy Biala's 5 June 2020 Letter
From: Ron Weitzman, President, Water Ratepayers Association of the Monterey Peninsula (aka Water Plus)
Subject: Support for Kathy Biala's 5 June 2020 Letter re Cal Am's Lack of Water Rights in the Salinas Valley
Date: 6 June 2020

The following excerpt on the issue of water rights from the 26 May 2020 Application for a Rehearing on the Denial of Intervenor Compensation to Water Plus provides strong support for Kathy Biala's letter:

V. CAL AM HAS NO GROUNDWATER RIGHTS IN THE SALINAS VALLEY

Here are the comments ALJ Haga made on this issue: "Water Plus failed to make a significant contribution to the Water Rights issue. Water Plus did not substantially contribute to the issue of water rights because the Commission did not adopt any portion of any argument made by Water Plus." Only the last part of the last sentence (underlined by me) of these comments is true, and that is truly unfortunate. Water Plus in fact made a significant contribution on this issue. In filings prior to D.18-09-017, it showed why the

beneficial-use doctrine[1] and the return-water provision could not make up for the lack of water rights (see 12 November 2019 Claim). The 6 March 2020 Comments by Water Plus provides a succinct summary:

"Adjudication has provided the CEMEX site of the MPWSP [Monterey Peninsula Water Supply Project] with water rights to only 500 acre-feet per year[2] but, until CEMEX is gone, Cal Am does not have even those water rights in the Salinas Valley. Nor does the beneficial-use doctrine substitute for the lack of water rights when applied to the Dune Sands freshwater aquifer, which supplies much of the MPWSP source water.

"The MPWSP was one of three options considered for a desalination project in 2010 when the choice made was not for that option, but for the RDP [Regional Desalination Project]. Though both were to be located in the City of Marina, the two projects differed in important respects. The most impactful difference is that Cal Am was to own the desalination plant in the MPWSP and the Marina Coast Water District ("Marina Coast') was to be the owner in the RDP. With Marina Coast's having and Cal Am's not having water rights in the valley, that difference was a primary reason for the choice of Marina Coast's project over Cal Am's.

"Having water rights in the valley made it possible for Marina Coast to satisfy the Agency Act[3] without a requirement for return water. Instead of return water, Marina Coast agreed to forgo the use of one of its freshwater wells in the Salinas Valley and to export only desalinated seawater while retaining all freshwater obtained from brackish project wells.

"Yet another difference stemming from the ownership difference between the two projects is that Marina Coast could use subsurface intake via vertical wells to avoid the entrapment of sea life whereas Cal Am, because of its lack of groundwater rights, had to use slant wells under the sea or the shore which could enable the entrapment of sea life [in aquifers between their well-intake site and their terminus at sea].

"Because of these and other differences [including the cost of water, $2,250 per acre-foot for the RDP vs. $$7,688 per acre-foot for the MPWSP], Water Plus since 2010 has supported the RDP and since 2012 has opposed the MPWSP."

VII. ALTERNATIVE PROJECTS

Here are ALJ Haga's comments on this issue: "None of Water Plus's recommendations regarding alternatives or claims regarding contaminated source water was adopted by the Commission in any ruling or decision in this proceeding." That assertion is true, but it is an unfortunate truth that has confounded the MPWSP from its very beginning. This is why.

The MPWSP and all the alternative projects considered in the EIR are inferior to one that was explicitly and unaccountably excluded from consideration. That is the RDP, which in 2010 swiftly, in less than a year, traversed all hurdles that have hobbled the MPWSP for eight years now. Different from the MPWSP, the RDP:

(1) being publicly owned, satisfied the Monterey County desalination ordinance;

(2) did not violate the state Agency Act because it retained within the valley the freshwater component of brackish groundwater while exporting only desalinated seawater;

(3) for the same reason, did not require highly controversial return water;

(4) did not require unlawful exacerbation of seawater intrusion into valley aquifers to provide project source water, its owner Marina Coast having groundwater rights in the Salinas Valley;

(5) for the same reason, did not require the use of costly and unproven slant wells to extract mostly or solely seawater;

(6) did not have to entertain the partial and currently- disputed [though also currently necessary] expanded use of recycled water to control costs; and,

(7) not having to surmount all these and other[4] hurdles [e..g., higher capital costs], could charge ratepayers $2,250/$7,688 or 29 percent of what the MPWSP could charge per unit of desalinated water.

The RDP obviously had not been excluded from consideration for reasons of merit. This is the alternative project that Water Plus strongly preferred, but its exclusion from consideration by Cal Am has made moot any focused argument Water Plus might make in its favor.

[1] California Water Code, Article 4. Beneficial Use, Section 1240
[2] Fort Ord Annexation Agreement (1996), Section 7.2 (page 17)
[3] Monterey County Water Resources Agency Act (1990), Chapter 52-21, prohibiting groundwater exportation from the Salinas Valley
[4] including higher capital costs

Luster, Tom@Coastal

From: Judy Strojny <judystrojny@hotmail.com>
Sent: Saturday, June 06, 2020 5:40 PM
To: Esquivel, Joaquin@Waterboards; Maguire, Sean@Waterboards; Dadamo, Dorene@Waterboards; Firestone, Laurel@Waterboards; Doduc, Tam@Waterboards
Cc: Sobeck, Eileen@Waterboards; Epp, Jennifer@Waterboards; Lauffer, Michael@Waterboards; Westhoff, Steven@Waterboards; Ainsworth, John@Coastal; Luster, Tom@Coastal; Dettmer, Alison@Coastal; Gibson, Thomas@CNRA; Gold, Mark@CNRA; Morgan, Scott@DWR; Sandino, David@DWR; Mathew Dumloa
Subject: Support the Pure Water Monterey (PWM) Expansion; Oppose Cal Am's desal

Attention: California Coastal Commissioners:

Please resist the State Water Resources Control Board (SWRCB) and their current pressure on you (CCC) to grant the Coastal Development Permit for Cal Am's slant well desal project.

The City of Marina and the Marina Coast Water District should be commended for their sensible decision to support the Pure Water Monterey Expansion Project rather than CalAm's proposed construction of a slant well desalination plant because the pure water project affordably secures clean water for the coastal area. We oppose the CalAm desalination plant because it:

- Puts the Salinas Valley Groundwater Basin at risk according to a Stanford University and Marina Coast Water District Study.
- Permanently damages sensitive habitat, which violates environmental justice policies of the CCC and EPA.
- Violates the city of Marina's certified Local Coastal Program and Coastal Act Policies related to: public access, marine/ocean resources, recreation, prevention of erosion and geological instability concerns.

The problems listed above can be avoided by implementing the Pure Water Monterey Expansion Project, which has Sierra Club endorsement and avoids expensive construction.

We urge the Commission to:

- Deny the CalAm proposed construction of a desalination plant.
- Give thoughtful consideration to the more environmentally friendly and cost effective Pure Water Monterey Expansion Project.

Sincerely,

William and Judy Strojny,
Residents of Monterey County

Luster, Tom@Coastal

From: Elisabeth Billingsley <ebillingsley@redshift.com>
Sent: Saturday, June 06, 2020 11:41 AM
To: "eileen Sobeck"@waterboards.ca.gov; Epp, Jennifer@Waterboards; Michael Lauffer; Steven Westhoff; California CoastalCommission; Thomas Gibson; Mark Gold; Scott Morgan; David Sandino; Mathew Dumloa
Subject: Water, Water

Dear Commissioner and Board

As a 59 Year resident of Marina I'm very upset about what Cal Am is trying to do to our coast line what is left of it. I have pictures of it when it was great and plenty full of sand , but Cimex plant took care of that , and now we have almost no beach. Here comes Cal Am and they now want to rake away what we have left, by building Slant Wells and taking our Water also from our Aquifers. Marina Citizens are mainly middle class folks and a mixer of the world around us. You name it and we have that nationality in this city.

Here comes your Executive Director Eileen Sobeck's letter of May 8th. 2020. was quoted in our local papers implying that your agency only sees one Solution to meeting the CDO and wants the CCC to approve Cal AM's desal plant.

Sobeck's comment of the Coastal Commission reinforced this, . Her whole argument is based on the FALSE assumption that Cal Am's desal must be build to meet the CDO.

Please Support the project that can lift the moratorium sooner and at a LESS Environmental and ECONOMIC COST. Pure Water Monterey Expansion.

This way No creatures are deprived of their habitat and Marina Citizens are not losing they WATER , to a company that is just out to make MONEY FOR THEIR SHARE HOLDERS on the Back of minorities and Seniors.

Please look at everything with a new vision.

Thank you

Sincerely

Mrs. Elisabeth M. Billingsley

401 Sunset Pl.

Marina, CA 93933-3314

This email has been checked for viruses by Avast antivirus software.
www.avast.com

Luster, Tom@Coastal

From:	tbharris146@aol.com
Sent:	Thursday, June 04, 2020 10:25 PM
To:	Esquivel, Joaquin@Waterboards; Maguire, Sean@Waterboards; Dadamo, Dorene@Waterboards; Firestone, Laurel@Waterboards; Doduc, Tam@Waterboards
Subject:	No desal please

To the members the California Costal Commission:

Whew, we are still working on this issue. Please don't get tired of our persistence and **do** understand that most people/customers in the Monterey area do not want Cal Am to build a desal plant. We don't want to pay for something that is **not necessary** to our health and safety in order to exaggerate Cal Am's worth. It is an **extremely expensive** solution.

We **do support expansion** of Pure Water Monterey.

I have collected signatures on petitions, attended meetings, donated money to efforts, and even attended the November 2019 meeting in Half Moon Bay, in support of ending Cal Am's choke hold on our water supply. My most recent bill was over $500.00.

You have sufficient information, staff reports, and by now understand the underlying components of local, citizen efforts to put the desal plant request on a shelf until actually needed. **It is not needed now or for a very long time, if ever.**

Thank you,
Tamara Harris, Monterey Ca.

Luster, Tom@Coastal

From: Ron Weitzman <ronweitzman@redshift.com>
Sent: Saturday, May 16, 2020 10:41 AM
To: Groom, Carole@Coastal; Hart, Caryl@Coastal; Bochco, Dayna@Coastal; Brownsey, Donne@Coastal; Turnbull-Sanders, Effie@Coastal; Howell, Erik@Coastal; Ainsworth, John@Coastal; Rice, Katie@Coastal; Escalante, Linda@Coastal; Wilson, Mike@Coastal; Uranga, Roberto@Coastal; Aminzadeh, Sara@Coastal; Padilla, Stephen@Coastal; Luster, Tom@Coastal
Subject: FW: Water Letter in Saturday's Herald

FYI,

From: Ron Weitzman [mailto:ronweitzman@redshift.com]
Sent: Friday, May 15, 2020 9:42 PM
To: waterplus@redshift.com
Cc: 'Dorene D'Adamo'; 'Eileen Sobeck'; 'Joaquin Esquivel'; Laurel Firestone; Sean Maguire; 'Tam Doduc'; Alvin Edwards; David Potter; David Stoldt; Gary Hoffmann; George Riley; Jeanne Byrne; 'Mary Adams'; Molly Evans; Alison Kerr; Bill Peake; 'Clyde Roberson'; Don Freeman; Ian Oglesby; maryann@sandcityca.org; Chris Lopez; Jane Parker; John Phillips; Luis Alejo; Asaf Shalev; 'Carmel Pine Cone'; 'Cedar Street Times'; 'Channel 11'; 'Herald City Editor'; 'Jim Johnson'; 'KION TV'; 'KSBW'; 'Sara Rubin'; 'Shanna McCord'; Adam Urrutia; 'Bruce Delgado'; 'David Brown'; 'Frank O'Connell'; 'Gail Morton'; 'Layne Long'; Lisa Berkley; 'Nancy Amadeo'; SSMyers@att.net; SSpaulding@fbm.com; Bill Lee; Herbart Cortez; Howard Gustafson ; Jan Shriner; Keith Van Der Maaten; Matt Zefferman; Peter Le; Tom Moore
Subject: Water Letter in Saturday's Herald

Desal project has two big holes in proposal

In all of its 242 pages, the Public Utility Commission's decision certifying Cal Am's proposed desalination project does not even once mention the freshwater Dune Sand Aquifer which, according to the project's Environmental Impact Report, is the source of almost half the water required for desalination even though Cal Am has no rights to any fresh groundwater in the Salinas Valley.

Although the 180-foot aquifer is to provide only the remainder of the source water, according to the EIR, the PUC's certifying document considers that aquifer to be the sole source of water for the project.

Despite the likely occurrence of entrapment of minute sea life in the seawater-intruded 180-foot aquifer between its well-intake site and its terminus at sea, the project's EIR fails even once in all of its 12,590 pages to examine whether the project would cause any possible sea life entrapment though avoidance of entrapment is the very reason for the project's use of costly subsurface rather than common open-ocean intake,

These two killer holes should be sufficient to sink Cal Am's desal ship.

— Ron Weitzman, Carmel

Luster, Tom@Coastal

From:	mcopperma@aol.com
Sent:	Friday, May 08, 2020 3:04 PM
To:	Luster, Tom@Coastal; Padilla, Stephen@Coastal; Brownsey, Donne@Coastal; Sanders@coastal.ca.gov; Wilson, Mike@Coastal; Howell, Erik@Coastal; Uranga, Roberto@Coastal; Groom, Carole@Coastal; Mann, Zahirah@Coastal; Faustinos, Belinda@Coastal; Ward, Christopher@Coastal
Subject:	Letter Requesting Denial of the California American Water Company's Coastal Development Permit for Monterey Peninsuala Water Supply Project
Attachments:	Coppernoll CCC Letter Final #18 to Tom Luster and CCC Commissioners Ex Parte re Request to Deny CalAm Coastal Development Permit May 8 2020-1.docx

Dear California Coastal Commission Chair Steve Padilla, Vice-Chair Donne Brownsey, Commissioners, Tom Luster, and Staff:

Please accept the attached letter for your consideration. It contains extensive history and background information pertaining to my request that the California Coastal Commission deny California American Water Company's Coastal Development Permit for its Monterey Peninsula Water Supply Project. There are substantive reasons for this request that are outlined in detail in the attached letter.

Thank you very much for your thoughtful review of the information and your superb work for all our communities.

I wish that you and yours all remain safe and well during this difficult shelter-in place period, and long afterwards as well.

Very respectfully,
Margaret-Anne Coppernoll, Ph.D,

May 8, 2020

California Coastal Commission Chair Stephen Padilla, Vice-Chair Donne Brownsey, Commissioners (Ex Parte), Tom Luster and Staff

SUBJECT: Request Denial of California American Water Company's Application for Monterey Peninsula Water Supply Project (MPWSP) Coastal Development Permit

Dear Commission Chair Padilla, Vice-Chair Brownsey, Commissioners (Ex Parte), Tom Luster, and Staff:

It is with a heavy heart that I write this letter to you. At issue is the future of our local water supply, but the concern is much deeper. Please bear with me as this lengthy discussion is meant to aid understanding of the dire, complex situation our communities are facing. It is not an exaggeration to say that our survival is at risk. I take this time to explain details because this California Coastal Commission (CCC) hearing is a most important one for our future existence. Your patience and support are significant factors in our quest for justice, truth, and fairness. You have a most grave responsibility to ensure this public right is upheld.

During the most recent Monterey One Water (M1W) board of directors meeting on April 27, 2020, the M1W board of directors held a "weighted" population-based vote 11-10 in favor of denying certification of the Final Supplemental Environmental Impact Report for the Pure Water Monterey (PWM) Expansion recycled water project, which was officially designated a back-up plan to the California American Water Company (CalAm) Monterey Peninsula Water Supply Project (MPWSP).

This vote came after both the M1W board of directors and the Monterey Peninsula Water Management District (MPWMD) board of directors had unanimously voted to proceed with hiring consultants and staff to work on finalizing the Supplemental Environmental Impact Report (SEIR) for the PWM Expansion water recycling project with an expenditure of one million dollars from taxpayer dollars. The FSEIR took more than a year to complete, to include public reviews and extended review periods.

After what has been considered a monumental step in the right direction to provide a viable, less expensive, and more environmentally safe potable water supply resource for our area, which has long been under the pressure of a California State Water Resources Control Board (SWRCB) Cease and Desist Order (CDO) to limit draw from the Carmel River, CalAm suddenly demanded that FSEIR certification be denied. This surprise turnabout came despite more than 170 citizens having submitted letters to the M1W board urging certification to ensure PWM and its PWM Expansion would be ready to go should CalAm not be successful in obtaining its coastal development permit from the California Coastal Commission (CCC), or in building its desalination facility. More citizens spoke at public comment also to urge FSEIR certification. Our local elected state legislature and city public officials likewise submitted letters supporting FSEIR certification as did many businesses and nonprofit organizations. Certification was a very

big deal. Approval would have brought much deserved relief after a long, strenuous journey to find a sufficient, sustainable and affordable water supply solution with little or no adverse environmental impacts. This denial was a crushing, painful disappointment.

After CalAm realized the CCC wanted to conduct further investigations into serious MPWSP issues that were brought to light during staff research and public input, CalAm began a campaign to discredit the PWM Expansion water recycling project because it surmised that this water recycling expansion project would indeed be a more viable, timely, less expensive, and more environmentally safe water supply shortage solution than its desalination project. CalAm consistently insisted on moving forward with its MPWSP, at great cost to its ratepayers, because it had secured from the California Public Utilities Commission (CPUC) approval to charge its customers capital asset surcharges at 9.2 %, providing a very handsome profit for CalAm and its shareholders. This lucrative opportunity emboldened CalAm to exert much pressure, both politically and financially, on the public as well as M1W board members who could ensure MPWSP success. While the PWM Expansion would provide future water security and a means to lift the State CDO, thus avoiding water rationing and high penalty fees for failing to meet the 31 December 2021 deadline to limit draw from the Carmel River, the PWM Expansion would have the added advantage of removing the moratorium on new water hook-ups and housing developments. To solidify its position, CalAm accorded lower special pricing to the hospitality sector as a way to ensure loyal support.

Another prong in this complex saga is the disregard, indeed the disrespect, CalAm consistently displays for citizens' legal and constitutional rights. Political machinations behind the scenes have been driving certain nefarious actions to undermine this invaluable new water supply source. These activities serve to demoralize whole communities that constantly struggle to bring to fruition what Monterey Peninsula residents have been seeking for decades – a drought-proof, secure potable water supply source that protects both the Carmel River and the Seaside Basin, but also the Salinas Valley Groundwater Basin (SVGB) that is on California's critically over drafted groundwater basin list. This basin, just as the Carmel River, is home to many species that depend on it, such as the South-Central Coast Steelhead trout, an endangered species. The state now requires communities seek alternate methods to preserve all water resources, such as wastewater, reclamation water, and agriculture runoff, as a way to protect the Monterey Bay Marine Sanctuary, preserve freshwater aquifers, and provide drought-proofing.

Certain sectors refuse to accept these and other scientific sources showing there is sufficient source water for agriculture interests and for the Castroville Community Services District's Castroville Seawater Intrusion Project (CSIP), as well as ample water for future growth, that is, approximately 3,700 acre-feet surplus to the PWM Expansion's 2,250 acre-feet needed for the Monterey Peninsula. The staff reports, consultant reports, and confirmation facts from experts, all are to no avail due to CalAm's efforts to move forward at all and any cost with its desalination plant. The desalination plant will deposit brine in the Monterey Bay Sanctuary; it

will deplete and contaminate the precious freshwater Dune Sand Aquifers, in violation of the Sustainable Groundwater Management Act (SGMA), and greatly increase green gas emissions, exacerbating climate change.

All these unfavorable situations can be avoided by implementing the PWM Expansion recycled water project, which will provide 2,250 additional acre-feet (PWM, prior to expansion, supplies 3,500 acre-feet) at vastly lower prices for ratepayers, creating a plentiful water supply until 2043. This is a win-win for our communities.

CalAm could have chosen to be part of this win-win scenario had it agreed to negotiate a reasonable water purchase agreement for the PWM Expansion water recycling project. CalAm is still in charge of the core PWM recycled water project, along with its M1W and co-partner, MPWMD, so it could have provided rock-solid options for its customers, relieving much anxiety over water security. Instead it chooses a rancorous, divisive one. This is the direct result of a wrong-headed motive. Leadership demands caring about those entrusted to its organization, in this case, water customers and Peninsula citizens.

MPWMD General Manager, David Stoldt, conducted extensive research and rigorous analysis to produce a top-notch report on water supply and demand status to support initiation of the PWM Expansion water recycling project SEIR, which received unanimous approval from both M1W and MPWMD boards, to proceed to the SEIR process and completion.

After the CCC's staff recommendation to deny the CalAm Coastal Development Permit became known, CalAm began publicly excoriating David Stoldt and his supply and demand report that upheld data and evidence showing ample water supply through 2043. To placate the highly public CalAm criticism, David Stoldt went back to the drawing board to revise the report, yet the results for future water supply calculations remained the same, affirming the original report findings. PWM Expansion would indeed satisfy water demand through 2043. Still, CalAm, desperate to build an excessively priced, highly shareholder profitable, and aquifer depleting and contaminating desalination plant, continued to undermine the PWM Expansion project.

This CalAm campaign to sabotage its own approved back-up plan, came to a combative head at the M1W board meeting on April 27, 2020. CalAm supporters and loyal board members succeeded in denying FSEIR certification, as stated above. This was a terrible miscarriage of justice and a disregard for taxpayers'/ratepayers' dollars. During the meeting, CalAm and its supporters publicly rebuked staff and both M1W and MPWMD general managers, shamelessly accusing them of failing to do adequate research or answer questions. While the criticisms were patently untrue, this scathing public reproof was part of the CalAm strategy to defeat PWM Expansion because it fears CCC permit denial.

CalAm had convinced the M1W board to change the PWM Expansion designation from "replacement plan" to "back-up plan", for the same reason. On face value this appears to be merely a linguistic or semantics play on words, but CalAm obdurately insisted on swapping "replacement" with "back-up", precisely because CalAm fears the PWM Expansion project will

necessarily replace the MPWSP if the CCC denies its permit application. Making it a back-up plan gives the impression that the MPWSP remains the principal attraction that cannot be replaced.

Killing the PWM Expansion water recycling project's chances to move forward would make CalAm's desalination plan the one and only water supply shortage solution available. Ironically, the PWM Expansion project, coupled with the core PWM project, is the only water supply option that can realistically meet the State CDO, thus saving much future travail and costs. It is the most cost-effective option, likely saving ratepayers approximately $1 billion. For CalAm to risk there being no option at all is not only reckless, but also selfish and short-sighted. It is certainly unseemly to attempt to coerce the CCC into an untenable position. Plus, it is unkind to underestimate the integrity, wisdom, and well-researched staff efforts to produce the best recommendation, which is the CCC's fiduciary responsibility for our coastal resources.

One reason for the anti-FSEIR certification position was that the FSEIR failed to address cumulative impacts of its operation together with the entire MPWSP, another disingenuous point to derail the FSEIR. There was never a goal to operate both the PWM Expansion project and the MPWSP simultaneously. That action would be foolhardy and prohibitively expensive and wasteful. Other CalAm anti-FSEIR arguments included claiming questions were not answered or items covered already in the approved PWM original EIR had not been addressed in the FSEIR. Bringing up such points at this juncture is misleading to the public and hypocritical. The M1W board had sufficient time to examine the SEIR (over a year) and the FSEIR was based on extensive review of all aspects prior to the meeting of April 27, 2020. Logically, and legally, the FSEIR had no requirement to address items already examined and approved in the original PWM EIR. Overturning or defeating the PWM Expansion water recycling project was CalAm's key objective. This was CalAm's "do-or-die" ambush action to safeguard the MPWSP and guarantee success.

Why would CalAm change course to denounce the PWM Expansion project after having praised and approved it as a back-up plan for its desal plant? Because the CCC staff had based, in part, its recommendation to deny the CalAm coastal development permit on the meticulously researched Stoldt "Water Supply and Demand Report" that confirmed a plentiful water supply for the Monterey Peninsula, projected to last until at least 2043 with the PWM Expansion. During this timeframe, other new water technologies and water sources could be explored and hopefully developed.

MPWMD General Manager, David Stoldt, has received public acclaim for his brilliant analysis and dedication to evaluating all aspects of our water issues in order to find a solid solution under stressful conditions. His counterpart at M1W, General Manager, Paul Sciuto, has been similarly respected and appreciated. Both M1W and MPWMD boards of directors received public praise for their significant and productive work, to include exemplary role modeling of harmonious collaboration and cooperation. Their staffs received kudos at every turn for their excellent work ethic. This exceptional example was an amazing inspirational paradigm for our

community, giving much hope for the future. Incredibly, under CalAm's influence, the April 27, 2020 M1W board meeting nightmare dashed dreams and broke hearts. It shocked meeting participants and shattered self-esteem of dedicated staff. In a word, it was a brutal experience, a reprehensible breach of the public faith, that included the flouting of a legal contract to accord a deserved and earned expanded representation on the M1W board for Marina citizens. Again, this episode speaks to CalAm's fear that Marina's additional vote could influence the next agenda item to discuss the FSEIR certification. Marina was in favor of certification. Under obvious CalAm influence, the Marina vote was wrongly contested and shot down.

The extreme politicization of our water system is unacceptable as it violates our citizens' constitutional rights and deprives them of legitimate, responsible representation.

After accepting the work for the first phase of PWM, which is in the process of providing 3,500 acre-feet of recycled water to the Seaside Basin where it will be stored for later use, CalAm now criticizes and denounces PWM Expansion that it earlier agreed to have as a back-up plan. The back-up plan came about due to multiple problematic issues related to the MPWSP, with a lack of water rights, overestimation of demand, and the critically over drafted SVGB being high on the list.

The CEMEX property location for CalAm's planned future MPWSP additional six slant wells is important to the CalAm coastal development permit application deliberations. The CCC co-signed the tri-party resolution with the City of Marina and the State Lands Commission to preserve the CEMEX property for conservation and recreational use only, thus precluding any further industrial development after the CEMEX sand-mining operations close this year. This action was in accordance with the City of Marina's Local Coastal Plan. In addition to its lack of water rights to the SVGB aquifers, CalAm cannot proceed to build a desalination plant on the CEMEX property where its test slant well is currently located, and where it plans, according to its FEIR, to install six more slant wells. Furthermore, slant well technology has not been successfully used anywhere in the world for desalination, to my understanding. Sadly, CalAm is, and has been, using Marina as an expensive experimental "guinea pig".

It is significant that the CalAm EIR expressly noted that if CalAm could not prove it had water rights, then its MPWSP would be deemed "infeasible", resulting in demolition of its test slant well, project decommissioning, and project demise. The California Public Utilities Commission (CPUC) has paid minimal attention to this critical aspect of the test slant well experiment, even providing misinformation in its MPWSP Decision document, more than likely because its charter pertains to utility pricing; water rights do not come under its purview or authority, despite water rights having been explicitly included in the EIR (chapter 2 and/or 4).

Actually, MPWSP's validity and legitimacy depend on the crucial pivotal issue of water rights. The EIR states that the issue of water rights is an integral component of the feasibility of the MPWSP, a fact confirmed in the CPUC MPWSP Certification Decision, 18-09-017 dated September 13, 2019. In a manifest stunning omission in its MPWSP certification process, the

CPUC shockingly left out any reference to the Dune Sand Aquifer, despite this freshwater aquifer's paramount importance to the certification analysis and CEQA guideline requirements. This dismissive attitude and serious error alone should disqualify that MPWSP certification. Where is the oversight for agency actions? For such an urgent matter to only be discussed over a few cursory pages, without any substantive legal backup, is astounding. The specious argument the CPUC gives to justify the desalination plant and slant wells is a cause for dismay and much worry about the integrity of this governmental body that holds so much power over our lives.

The water rights issue is a major reason CalAm devised the return water plan to circumvent the Monterey County Water Resources Agency Act that prohibits exporting aquifer water out of the Salinas Valley Groundwater Basin (SVGB). A biting contention for Marina and Ord Community citizens is that the water CalAm plans to extract from Marina's SVGB aquifers would not be returned to Marina's aquifers. Instead, Marina's water would be extracted from its SVGB aquifers only to then be transported over to Castroville and the CSIP (Castroville Seawater Intrusion Project) in the Castroville Community Services District. Castroville, in the meantime, has already started receiving recycled water from Marina Coast Water District and Pure Water Monterey, making, in my humble opinion, these two agencies helpful neighbors. Unsurprisingly, Marina and the Ord Communities find this CalAm return water plan to be most inequitable.

CalAm has consistently alluded to its ability to acquire appropriative water rights, but that is absolutely not the case, as CalAm cannot usurp the water rights from overlying groundwater rights owners and users. Also, there is no permit for appropriative water rights. The SVGB is critically over drafted, thus it precludes CalAm acquiring any permitted water rights as well. As stipulated in the CUPC MPWSP Decision, referenced above, "For CalAm to possess appropriative water rights to the brackish water under a 'developed water' legal basis, whereby project essentially created a new water source, CalAm would need to demonstrate that its extraction and beneficial use of the water source would not harm other legal users of water." (page 81). First, the MCWD, Marina, the Ord Communities, and other users, are without a doubt already being "injured and harmed" by the CalAm taking of their sole potable water supply source, the SVGB, via its test slant well. CalAm's experimental test slant well has been persistently causing seawater intrusion during its operations, thus also injuring and harming the Ag Land Trust Armstrong Ranch, that is adjacent to Marina and the CEMEX property. Second, this fallacious reasoning that CalAm can possess "appropriative water rights to the brackish water under a 'developed water' legal basis" is another "abracadabra" way to feign water rights. To use this water as part of its "return water" plan, claim it as a beneficial use, and then assert brackish water (groundwater) is a new "developed water" source, is part of CalAm's bizarre linguistic games, its invalid, baseless claims, and its arrogant posturing to obtain support for the MPWSP. "Mother Nature" gifts us our groundwater. CalAm cannot create or "develop" groundwater, neither brackish nor fresh, ergo, CalAm has no legal basis either. The CPUC statement also confounds California Constitution law with Agency Act law. Third, CalAm is

acting as though we are living in the Wild West days, when "jumping gold mine claims" was rampant. But our groundwater is much more precious than gold. The CalAm "water grab" is all the more despicable because Marina's and the Ord Communities' very survival depends on the Salinas Valley Groundwater Basin water - it is their only potable water supply source.

Furthermore, the CPUC discussion on water rights is inherently contradictory. The ocean water percentage (OWP) will be such that there will hardly be any freshwater left at all in the SVGB aquifers in less than a few years' time due to the continual slant well pumping, even more so with the addition of six more slant wells. Moreover, the CPUC water rights section describes subsurface ocean intake, whereas in reality CalAm repositioned the slant well, moving it inland to the CEMEX property, where CalAm then inserted it into the freshwater Dune Sand Aquifers and the 180-Foot Aquifer. While there is brackish groundwater in the 180-Foot aquifer, all brackish water is still State-defined as groundwater and contains chemical composition as such. Brackish groundwater can be treated and has beneficial use, a use that should be reserved for SVGB overlying water rights owners.

As the CPUC Decision asserts, water rights is a project feasibility issue, as was also stated in the project EIR/EIS, as previously noted. While this CPUC Decision states that the CalAm return water will "ultimately benefit the SVGB, so CalAm will perfect legal water rights for the project", the discussion below proves without any doubt that the exact opposite is the case: CalAm will not by any stretch of the imagination be able to perfect any water rights. Instead of benefiting the SVGB, CalAm's MPWSP will do devastatingly irreversible harm to the SVGB. This is a major reason negatively affected Marina citizens, and others, are fighting so valiantly and forthrightly to protect the SVGB and their water rights, as the legal owners of the overlying water rights to the SVGB aquifers. This is an uncontestable proven fact. No where in its project certification decision document does the CPUC even allude to the Dune Sand Aquifer that the MPWSP fully intends to completely contaminate and deplete of its freshwater. Contradicting itself from statements made on pages 80-82 and 151, the CPUC states: "The cost of the MPWSP desalinated water is relatively expensive and becomes more so the greater the return water obligation. The authorized plant is reasonable as long as the desalination plant does not become a vehicle for unreasonable amounts of return water at increasing costs to CalAm ratepayers." Accounting for Dune Sand Aquifer freshwater in the early years of the project, that will be true, but later the need for return water will theoretically diminish to near zero, because, as cannot be emphasized enough, CalAm slant wells will totally eliminate all freshwater but a tiny fraction existing in the aquifers, unless serious remediation takes place, which would disqualify the MPWSP per the CPUC stipulation above that the cost to ratepayers must not be excessively high due to unreasonable amounts of return water. To replenish the aquifers would be monumentally expensive, but by that time, CalAm would have claimed total control of the SVGB aquifers via seawater intrusion, its intended design. The following below stated facts reveal the undeniable harm CalAm's MPWSP intends to inflict on Marina and Monterey Peninsula citizens and ratepayers, and the conniving methodology CalAm created to mislead the CPUC and all decision makers and stakeholders in our water issue struggles.

To diminish the amount of calculated return water it must legally return to the SVGB, CalAm placed its electrical conductivity sensor monitoring device, which measures total dissolved solids (TDS) from the test slant well intake volume, at the top of the 180-Foot aquifer. This placement avoids any freshwater measurement intake from the higher elevation Dune Sand Aquifer, which sits above the 180-Foot aquifer. This measuring technique allows CalAm to falsify the true amount of freshwater that it must return to the SVGB because the freshwater is not mixed in with and measured along with the brackish water TDS intake volume from the 180-Foot aquifer. CalAm can take much more freshwater from the Dune Sand Aquifer without including it in any of the test slant well intake TDS volume measurements, thus using data that greatly reduces the amount of return water it must put back into the SVGB, thereby decreasing costs.

This perfidious aquifer freshwater TDS volume component data falsification allows CalAm, in the future, to extract a massive amount of freshwater from the SVGB because six additional slant wells would dramatically increase the freshwater volume extracted from the Dune Sand Aquifers, which includes the Perched Dune Sand Aquifer. However, as revealed later on, the projected additional six slant wells will in time tragically completely obliterate the majority of aquifer freshwater due to seawater intrusion. Slant wells, as the AEM scientific survey discussed below proved, cause seawater intrusion. This "return water" is a masterful ruse to dupe Monterey County residents. The so-called "generous" act of returning aquifer water extracted is in reality a means to promote CalAm's desalination plant to Salinas Valley residents and growers: if all aquifer water is seawater intruded, then desalination becomes a "Cartier Must." Like the wolf in sheep's clothing, CalAm is not shy about its plan to "devour" Marina Coast Water District (MCWD). Once the SVGB aquifers are hopelessly seawater intruded, MCWD will cease to exist, as it is a public water company delivering SVGB potable water to its communities. Once this groundwater is totally contaminated, CalAm will be the sole purveyor of desalinated water to the entire region, making MCWD's business obsolete, tragically ending its invaluable affordable SVGB potable water supply to Marina and the Ord Communities. CalAm has unabashedly admitted that this is its ultimate goal. We urge the CCC to act before such tragic "injury and harm" can occur.

Most importantly, the new state mandate, the Sustainable Groundwater Management Act (SGMA), enacted into law in September 2014, requires groundwater level changes to stop seawater intrusion. This means groundwater levels have to be high enough so that seawater cannot sweep into aquifers, thereby respecting natural separation boundaries. Slant wells cause subsidence, or a lowering of groundwater levels. The California Department of Water Resources (DWR) found that subsidence is particularly bad in parts of the Central Valley. This SGMA law protects the critically over drafted SVGB and provides support for opposing CalAm's return water plan. The return water project would continue to deplete freshwater reserves from the SVGB; it would be detrimental to the health of the SVGB and should not be implemented.

CalAm mismanaged its assets in the Carmel River, and later abused its water privileges In the Seaside Basin to the point court adjudication became necessary. There is every reason to believe, based on CalAm history, that the SVGB will suffer a similar fate. Of the two basins, only the SVGB is already on the California critically over drafted groundwater basin list, a very salient fact, thereby making the SVGB particularly vulnerable to CalAm's slant well pumping. Despite CalAm's insistence that it takes brackish water only from the SVGB aquifers at the CEMEX property location, CalAm's faulty measuring of aquifer freshwater for future return water purposes belies the CalAm "fact" that it is only taking brackish water from the aquifers. CalAm purposely placed its electrical conductivity monitoring device such that it avoids Dune Sand Aquifer freshwater TDS measurements, as noted above, which accounts for this deception and alteration of reality.

It is important to restate that all groundwater, brackish included, is defined as groundwater. Groundwater total dissolved solids (TDS) have a chemical composition different from seawater, which is mostly sodium chloride or table salt, while, in the absence of seawater intrusion, groundwater's TDS have a chemical composition of calcium, instead of sodium, chloride. This chemical composition differential was discussed in hydrogeologist Hopkins's technical memorandum, which is part of the CCC public record. This example of CalAm's methodology for measuring TDS for SVGB return water purposes is yet another poignant illustration of CalAm's deceitful practices, malevolent intentions towards its ratepayers, and its discourtesy towards our communities and concomitant precious natural resources alike. CalAm's "return water concept" plan serves to underscore its suspect objectives. Even the contrived concept of "return water" is a CalAm admission that it is taking aquifer water, not ocean water. The test slant well pulled in water from the CEMEX wash ponds, which are ocean water mounded inland from the ocean. This occurrence allowed CalAm to strengthen its claim it was taking ocean water. With CalAm, duplicity seems to be unending.

An additional problem for Calam Peninsula ratepayers is that Castroville and the CSIP, the beneficiary of the return groundwater plan, will receive approximately 700 acre-feet while paying a mere $110 an acre-foot. Compare that to the price tag for Peninsula ratepayers: a whopping $6,000 - $8,000 an acre-foot or approximately $4 million per year. That is one fundamental reason the Salinas Valley agriculture industry representatives on the M1W board are against certification of the FSEIR. Perhaps these board members scream too loudly that "they must have their 700 acre-feet of desal water or the Peninsula will not get any water." Their "no" vote on the PWM Expansion water recycling project FSEIR is a reflection of CalAm's, and their fear that the desalination plant coastal development permit will fail as a result of the latest CCC staff recommendation to deny the CalAm Coastal Development Permit application, and its recommendation to CalAm to withdraw, and perhaps later resubmit, its application. In response, CalAm requested a ninety-day extension, for which the CCC graciously scheduled a hearing in August 2020.

Based on grave concerns about the CalAm test slant well, in addition to the tri-party resolution cited above (page 5, para 4), the City of Marina Planning Commission denied CalAm's permit request for its MPWSP, admonishing CalAm for its past record of deceit, faulty data and modeling, misinformation, lack of transparency, and untrustworthiness. CalAm then applied to Marina City Council for a permit, but then withdrew its application, accusing Marina of prejudicial bias on the part of certain council members. CalAm deceived the City of Marina when it presented faulty data and modeling for its test slant well; it deceived the City of Marina when it said the slant well would extract water from subsurface ocean intake, even though it had moved the slant well further inward to be placed directly into the 180-Foot and the Dune Sand Aquifers, blowing freshwater out into the Monterey Bay in violation of the California Constitution, Article X, Section 2. Then CalAm, to circumvent the Agency Act, as indicated above, and to Marina's chagrin, devised a plan to extract aquifer water from the SVGB expressly to deliver it over to Castroville and its CSIP, a most important act for agricultural interests due to the exceptionally low price of $110 an acre-foot, a point worth repeating due to its essential unfairness to Peninsula ratepayers, whose disadvantageous water bill would be a significantly higher $6,000 - $8,000 an acre-foot. This CalAm return water plan represents a crucial advantage to the Salinas Valley area businesses and residents. Naturally, board members representing Castroville and Monterey North County were easily swayed to go along with CalAm's specious claim that the PWM Expansion water recycling project cannot provide sufficient water, therefore, the MPWSP is absolutely indispensable. Having the prospect of such a good deal at the expense of CalAm ratepayers is hard to pass up.

What is more, it is unneighborly that CalAm and its supporters do not mention the fact that the Marina Coast Water District (MCWD) and PWM have already been supplying Castroville with 1,700 acre-feet of recycled water annually. Nor do they acknowledge the support received from MCWD and Marina and Seaside citizens who endured disruptions to streets and vehicle circulation movement for the installation of new water delivery conveyance pipelines to transport water to the Seaside Basin, to the benefit of CalAm. Then again, CalAm has an agenda: desalination for high profit. To publicly denigrate PWM, and to deny Marina its lawful additional vote for citizen representation on the M1W board, are part of that agenda to achieve CCC permit approval for the MPWSP, partly by preventing PWM Expansion proponents from proceeding to FSEIR certification. In CalAm's viewpoint, certification is one step closer to approval of PWM Expansion and/or water purchase agreement negotiations for the project with CalAm. These M1W and MPWMD accomplishments, from CalAm's perspective, would reduce chances for CCC permit approval. Destroying chances for an alternative water supply solution brings CalAm closer to being the only game in town, the main attraction. Therefore, for CalAm, it is essential to eliminate, in a pre-emptive manner, all obstacles that threaten CalAm's success.

Another false CalAm claim is that the PWM Expansion takes water from agriculture interests, which would be unfair to Salinas growers and residents. Both claims are untrue. PWM Expansion will not touch source water reserved for residents, agriculture, SVGB, and SGMA, a

fact made clear in the FSEIR. CalAm disrespected Marina's inherent right to protect its sole water supply resource. After the City of Marina denied CalAm's permit application to install its test slant well at the Marina CEMEX property, CalAm brazenly invaded Marina's legal city jurisdiction without permission to violate Marina citizens' water rights and its Local Coastal Plan that protects endangered species' nesting habitats, like that of the Western Snowy Plover bird, the City of Marina's Mascot.

CalAm had also publicly undercut the current core PWM water recycling project, accusing PWM of missing water purchase agreement milestones for water delivery to the Seaside Basin. To adamantly be so vocally critical of PWM for a few hiccups in an operations schedule does strike a bitter chord of ungratefulness. As it turned out, this was another CalAm tactic to divert attention away from the fact that CalAm had neglected to install critical pumping stations for Carmel Valley, thus making any PWM water delivery to that area impossible. This CalAm failure to provide the necessary water delivery infrastructure for Carmel Valley is another glaring example of CalAm negligence and incompetence, two traits that continue to dishearten ratepayers. Covering up this deficiency revealed yet another negative aspect of CalAm's dishonesty and lack of transparency: its tendency to insincerely blame others to deflect focus on its own misdeeds.

The sudden switching of horses in mid-stream is directly related to CalAm's new founded fear that its permit will be denied. CalAm has had decades to create alternative water sources, but being a monopoly, it did not have to try very hard. It was able to cover up its many deficiencies and inefficiencies, but the looming State CDO deadline pressure brought many factors to light. Ratepayer outrage over unfair hidden costs, fees, and surcharges boiled to the surface. This crisis is the root cause of the current public water debacle.

As mentioned above, permit denial would deprive CalAm of massive future profits it envisions for its shareholders through high percentage surcharges on its capital assets, e.g., buildings and other structures, such as a desalination plant, extensive pipelines, pumping stations, construction equipment and vehicles, and slant wells. Those profits are in addition to the high water rates it charges residents, as opposed to the lower rates charged to the businesses in the hospitality sector. CalAm charged residential ratepayers for water they did not use when water conservation measures required water use restrictions during the extensive drought period. The Monterey Peninsula has the highest water rates in the United States, according to published studies on nation-wide water rates. Those benefiting from the residential tiered water rate system, the hospitality industry, are naturally supportive of CalAm. CalAm's bottom line is, regrettably, greed, which should never have a role in a public service utility that provides an essential-for-life product like water.

The cost of the MPWSP to Monterey Peninsula ratepayers and the residents of Marina and the Ord Communities would be staggering and life threatening. Marina and the Ord Communities would be at risk to lose their only potable freshwater supply source, the Salinas Valley

Groundwater Basin's Dune Sand Aquifer (including its perched part), the 180-Foot aquifer, and the 400-Foot aquifer, with the 900-Foot ancient aquifer being also at risk.

I urgently bring this challenging situation before you because many lives depend on your wisdom and visionary leadership. It takes courage, back bone, to withstand the pressures being brought to bear now, but human lives are far more valuable than one corporation's financial gain. That is what is at stake. The CalAm ravages endured so far are unsustainable and unjust. CalAm disregards citizen constitutional rights and basic human rights, such as affordable water; the higher the cost of water, the higher the cost of food production systems. With greater green gas emissions emanating from a desalination plant, the greater the climate change damage.

Whether or not Monterey Peninsula citizens can effectively challenge the FSEIR certification denial before the CCC August 2020 hearing, it is certain that the FSEIR can in the future gain certification because it has met all CEQA guideline requirements and passed environmental scrutiny. Both the M1W and MPWMD boards unanimously approved conducting the SEIR, which is simply a broadening of the approved core PWM EIR. Both boards unanimously approved spending $1 million of taxpayer funds for the FSEIR process. CalAm spent $350,000 of ratepayer funds on the SEIR. To deny FSEIR certification was an unconscionable act of betrayal of taxpayer and ratepayer rights, finances, and trust.

It is irresponsible and indefensible that the M1W board disregarded the MPWMD's request to approve FSEIR certification. While the MPWMD board vote was not unanimous (it was a 6-1 vote), a board majority urged certification approval. MPWMD invested $750,000 while M1W invested $250,000 in the FSEIR. It was only after receiving the CCC staff recommendation for CalAm permit denial last year that the trouble intensified, with CalAm heavily lobbying against its own recycled water project in order to ensure success, and avoid defeat, for its desalination plant at the scheduled CCC August 2020 hearing.

For this purpose, CalAm has steadfastly refused to sign a water purchase agreement for PWM Expansion. It primarily works to promote and reinforce its financial profit goal to build the desalination plant, no matter the risk to ratepayers. To this end, it was vital that CalAm discredit the Stoldt "Water Supply and Demand Report" because this report revealed, and definitely proved, that the proposed PWM Expansion water recycling project is a first-rate, feasible, ecologically sustainable alternative to desalination; and because the Stoldt report provided a basis for CCC recognition of the PWM Expansion water recycling project as a logical, prudent answer to the Peninsula's water shortage and State CDO challenges: Thus, the CCC's staff recommendation for CalAm permit denial.

There were, I believe, other significant MPWSP issues associated with the CCC staff recommendation, such as the new scientific data and information contained in the latest Stanford Aerial Electromagnetic (AEM) scientific study on seawater intrusion levels in the SVGB, with a focus on the CEMEX test slant well area. The AEM conclusively demonstrated, via actual

visual scientific evidence, that slant wells cause sea water intrusion. It is relevant to point out that in the past, CalAm had refused to allow an AEM survey in the vicinity of its test slant well. When the new AEM technology via helicopter became available, MCWD was able to deploy an AEM survey over the CEMEX property. That is the scientific study that demonstrated extensive and deliberate slant well seawater intrusion into SVGB aquifers. CalAm and its attorneys, as in the past, obstinately dismissed AEM scientific evidence, authenticated by highly respected scientific experts. CalAm publicly denigrated the AEM science at the last CCC hearing on the MPSWP, attempting to refute MCWD's public comment input that the latest AEM study provides new, important information. That information included scientific documentation on the location and amounts of freshwater existing in the SVGB aquifers.

There is now no doubt that a new, alternate water supply resource exists in the PWM Expansion project, which CalAm is so vehemently resisting. This is unfortunate because the PWM Expansion recycled water project is superior in every way to the MPWSP.

The very issues that plague the Carmel River basin would be the same for the SVGB, especially since this basin is on the state's critically over drafted groundwater basin list, and the steelhead trout is an endangered species in both the Carmel and Salinas rivers. This means if a permit is granted to CalAm, and CalAm succeeds in overcoming the seemingly insurmountable obstacles it faces, then the state surely will issue a Cease and Desist Order for the SVGB, putting the Monterey Peninsula in an even worse situation than the already precarious present one. In fact, as emphasized earlier, the State of California has enacted the Sustainable Groundwater Management Act (SGMA) to mandate aquifer protection, preservation, and replenishment.

CalAm's anticipated additional six new slant well water pumping stations would deplete SVGB aquifers at an alarming rate, contaminating them via forced seawater intrusion. This fact is behind the CalAm drive to install its desalination plant. Fatally seawater intruded aquifers would provide undeniable justification for desalination. I hope it is perfectly clear that CalAm's motives are directly contrary to the purpose of SGMA, that is, precisely, to protect SVGB aquifers from seawater intrusion! Furthermore, it should be brought to your attention that the CalAm hydrogeologist hired to evaluate the test slant well, Dennis Williams, is the inventor and patent holder of the technology used in the same test slant well that CalAm intends to replicate six times at the CEMEX property. This conflict of interest, another sly CalAm maneuver, seems to have been shrewdly and conveniently "overlooked."

Even worse than seawater intrusion is the political corrosive corruption that permeates and distorts perspectives in this entire water system history.

For all the cogent reasons stated herein, I ask that you stand firm in your staff's recommendation to deny CalAm's Coastal Development Permit application. The CCC staff deserve high praise for acting with integrity and faithful diligence in conducting their research, analysis, and findings, but also for the insightfulness and incisive ability to "see" the truth.

The crux of the matter at hand is that CalAm, having fooled so many decision makers up until this hugely important CCC staff recommendation and commission decision, is exactly this: CalAm has already signed a water purchase agreement with M1W for the existing, well-functioning PWM water recycling project, to the great joy of our citizens, and the satisfaction of the State of California mandate to use all water resources available as part of drought prevention measures, endangered species and sensitive habitats protection, and ocean-life preservation (Monterey Bay Marine Sanctuary). To clinch the water deal and solve once and for all the decades long agonizing search for answers, CalAm needs to use only one stroke of a pen: Sign the PWM Expansion water recycling project's water purchase agreement!!!

Why won't CalAm sign it??? Duh! Because it stands to make so much more money by fleecing ratepayers and stealing or contaminating Marina's sole potable water source, while providing at least for a while, cheap desalinated water to Castroville and agriculture industry interests in Salinas Valley, while also at the same time saddling Monterey Peninsula ratepayers with the hugely more expensive desalinated water. Giving the deal of the century to Castroville provides the "Achilles heel" key answer: Salinas Valley gets the ridiculously inexpensive recycled water. The cheaper promised future desal water deal for Castroville appears to be a ploy to lure Salinas Valley agriculture interests to CalAm's side. In the meantime, as said above, Castroville is already receiving the less expensive recycled water from MCWD and PWM.

Quoting the CPUC Decision referenced above, "Within 180 days of the date of this decision CalAm shall file a Tier 2 advice letter providing specific additional information and its assessment as to whether it intends to file an application with the Commission to pursue a Water Purchase Agreement (WPA) for additional water supply to be provided by a PWM expansion...for an amount no greater than 2,250 afy (above the 3,500 afy already approved)." CalAm waited until March 19, 2019 to respond, a few days beyond the 180 day CPUC deadline. In essence, CalAm stated in the Advice Tier 2 reply that even if it had sufficient information on hand, it did not have intentions to pursue a Water Purchase Agreement (WPA) for additional water supply to be provided by a PWM expansion, or file an application for such with the CPUC because it was securely confident that the MPWSP was on schedule and would have no difficulty meeting the SWRCB CDO deadline of December 31, 2021. For this reason, no PWM Expansion would be necessary. This CalAm Advice Tier 2 response letter confirms that CalAm does not have any intention, plan, or desire to negotiate or apply for a PWM Expansion or contemplate negotiations for a water purchase agreement with PWM or MPWMD, at least prior to a CCC decision on its coastal development permit in August.

Already desperate from the excruciating CalAm intransient push for desalination, distraught Monterey Peninsula citizens are planning to depart the area because they fear becoming homeless. Many already are. Fear inculcates CalAm's every move, and in turn, it infects the entire Monterey County. Now the only answer is to deny the CalAm permit. A water purchase agreement will naturally follow, whether it be with CalAm or a wiser, kinder enterprise.

The CCC, to its great credit, figured it out. The answer lies in requiring CalAm to sign the water purchase agreement for the PWM Expansion water recycling project. In the meantime, we just have to bar CalAm's wielding the money club, and keep its scandalous scams, "stab 'em in the back", mafia-like swindles of the century, from operating; no more bullying, no more profiteering at ratepayer expense. This sounds harsh, but it is the manifestly obvious truth that CalAm has succeeded in covering up its lies and "smoke and mirrors" circus tricks for way too long. The CCC staff gets it. "They got it right." I am so elated, and proud of the CCC, Tom Luster and his staff, that I can hardly finish writing this letter. Hip, Hip Hoorah, and countless Kudos for the CCC and its staff!

Strongly supporting opposition to the MPWSP, the CalAm EIR/EIS, coupled with the CPUC's own statements, provides the necessary information to conclusively demonstrate the infeasibility of the MPWSP, a fact that is absolutely vital to the case at hand: no obtainable water rights means no project feasibility. Additionally, in its attempt to avoid the need for water rights, the MPWSP will cause cumulative adverse impacts with irreversible seawater intrusion into potable groundwater resources and aquifers. The MPWSP will assuredly bring immitigable permanent harm and injury to our overlying water rights owners in Marina, the Ord Communities, Marina Coast Water District, and others, and, in general, be a continuing nuisance to our communities.

The conclusion should be that the MPWSP will not install any environmentally destructive slant wells or build an exorbitantly unaffordable desalination plant to ruin Monterey Peninsula water ratepayers, along with Marina's coastline and groundwater basin. The MPWSP will not extract any SVGB aquifer water, nor will it implement a return water plan. In other words, the MPWSP should not move forward.

CalAm's inapt objections vis-à-vis the FSEIR, and its contrariness towards its customers and Monterey Peninsula and Marina citizens, cannot obfuscate the truth. The truth remains that the FSEIR for the PWM Expansion water recycling project is solid and can pass muster. The PWM Expansion water recycling project, that augments the existing core PWM water recycling project, is a reliable, sound, worthwhile, and pragmatic potable recycled water resource for the Monterey Peninsula. It is a sustainable, safer, more cost-effective and far more environmentally friendly water project than the hugely expensive ($1.2 billion, including interest over the years), climate change exacerbating, and hydrologic cycle disruptive desalination plant.

In sum, the PWM Expansion recycled water project stands out as the best and far superior choice to meet the CDO and Monterey Peninsula water requirements for years to come.

Let's face facts. These "water wars" are akin to those early gold rush days, where in the end, there were no gold nuggets to be found in 'dem 'der hills, just as there will be no freshwater to be found in 'dem 'der aquifers! This letter is a Call to Action.

Please fulfill your duty for the public good. Unconditionally deny the CalAm MPWSP Coastal Development Permit. It is the ethically and environmentally right decision. The Monterey

Peninsula and Marina citizens will be forever grateful that you are good stewards of their trust. Our future survival heavily depends on your decision to do the right thing. You are our Hero! May God abundantly bless you all, and keep you safe and well during this COVID-19 pandemic crisis, and beyond.

Very respectfully,

s//Margaret-Anne Coppernoll//s

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From:	MWChrislock <mwchrislock@redshift.com>
Sent:	Tuesday, March 10, 2020 7:13 PM
To:	Bochco, Dayna@Coastal; Turnbull-Sanders, Effie@Coastal; Hart, Caryl@Coastal; Aminzadeh, Sara@Coastal; Brownsey, Donne@Coastal; Escalante, Linda@Coastal; Wilson, Mike@Coastal; Groom, Carole@Coastal; Rice, Katie@Coastal; Howell, Erik@Coastal; Uranga, Roberto@Coastal; Padilla, Stephen@Coastal; Mann, Zahirah@Coastal; Gold, Mark@CNRA
Cc:	CalAmMonterey@coastal; Luster, Tom@Coastal; Ainsworth, John@Coastal; Staben, Jeff@Coastal
Subject:	Article on Pure Water Monterey

Hello CC Commissioners and Staff,

We thought you would find this article on Pure Water Monterey (PWM) informative. PWM just recently began producing and storing 3,500 AF of potable water annually. Cal Am will begin delivering this water to its Peninsula customers in May 2020.

The Monterey Peninsula has waited decades for a new water supply, but it wasn't Cal Am who delivered it. Thanks to Monterey One Water this project will supply more than one third of the 9,700 AF we currently use. Only another 800 AF is needed to satisfy the state's CDO on the Carmel River. Cal Am customers on the Peninsula want to see this state-of-the-art water project expanded in place of the proposed desal plant.

The PWM Expansion is the most environmentally intelligent, cost effective solution to the Peninsula's water shortage. Its source waters are secure and drought proof. It does not adversely affect any groundwater basin or agriculture water. It tapes an unutilized water resource. It reduces wastewater discharge into the Monterey Bay Marine Sanctuary. The PWM Expansion uses 4 to 6 times less energy than desal. It's powered by renewable energy from landfill gas and emits a fraction of the greenhouse gas. It's appropriately sized to meet the Peninsula's current and future demand and it would cost us $1 billion less than Cal Am's proposed desal.

We hope you will consider this sound alternative to Cal Am's desal when it comes before you in June.

Enjoy the article.

Melodie Chrislock
Managing Director
PUBLIC WATER NOW
http://www.publicwaternow.org
mwchrislock@redshift.com

831 624-2282

GOVERNING | MARCH 9, 2020

California's 'Salad Bowl' Recharges Depleted Aquifer

A multi-partner water recycling project is helping Monterey, Calif., stabilize and replenish its dwindling groundwater supply. The project could serve as a model for shrinking aquifers in other regions of the country.

CARL SMITH, SENIOR STAFF WRITER

https://www.governing.com/next/Californias-Salad-Bowl-Recharges-Depleted-Aquifer.html

Luster, Tom@Coastal

From: Douglas Deitch <ddeitch@got.net>
Sent: Friday, November 15, 2019 6:46 AM
To: Turnbull-Sanders, Effie@Coastal; Hart, Caryl@Coastal; Brownsey, Donne@Coastal; Aminzadeh, Sara@Coastal; Escalante, Linda@Coastal; Wilson, Mike@Coastal; Rice, Katie@Coastal; Groom, Carole@Coastal; Howell, Erik@Coastal; Uranga, Roberto@Coastal; Padilla, Stephen@Coastal; Faustinos, Belinda@Coastal; Luce, Shelley@Coastal; Ward, Christopher@Coastal; doug@lawandorderliberal.com; Energy@Coastal
Subject: INVITATION TO TOUR 'Monterey Bay Regional Water Fixx" aka 21000 acre "Monterey Bay Estuarine Monument" ...
Attachments: sichuanreclaim.jpeg

Dear Chair Bochco and Commissioners,

Congratulations on your very successful, informative, innovative, and constructive "desal/PWM" public hearing yesterday!
Sorry I was unable to attend but listened and learned.

Wednesday morning I spoke to you very briefly about my 2 coastal related proposals/projects, the 21000 acre Monterey Bay Estuarine Monument (@ ww.dougdeitch.info) and consideration of possible Golden Gate damming (@ www.sipodemos.democrat) to address SLR risks and possible devastation to/of our statewide water, food, and real estate resources in the many trillions of dollars and worse.

In reference to possible Golden Gate damming, I have just recently made a submittal to the Google Bay Area Impact Challenge, for your information and review, @ https://www.facebook.com/photo.php?fbid=2489646811083674&set=a.154433724605006&type=3&theater (also included below)

In reference to the Monterey Bay Estuarine Monument, some highlights:
1. Creates 21000 acres of new ESHA
2. Includes a fully completed, operational, a very underutilized and both drought and SLR proof 31,000+/- acre foot per year water recycle plant in Castroville with it's water repurposed from ag to urban use (from actually this 31000 a/y/fr originated in the first place) to provide all urban water needed, now and in the future, SLR or no (because a closed loop system will be engineered and consructed, in/for the entire Monterey Bay regtion
3. Provide best possible ground water SLR, recharge, conservation, and overdraft protection conceivably possible with no new desal, recycling, slant wells etc, et al(?).
4. Fully opm (other people's money) funded by Prop 1 and reallocated rail bond funding.
5. 25 year old plus perfectly sucessful 43 acre "Pilot Project" to prove the concept "Farmlands back to wetlands ..." @ www.dougdeitch.com and www.dougdeitch.info (fb pages)

In the year 2000, I conducted a very informative and fun tour for the Sichuan Water Conservancy of the PRC (see attached and run down @ http://www.pogonip.org/sichuan.htm).

I would be very honored to extend this same invitation to both both the CCC and it's staff at any convenient time for you to take a tour and hear a more complete presentation of my two projects which, actually, is essentially a proposal with coastal nexus which affects and hopefully might provide the answers to the future keys in this era of SLR to water, food and real estate security, sustainability, and social justice and equity for our entire state.

Respectfully,
Best/health/tikkun olam
Douglas Deitch
ED/MBC
"The best that money can't buy..."
www.lomejorqueeldineronopuedecomprar.org
www.lomejorqueeldineronopuedecomprar.com
www.lomejorqueeldineronopuedecomprar.net

****
****

Food, water, and real estate security for our Golden State in this era of escalating and perhaps massive, rapid, and inexorable climate change and SLR ...

Who you gonna call?

Google Impact Challenge

Thank you for submitting an application to the Google.org Impact Challenge Bay Area. You'll find a copy of the submitted application below. We look forward to reviewing it and will be in touch as per the timeline on the website.

Overview: Please explain your project in one sentence. The vast majority of California's 36 million residents' water, food, and real estate resources/assets are inextricably connected to our Sierra snowpack, Delta, and San Francisco Bay. Without adequate and appropriate measures being taken in this era of unknown and perhaps future massive SLR, all these resources and the entire state 's ecology, economy, society, and people will be irretrievably devastated unless/until there are one or more Golden Gate dams constructed...

Impact: Who or what will your project impact and how? The water for 36 million state residents. The 8% Central Valley produced food on 1% of USA's arable acreage. The now unknown trillion$ in otherwise inundated/lost real estate assets resources...

Reach: How many people will be affected if successful and to what extent? The food/water/real estate resource, human, and other protections afforded by the Golden Gate dam(s) will very beneficially protect/positively affect the lives of hundreds of millions in California, USA, and Worldwide...

Innovation: What's innovative about your proposal and how does it differ from existing solutions? My approach unlike any others assumes our efforts at halting/perhaps even slowing climate change/SLR will be unsuccessful and that our only feasible survival strategy will be to adapt to it...

Scale: If successful, what will your project achieve in 5 years? My project will definitively determine if, when, and how many Golden Gate dams must/will be built to protect the vast majority of water, food, and real estate resources of California.

Feasibility: Have you identified the right team and plan for execution? A core team of scientists/experts such as Drs. Rignot, Mount, Englander, Griggs, Lund, Nichols, Earl, Postel, et al, and a few "civilians" such as myself, will determine team balance/plan...

Opportunity: How is your idea equitably impacting opportunities for healthy, playful, and thriving lives? "opportunities

for healthy, playful, and thriving lives", living with and adapting to SLR and climate change not being successful at changing it, are manifestly self evident? Imagine the alternative... www.sipodemos.democrat

What is the full, registered name of your organization? Pogonip Foundation, INC

In case your application is selected for a possible Award as part of the Challenge, how would you like us to refer to your organization on promotional materials and the Google.org Impact Challenge Bay Area website?
"Monterey Bay Conservancy" (a 501c California & Monterey Bay Water Policy Thinktank)

I certify Yes
I certify X

If your organization has a website, please provide the URL: http://www.facebook.com/MontereyBayConservancy

Impact: What would the impact of this project be, if successful? Please quantify the potential impact, and explain how you calculated your estimate. I already have in your initial questions ...

Stage: In what stage is your project presently? Is it an idea? Do you have a detailed plan? Have you developed a prototype or proof-of-concept? Have you received feedback on the idea from your intended beneficiaries? Is the product or project already implemented? At what scale? Conceptual stage, Introduced to SWRCB 10/16/2019 meeting. Please see www.sipodemos.democrat and view my comments ...

Problem: Tell us more about the problem you propose to address. Why did you choose to take it on? Approximately how many people are affected? How does it impact their lives? I watched this video clip in 2106 @ https://www.youtube.com/watch?v=DsjtEpAptVo and Dr. Eric Rignot @ https://vimeo.com/332486918

Innovation: Contextualize your idea: what other approaches have been tried in the past? What is the insight or innovation that differentiates your project, and how is it better than what already exists? None. Our local transhumanists think they are stronger than the forces of Mother Nature and our other "mothers", but they will eventually find out they are not and cannot control climate change and SLR. That's where people like I come in?

Usage: Why would a potential beneficiary or user choose to engage with your product or service? Simple logic, science, bundled with common sense, imho...

Team: What makes your core team best suited to tackle this project? We/I am the only one taking my approach and even looking at this probability(?) at all !!!

Growth: How could your project and its impact grow beyond what you've proposed in this application? By being the "Pilot Project" for the eventual damming of the Straights of Gibraltar due to SLR for the same rationales ...

Risks: What are the 1-2 most significant risks you anticipate in this project? How has your team planned to address them?
Risk 1. Salmon/Environmental extremism Plan to address: "Faith" ... please see "Salmon Fishing in the Yemen" clip @ https://www.youtube.com/watch?v=AGb4OT3Oiew
Risk 2. We will be too late ... Plan to address: Being megaproactive and out in front of all others, as one can already readily see that I am and have been for decades (eg. www.lawandorderliberal.org 1996) ... expedited by $1 million google grant to pay the best team of experts, technical minds, and other civilians, such as I ... egs: www.ourinconvenienttruth.com , www.douglasdeitch.com , www.douglasdeitch.net , www.thinkocalactlocal.com ; www.sanfranciscorealestate.com , and @ 11:25 @ www.thebestthatmoneycantbuy.org @ SWRCB 4/19/2016, etc

Partners: Organization-wide, who are your major partners or funders from the last 3 years, and how have you engaged with them? 0

Project Partners: On this project specifically, which partnerships are most critical for your success? What is the incentive for those organizations to partner with you? Have you worked with any of them before? State, Federal, and local government and eco and otherwise ngos and citizen groups/individuals and yes, I have extensive experience in dealing with them (eg: please see www.lawandorderliberal.net

Budget: If selected as a winner, how would your project utilize $500,000 in funding? Please provide an overview of your anticipated budget. If selected as the People's Choice winner, how would you use a $1,000,000 in funding? All for compensation for experts, studies, and other ancillary related and necessary expenses ... I have not developed a budget but would do so to be reviewed and accepted by google as a condition of receiving any grant.
How many full-time employees does your organization have? [N/A]

Recap: Final Elevator Pitch! You're riding the elevator and someone asks you about your project and why they should fund it. How do you respond? Remember, you're on the elevator so you don't have much time, but you do want them to understand what your project is, who it impacts and how, why it's innovative and why your organization is the best to implement it.
(San Francisco elevator?) My pitch: Have you ever heard of SLR? No? It's for sea level rise. How about climate change? Yes? They say it's getting warmer, the ice is melting, and the sea level is rising? Yes? Do you believe this? Yes? If the sea level rises just one foot and comes back in the Golden Gate, do you realize that the City, San Francisco Bay, and our entire state water system in the Bay, Delta, and our largest state water reservoir, our Sierra snowpack, along with trillions in inundated real estate assets would be burnt toast? No? Please do yourself a favor? Please watch the video at the bottom right corner on the page of any of my websites and think about the effect of a Golden Gate dam(s)?

Please include links to up to 3 articles, publications, videos, or other resources that support your proposal. (Optional)
1. https://www.youtube.com/watch?v=DsjtEpAptVo ,
2. https://vimeo.com/332486918
3. https://www.youtube.com/watch?v=plkkfEY9cGs ?
https://www.facebook.com/MontereyBayConservancy/photos/p.1335863846435709/1335863846435709/?type=3&theater

Is there anything else we should know? (Optional) I am the best that money can't buy ... because I have never taken any. This google grant will be my first ... as in www.thebestthatmoneycantbuy.org @ 11:25 ,
www.thebestthatmoneycantbuy.com , www.thebestthatmoneycantbuy.net ,
www.lomejorqueeldineronopuedecomprar.com , www.lomejorqueeldineronopuedecomprar.net ,
www.lomejorqueeldineronopuedecomprar.org

What is the official, registered address of your organization? 501 Mission Street, #1
City , Santa Cruz, California
Postal code 95060
When was your organization founded? 12/1996
What is your organization's mission statement? OUR MISSION-ESTABLISH SUSTAINABLE AND ENVIRONMENTALLY REPONSIBLE WATER POLICY IN THE MONTEREY BAY REGION AND CALIFORNIA:The Monterey Bay Conservancy's mission is to heighten awareness about our regional and state water situation and to assist government and our community in the establishment and maintenance of a socio/economically responsible and self sustaining use of all our regional water resources, with a focus on the self sustainable use of the Monterey Bay Area's, California's, and Santa Cruz's vital and seriously abused ground water.
The name of the person completing this application is: Douglas Deitch
What is your title? Founder/Executive Director
What is your email address? ddeitch@got.net
What is your contact telephone number? 831.476.7662
Is this a fiscally-sponsored project? No
Have any Google staff, officers or directors (or to your knowledge, immediate family members thereof) been members

of your organization's board or officer group within the last 12 months? No
If you answered "yes" to the above question, explain here: [N/A]
Does your organisation have any ongoing commercial contracts or negotiations with Google that are directly related to the project detailed in this application? (For the sake of clarity, this does not include Google's standard product offerings like G Suite, Google Ads, etc.) No
If you answered "yes" to the above question, explain here: [N/A]
To your knowledge, are any current government officials, employees or civil servants employed by your organization or are they members of your organization's board or officer group? No
If you answered "yes" to the above question, explain here: [N/A]
Does your organization have any business dealings or programs involving entities located in countries under U.S. export controls or sanctions? No
If you answered "yes" to the above question, explain here: [N/A]
Annual operating expenses 2018 (USD): 1,000
Annual operating expenses 2017 (USD): 1,000
Annual operating expenses 2016 (USD): 1,000
Annual revenues 2018 (USD): 1,000
Annual revenues 2017 (USD): 1,000
Annual revenues 2016 (USD): 1,000
Total assets 2018 (USD): [N/A]
Total assets 2017 (USD): [N/A]
Total assets 2016 (USD): [N/A]
Total liabilities 2018 (USD): [N/A]
Total liabilities 2017 (USD): [N/A]
Total liabilities 2016 (USD): [N/A]
How did you hear about the Google.org Impact Challenge Bay Area? (Optional; select all that apply)

Other

Please elaborate on how you heard about the Google.org Impact Challenge Bay Area. (Optional) showed up online on linkedin, I believe?
taq

Luster, Tom@Coastal

From: Ruth Muzzin <rmuzzin@friedmanspring.com>
Sent: Friday, December 27, 2019 3:35 PM
To: Luster, Tom@Coastal
Cc: Sara Wan; Keith Van Der Maaten (KVanDerMaaten@mcwd.org); 'cwilkins@rmmenvirolaw.com'
Subject: MCWD Post-Hearing Comments - Cal-Am MPWSP CDP applications/appeal
Attachments: MCWD Post-Hearing Comments to Coastal Commission re MPWSP (00825340xA6BE4).pdf

Dear Mr. Luster:

On behalf of our client, the Marina Coast Water District, attached please find Post-Hearing Comments on Cal-Am's continued CDP proceeding, with attachments numbered 29-34.

Please do not hesitate to contact me or Sara Wan, copied here, if you have any questions or need additional information.

Sincerely,

Ruth Stoner Muzzin
Friedman & Springwater LLP*
350 Sansome Street, Suite 210 | San Francisco, CA 94104
O 415.834.3805
F 415.834.1044
rmuzzin@friedmanspring.com | **www.friedmanspring.com**

* *Jane Springwater, Retired*
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Marina Coast Water District -

Post-Hearing Comments, Continued Support for Denial

on Appeal No. A-3-MRA-19-0034 by Cal-Am

Tentative Continued Hearing Date: **March 12, 2020**

Agenda: **TBD**

The MPWSP, as described in the FEIR and Cal-Am's CDP application, is infeasible; it cannot meet the objective of compliance with the SWRCB's CDO without additional infrastructure not identified in the Project description or the CPUC FEIR.

Cal-Am is required to curtail its Carmel River diversions for direct use in its Monterey District to 3,376 AFY starting January 1, 2022, while at the same time meeting its Monterey District's water demands. Prior to January 1, 2022, Cal-Am has operated a water system with the Carmel River being the primary water source so that Cal-Am's main water supply would historically flow from the south to the north, supplemented to a much lesser degree by Seaside Basin groundwater pumping in the north. Starting January 1, 2022, Cal-Am's predominant water supplies will come from the north and flow south. Shifting a water system's main supply from south to the north requires thorough planning and designs. Several existing Monterey District physical system limitations have now come to light.

During the CPUC's EIR process and at other times, Cal-Am has not been required to fully demonstrate how it intended to implement this major system flow change from south to north beginning on January 1, 2022. The emphasis has been on obtaining approval for the Monterey Peninsula Water Supply Project (MPWSP or Project), without considering how that major new water supply source would require Cal-Am to substantially change its water operations by the CDO deadline, which is now 2022. Marina Coast Water District (MCWD) has prepared the following schematics to illustrate the south to north shift and the way that shift away from almost total dependence on Carmel River flows will profoundly change Cal-Am's Monterey District operations beginning in 2022:

- **Schematic 1** (**Attachment 33**, p. 1) shows Cal-Am's existing conveyance system during the December through May time period ("winter" or "ASR Injection" period)[1] but with MPWSP desal flows added.

  What is important to note about Schematic 1 is that if the MPWSP is removed, the schematic shows the existing Cal-Am south-to-north operation in all months when there is no ASR water to be injected and the Carmel River supplies most of Cal-Am's Monterey District. The existing Forest Lake Reservoir tanks are used to re-regulate variable diversions from the Carmel River to meet demands to the north that are not served from the Seaside Basin.

- **Schematic 2** (**Attachment 33**, p. 2) shows Cal-Am's existing conveyance system during the December through May time period ("winter" or "ASR Injection" period) with MPWSP desal flows added, and with the addition of a 36" Cal-Am pipeline that actually appears to be a part of the MPWSP even though it is proposed to be built as a part of the Pure Water Monterey Expansion Project (PWM Expansion), which Cal-Am apparently

[1] State Water Resources Control Board ASR Water Right Permits 20808A and 20808C (**Attachment 34**) prescribe, at ¶ 5 of each permit, the injection or "Storage Season" for Carmel River water "to be collected to underground storage in Seaside Groundwater Basin" and the extraction period for the ASR water to be withdrawn from storage and used for direct use within the Monterey District.

otherwise opposes. See **Attachment 1**, Cal-Am Advice Letter 1231 informing the CPUC Cal-Am does not intend to pursue additional water supply from PWM Expansion.[2]

Schematic 2 also includes additional Cal-Am extraction wells that are proposed as part of PWM Expansion.

- **Schematic 3** (**Attachment 33**, p. 3) shows Cal-Am's existing conveyance system during the June through November time period ("summer" or "ASR Extraction" period) but with MPWSP desal flows added.

- **Schematic 4** (**Attachment 33**, p. 4) shows Cal-Am's existing conveyance system during the June through November time period ("summer" or "ASR Extraction" period) but with MPWSP desal flows added, and with the addition of a 36" Cal-Am pipeline that is proposed to be built as a part of the PWM Expansion.

  Schematic 4 includes additional Cal-Am extraction wells that are proposed as part of PWM Expansion, but which appear to be necessary for the MPWSP, along with the new Forest Lake Pump Station that Cal-Am is seeking to fund through its latest general rate case application to the CPUC.

  Importantly, Schematic 4 shows the new way that Cal-Am's system will apparently operate post-2021, with its primary water sources flowing from the north instead of from the south.

Comparing Schematic 4 with Schematic 1 reveals the dramatic shift in the majority of Cal-Am's water supply from south to north that will occur in 2022. As described below, Cal-Am has failed to adequately plan and design its distribution system to service this dramatic shift in water supply sources.

As the October 28, 2019 Staff Report correctly observed, Marina Coast Water District's determination that MCWD's potable water pipeline has insufficient unused pipeline capacity to convey MWPSP flows for the life of the Project presents an obstacle to Project feasibility. (Staff Report, pp. 81, 93.) Other feasibility issues include the lack of groundwater rights (see Staff Report, p. 98) as well as the groundwater pumping limitations of the 1996 Annexation Agreement among MCWD, the City of Marina, the owner of the CEMEX property and others (FEIR § 2.6.4, p. 2-43 ["it appears that the 500 afy groundwater withdrawal limitation may currently apply. . . "]). Comparing Schematics 1 and 3 with Schematics 2 and 4, makes it very evident that without the new 36" pipeline, proposed to be part of the PWM Expansion, the MPWSP is not feasible. In addition, it now also appears that a lack of pumping infrastructure in Cal-Am's Monterey District system **will make distribution of MPWSP flows throughout the full system infeasible without new infrastructure**. MCWD recently learned of this lack of pumping infrastructure through its litigation with Monterey County and Cal-Am over Monterey County's approval of certain MPWSP-related permits.

[2] Attachments 1-28 accompanied MCWD's comments on the application, dated Sept. 17, 2019, Oct. 7, 2019 and Oct. 15, 2019. MCWD also submitted preliminary comments in August of 2019 and comments in support of the Staff Report recommendation on Nov. 6, 2019.

(**Attachment 29**, excerpt of Sept. 5, 2019 Declaration of Ian Crooks, p. 13, lines 17-21 ["current physical system limitations are such that Cal Am cannot deliver water from all of its sources to all of its customers at the same time"].) A recent analysis of the system's daily and hourly peak demands by the Monterey Peninsula Water Management District (MPWMD) indicates that it is, and has been, also aware of this distribution obstacle. (Staff Report, Ex. 9, p. 1 [referencing the need for the Forest Lake Pump Station].)

Upon investigation, MCWD has discovered that demand in the southern portion of Cal-Am's Monterey District system will apparently exceed Cal-Am's legal limit on summer diversions from its southern-most and historically greatest water source, the Carmel River. For this reason, no amount of water from the MPWSP – or any water source to the north – can possibly bring Cal-Am into compliance with the SWRCB's orders ***unless*** additional facilities to move water from north to south are added to Cal-Am's system. Evidently Cal-Am never intended to fully comply with the CDO. Otherwise, for example, it would have included at least the newly-proposed Forest Lake Pump Station in its MPWSP plans.

In any event, Cal-Am seems to now acknowledge its major pipeline and pumping infrastructure problems. It now appears to be attempting to remedy the deficiencies. But Cal-Am's recently-developed fixes for the conveyance and pumping inadequacies of its Monterey District system – at least one of which appears to be necessary to achieve CDO compliance – were not included in its CDP application nor analyzed in the FEIR for the MPWSP, which merely relied upon Cal-Am's capacity assessment for the MCWD pipeline without response from MCWD. FEIR § 8.5.2, pp. 662, 771-712. The Project, as described, is infeasible for purposes of meeting the primary project objective of CDO compliance by eliminating Cal-Am's illegal Carmel River diversions while at the same time meeting the Monterey District's water demands.

A. Necessary Project Components were Omitted from the Project Description.

The CPUC's FEIR for the MPWSP does not appear to include all of the Project's necessary components. Specifically, components needed for operation of the MPWSP in order to comply with the SWRCB's decades-old limitation on Carmel River pumping that were not addressed in the FEIR consist of, at a minimum:

> (1) a new 36-inch conveyance pipeline proposed *as a part of PWM Expansion* to bring MPWSP desalinated water to Cal-Am's system for delivery to its customers or for storage in the Seaside Basin;
>
> (2) four additional new extraction wells proposed *as a part of PWM Expansion*, located outside the Coastal Zone within the adjudicated Seaside Subbasin, that would enable withdrawal of greater volumes of excess produced MPWSP desalinated water after storage in the Seaside Basin; and
>
> (3) a new pump station – the Forest Lake Pump Station – that would provide Cal-Am the pumping capacity needed to deliver desalinated and Seaside Basin-stored water from the north to customers in Carmel and Carmel Valley, particularly during the summer months

when Cal-Am's authorized Carmel River water diversion rates are at their lowest. (**Attachment 30**, PWM Expansion Draft SEIR, Figure 2-8; **Attachment 31**, excerpt of Direct Testimony of Ian C. Crooks in CPUC Application 19-07-004, pp. 194 and 211-212, referencing Forest Lake Pump Station.)

Cal-Am is now improperly attempting to remedy the design and operational deficiencies of its Project, as described in the FEIR, by seeking to implement these essential components of the Project through alternate means, i.e., PWM Expansion and Cal-Am's current general rate case. Such an "end-run" would thwart the transparency and public disclosure and analysis requirements of CEQA and the Coastal Act. It would also impermissibly piecemeal environmental review of the Project, which is prohibited under CEQA.

To the extent these new components are essential for implementation and proper operation of the desalination project, the new components must go through supplemental environmental review and approval before the CPUC as lead agency. This is regardless of whether the new components are also required in part for operation of other projects such as PWM Expansion. At least one of the new components – the Forest Lake Pump Station – will be required for Cal-Am to achieve timely CDO compliance while still meeting Carmel and Carmel Valley water demands, with or without the MPWSP. However, the Commission cannot approve the MPWSP based upon a project description that does not include essential Project components in the description of baseline conditions or in the cumulative impacts analysis. Without these components, the Project is infeasible at this time, and review at this time is premature.

The primary purpose of the MPWSP is to enable Cal-Am to comply with the SWRCB's CDO, enforcing water rights diversion limits that were established in 1995, while still providing a sufficient water supply to its Monterey District. There has been disagreement as to whether the excessive volume of water the MPWSP would produce is required in order to do so. (Staff Report, pp. 82-92, concluding PWM Expansion can provide sufficient supplies.) Cal-Am has continually and correctly emphasized the importance of the ASR Project to its water supply from 2022 on, yet as shown in MCWD's Schematic 2, when Carmel River ASR water must be delivered to storage in the Seaside Basin in compliance with the SWRCB water right permits, Cal-Am has not addressed how it will operate its MPWSP flows south at the same time ASR water needs to move north for injection. Building a new 36" pipeline as part of PWM Expansion does not solve the substantial pipeline congestion problem that would appear to be created in Cal-Am's New Monterey Pipeline. In addition, it appears Cal-Am does not dispute that without additional infrastructure components that were ***not analyzed in the FEIR***, Cal-Am will be unable to deliver, at the very least, sufficient water from non-Carmel River sources to its customers in Carmel and Carmel Valley. In the Monterey County Superior Court, responding to MCWD's request for a preliminary injunction to halt work on the MPWSP, Cal-Am submitted a declaration under penalty of perjury by its Vice President of Engineering stating that even if Cal-Am had additional water supplies available "current physical system limitations are such that Cal Am cannot deliver water from all of its sources to all of its customers at the same time." (**Attachment 29**, p. 13.) In other words, no matter how much water Cal-Am has access to

from sources to the north of its Monterey District, Cal-Am cannot presently deliver that water to the southern most areas of its Monterey District as required after December 31, 2021, when the existing Carmel River diversions drop substantially.

B. The Carmel/Carmel Valley Plumbing Problem – Need for New Forest Lake Pump Station.

Starting January 1, 2022, Cal-Am's annual limit on Carmel River withdrawals is 3,376 AFY. MCWD understands that summer demand for water in the southern areas of the service territory could then exceed this amount and/or be incompatible with seasonal pumping constraints on Cal-Am's Carmel River sources. The Commission must ask Cal-Am to explain how its various sources of water are conveyed and utilized seasonally throughout its system, and how Cal-Am intends to fully comply with the CDO by implementing a Project that, as described in its FEIR, is incomplete. Cal-Am has not been transparent with the Commission or any agency before which it has sought MPWSP approval, because it never disclosed the need for, or sought approval of, the Forest Lake Pump Station in connection with its attempts to comply with the CDO. Instead, funding for this piece of critical MPWSP infrastructure is buried in Cal-Am's latest general rate case application before the CPUC, with no explanation of when – if ever – the facility will undergo environmental review. (**Attachment 31**.)

Despite these absolute system operational impediments to Cal-Am's ability to comply with the CDO, it never included in the MPWSP project description the infrastructure necessary to overcome 1) its system water conveyance and distribution problems or 2) the lack of unused capacity available in MCWD's potable water pipeline for MPWSP desalinated water, after other priority uses. None of the new components – 36" pipeline, four extraction wells, Forest Lake pump station – were even mentioned, let alone analyzed, in the CPUC's FEIR for the MPWSP. Therefore, the CPUC has not authorized them under its Certificate of Public Convenience and Necessity (CPCN), nor were they included in the Project description. Consequently, the application is incomplete and it must be denied, if it is not withdrawn before the March 2020 Commission meeting.

C. With or Without the MPWSP, Cal-Am Requires the Forest Lake Pump Station to Achieve CDO Compliance.

With its latest three-year general rate case proceeding before the CPUC, Cal-Am is seeking approval of the expenditure of $2,470,000 and collection of that amount in rates for a new Forest Lake Pump Station to "raise the pressure in the transmission main from Forest Lake to Carmel Valley." (**Attachment 31**, p. 211.) The stated purpose of this new pump facility is to eliminate low-pressure areas and increase available fire flows. (Id. at pp. 211-212.) The Commission should verify whether Cal-Am has an existing pump at the Forest Lake Reservoir that can pump water from the Forest Lake Reservoir to Carmel and the Carmel Valley. Cal-Am's rationale of installing the new Forest Lake Pump Station to eliminate low-pressure areas and low fire flows would appear to indicate that those conditions currently exist at times when there are

insufficient flows coming downhill from the Carmel Valley. When Cal-Am is required to reduce Carmel River pumping to 3,376 AFY and the water supply sources shift from the south to the north, this new pumping station would appear to be needed during most of the year, as shown in Schematics 3 and 4. (**Attachment 33**, pp. 3-4.)

As far as MCWD has been able to determine, the proposed Forest Lake Pump Station is ***the first time*** since Cal-Am initially proposed a desalination facility in 2004 that Cal-Am is proposing to build any infrastructure that would relieve this plumbing problem and allow Cal-Am to reduce its Carmel River system pumping to the legal limit of 3,376 AFY that the SWRCB established in 1995. The more the Commission and others drill down to closely examine the details of Cal-Am's proposed MPWSP, the more flaws in Cal-Am's assumptions, plans, and designs are revealed. The MPWSP as described in the FEIR and as approved by the CPUC is not feasible and cannot be built and operational by the CDO deadline.

On the other hand, PWM Expansion is a feasible alternative that can provide a sufficient source of water for CDO compliance, provided the Forest Lake Pump Station is installed, and PWM Expansion can do so sooner and at far less cost than the MPWSP.

D. Cal-Am's New Fix for its Inability to Use the MCWD Potable Water Pipeline – Build a New PWM Expansion Pipeline to Parallel the MCWD Pipeline.

When Cal-Am applied to the CPUC for permission to construct the MPWSP, it originally proposed to construct a new conveyance pipeline along Highway 1 to the City of Monterey; however, Cal-Am later elected to eliminate the southern portion of that pipeline. Without prior notice or consultation with MCWD, Cal-Am assumed it could utilize MCWD's existing potable water pipeline to move desalinated water into Cal-Am's Monterey District as part of the MPWSP. Cal-Am amended its project map by showing a blank space where the MCWD pipeline is located and then later changed its project map by adding an "existing pipeline" without identifying that the pipeline is 100% owned by MCWD and subject to other priority uses. (**Attachments 18 and 19** to MCWD's Sept. 17, 2019 comments.) The end result was that Cal-Am was wrong in its assumption that it could use MCWD's pipeline for the MPWSP. As MCWD has determined pursuant to the Joint Use of Capacity in Water Conveyance Facilities Statute (Water Code Section 1810 – 1814), there is not sufficient unused capacity in the existing MCWD pipeline to accommodate all of the pipeline's priority uses *and* full production from the MPWSP for the life of the Project. (See Staff Report, pp. 81, 93.) Cal-Am proposed no solution to this problem when it submitted its application to the Commission.

It appears Cal-Am now seeks to solve the MPWSP's lack of sufficient conveyance pipeline capacity by using a new potable water pipeline analyzed by Monterey One Water (M1W) as part of its Supplemental Environmental Impact Report (SEIR) for the PWM Expansion. Figure 2-8 of the Draft SEIR provides a schematic rendering of a proposed 36-inch conveyance pipeline for potable water to be installed parallel to and in the same right of way as the existing MCWD pipeline. (**Attachment 30.**) Aerial views of the

proposed pipeline location, as well as proposed locations for new extraction wells, are available at Draft SEIR Figures 2-2, 2-7 and Figure 1 of Appendix D. (**Attachment 32.**)

Based upon review of the SEIR, MCWD has concluded that the proposed 36-inch pipeline shown in Figure 2-8 of the ***PWM Expansion Draft SEIR*** would provide a substitute conveyance for Cal-Am's prior proposal to use MCWD's pipeline to ***convey potable water from the MPWSP to the Monterey Peninsula*** **during June through November. However, the new 36" pipeline only appears to shift Cal-Am's pipeline congestion problem further south during December through May when ASR water is moving north to be injected in the Seaside Basin at the same time MPWSP water would be trying to move south**. See MCWD's schematics illustrating seasonal system flows in the current Cal-Am system with the proposed MPWSP, versus system flows in the current Cal-Am system with the proposed MPWSP *and* with the PWM Expansion wells and pipeline. (**Attachment 33**, pp. 1-4 [Schematic 4 includes the new Forest Lake Pump Station].) This pipeline congestion problem could result in Cal-Am needing to inject much more desalinated water into the Seaside Basin than described in the FEIR. This greater volume of injected desalinated water appears to necessitate Cal-Am's four new proposed extraction wells, which are not needed for the PWM Expansion alone. Notably, the proposed new pipeline is greatly oversized if it was actually intended to convey solely PWM Expansion water, and the four new extraction wells are not required for that project either, as the Draft SEIR includes analysis of an environmentally superior alternative that eliminates two of the proposed wells. (Draft SEIR at Summary § S.5 and at § 6.2.2.[3]) Moreover, the new pipeline and wells are referred to by M1W as "Cal-Am Facilities." (See Draft SEIR at Summary § S.3 and at § 2.6.5.) The Commission should require Cal-Am to explain why these facilities that appear to be required for the MPWSP, but not for PWM Expansion, were omitted from the MPWSP proposal.

Importantly, none of the proposed PWM Expansion facilities were included as a part of the CPUC's environmental review for the MPWSP. If, as it appears, the proposed 36-inch potable water pipeline and/or the new extraction wells shown on Figure 2-8 of the PWM Expansion SEIR are components of infrastructure that are actually necessary for operation of the MPWSP, rather than PWM Expansion, then the FEIR for the MPWSP must be revised or supplemented to include review of the additional project components. For present purposes of the Commission's review, Cal-Am's application is incomplete and therefore the Commission should deny the application based on failure to fully describe the necessary components of the project and their collective cumulative impacts.

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[3] Available at https://purewatermonterey.org/wp/wp-content/uploads/Main-Body-of-M1W-Draft-Supplemental-EIR-Nov-7-2019.pdf.

Attachment 29, excerpt of Sept. 5, 2019 Declaration of Ian Crooks, p. 13

Attachment 30, PWM Expansion Draft SEIR, Figure 2-8

Attachment 31, excerpt of Direct Testimony of Ian C. Crooks in CPUC Application 19-07-004, pp. 194, 211-212

Attachment 32, PWM Expansion Draft SEIR Figures 2-2, 2-7 and Figure 1 of Appendix D

Attachment 33, MCWD schematics

Attachment 34, ASR Water Rights Permits 20808A, 20808C

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Attorneys for Real Party in Interest
California-American Water Company

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF MONTEREY

MARINA COAST WATER DISTRICT, and DOES 1-100,

Petitioner and Plaintiff,

v.

COUNTY OF MONTEREY, MONTEREY COUNTY BOARD OF SUPERVISORS, and DOES 101-110,

Respondents and Defendants.

CALIFORNIA-AMERICAN WATER COMPANY, a California water corporation, and DOES 111-120,

Real Party in Interest.

CASE NO. 19CV003305

Assigned to: Hon. Lydia Villarreal, Dept. 13

DECLARATION OF IAN CROOKS IN SUPPORT OF REAL PARTY IN INTEREST CALIFORNIA-AMERICAN WATER COMPANY'S OPPOSITION TO *EX PARTE* APPLICATION FOR ORDER TO SHOW CAUSE, IMMEDIATE STAY OR, TEMPORARY RESTRAINING ORDER

[Opposition to Ex Parte Application for Stay filed concurrently herewith]

Hearing re *Ex Parte* Application:
Date: September 5, 2019
Time: 10:00 a.m.
Dept.: 15A

Action Filed: August 15, 2019

DECLARATION OF IAN C. CROOKS

I, Ian C. Crooks, declare:

1. I am the Vice President - Engineering at California-American Water Company ("Cal-Am"). I have personal knowledge of the facts set forth in this Declaration and, if called as a witness, could and would testify competently to such facts under oath.

2. In my capacity as Vice President - Engineering at Cal-Am, I am one of the individuals charged with the responsibility of designing and implementing Cal-Am's Monterey Peninsula Water Supply Project (the "MPWSP" or "Project"). Since August 2013, I have been involved in all day-to-day aspects of planning the Project. As such, I am extremely familiar with the requirements of the project, the timetable for the Project, and with all matters contained herein.

3. Cal-Am is a California water corporation and is regulated by the California Public Utilities Commission ("CPUC"). Cal-Am provides water and wastewater services to approximately 600,000 people throughout the State of California. Cal-Am has served the Monterey Peninsula since it took over the operation of California Water and Telephone Company in 1966. Cal-Am presently provides water service to approximately 100,000 businesses and residential customers in its Monterey County service area.

4. On July 6, 1995, the State Water Resources Control Board ("State Board") issued Order No. WR 95-10, which requires Cal-Am to eliminate certain unauthorized water diversions from the Carmel River. In 2009, the State Board issued Order No. WR 2009-0060, which requires Cal-Am to take additional measures to cease unauthorized diversions from the Carmel River and to terminate such diversions by December 31, 2016. In 2016, the State Board, through Order No. WR 2016-0016 ("Amended CDO"), extended Cal-Am's deadline to cease unauthorized diversions to December 31, 2021. The amended CDO requires the development of an alternative water supply project—such as the MPWSP—in order to replace Carmel River supplies. It includes several milestones for developing the MPWSP, with the intent of having the Project operational by the end of 2021. In particular, the CDO requires "[s]tart of construction for any of the CalAm Components of the [MPWSP] Desalination Plant"—defined as "source

Peninsula Water Management District ("MPWMD") and Monterey One Water, Monterey One Water missed the first contractual requirement of July 1, 2019, to begin producing water from PWM. A true and correct copy of the Notice of Default is attached hereto as **Exhibit J**. It is likely that Monterey One Water will not meet its second contractual milestone for Cal-Am to begin delivering water to its customers by January 1, 2020 due to the delays in achieving the first milestone.

45. MCWD cites to a statement from an MPWMD representative alleging that failure to meet the Amended CDO's September 30, 2019, milestone would have no impact. (TRO App., at p. 10.) I disagree with the statement from the MPWMD representative. Failure to meet the September 30, 2019, milestone would result in a 1,000 afy reduction in Cal-Am's allowed Carmel River diversions, not only in the current year, but in 2020 and 2021. (Wilkins Decl., Ex. 18, p. 1428.) Moreover, failure to meet the September 30, 2019, milestone will likely mean that mandatory milestones in 2020 and 2021 will also be missed, given construction timeframes. Missing such milestones will result in additional 1,000 afy reductions on top of the reduction imposed for missing the 2019 milestone. And, as noted, the MPWSP would not be completed in time to meet the 2021 deadline to cease unauthorized diversions. Alternate water supplies simply are not available to replace such reductions. Moreover, even if temporary replacement supplies are available to offset missed milestone penalties, current physical system limitations are such that Cal Am cannot deliver water from all of its sources to all of its customers at the same time, making the supply available at certain times less than a simple sum of potentially available sources. My conclusion as Vice President - Engineering is that missing a milestone would have the potential to result in significant harm to our customers.

46. In addition, the CPUC found that failure to meet a CDO milestone would result in negative consequences for the Peninsula, due to the corresponding reduction in Cal-Am's allowable withdrawals from the Carmel River. (See Wilkins Decl., Ex. 16, p. 1294.)

47. Further, MCWD complains of the costs of the MPWSP. As explained in the testimony of Mr. Chris Cook before the County Board of Supervisors, Cal-Am is in the process of obtaining State Revolving Funds funding that will help to mitigate the future costs of

desalination for the Peninsula, and the Project has recently been accepted for funding by the Drinking Water State Revolving Fund program by recommendation of the State Board. We therefore expect total Project costs to be lower as a result of this low cost financing. A true and correct copy of Mr. Cook's testimony is attached hereto as **Exhibit K**.

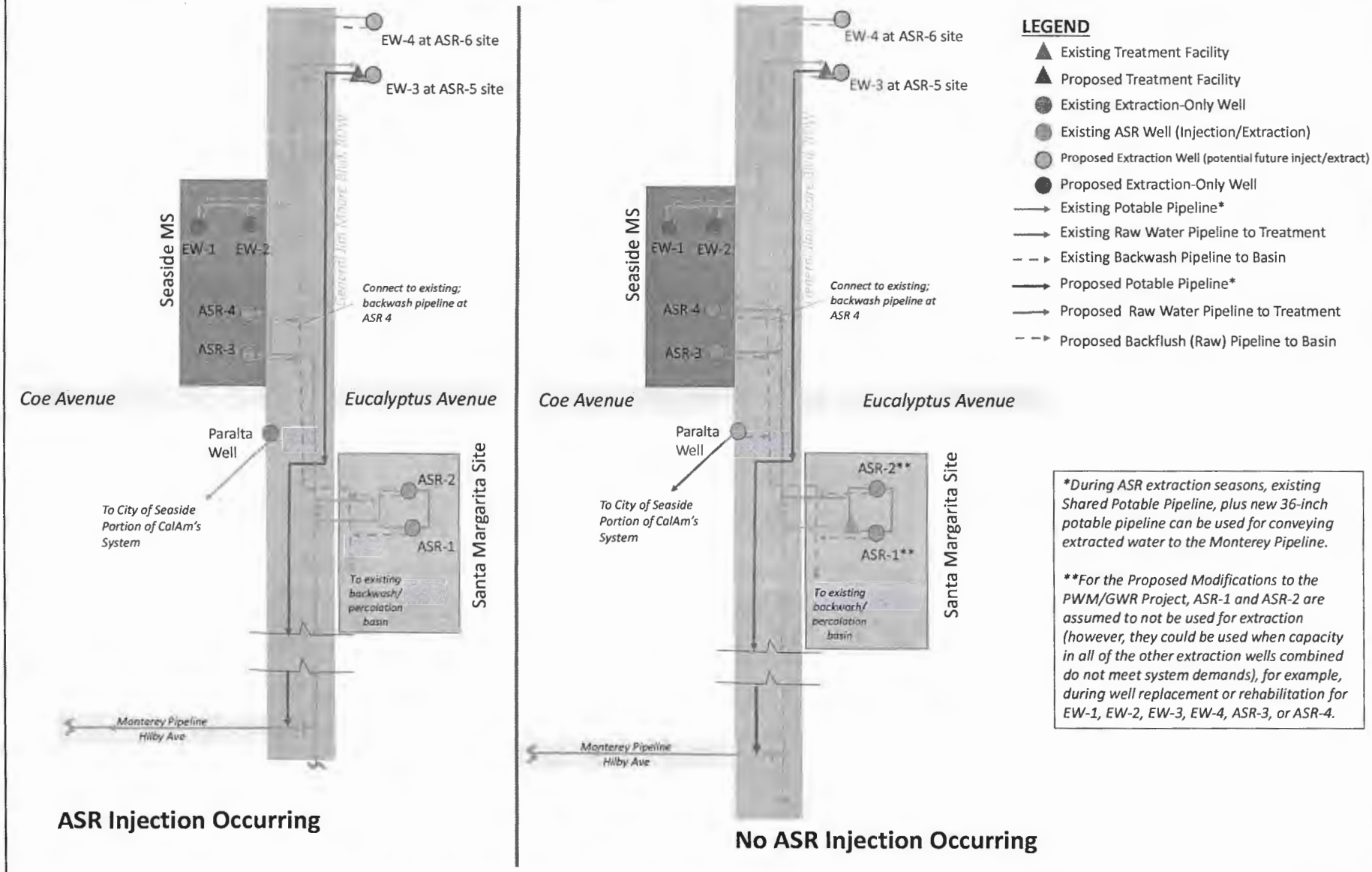
48. Pursuant to the CPUC's Decision, Cal-Am wholly bears the risk of constructing the Project, and if Cal-Am fails to construct the Project, its costs will not be passed on to ratepayers. As stated in the CPUC's Decision, "If the project is not finished, or does not go online, it will not be placed in ratebase." (Wilkins Decl., Ex. 16, p. 1315.)

49. Any further delay in the Project's construction will significantly impair Cal-Am's ability to eliminate unauthorized diversions from the Carmel River, as construction needs to commence near term in order to make the 2021 deadline. If Cal-Am misses the CDO's 2021 deadline, serious fines and penalties could result, including administrative penalties of up to $10,000 per day for CDO noncompliance in certain drought years, and penalties for unlawful diversion of up to $1,000 per day and $2,500 per acre-feet of unlawfully diverted water in certain drought years. (See Wilkins Decl., Ex. 18, p. 1417.) Cal-Am could face over $4 million per year of violation in per-diem penalties, in addition to up to $2.5 million in penalties for every 1,000 acre-feet of unlawfully diverted water. (*Ibid.*)

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 5th day of September, 2019, at San Diego, California.

Ian C. Crooks



Source: M1W, MPWMD, and CalAm, October 2019

Extraction Well Facilities Flow Schematic

November 2019

Expanded PWM/GWR Project
Supplemental EIR

Figure
2-8

Attachment 31

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

Application of California-American Water Company (U210W) for Authorization to Increase its Revenues for Water Service by $25,999,900 or 10.60% in the year 2021, by $9,752,500 or 3.59% in the year 2022, and by $10,754,500 or 3.82% in the year 2023.	Application 19-07-XXX (Filed July 1, 2019)

DIRECT TESTIMONY OF IAN C. CROOKS

(FINAL APPLICATION)

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Attorneys for Applicant California-American Water Company

Dated: July 1, 2019

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

Application of California-American Water Company (U210W) for Authorization to Increase its Revenues for Water Service by $25,999,900 or 10.60% in the year 2021, by $9,752,500 or 3.59% in the year 2022, and by $10,754,500 or 3.82% in the year 2023.	Application 19-07-XXX (Filed July 1, 2019)

DIRECT TESTIMONY OF IAN C. CROOKS

(FINAL APPLICATION)

I. INTRODUCTION

Q1. Please state your name and business address.

A1. My name is Ian C. Crooks. My business address is 655 W. Broadway, Suite 1410, San Diego, CA 92101.

Q2. By whom are you employed and in what capacity?

A2. I have been employed by California-American Water Company ("California American Water" or the "Company") since August 2013. In November 2016, I began serving as Vice-President of Engineering with responsibility for overseeing the Company's statewide engineering functions.

Q3. What are your responsibilities?

A3. I oversee the planning, programming, and implementation of the company's capital improvement program, and may provide guidance on the planning and budgeting of projects, and oversight of project administration, design, permitting and construction to ensure compliance with budgets, schedules, and regulations. Most recently, I have been

Table XV-D - Central Division Proposed New Capital Investment Projects

Project Code	Project Description	3-Yr Total	2021 Plant Expend.	2022 Plant Expend.	2023 Plant Expend.
I15-400138	13. Rancho Fiesta Tanks and Pump Station	$1,440,000	$0	$440,000	$1,000,000
I15-400141	14. New Carmel Valley Well	$1,500,000	$500,000	$1,000,000	$0
I15-400143	15. Forest Lake Pump Station	$2,470,000	$1,000,000	$1,470,000	$0
	Total Investment Projects	**$32,772,500**	**$8,750,000**	**$11,875,000**	**$12,147,500**

1. Project Code I15-400125, Main Replacement Program (2021-2026) (PROPOSED PROJECT)

Q208. Please describe this program.

A208. The Central Division has approximately 630 miles of water main in its distribution system. A large percentage of this pipe is nearing the end of its expected useful life. Much of this pipe has a smaller diameter than current standards and therefore impedes the ability of the system to deliver adequate fire flow; this pipe is also experiencing a higher rate of breaks and leaks, leading to water loss and disruption to customers.

In 2019, California American Water completed a Buried Infrastructure CBA and a CPS that included development of a detailed hydraulic model of the distribution system. A risk score was calculated for each pipe segment based on its physical condition, leak history, and hydraulic constraints (such as the ability to deliver recommended fire flow amounts). Based on these risk scores, a number of main replacement projects were recommended for inclusion in this program. The CBA identified 22 miles of main for replacement, as well as 10,500 feet for abandonment and 24,000 feet for lining to mitigate water age issues.

15. Project Code I15-400143, Forest Lake Pump Station (PROPOSED PROJECT)

Q222. Please describe.

A222. An existing pipeline, with diameters ranging from 24 to 30 inches, has historically conveyed water from Carmel Valley west to the Forest Lake Tanks. There are four high spots in Carmel where the pressure in this pipeline can drop below 20 psi, the normal lower operating limit for pipelines without customer service connections. California American Water has performed hydraulic modeling of this pipeline to evaluate the extent and severity of the low pressures. California American Water also installed field data loggers during February and March of 2019 to measure pressure over an extended period. Data from the model runs and the data loggers showed pressures as low as 4 psi during this test period. These conditions were observed while the water level in the Forest Lake Tanks was approximately 18 feet, or slightly more than half full. If the level in the tanks were 10 feet lower, which can occur during some conditions, the gauge pressure in the pipeline would have dropped to 0 psi. These pressures are extremely low and can lead to damage to the pipeline or the connecting valves and fixtures. The low pressures in this portion of the pipeline contribute to the low available fire flow in portions of Carmel. The low pressures can also lead to water quality contamination events if backflow devices are not working properly.

California American Water plans to construct a new pump station to raise the pressure in the transmission main from Forest Lake to Carmel Valley. The recommended location is at or near the site of the Forest Lake Tanks. By raising the HGL in the transmission main, this pump station would also raise the HGL for customers in this area. To prevent problems due to high pressure, the pump station should be designed to raise the pressure only high enough to address the critical low-pressure areas. Raising the HGL approximately 50 feet would allow the system to maintain 20 psi in the transmission main

even when the level in the Forest Lake tanks is at the lower end of the normal operating range.

The addition of this pump station would raise the water pressure in the transmission main above the 20-psi level that is normally considered a minimum operating level for pipelines without customer connections. Eliminating the existing low-pressure areas would increase the safety and reliability of the pipeline and would reduce the potential for contaminants to enter the distribution system. Addressing these low-pressure areas would also increase the available fire flow at hydrants in Carmel, particularly along Ocean Avenue at the upper end of the Forest Lake pressure zone. By maintaining a higher HGL in the transmission main, the pump station would increase the flow that could be delivered to these hydrants while maintaining a 20-psi residual pressure.

This project was identified in the 2019 Monterey County CPS. Additional information, justification, and documentation can be found in the Capital Investment Project Work Papers for this specific project.

E. Monterey County Wastewater District Proposed New Projects

Q223. Please provide summary of new projects.

A223. Below is a table summarizing the estimate expenditures by project and year.

Table XV-E – Monterey County Wastewater District Proposed New Capital Investment Projects

Project Code	Project Description	3-Yr Total	2021 Plant Expend.	2022 Plant Expend.	2023 Plant Expend.
I15-420004	1. Spreckels Boulevard Main Replacement	$310,000	$110,000	$200,000	



CEQA-Approved PWM/GWR Project Facilities

November 2019

Expanded PWM/GWR Project Supplemental EIR

Figure 2-2



Proposed Modifications to CalAm Distribution System

November 2019

Expanded PWM/GWR Project
Supplemental EIR

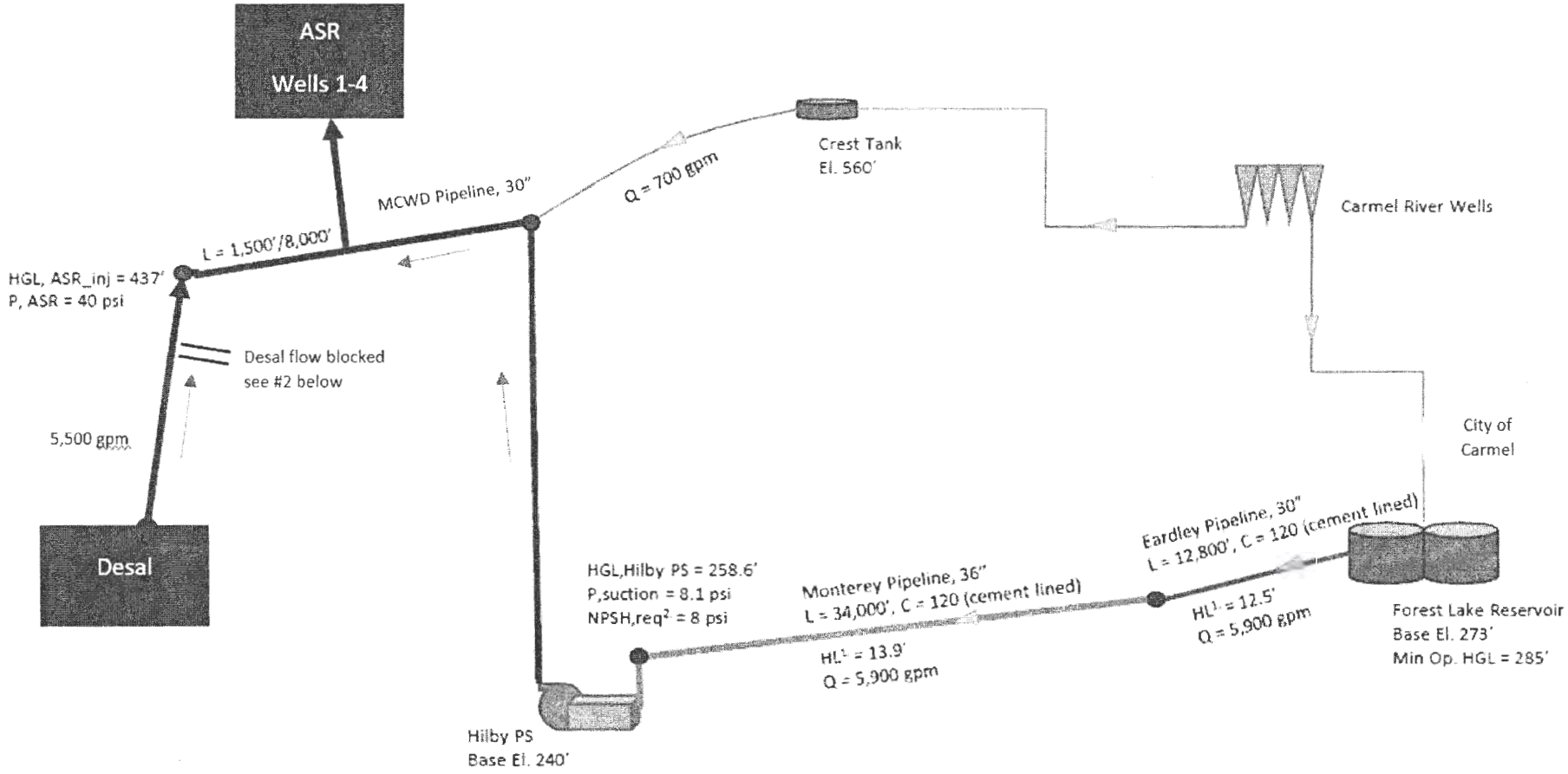
Figure
2-7



Figure 1. Production wells and existing and proposed Modified PWM Injection Locations

Attachment 33

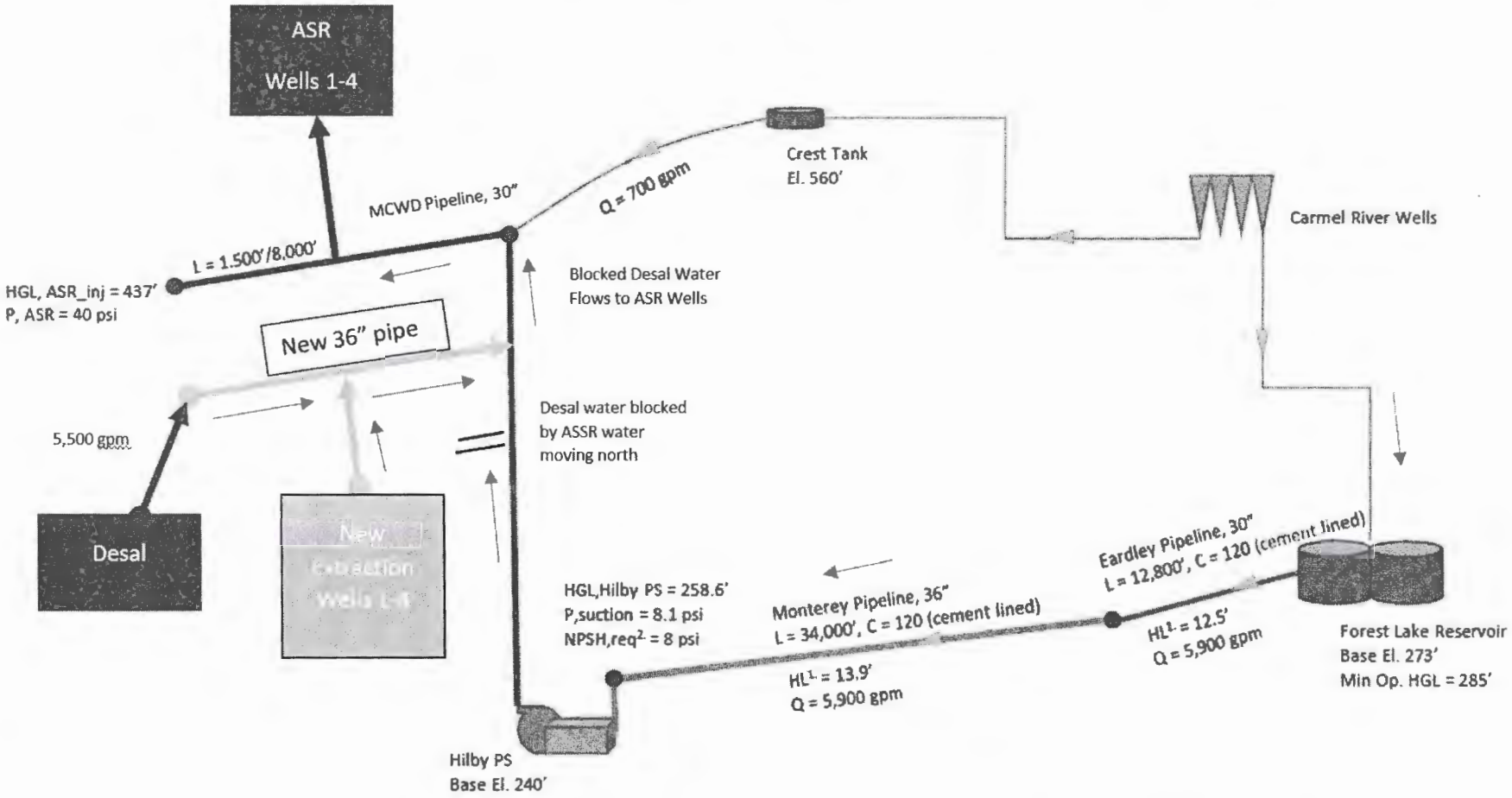
SCHEMATIC 1: **Existing Conveyance** Plan with current MPWSP approval for **every December through May** time period ("Winter" or "ASR Injection" Period) starting 1/1/2022
Note: During December through May in drier water years, there may be no Carmel River water conveyed for injection in the Seaside Basin so then refer to the ASR Extraction Period schematic.



Existing Issues not Addressed in MPWSP approval:

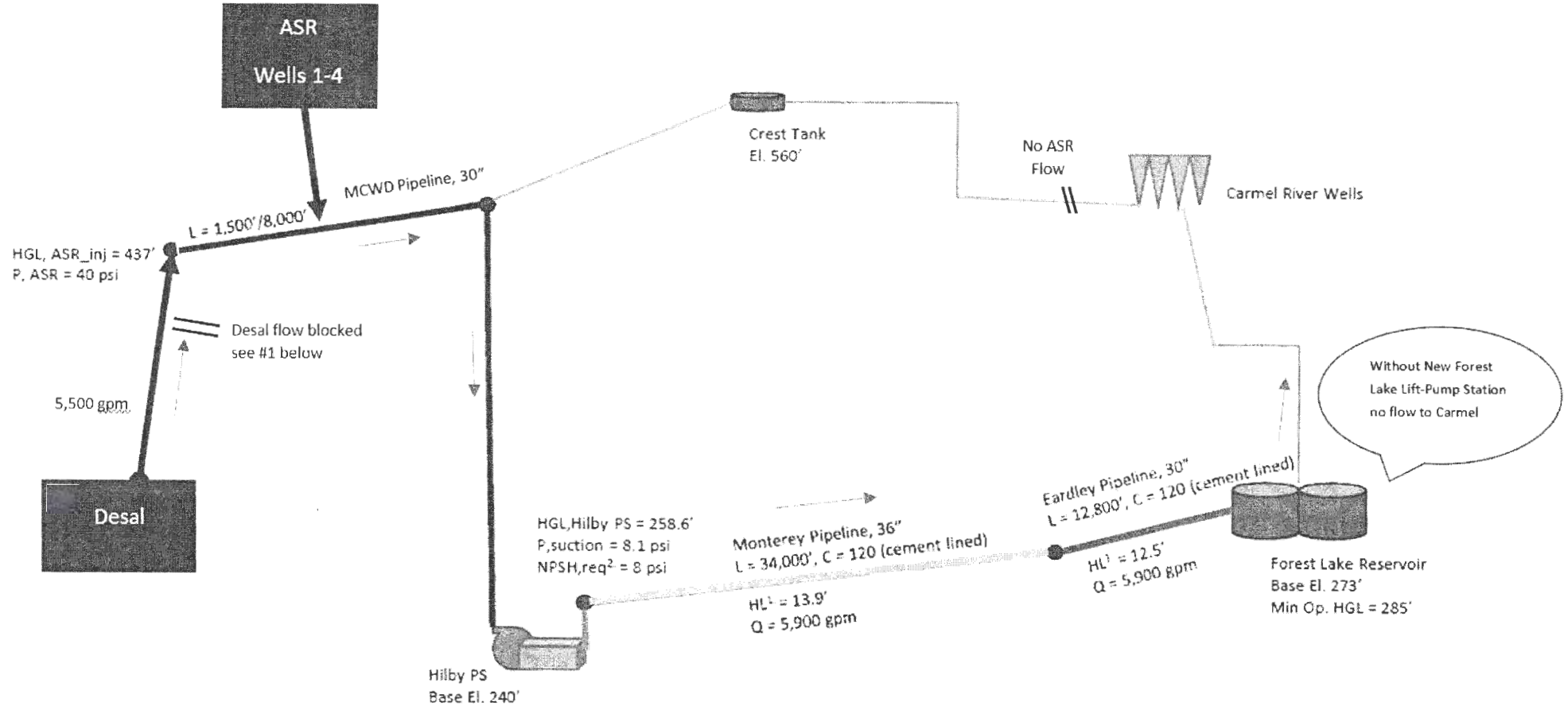
1) No authorized Capacity for Desal water through 30" MCWD potable water pipeline – projected unused capacity not sufficient to convey desal water 24/7/365
2) Desal water cannot move south because (a) ASR water is moving north in the MCWD pipeline to be injected into the Seaside Basin via ASR Wells 1-4 and (b) not sufficient unused capacity in MCWD's pipeline [#1 above]. SWRCB ASR water rights permits requires all Carmel River water diverted for ASR must first be injected into the Seaside Basin and not for direct use by Cal Am customers.

SCHEMATIC 2: **New** if PWME Project approved and New Forest Lake Pump/Lift Station CPUC GRC approved) for **every December through May** time period ("Winter" or "ASR Injection" Period) starting 1/1/2022. Note: During December through May in drier water years, there may be no Carmel River water conveyed for injection in the Seaside Basin so then refer to the ASR Extraction Period schematic.



1) New 36" pipeline allows Desal water to bypass 30" MCWD potable water pipeline
2) New 36" pipeline allows ASR winter injection water to flow north at same time Desal water is flowing south. But Desal water flow blocked in New Monterey Pipeline by ASR water moving north in New Monterey Pipeline. Hilby Pump Station cannot pump Desal water south and ASR water north at the same time. That blockage also causes Desal water to do U turn and flow to ASR Wells 1-4.
3) Cal Am has not explained how excess Desal water will be injected into Seaside Basin via ASR Wells.
4) Four new extraction wells connected to new 36" pipe provide excess extraction capacity to tap into Seaside Basin (ASR, PWM, PWME, and Desal injected water)

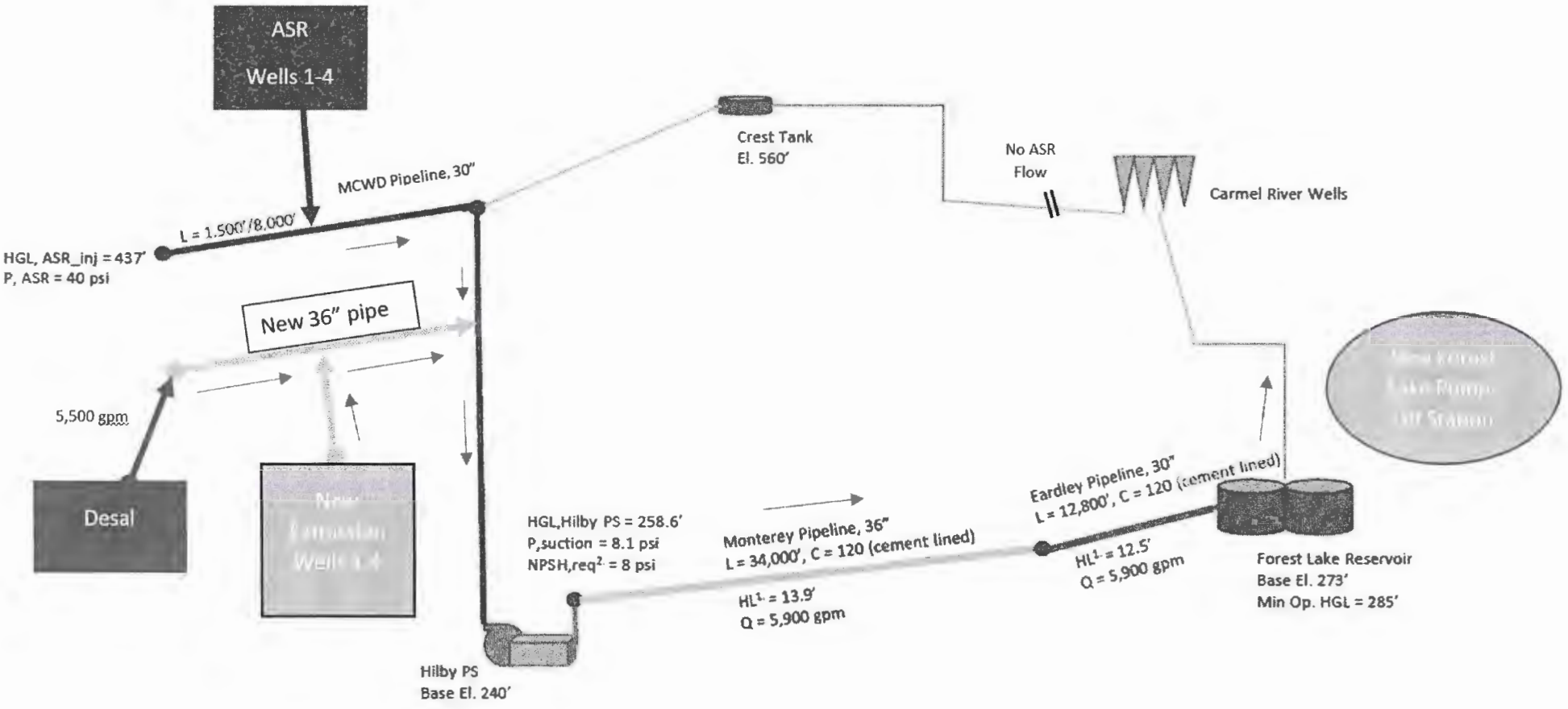
SCHEMATIC 3: **Existing Conveyance** Plan with current MPWSP approval for **every June through November** time period ("Summer" or "ASR Extraction" Period) starting 1/1/2022



Existing Issues not Addressed in MPWSP approval:

1) No authorized Capacity for Desal water through 30" MCWD potable water pipe
2) Desal/Seaside Basin Water cannot flow past Forest Lake Reservoir to serve Carmel and Carmel Valley
3) Insufficient extraction capacity to tap into Seaside Basin for ASR, PWM, PWME, and Desal injected water

SCHEMATIC 4: **New** if PWME Project approved and New Forest Lake Pump/Lift Station CPUC GRC approved) for **every June through November** time period ("Summer" or "ASR Extraction" Period) starting 1/1/2022



1) New 36" pipeline allows Desal Water to bypass 30" MCWD potable water pipeline
2) New Forest Lake Pump-Lift Station allows Desal/Seaside Basin Water to move south past Forest Lake Reservoir to Carmel and Carmel Valley
3) Four new extraction wells connected to new 36" pipe provide excess extraction capacity to tap into Seaside Basin (ASR, PWM, PWME, and Desal injected water)

STATE OF CALIFORNIA
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
STATE WATER RESOURCES CONTROL BOARD

DIVISION OF WATER RIGHTS

PERMIT FOR DIVERSION AND USE OF WATER

AMENDED PERMIT 20808A

Application 27614A of

Monterey Peninsula Water Management District and
California American Water
c/o Monterey Peninsula Water Management District
P.O. Box 85
Monterey, CA 93942-0085

filed on **December 16, 1982**, has been approved by the State Water Resources Control Board (State Water Board, Board or SWRCB) SUBJECT TO PRIOR RIGHTS and to the limitations and conditions of this permit.

Permittees are hereby authorized to divert and use water as follows:

1. Source of water

Source:	Tributary to:
(1) Carmel River	**Pacific Ocean**
(5-32) Carmel River Subterranean Stream	**Pacific Ocean**

within the County of **Monterey.**

2. Location of points of diversion, points of injection and points of recovery.

Points of Diversion to Offstream Storage (By California Coordinate System of 1983-Zone 4)	40-acre subdivision of public land survey or projection thereof	Section (Projected)	Township	Range	Base and Meridian
(1) San Clemente Dam: North 2,053,010 feet and East 5,765,040 feet	NW¼ of SW¼	24	17S	2E	MD
(5) Canada Well: North 2,092,010 feet and East 5,715,190 feet	NE¼ of SW¼	17	16S	1E	MD
(6) San Carlos Well: North 2,091,660 feet and East 5,717,990 feet	NE¼ of SE¼	17	16S	1E	MD
(7) Cypress Well: North 2,087,610 feet and East 5,724,640 feet	SW¼ of NW¼	22	16S	1E	MD
(8) Pearce Well: North 2,087,360 feet and East 5,726,140 feet	SE¼ of NW¼	22	16S	1E	MD
(9) Schulte Well: North 2,087,410 feet and East 5,729,240 feet	SW¼ of NW¼	23	16S	1E	MD

(10) Manor #2 Well: North 2,086,460 feet and East 5,731,340 feet	NE¼ of SW¼	23	16S	1E	MD
(11) Begonia #2 Well: North 2,085,510 feet and East 5,734,740 feet	NW¼ of SW¼	24	16S	1E	MD
(12) Berwick #7 Well: North 2,084,460 feet and East 5,735,290 feet	SW¼ of SW¼	24	16S	1E	MD
(13) Berwick #8 Well: North 2,084,510 feet and East 5,736,090 feet	SE¼ of SW¼	24	16S	1E	MD
(15) Scarlett #8 Well: North 2,084,510 feet and East 5,740,590 feet	SW¼ of SW¼	19	16S	2E	MD
(17) Los Laureles #5 Well: North 2,080,310 feet and East 5,748,590 feet	NW¼ of SE¼	29	16S	2E	MD
(18) Los Laureles #6 Well: North 2,079,510 feet and East 5,749,440 feet	SE¼ of SE¼	29	16S	2E	MD
(19) West Garzas #4 Well: North 2,075,260 feet and East 5,752,190 feet	NE¼ of SW¼	33	16S	2E	MD
(20) Garzas Creek #3 Well: North 2,073,610 feet and East 5,753,040 feet	SW¼ of SE¼	33	16S	2E	MD
(21) Panetta #2 Well: North 2,072,110 feet and East 5,754,740 feet	NW¼ of NW¼	3	17S	2E	MD
(22) Panetta #1 Well: North 2,071,960 feet and East 5,754,640 feet	NW¼ of NW¼	3	17S	2E	MD
(23) Robles #3 Well: North 2,067,110 feet and East 5,759,490 feet	NE¼ of NE¼	10	17S	2E	MD
(24) Russell #4 Well: North 2,061,810 feet and East 5,764,040 feet	SW¼ of SE¼	14	17S	2E	MD
(25) Russell #2 Well: North 2,061,410 feet and East 5,764,040 feet	SE¼ of SE¼	14	17S	2E	MD
(26) A Well: North 2,091,070 feet and East 5,706,020 feet	SE ¼ of SE ¼	13	16S	1W	MD
(27) B Well: North 2,091,970 feet and East 5,709,420 feet	NE ¼ of SW ¼	18	16S	1E	MD
(28) C Well: North 2,087,220 feet and East 5,724,470 feet	SW ¼ of NW ¼	22	16S	1E	MD
(29) D Well: North 2,087,370 feet and East 5,729,270 feet	SW ¼ of NW ¼	23	16S	1E	MD

(30) E Well: North 2,084,920 feet and East 5,737,320 feet	SW ¼ of SE ¼	24	16S	1E	MD
(31) F Well: North 2,072,120 feet and East 5,754,670 feet	NW ¼ of NW ¼	3	17S	2E	MD
(32) G Well: North 2,070,270 feet and East 5,755,270 feet	SW ¼ of NW ¼	3	17S	2E	MD

Points of Injection and Recovery (By California Coordinate System of 1983-Zone 4)	40-acre subdivision of public land survey or projection thereof	Section (Projected)	Township	Range	Base and Meridian
ASR-1 Injection & Recovery Well North 2,120,840 feet and East 5,734,970 feet	NE¼ of NE¼	23	15S	1E	MD
ASR-2 Injection & Recovery Well North 2,121,080 feet and East 5,735,250 feet	SE¼ of SE¼	14	15S	1E	MD

3. Purpose of use	4. Place of use	Section (Projected)	Township	Range	Base and Meridian	Acres
Municipal	Within the boundaries of Monterey Peninsula Water Management District					110,000

The points of diversion and place of use are shown on maps dated September 12, 2003 and filed with the State Water Board.

5. The water appropriated shall be limited to the quantity which can be beneficially used and shall not exceed **two thousand four hundred and twenty-six (2,426) acre-feet per annum** to be collected to underground storage in Seaside Groundwater Basin at a maximum instantaneous rate of **six and seven tenths (6.7) cubic feet per second** from **December 1** of each year to **May 31** of the succeeding year.

(0000005H)

6. The amount authorized for appropriation may be reduced in the license if investigation warrants.

(0000006)

7. Permittees' rights under this permit are junior to the rights of persons diverting water for reasonable beneficial use under valid and properly exercised riparian, overlying, and pre- and post-1914 appropriative claims of right which have a priority which is superior to the priority of Application 27614A.

(050T001)

8. Complete application of the water to the authorized use shall be made by December 1, 2020.

(0000009)

9. Progress reports shall be submitted promptly by Permittees when requested by the State Water Board until a license is issued.

(0000010)

10. Permittees shall allow representatives of the State Water Board and other parties, as may be authorized from time to time by said State Water Board, reasonable access to project works to determine compliance with the terms of this permit.

(0000011)

11. Pursuant to California Water Code sections 100 and 275, and the common law public trust doctrine, all rights and privileges under this permit and under any license issued pursuant thereto, including method of diversion, method of use, and quantity of water diverted, are subject to the continuing authority of the State Water Board in accordance with law and in the interest of the public welfare to protect public trust uses and to prevent waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of said water.

The continuing authority of the State Water Board may be exercised by imposing specific requirements over and above those contained in this permit with a view to eliminating waste of water and to meeting the reasonable water requirements of Permittees without unreasonable draft on the source. Permittees may be required to implement a water conservation plan, features of which may include but not necessarily be limited to (1) reusing or reclaiming the water allocated; (2) using water reclaimed by another entity instead of all or part of the water allocated; (3) restricting diversions so as to eliminate agricultural tailwater or to reduce return flow; (4) suppressing evaporation losses from water surfaces; (5) controlling phreatophytic growth; and (6) installing, maintaining, and operating efficient water measuring devices to assure compliance with the quantity limitations of this permit and to determine accurately water use as against reasonable water requirements for the authorized project. No action will be taken pursuant to this paragraph unless the State Water Board determines, after notice to affected parties and opportunity for hearing, that such specific requirements are physically and financially feasible and are appropriate to the particular situation.

The continuing authority of the State Water Board also may be exercised by imposing further limitations on the diversion and use of water by the Permittees in order to protect public trust uses. No action will be taken pursuant to this paragraph unless the State Water Board determines, after notice to affected parties and opportunity for hearing, that such action is consistent with California Constitution Article X, Section 2; is consistent with the public interest; and is necessary to preserve or restore the uses protected by the public trust.

(0000012)

12. The quantity of water diverted under this permit and under any license issued pursuant thereto is subject to modification by the State Water Board if, after notice to the Permittees and an opportunity for hearing, the State Water Board finds that such modification is necessary to meet water quality objectives in water quality control plans which have been or hereafter may be established or modified pursuant to Division 7 of the Water Code. No action will be taken pursuant to this paragraph unless the State Water Board finds that (1) adequate waste discharge requirements have been prescribed and are in effect with respect to all waste discharges which have any substantial effect upon water quality in the area involved, and (2) the water quality objectives cannot be achieved solely through the control of waste discharges.

(0000013)

13. This permit does not authorize any act that results in the taking of a threatened or endangered species or any act that is now prohibited, or becomes prohibited in the future, under either the California Endangered Species Act (Fish & G. Code, §§ 2050 - 2097) or the federal Endangered Species Act (16 U.S.C.A. §§ 1531 - 1544). If a "take" will result from any act authorized under this water right, the Permittees shall obtain authorization for an incidental take prior to construction or operation of the project. Permittees shall be responsible for meeting all requirements of the applicable Endangered Species Act for the project authorized under this permit.

(0000014)

14. Permittees shall maintain records of the amount of water diverted and used to enable the State Water Board to determine the amount of water that has been applied to beneficial use pursuant to Water Code Section 1605.

(0000015)

15. This permit shall not be construed as conferring upon the Permittees right of access to the points of diversion.

(0000022)

16. Permittees shall consult with the Division of Water Rights and, within one year from the date of this permit, shall submit to the State Water Board their Urban Water Management Plan as prepared and adopted in conformance with Section 10610, et seq. of the California Water Code, supplemented by any additional information that may be required by the Board.

    All cost-effective measures identified in the Urban Water Management Plan and any supplements thereto shall be implemented in accordance with the schedule for implementation found therein.

(0000029A)

17. If it is determined after permit issuance that the as-built conditions of the project are not correctly represented by the map(s) prepared to accompany the application, Permittees shall, at their expense, have the subject map(s) updated or replaced with equivalent as-built maps(s). Said revision(s) or new map(s) shall be prepared by a civil engineer or land surveyor registered or licensed in the State of California and shall meet the requirements prescribed in section 715 and sections 717 through 723 of the California Code of Regulations, Title 23. Said revision(s) or map(s) shall be furnished upon request of the Chief, Division of Water Rights.

(0000030)

18. Permittees shall (1) install devices to measure the instantaneous rate and cumulative quantity of water diverted from the Carmel River and placed into underground storage and (2) install devices to measure the cumulative quantity of Carmel River water recovered from underground storage and placed to beneficial use. All measuring devices and the method of determining the quantity of water recovered from underground storage shall be approved by the State Water Board. All measuring devices shall be properly maintained.

(0060900) (0080900)

19. Permittees shall install, calibrate and maintain continuous flow measurement devices, satisfactory to the State Water Board, at the following locations in the Carmel River:

    a. Carmel River at the Highway 1 Bridge (River Mile (RM) 1.1)
    b. USGS Carmel River Near Carmel Gage (USGS 11143250; RM 3.2), maintained by USGS
    c. Carmel River at Sleepy Hollow Weir (RM 17.6)

    If any measuring device is rendered inoperative for any reason, all diversions under this permit shall cease until such time as the device is restored to service.

    In the event that the streamflow gage maintained by USGS is no longer available for streamflow measurements, Permittees (or successors-in-interest) are responsible for installing and maintaining an equivalent gage, satisfactory to the Chief, Division of Water Rights, as near as practicable to the present location of USGS near Carmel Gage. In the absence of such equivalent gage, all diversions must cease. These requirements shall remain in force as long as water is diverted by Permittees (or successors-in-interest) under any permit or license issued pursuant to Application 27614A.

(0060062BP) (0000204)

20. Within six months of the issuance of this permit, the Permittees shall submit a Compliance Plan for approval by the Chief of the Division of Water Rights that will demonstrate compliance with the flow bypass terms specified in this permit. The Compliance Plan shall include the following:

    a. A description of the gages and monitoring devices that have been or will be installed to measure streamflow and diversion to underground storage.
    b. A time schedule for the installation of these facilities.
    c. A description of the frequency of data collection and the methods for recording diversions, bypass flows and storage levels.
    d. An operation and maintenance plan that will be used to maintain gages and monitoring devices in good condition.

    The Permittees shall be responsible for all costs associated with developing the Compliance Plan, and installing and maintaining all monitoring facilities described in the Compliance Plan.

    The monitoring data shall be maintained by the Permittees for ten years from the date of collection and made available to the Chief of the Division of Water Rights upon request. Any non-compliance with the terms of the permit shall be reported by the Permittees promptly to the Chief of the Division of Water Rights.

    (0000070)

21. The priority of this permit shall be junior to any permit issued on the applications set forth in Table 13 of Decision 1632 or for the persons named in Table 13 of Decision 1632 for an amount of water not to exceed the quantity set forth in the column titled *"Quantity Reserved by SWRCB For Future Appropriations"*, or as modified in accordance with the procedures set forth in Decision 1632, Permit Condition 10.

    (0500800)

22. Permittees shall implement the Riparian Corridor Management Program outlined in the Monterey Peninsula Water Management District's November 1990 Water Allocation Mitigation Program until Application 27614A is licensed. Survey data and analysis of results shall be submitted annually to the California Department of Fish and Game for review and comment.

    (0490500)

23. For the protection of fisheries, wildlife, and other instream uses in the Carmel River, diversions under this permit shall be subject to maintenance of minimum mean daily instream flows, as agreed upon by the Permittees and the California Department of Fish and Game and National Marine Fisheries Service and stated in the document entitled, "Proposed Changes to Current Permit Conditions". Minimum mean daily instream flows are specified in Table A, required Ramp-Down flows are specified in Table B, and water year types for use with Tables A and B are specified in Table C. No water shall be diverted under this permit if the instream flows determined using Tables A, B and C are or would be reduced by such diversion below the designated rates. To ensure compliance with these conditions, by September 30 of each year, Permittees shall file a report with the Chief, Division of Water Rights, California Department of Fish and Game and National Marine Fisheries Service containing the following information:

    a. Dates during the previous period of December 1 to May 31 of the succeeding year when water was diverted under this permit; and
    b. Mean daily flows recorded at the three monitoring locations specified in Condition 20 during the same period.

    Water year types defined in Table C, Carmel River Water Supply Index, may be amended from time to time to include the most recent available hydrologic data. For the purpose of amending water year types in Table C, Permittees shall submit to the Chief, Division of Water Rights, a request to approve revisions to criteria to define normal or better, below normal, dry and critically dry year types.

    (0400500)

24. Until the project authorized by this permit becomes fully operational, Permittees shall continue to negotiate with California Department of Fish and Game to maintain, insofar as possible a minimum 5 cfs bypass flow below San Clemente Dam as measured at the Sleepy Hollow Weir.

(0400500)

25. To prevent stranding of spring and fall steelhead juveniles and smolts during critically dry conditions, Permittees shall continue to implement the Fisheries Mitigation Measure 4 outlined in the Monterey Peninsula Water Management District's November 1990 Water Allocation Mitigation Program ("Rescue juveniles downstream of Robles del Rio in Summer").

(0400500)

26. Permittees shall, in consultation with California Department of Fish and Game conduct studies to determine the effectiveness of fish rescue operations specified in the Monterey Peninsula Water Management District's November 1990 Water Allocation Mitigation Program. The results shall be submitted to the Chief, Division of Water Rights, for review and approval.

(0400500)

27. Permittees shall implement the Lagoon Mitigation Program outlined in the Monterey Peninsula Water Management District's November 1990 Water Allocation Mitigation Program. Annual reports shall be submitted to the California Department of Parks and Recreation, California Department of Fish and Game, and the Chief, Division of Water Rights for review.

(0400500)

28. No work shall commence and no water shall be diverted, stored or used under this permit until a copy of a stream or lake alteration agreement between the State Department of Fish and Game and the Permittees is filed with the Division of Water Rights. Compliance with the terms and conditions of the agreement is the responsibility of the Permittees. If a stream or lake agreement is not necessary for this permitted project, the Permittees shall provide the Division of Water Rights a copy of a waiver signed by the California Department of Fish and Game.

(0000063)

29. Permittees shall maintain in good working order all riparian irrigation systems owned or operated by Permittees under the Monterey Peninsula Water Management District's Water Allocation Program Environmental Impact Report, 5-Year Mitigation Program (November 1990) for use as needed during dry and critically dry water years.

(0400500)

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This permit is issued and Permittees take it subject to the following provisions of the Water Code:

Section 1390. A permit shall be effective for such time as the water actually appropriated under it is used for a useful and beneficial purpose in conformity with this division (of the Water Code), but no longer.

Section 1391. Every permit shall include the enumeration of conditions therein which in substance shall include all of the provisions of this article and the statement that any appropriator of water to whom a permit is issued takes it subject to the conditions therein expressed.

Section 1392. Every permittee, if he accepts a permit, does so under the conditions precedent that no value whatsoever in excess of the actual amount paid to the State therefore shall at any time be assigned to or claimed for any permit granted or issued under the provisions of this division (of the Water Code), or for any rights granted or acquired under the provisions of this division (of the Water Code), in respect to the regulation by any competent public authority of the services or the price of the services to be rendered by any permittee or by the holder of any rights granted or acquired under the provisions of this division (of the Water Code) or in respect to any valuation for purposes of sale to or purchase, whether through condemnation proceedings or otherwise, by the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State, of the rights and property of any permittee, or the possessor of any rights granted, issued, or acquired under the provisions of this division (of the Water Code).

STATE WATER RESOURCES CONTROL BOARD

for James W. Kassel
Victoria A. Whitney, Chief
Division of Water Rights

Date: NOV 30 2007

TABLE A

MINIMUM MEAN DAILY INSTREAM FLOW REQUIREMENTS *(see Condition 23)*

Fall December 1- December 15	Winter December 16-April 15	Spring April 16-May 31
<u>All Water Year Types</u>[1] May divert with minimum bypass of **40** cfs at the Highway 1 gage.	<u>Normal or Better and Below Normal Water Years</u>[1] **For Normal or Better and Below Normal Water Years, an Attraction Day is defined as:** Estimated unimpaired flow[2] at the Highway 1 gage of **200** cfs or greater. **Prior to First Attraction Day:** Continue December 1-15 bypass flows. **During Attraction Day(s):** Bypass sufficient flow to maintain **200** cfs at the Highway 1 gage. **Following Attraction Day(s):** Ramp down bypass flows as indicated on Table B. Following the ramp-down period, bypass **90** cfs throughout the reach[3] between the Sleepy Hollow Weir gage and the USGS Near Carmel gage, and **60** cfs throughout the reach[3] between the USGS Near Carmel gage and the Highway 1 gage.	<u>All Water Year Types</u>[1] Bypass **80** cfs throughout the reach[3] between Sleepy Hollow Weir gage and the Highway 1 gage.
	<u>Dry and Critically Dry Water Years</u>[1] **For Dry and Critically Dry Water Years, an Attraction Day is defined as:** Estimated unimpaired flow[2] at the Highway 1 gage of **200** cfs or greater in January, **100** cfs or greater in February, and **75** cfs or greater in March. **Prior to First Attraction Day:** Continue December 1-15 bypass flows. **During Attraction Day(s):** Bypass sufficient flow to maintain **150** cfs at the Highway 1 gage. **Following Attraction Day(s):** Ramp down bypass flows as indicated on Table B. Following the ramp-down period, bypass the same as for wet, normal, and below normal water years.	

1 Water Year types are as specified in Table C.

2 For purposes of Table A, "estimated unimpaired flow" shall be defined as the measured mean daily flow at the specified gage plus the mean daily diversion by California American Water from the Carmel River and underlying alluvial aquifer upstream of that gage during the preceding five days.

3 Maintaining the specified flow at both the upper and lower gage associated with the specified reach is sufficient evidence that the rate is maintained throughout the entire reach. In the case of bypass flow required throughout the reach between the Sleepy Hollow Weir and Highway 1 gages from April 16 to May 31, the required bypass flow must also be maintained at the USGS near Carmel gage.

Source: Table A is based on Table 9 in Instream Flow Needs for Steelhead in the Carmel River, Bypass Flow Recommendations for Water Supply Projects Using Carmel River Waters, National Marine Fisheries Service, Southwest Region – Santa Rosa Field Office, June 3, 2002, page 32.

TABLE B
Carmel River Bypass Flows - "Ramp-Down" Flows

Minimum Mean Daily Instream Flows Following an Attraction Day or Days
(All Values in Cubic Feet Per Second)

	Between MPWMD Sleepy Hollow Gage and USGS Near Carmel Gage		Between USGS Near Carmel Gage and MPWMD Highway 1 Gage	
Days	Normal or Better and Below Normal Water Years	Dry and Critically Dry Water Years	Normal or Better and Below Normal Water Years	Dry and Critically Dry Water Years
0	200	150	200	150
1	175	125	175	125
2	150	100	150	100
3	125	90	125	80
4	90	90	100	60
5	90	90	80	60
6	90	90	60	60

Source: *Instream Flow Needs for Steelhead in the Carmel River, Bypass Flow Recommendations for Water Supply Projects Using Carmel River Waters*, National Marine Fisheries Service, Southwest Region - Santa Rosa Field Office, June 3, 2002, page 15.

Note: "Day 0" refers to an Attraction Day or Days. "Day 1" refers to the first day after an Attraction Day or Days. See Table A for the definition of an Attraction Day.

TABLE C
Carmel River Water Supply Index

Cumulative Unimpaired Carmel River Flow at the Sleepy Hollow Weir Site in Acre-Feet

Period	Water Year Type: Normal or Better	Below Normal	Dry	Critically-Dry
Oct	> 300	300 - 100	99 - 1	0
Oct - Nov	> 1,000	1,000 - 500	499 - 300	< 300
Oct - Dec	> 4,000	4,000 - 1,700	1,699 - 1,200	< 1,200
Oct - Jan	> 11,700	11,700 - 5,700	5,699 - 3,200	< 3,200
Oct - Feb	> 28,800	28,800 - 11,800	11,799 - 7,300	< 7,300
Oct - Mar	> 40,600	40,600 - 21,300	21,299 - 10,700	< 10,700
Oct - Apr	> 47,600	47,600 - 24,300	24,299 - 13,200	< 13,200
Oct - May	> 49,500	49,500 - 26,000	25,999 - 13,900	< 13,900
Oct - Jun	> 49,900	49,900 - 26,800	26,799 - 14,600	< 14,600
Oct - Jul	> 50,000	50,000 - 27,200	27,199 - 14,700	< 14,700
Oct - Aug	> 50,300	50,300 - 27,300	27,299 - 14,800	< 14,800
Oct - Sep	> 50,700	50,700 - 27,400	27,399 - 14,900	< 14,900

Expected Unimpaired Carmel River Flow at the Sleepy Hollow Weir Site in Acre-Feet Assuming 75% Reliability

Period	Water Year Type: Normal or Better	Below Normal	Dry	Critically-Dry
Nov - Sep	50,400	34,000	25,000	21,000
Dec - Sep	43,000	27,000	17,500	14,900
Jan - Sep	36,000	22,300	12,200	10,000
Feb - Sep	29,000	17,300	9,000	7,000
Mar - Sep	21,500	11,275	6,000	3,400
Apr - Sep	13,000	5,850	3,250	1,575
May - Sep	5,000	2,500	1,425	800
Jun - Sep	2,000	900	625	400
Jul - Sep	600	300	300	300
Aug - Sep	200	200	200	200
Sep	100	100	100	100

Notes:

1. "Cumulative" and "Expected" water year types are derived from the daily unimpaired flow record at the Sleepy Hollow Weir site simulated by the Monterey Peninsula Water Management District for Water Years 1902 through 1996.
2. Water Year types are based on selected exceedance frequencies. "Normal or Better" refers to flows that are equaled or exceeded 50% of the time. "Below Normal" refers to flows that are exceeded between 50% and 75% of the time. "Dry" refers to flows that are exceeded between 75% and 87.5% of the time. "Critically Dry" refers to flows that are exceeded 87.5% of the time.
3. The Water Supply Index shall incorporate a daily timestep so that it can be updated on a daily basis.

STATE OF CALIFORNIA
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
STATE WATER RESOURCES CONTROL BOARD

DIVISION OF WATER RIGHTS

AMENDED PERMIT FOR DIVERSION AND USE OF WATER

APPLICATION 27614C PERMIT 20808C

of: Monterey Peninsula Water Management District and
California American Water
c/o Monterey Peninsula Water Management District
P.O. Box 85
Monterey, CA 93942-0085

The amended permit is being issued in accordance with the redelegations of authority (Resolution No. 2007-0057.) Therefore, an amended permit on **Application 27614C** filed on **December 16, 1982** has been approved by the State Water Board SUBJECT TO PRIOR RIGHTS and to the limitations and conditions of this amended permit

Permittees are hereby authorized to divert and use water as follows:

1. Source of water

Source:	Tributary to:
(1) Carmel River	**Pacific Ocean**
(5-32) Carmel River Subterranean Stream	**Pacific Ocean**

within the County of **Monterey.**

2. Location of points of diversion, points of injection and points of recovery.

Points of Diversion to Offstream Storage (By California Coordinate System of 1983-Zone 4)	40-acre subdivision of public land survey or projection thereof	Section (Projected)	Township	Range	Base and Meridian
(1) San Clemente Dam: North 2,053,010 feet and East 5,765,040 feet	**NW¼ of SW¼**	**24**	**17S**	**2E**	**MD**
(5) Canada Well: North 2,092,010 feet and East 5,715,190 feet	**NE¼ of SW¼**	**17**	**16S**	**1E**	**MD**
(6) San Carlos Well: North 2,091,660 feet and East 5,717,990 feet	**NE¼ of SE¼**	**17**	**16S**	**1E**	**MD**
(7) Cypress Well: North 2,087,610 feet and East 5,724,640 feet	**SW¼ of NW¼**	**22**	**16S**	**1E**	**MD**

(8) Pearce Well: North 2,087,360 feet and East 5,726,140 feet	SE¼ of NW¼	22	16S	1E	MD
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(13) Berwick #8 Well: North 2,084,510 feet and East 5,736,090 feet	SE¼ of SW¼	24	16S	1E	MD
(15) Scarlett #8 Well: North 2,084,510 feet and East 5,740,590 feet	SW¼ of SW¼	19	16S	2E	MD
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(21) Panetta #2 Well: North 2,072,110 feet and East 5,754,740 feet	NW¼ of NW¼	3	17S	2E	MD
(22) Panetta #1 Well: North 2,071,960 feet and East 5,754,640 feet	NW¼ of NW¼	3	17S	2E	MD
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(26) A Well: North 2,091,070 feet and East 5,706,020 feet	SE ¼ of SE ¼	13	16S	1W	MD

(27) B Well: North 2,091,970 feet and East 5,709,420 feet	**NE ¼ of SW ¼**	**18**	**16S**	**1E**	**MD**
(28) C Well: North 2,087,220 feet and East 5,724,470 feet	**SW ¼ of NW ¼**	**22**	**16S**	**1E**	**MD**
(29) D Well: North 2,087,370 feet and East 5,7729,270 feet	**SW ¼ of NW ¼**	**23**	**16S**	**1E**	**MD**
(30) E Well: North 2,084,920 feet and East 5,737,320 feet	**SW ¼ of SE ¼**	**24**	**16S**	**1E**	**MD**
(31) F Well: North 2,072,120 feet and East 5,754,670 feet	**NW ¼ of NW ¼**	**3**	**17S**	**2E**	**MD**
(32) G Well: North 2,070,270 feet and East 5,755,270 feet	**SW ¼ of NW ¼**	**3**	**17S**	**2E**	**MD**

Points of Injection and Recovery (By California Coordinate System of 1983-Zone 4)	40-acre subdivision of public land survey or projection thereof	Section (Projected)	Township	Range	Base and Meridian
Seaside Middle School #1 Injection & Recovery Well North 2,122,180 feet and East 5,735,150 feet	**SE¼ of SE¼**	**13**	**15S**	**1E**	**MD**
Seaside Middle School #2 Injection & Recovery Well North 2,122,530 feet and East 5,735,250 feet	**SE¼ of SE¼**	**13**	**15S**	**1E**	**MD**
ASR-1 Injection & Recovery Well North 2,120,840 feet and East 5,734,970 feet	**NE¼ of NE¼**	**23**	**15S**	**1E**	**MD**
ASR-2 Injection & Recovery Well North 2,121,080 feet and East 5,735,250 feet	**SE¼ of SE¼**	**14**	**15S**	**1E**	**MC**

3. Purpose of use	4. Place of use	Section (Projected)	Township	Range	Base and Meridian	Acres
Municipal	**Within the boundaries of Monterey Peninsula Water Management District**					**110,000**

The points of diversion and place of use are shown on maps dated June 2008 and filed with the State Water Board.

The following acronyms are used in this permit:

Monterey Peninsula Water Management District – MPWMD or Permittee
National Marine Fisheries Service – NMFS
California Department of Fish and Game – DFG
California American Water – Cal-Am

5. The water appropriated shall be limited to the quantity which can be beneficially used and shall not exceed **two thousand nine hundred (2,900) acre-feet per a**nnum to be collected to underground storage in Seaside Groundwater Basin at a maximum instantaneous rate of **eight (8.0) cubic feet per second** from December 1 of each year to May 31 of the succeeding year.

(0000005H)

6. Permittees' rights under this permit are junior to the rights of persons diverting water for reasonable beneficial use under valid and properly exercised riparian, overlying, and pre- and post-1914 appropriative claims of right which have a priority which is superior to the priority of Application 27614C.

(050T001)

7. Complete application of the water to the authorized use shall be made by December 1, 2020.

(0000009)

8. This permit shall not be construed as conferring upon the permittees right of access to the points of diversion.

(0000022)

9. Cal-Am shall consult with the Division of Water Rights and, within one year from the date of this permit, shall submit to the State Water Board its Urban Water Management Plan as prepared and adopted in conformance with Section 10610, et seq. of the California Water Code, supplemented by any additional information that may be required by the Board.

   All cost-effective measures identified in the Urban Water Management Plan and any supplements thereto shall be implemented in accordance with the schedule for implementation found therein.

(0000029A)

10. If it is determined after permit issuance that the as-built conditions of the project are not correctly represented by the map(s) prepared to accompany the application, permittees shall, at their expense, have the subject map(s) updated or replaced with equivalent as-built maps(s). Said revision(s) or new map(s) shall be prepared by a civil engineer or land surveyor registered or licensed in the State of California and shall meet the requirements prescribed in section 715 and sections 717 through 723 of the California Code of Regulations, Title 23. Said revision(s) or map(s) shall be furnished upon request of the Deputy Director for Water Rights.

(0000030)

11. Permittees shall (1) install devices to measure the instantaneous rate and cumulative quantity of water diverted from the Carmel River and placed into underground storage and (2) install devices to measure the cumulative quantity of Carmel River water recovered from underground storage and placed to beneficial use. All measuring devices and the method of determining the quantity of water recovered from underground storage shall be approved by the State Water Board. All measuring devices shall be properly maintained.

(0060900) (0080900)

12. Permittees shall calibrate and maintain, a continuous flow measurement device, satisfactory to the State Water Board, at Carmel River at Highway 1 Bridge (River Mile 1.1)

    If any measuring device is rendered inoperative for any reason, all diversions under this permit shall cease until such time as the device is restored to service.

    These requirements shall remain in force as long as water is diverted by permittees (or successors-in-interest) under any permit or license issued pursuant to Application 27614C.

    (0060062BP) (0000204)

13. Within six months of the issuance of this permit, the permittees shall submit a Compliance Plan for approval by the Deputy Director for Water Rights that will demonstrate compliance with the flow bypass terms specified in this permit. The Compliance Plan shall include the following:

    a. A description of the gages and monitoring devices that will be installed or have been installed to measure stream flow and diversion to underground storage.
    b. A time schedule for installation of these facilities.
    c. A description of the frequency of data collection and the methods for recording diversions, bypass flows and storage levels.
    d. An operation and maintenance plan that will be used to maintain gages and monitoring devices in good condition.

    The permittees shall be responsible for all costs associated with developing the Compliance Plan, and installing and maintaining all monitoring facilities described in the Compliance Plan.

    The monitoring data shall be maintained by the permittees for ten years from the date of collection and made available to the Deputy Director for Water Rights, upon request. Any non-compliance with the terms of the permit shall be reported by the permittees promptly to the Deputy Director for Water Rights.

    (0000070)

14. The priority of this permit shall be junior to any permit issued on the applications set forth in Table 13 of Decision 1632 or for the persons named in Table 13 of Decision 1632 for an amount of water not to exceed the quantity set forth in the column titled *"Quantity Reserved by SWRCB for Future Appropriations,"* or as modified in accordance with the procedures set forth in Decision 1632, Permit Condition 10.

    (0500800)

15. Permittees shall implement the Riparian Corridor Management Program outlined in the MPWMD's November 1990 Water Allocation Mitigation Program until Application 27614C is licensed. Survey data and analysis of results shall be submitted annually to DFG for review and comment.

    (0490500)

16. For the protection of fisheries, wildlife, and other instream uses in the Carmel River, diversions under this permit shall be subject to maintenance of minimum mean daily instream flows as specified in Table A, Minimum Mean Daily Instream Flow Requirements. No water shall be diverted under this permit if the instream flows would be reduced by such diversion below the minimum mean daily flows specified in Table A. To ensure compliance with these conditions, by September 30 of each year, Permittees shall file a report with the Deputy Director for Water Rights, DFG and NMFS containing the following information:

    a. Dates during the previous period of December 1 to May 31 of the succeeding year when water was diverted under this permit; and
    b. Mean daily flows recorded at the Carmel River at Highway 1 Bridge gage.

TABLE A	
MINIMUM MEAN DAILY INSTREAM FLOW REQUIREMENTS	
December 1-April 15	**April 16-May 31**
Prior to Carmel River lagoon opening to the ocean [1]: May divert with minimum bypass of **40 cfs** at the Carmel River at Highway 1 Bridge gage. **Following Carmel River lagoon opening to the ocean:** May divert with minimum bypass of **120 cfs** at the Carmel River at Highway 1 Bridge gage.	May divert with minimum bypass of **80 cfs** at the Carmel River at Highway 1 Bridge gage.

[1] On December 1, if water in the lagoon is flowing to the ocean, the lagoon shall be deemed to be open to the ocean. If on December 1 water in the lagoon is not flowing to the ocean, the lagoon shall be deemed to be open to the ocean when the lagoon level drops rapidly from a stable elevation to a lower elevation as evidenced by the water surface elevation gage located at the Carmel Area Wastewater District effluent pipeline across the south arm of the lagoon. This elevation gage is operated by Monterey Peninsula Water Management District.

(0400500)

17. Until the project authorized by this permit becomes fully operational, permittees shall continue to negotiate with DFG to maintain, insofar as possible, a minimum 5 cubic feet per second bypass flow below San Clemente Dam as measured at the Sleepy Hollow weir.

(0400500)

18. To prevent stranding of spring and fall steelhead juveniles and smolts during critically dry conditions, permittees shall continue to implement Fisheries Mitigation Measure 3 as outlined in the MPWMD's November 1990 Water Allocation Mitigation Program ("Rescue juveniles downstream of Robles del Rio in summer").

(0400500)

19. Permittees shall, in consultation with DFG, conduct studies to determine the effectiveness of fish rescue operations specified in the MPWMD's November 1990 Water Allocation Mitigation Program. The results shall be submitted to the Deputy Director for Water Rights, for review and approval.

(0400500)

20. Permittees shall implement the Lagoon Mitigation Program outlined in the MPWMD's November 1990 Water Allocation Mitigation Program. Annual reports shall be submitted to the Department of Parks and Recreation, DFG, and the Deputy Director for Water Rights for review.

(0400500)

21. Permittees shall maintain in good working order all riparian irrigation systems owned or operated by permittees under the MPWMD's November 1990 Water Allocation Mitigation Program for use as needed during dry and critically dry water years.

(0400500)

22. Recovery of Stored Water: Not later than June 1 of each year, the amount of water to be recovered from groundwater storage during that year's June 1 through November 30 period shall be determined by permittees, in consultation with DFG and NMFS, using the following procedures.

    a. The maximum amount for recovery each year (pumping of water previously diverted from the Carmel River and injected in the Seaside Groundwater Basin) was determined to be 1,500 acre-feet, using the logic developed for the computer simulation made by MPWMD's Carmel Valley Simulation (CVSIM) model. In any year, an alternative recovery amount may be agreed upon by permittees, DFG, and NMFS. The selected recovery amount shall be deemed the "Determined Recovery Amount."

    b. To the maximum extent operationally feasible, during each recovery season, permittees shall use their best efforts to recover the Determined Recovery Amount.

    c. Each year at the end of the injection season, the amount of water injected into the Seaside Basin during the current injection season shall be calculated. If this amount equals or exceeds the Determined Recovery Amount, then the Determined Recovery Amount shall be recovered. Any water injected during the current injection season that is in excess of the Determined Recovery Amount shall be added to "Carryover Storage."

    d. If the total amount of water injected during the current injection season is less than the Determined Recovery Amount, and the Carryover Storage from previous injection seasons is sufficient to make up the difference, then the Determined Recovery Amount shall be recovered. In this case, water from Carryover Storage shall be produced to supplement water injected during the current injection season to meet the Determined Recovery Amount. Any water that is produced from Carryover Storage to meet the Determined Recovery Amount shall be subtracted from Carryover Storage.

    e. If the total amount of water injected during the current injection season is less than the Determined Recovery Amount, and the Carryover Storage from previous injection seasons is insufficient to make up the difference, then the Determined Recovery Amount cannot be met. Instead, the amount of water recovered that year will be the total amount injected during the current injection season plus the total amount of Carryover Storage, if any, from previous injection seasons.

    f. Following the above decisions, if the amount of water stored by injection in the Seaside Groundwater Basin exceeds 7,200 acre-feet on June 1, the amount in excess of 7,200 acre-feet shall be added to the amount available for recovery that year.

    g. The actual amount of water produced from storage for recovery each year shall be uniformly distributed over the recovery season, unless modified and agreed upon by permittees, DFG, and NMFS.

    h. The water produced by permittees from the Aquifer Storage and Recovery (ASR) wells will be used to offset production from the Carmel River that would otherwise occur during the low-flow season. In any year that ASR water is recovered and delivered to the California American Water Company (Cal-Am) distribution system, Cal-Am shall, to the maximum extent operationally feasible, reduce water diversion from its Carmel River sources. The amount of ASR water that is recovered each year shall be subtracted from Cal-Am's total annual diversion allowance from its Carmel River sources in excess of Cal-Am's recognized rights. This condition shall sunset when the Deputy Director of Water Rights concurs in writing that Cal-Am has obtained a permanent supply of water that has been substituted for water diverted in excess of Cal-Am's recognized rights pursuant to Condition No. 11 of Order WR 2009-0060.

i. The following procedures will be implemented to facilitate cooperative compliance monitoring of the reductions in dry season (June-November) diversions from the Carmel River Aquifer that will be offset by utilizing water recovered from the ASR wells:

1) Cal-Am will provide copies by e-mail of its weekly "Carmel Valley & Seaside Production Report" to one designated contact each for DFG and NMFS.
2) This e-mail report will show daily values in acre-feet of the water produced from each source, vs. daily targets. These daily targets are derived from the monthly production targets developed as part of the Cal-Am/MPWMD Quarterly Water Budget process.
3) If the amount of water produced differs significantly from daily targets for more than two weeks, the designated DFG or NMFS contact can choose to call for the four parties to meet and confer on ongoing Cal-Am operations during the first five business days of the succeeding month.

In any case, these production numbers are and will continue to be reviewed as part of the Cal-Am/MPWMD Quarterly Water Budget process, which includes two regularly scheduled quarterly meetings during the dry season between permittees, DFG, and NMFS. DFG's and NMFS' ability to call for a monthly meeting to review Cal-Am's patterns of production for compliance with the intended offset of Carmel River Aquifer diversions by production from the ASR wells, will be in addition to the regularly-scheduled Quarterly Water Budget Meetings.

(0080900)

ALL PERMITS ISSUED BY THE STATE WATER BOARD ARE SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

A. The amount authorized for appropriation may be reduced in the license if investigation warrants.

(0000006)

B. Progress reports shall be submitted promptly by permittees when requested by the State Water Board until a license is issued.

(0000010)

C. Permittees shall allow representatives of the State Water Board and other parties, as may be authorized from time to time by said State Water Board, reasonable access to project works to determine compliance with the terms of this permit.

(0000011)

D. Pursuant to California Water Code sections 100 and 275, and the common law public trust doctrine, all rights and privileges under this permit and under any license issued pursuant thereto, including method of diversion, method of use, and quantity of water diverted, are subject to the continuing authority of State Water Board in accordance with law and in the interest of the public welfare to protect public trust uses and to prevent waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of said water.

The continuing authority of the State Water Board may be exercised by imposing specific requirements over and above those contained in this permit with a view to eliminating waste of water and to meeting the reasonable water requirements of permittees without unreasonable draft on the source. Permittees may be required to implement a water conservation plan, features of which may include but not necessarily be limited to (1) reusing or reclaiming the water allocated; (2) using water reclaimed by another entity instead of all or part of the water allocated; (3) restricting diversions so as to eliminate agricultural tailwater or to reduce return flow; (4) suppressing evaporation losses from water surfaces; (5) controlling phreatophytic growth; and (6) installing, maintaining, and operating efficient water measuring devices to assure compliance with the quantity limitations of this permit and to determine accurately water use as against reasonable water requirements for the authorized project. No action will be taken pursuant to this

paragraph unless the State Water Board determines, after notice to affected parties and opportunity for hearing, that such specific requirements are physically and financially feasible and are appropriate to the particular situation.

The continuing authority of the State Water Board also may be exercised by imposing further limitations on the diversion and use of water by the permittees in order to protect public trust uses. No action will be taken pursuant to this paragraph unless the State Water Board determines, after notice to affected parties and opportunity for hearing, that such action is consistent with California Constitution Article X, Section 2; is consistent with the public interest; and is necessary to preserve or restore the uses protected by the public trust.

(0000012)

E. The quantity of water diverted under this permit and under any license issued pursuant thereto is subject to modification by the State Water Board if, after notice to the permittees and an opportunity for hearing, the State Water Board finds that such modification is necessary to meet water quality objectives in water quality control plans which have been or hereafter may be established or modified pursuant to Division 7 of the Water Code. No action will be taken pursuant to this paragraph unless the State Water Board finds that (1) adequate waste discharge requirements have been prescribed and are in effect with respect to all waste discharges which have any substantial effect upon water quality in the area involved, and (2) the water quality objectives cannot be achieved solely through the control of waste discharges.

(0000013)

F. This permit does not authorize any act that results in the taking of a threatened or endangered species or any act that is now prohibited, or becomes prohibited in the future, under either the California Endangered Species Act (Fish & G. Code, §§ 2050 - 2097) or the federal Endangered Species Act (16 U.S.C.A. §§ 1531 - 1544). If a "take" will result from any act authorized under this water right, the permittees shall obtain authorization for an incidental take prior to construction or operation of the project. Permittees shall be responsible for meeting all requirements of the applicable Endangered Species Act for the project authorized under this permit.

(0000014)

G. Permittees shall maintain records of the amount of water diverted and used to enable the State Water Board to determine the amount of water that has been applied to beneficial use pursuant to Water Code Section 1605.

(0000015)

H. No work shall commence and no water shall be diverted, stored or used under this permit until a copy of a stream or lake alteration agreement between the State Department of Fish and Game and the permittees is filed with the Division of Water Rights. Compliance with the terms and conditions of the agreement is the responsibility of the permittees. If a stream or lake agreement is not necessary for this permitted project, the permittees shall provide the Division of Water Rights a copy of a waiver signed by the State Department of Fish and Game.

(0000063)

This permit is issued and permittees take it subject to the following provisions of the Water Code:

Section 1390. A permit shall be effective for such time as the water actually appropriated under it is used for a useful and beneficial purpose in conformity with this division (of the Water Code), but no longer.

Section 1391. Every permit shall include the enumeration of conditions therein which in substance shall include all of the provisions of this article and the statement that any appropriator of water to whom a permit is issued takes it subject to the conditions therein expressed.

Section 1392. Every permittee, if he accepts a permit, does so under the conditions precedent that no value whatsoever in excess of the actual amount paid to the State therefor shall at any time be assigned to or claimed for any permit granted or issued under the provisions of this division (of the Water Code), or for any rights granted or acquired under the provisions of this division (of the Water Code), in respect to the regulation by any competent public authority of the services or the price of the services to be rendered by any permittee or by the holder of any rights granted or acquired under the provisions of this division (of the Water Code) or in respect to any valuation for purposes of sale to or purchase, whether through condemnation proceedings or otherwise, by the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State, of the rights and property of any permittee, or the possessor of any rights granted, issued, or acquired under the provisions of this division (of the Water Code).

STATE WATER RESOURCES CONTROL BOARD

James W. Kassel

for *Barbara Evoy, Deputy Director*
Division of Water Rights

Dated: NOV 30 2011

Open Letter to Tom Luster and the California Coastal Commission

Dear Mr. Luster:

As you may know, Water Plus has hosted weekly meetings since 2010 on our local water-supply problems. In addition to Water Plus, attendees at these meetings include members of Public Water Now and Citizens for Just Water. Because of the pandemic, we are now meeting by conference call every other week. At this morning's meeting, one of our major concerns was the possibility that your staff might recommend a 4.8 mgd desal project instead of the expansion of Pure Water Monterey. I am writing you now to address that concern.

We perceive the California Coastal Commission, the California Public Utilities Commission, and the State Water Resources Control Board as three state behemoths that might reach a settlement leaving each one a little unhappy but the powerless Monterey Peninsula residential ratepayers extremely unhappy, particularly if the settlement is for the 4.8 mgd over the Pure Water Monterey Expansion option. I hardly need to say that the choice of 4.8 mgd would not resolve the issue of environmental injustice, which is of great concern to the Coastal Commission. That being said, we seldom know whether our voices are seriously heard.

Our experience with the Coastal Commission in this regard has been more positive than it has been with the other two state agencies. I particularly thank you for your evident acceptance of our local argumenta on supply and demand, a smaller desal option being considered in the updated Weiss report. Now, I ask that you consider impacts on the environment of the 4.8 mgd option.

The MPWSP EIR does not include that option as one of its alternative projects. That is important because the exclusion of PWM Expansion as an alternative in the EIR is a reason the CPUC has resisted its consideration as a supply option. If a supplemental EIR includes one of the two options, it should also include the other, and in that event PWM Expansion would prevail on the issue of environmental justice.

It would also prevail on the issue of environmental impact. Perhaps the strongest argument I could make in support of that assertion is to share with you the report made by the hydrogeological consultant I hired to help me, as a statistician, locate the source of statistical data anomalies I found in the MPWSP EIR.

The source was the alteration of "parameter" values, especially horizontal and vertical conductivity, to improve the fit of the NMGWM model to data. The alteration of these parameters was so extreme that, according to my consultant, it made the model all but impervious to the recharge effects of the Salinas River and other surface-water sources, particularly on the Dune Sand Aquifer, perhaps the primary source of water for the MPWSP.

My consultant begins the conclusion of her report with this statement: "The MPWSP proposes slant well pumping to replace freshwater aquifers with seawater as a supply for the desalination plant. " That statement applies equally to the 4.8 mgd and the 6.4 mgd options. That statement alone should disqualify both of them.

If Geoscience or HydroFocus had used an inversion process in its model calibration, the result would not have produced the -.45 correlation (which should have been zero) between estimates and errors that alerted me to the data problem. I do not know whether Weiss used an inversion process in model calibration though his report mentions a number of them. I hope he did. Its use would have avoided many of the problems of the Geoscience and HydroFocus versions of the NMGWM model.

I trust this information proves helpful to you as you revise your staff recommendations to the Coastal Commission.

Respectfully,

Ron Weitzman

President, Water Ratepayers Association of the Monterey Peninsula (aka Water Plus)

1.0 Introduction

1.1 GeoHydroScience Objective

Modeling is essential for accurate prediction of the environmental impact of proposed slant well pumping in the California-American Water Company (Cal Am) Monterey Peninsula Water Supply Project (MPWSP). That project underwent two draft environmental impact reports (EIRs), one in 2015 and one in 2017.[1] Each report contained an appendix on modeling identified as Appendix E2. The first was prepared by Geoscience Support Services, Inc. (Geoscience) and the second by HydroFocus Inc. (HydroFocus), collectively referred to as the consultants. I have been informed by Dr. Ron Weitzman, president of Water Plus, a party to the proceeding on MPWSP, of the following:[2]

> The second Appendix E2 (H-E2) was created at least partly in response to critical comments on the first (G-E2) by Dr. Weitzman. The final project EIR contained H-E2 and a chapter (Chapter 6) consisting of responses to critical comments on the second draft, including comments by Dr. Weitzman on H-E2. According to Dr. Weitzman, the California Public Utilities Commission has not held any evidentiary hearings on the second draft or the Chapter 6 responses in the final EIR. Because Dr. Weitzman considers the EIR modeling to be seriously inadequate, as well as professionally uncontested, he has filed a lawsuit challenging the usefulness of the EIR to determine the environmental impact of MPWSP.

Under these circumstances, for assistance in that suit, Dr Ron Weitzman has hired Barbara Ford, PE[3] of GeoHydroScience llc, as an expert in hydrogeology and modeling to review both G-E2 and H-E2, and write a report critiquing the modeling described in them.

1.2 Information Reviewed

Because of the short timeframe as a consequence of Dr. Weitzman's communicated difficulty in acquiring assistance in California due to conflicts of interest, my review was necessarily limited to only the documents identified below:

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[1] Communication with Dr. Weitzman on August 8, 2019.

[2] Ibid.

[3] Barbara Ford, author of this report, is a licensed Professional Engineer in Colorado.

- Water Ratepayers Association of the Monterey Peninsula and the State of California Amended Complaint for Damages and Civil Penalty and Demand for Jury Trial, Case No.:16CV001561, Draft April 12, 2019.
- Geoscience Support Services, Inc. April 17, 2015. Appendix E2 Monterey Peninsula Water Supply Project Groundwater Modeling and Analysis. Prepared for California American Water and Environmental Science Associates. It includes Appendix A - Luhdorff and Scalmanini, Consulting Engineers, March 2015. Monterey Peninsula Water Supply Project Using the Salinas Valley Integrated Ground and Surface Water Model. Prepared for Geoscience.

- HydroFocus, Inc., August 31, 2017. Appendix E2 North Marina Groundwater Model Review, Revision, and Implementation for Slant Well Pumping Scenarios. Prepared for Cal Am Monterey Peninsula Water Supply Project.

1.3 Information Not Reviewed

Of significance to this review, there is additional information that has not been reviewed for the reason stated. The following is a partial list of items not reviewed.

- Data and data analysis reports
- Source data
- Model files
- CEMEX model report and files
- Responses to Comments to the Final Environmental Impact Report

Accordingly, my report can only assess the model based on the information reviewed, together with weighing that information across the reports and against standard modeling practice, as appropriate.

The last item in the list, Responses to Comments, was made available to me on July 26, late in my review and only just prior to report preparation. While time did not allow for sufficient review of that document, I was able to identify that some concerns by other reviewers similar to my own were addressed to an unknown extent by the consultants (because of my limited time not allowing for a comprehensive review). To the extent that the consultants' comments have not adequately addressed, mitigated or corrected each of the items described in this report, my opinions on that particular item remain relevant.

2.0 Model

2.1 Reliance on Salinas Valley Integrated Ground and Surface Water model (SVIGSM)

The Geoscience modeling relied on an updated calibration of the SVIGSM model by its subcontractor, Luhdorff and Scalmanani, Consulting Engineers (LSCE). Geoscience extracted a portion of the area of the SVIGSM model to construct the North Marina Ground Water Model (NMGWM) and adapted it to estimate the drawdown impacts to the aquifer system resulting from proposed slant well pumping along the coast at the CEMEX site and the Potrero Road site. HydroFocus adopted the Geoscience model, adjusted parameter values among other revisions to produce a calibrated model, concluded that the NMGWM boundary conditions, pumping and recharge were in error and instead relied on superposition to predict drawdown from proposed slant well pumping.

The LSCE focus was as follows (excerpt from LSCE, p.1):

> This report focuses on documenting the extension and recalibration of the SVIGSM along with the predictive scenario results of the MPWSP generated by the SVIGSM with a focus on the influence the MPWSP has on Salinas River streamflow and interaction with underlying groundwater aquifers in the Pressure and East Side subareas of the Salinas Valley.

2.2 Limitations in SVIGSM Calibration

LSCE identified the methodology employed to update the SVIGSM calibration. Of significance, primarily because of the subsequent reliance on SVIGSM water levels for assignment of boundary conditions in NMGWM, the LSCE calibration was necessarily limited to only revising and updating system stresses including aquifer recharge and discharge, but excluded updating of the aquifer properties[4] because elements of the existing SVIGSM were inaccessible (see excerpt below, LSCE pg.2):

> The intent of the recalibration effort was to retain the existing model framework and aquifer properties as originally conceptualized by Water Resource and Information Management Engineering, Inc. (WRIME) and MCWRA due to the inability to obtain the SVIGSM source modeling code.

[4] such as hydraulic conductivity (K)/transmissivity (T), and specific storage (Ss)/storage coefficient (S); T and S reflect the K and Ss across the aquifer thickness.

Also from LSCE (pg. 11; underline added for emphasis):

> The intent of the model extension and recalibration effort was to retain the existing modeling framework and aquifer properties and <u>any adjustments that were necessary to recalibrate the model focused on recharge and discharge input values</u>.

Presumably LSCE would have chosen to update aquifer properties to capitalize on the new data available since the last SVIGSM calibration. LSCE provided the following SVIGSM output for the NMGWM model (excerpt, pg. 13):

> SVIGSM calibration outputs were provided to Geosciences for incorporation into the NMGWM. These outputs included monthly output of groundwater levels at SVIGSM nodes located along the edge of the NMGWM domain, groundwater pumping by element, deep percolation by element, and streambed infiltration by stream node. These data were incorporated into the NMGWM for use in model calibration.

LSCE modified the pumping in each model layer based on observed water level data, as described in the following excerpt (LSCE pg. 11):

> During the model calibration, the vertical distribution of groundwater pumping was adjusted to more closely simulate the observed conditions within all three (3) model layers based on water levels at calibration wells. Groundwater levels in each calibration well individually reflect conditions in distinct depth intervals corresponding with different model layers. Accordingly, the hydrographs of simulated and observed water levels for calibration wells were used as guidance in making adjustments to the vertical distribution of pumping for different time periods during the updated model calibration period.

While much of the LSCE data preparation for the model update was reasonable, this re-allocation of pumping during the calibration is problematic. It is not clear that this practice was done model-wide or only for select wells as the report did not provide sufficient information. If the justification for this application was for only wells which spanned multiple aquifers (multi-completion wells), a more defensible approach would have been to employ an equivalent method as that available in the Modflow multimode package, which dynamically allocates pumping depending on the layer water level (head), the transmissivity and the storage characteristics (if a transient model). Reallocation by using only the observed water level presumes the aquifer properties are known and correct in the model. If not, the pumping reallocation based on the observed water level as the guidance is incorrect. Because the NMGWM calibration would subsequently revise aquifer properties, while retaining the SVIGSM pumping allocation, but also in accordance with the observed water levels, the pumping allocation would be erroneous. Not only that, the calibrated aquifer properties would also be potentially erroneous, because of their dependence on the erroneous stress.

LSCE presented no stream gain-loss data in its report to support its estimation of the streambed infiltration used in the calibrated model, but like the pumping, it was a calibration parameter. But because stream gain-loss data was not presented, it is indeterminate if the calibrated recharge distribution was accurate. Sensitivity analysis of calibrated values was not presented, so the uncertainty is unquantified.

2.3 SVIGSM and NMGWM Inconsistencies

NMGWM is reliant on the recharge and discharge distributions from the updated SVIGSM calibration. Geoscience explicitly states adoption of those stresses, consistent with the LSCE report, as follows (excerpt from Geoscience report pg. 27):

> Monthly data for deep percolation from precipitation, stream recharge and groundwater pumping in the NMGWM area as well as the water levels assigned for the general head boundaries during the calibration period were obtained from the SVIGSM.

Geoscience describes the following calibration process (excerpt pg. 28):

> The calibration process involved adjusting model parameters until the model provided a reasonable match between the simulated and measured parameters. These aquifer parameters included horizontal hydraulic conductivity, vertical hydraulic conductivity, effective porosity, and the storage coefficient.

A side-by-side comparison of the aquifer properties in the two models (SVIGSM and NMGWM) is not presented by Geoscience or HydroFocus, and because LSCE did not present the aquifer properties in SVIGSM, I am unable to identify and evaluate the differences.

The properties are presumably different between SVIGSM and NMGWM as a consequence of subsequent parameter revisions during calibration by Geoscience and HydroFocus. Because of inadequate documentation in the Geoscience report, however, the extent to which a feedback loop between Geoscience and LSCE existed is not evident. It is possible that such feedback was employed and the water levels assigned at the NMGWM boundaries were consistent with the SVIGSM output, but, if employed, that process may have led to other errors, potentially of great relevance to the reliability of the model results. Only because HydroFocus included water level data in the southern area of the model (south of the Salinas River), was a major discrepancy revealed between the SVIGSM calculated water level elevations and those assigned by Geoscience along the boundary conditions. HydroFocus identified the error but did not correct it, and chose instead to abandon use of the calibrated head model for predictions of drawdown from slant well pumping, and employ superposition in its place.

2.3.1 Boundary Conditions

The consultants relied on the updated SVIGSM model-calculated water level distributions associated with an unknown set[5] of SVIGSM aquifer property values in order to assign the water level elevations along the general head boundaries (GHB) in the NMGWM model.

The GHB includes assignment of water levels and conductance terms to perimeter boundary cells, and its function is simulation of a head distribution and prevailing gradient at the NMGWM model boundary. Accurate representation of the GHB ensures that the water level elevations in the aquifer layers are equivalent between the parent SVIGSM and NMGWM models at the boundaries. But the consultants do not report the water level elevations at the GHB. LSCE included figures of the simulated potentiometric surface showing contours of the model-calculated spatial water level elevation in the 180-ft aquifer and the 400-ft aquifer, but did not include the Dune Sand/A Aquifer/Salinas Valley aquitard potentiometric surface (SVIGSM model layer 1a). Geoscience and HydroFocus included no figures of the interpreted or simulated potentiometric surfaces for any aquifer in NMGWM so the head assigned along the boundaries could not be determined. The failure to include these interpretations is contrary to standard model (conceptual and numerical) reporting.[6] Also contrary to standard model reporting was the absence of a conceptual water budget, how well the model adhered to that budget, and definition of the method used to calculate the GHB conductance terms.

Subsequent to boundary assignment using the SVIGSM results, Geoscience and HydroFocus[7] revised the aquifer properties inside of the model area, including along the boundaries. This likely resulted in a disparity between the water level elevation assigned at the boundary per SVIGSM and that inside of the NMGWM. But the disparity at the boundary would result in erroneous flow rates at the boundaries and, to an unquantified extent, erroneous water levels inside the boundary. HydroFocus concluded the error was significant, and, rather than correct the erroneous boundaries, abandoned the NMGWM physically-based head model in favor of a superposition model, where only the change to the water level (not the water level elevation or head) is calculated. The predictive modeling is described in Section 4.0 of this report.

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[5] not included in the LSCE report appended to the Geoscience report

[6] Anderson, MP, WW Woessner and RJ Hunt 2015. Applied Groundwater Modeling Simulation of Flow and Advective Transport. Elsevier/Academic Press.

[7] It is assumed Geoscience altered the parameter values after importing the SVIGSM boundary water levels because the report does not distinguish otherwise. HydroFocus did alter the Geoscience NMGWM parameter values.

Pumping

The errors in pumping introduced during SVIGSM calibration described in the previous section were compounded in the Geoscience and HydroFocus calibrations.

Recharge

In order to accurately quantify the impacts during predictive modeling, there must first be an understanding of the stream-aquifer interaction for the conceptual model based on gain-loss data, followed by estimation of the stream-aquifer parameter values during calibration using that data, and, finally, quantification of the uncertainty in the calibrated parameter values based on sensitivity analysis. But the consultants do not present this data and analysis.

Stream gain-loss estimates were not presented in the Geoscience or HydroFocus reports. The reports do not present adequate information for the conceptual model pertaining to the stream aquifer interaction, nor where or how SVIGSM stream infiltration is assigned in the NMGWM model, and how well the NMGWM represents that relationship.

It appears[8] that historic gaged flow data along the Salinas River within the SVIGSM and NMGWM areas is available, but an explanation as to why gain-loss estimates have not been estimated and utilized in calibration of the respective ground water models was not provided. If such data is available, it is of high value because it reduces uncertainty in the estimated parameter values and reduces the non-uniqueness commonly confounding optimization. Non-uniqueness occurs when different combinations of parameter values match the observations equally well.[9] Furthermore, the predictions of drawdown from slant well pumping and the impact to the stream gain-loss is of critical interest, as identified in both the Geoscience and HydroFocus reports. The Geoscience and HydroFocus reports did not include a demonstration that the models accurately simulate the stream-aquifer interaction.

2.3.2 Model Layering

NMGWM includes a layer for the Dune Sand/Aquifer A aquifer[10] (layer 2), and a layer (layer 3) representing the Salinas Valley aquitard, where present. In contrast, SVIGSM combines the typically highly transmissive Dune Sand/Aquifer A unit and the very low

[8] on only a cursory review of USGS online data

[9] Hill, MC and CR Tiedeman 2007. Effective Groundwater Model Calibration. John Wiley & Sons, Inc.

[10] Layer 2 also houses Perched Aquifer, the Perched "A" Aquifer, the 35-ft Aquifer and the -2 ft Aquifer (HydroFocus report pg. 9) but in this report I will refer to the "Dune Sand/A Aquifer unit" for simplicity.

permeability aquitard into only one layer (1a), even where both occur vertically in the project area. Because LSCE did not present the aquifer properties of this lumped layer, the disparity in the SVIGSM and NMGWM cannot be evaluated.[11] Accurate representation of this uppermost aquifer layer including the Dune Sand/A Aquifer unit is critical to the calibration and predictions made using the model, including subsequent superposition modeling. The uppermost layer has expectedly the most (if not all) interaction with the recharge stresses, including stream gains and losses, precipitation recharge and other deep percolation.[12] Because SVIGSM revised the recharge distribution in its calibration, it is not evident that the inconsistent representation of the uppermost aquifer unit did not result in inaccurate representation of the recharge distribution. This may be another reason HydroFocus concluded the recharge distribution was erroneous, but this was not specified in its conclusion.

Geoscience and LSCE presented no calibration data for the Dune Sand/A Aquifer unit, although Geoscience was apparently aware of the existence of this data as shown in its Figure 96. Because Geoscience and LSCE did not include any calibration data in the Dune Sand/A Aquifer unit, the level of error remains unquantified.

3.0 Model Calibration

The description of the methodology employed for model calibration in the Geoscience and HydroFocus reports is incomplete. It is not possible to determine if Modflow 2000 was used for parameter estimation using inverse techniques, or was instead used deterministically. Parameter estimation using inverse techniques includes minimization of the objective function, consisting of the sum of the squared residual values, in order to optimize the coefficients of the independent variables, the parameters. (Note by Dr. Weitzman, who is a statistician: In statistics, the coefficients are called parameters; in hydrogeology, the independent variables are called parameters, its meaning here.) A residual (also called an error) is the difference between an observed and estimated value of the dependent (in statistics) or response (in hydrogeology) variable, which in this report is the water elevation in a well.

Modflow 2000 can be used for either approach. In hydrogeology, parameter estimation is the "calibration" process which adjusts aquifer and stress variables (typically including

[11] LSCE presented no information on the aquifer property values in the SVIGSM model so that a comparison could be made with that presented in the Geoscience and HydroFocus reports.

[12] Based on HydroFocus figures however, there may be stream infiltration to the 180-ft aquifer, although there was inadequate information in the report to make a conclusion.

the aquifer hydraulic conductivity, transmissivity, storage properties and recharge, among others) within reasonable ranges, to minimize the residuals in the observed and calculated response variables (i.e. the water level, also referred to as the head, and flux/flow of the water). Industry standard calibration was historically done deterministically, but for approximately the past 15 years, inverse techniques have become more commonly employed because of the benefits of the inverse methodology, including quantification of the parameter uncertainty and the sensitivities (coefficients of the parameters in the estimation equation determined during parameter estimation to reduce the difference between the observed and estimated or calculated values[13]) , as well as quantification of the uncertainty in predictions, among other documented benefits.[14]

Neither consultant states which of the two, or whether a combination of the two, was used to calibrate the models, critical to my review. It would have been assumed that the models were calibrated using inverse techniques in that the model is expectedly amenable to inversion.[15] The absence of enormous amounts of information generated by inverse modeling from the reports suggests that perhaps only deterministic methods were employed, sacrificing a valuable opportunity to better define the system through parameter optimization and uncertainty analysis. At a minimum, the identification of which calibration method was employed and, if not employed, a legitimate reason for not using inverse methods should have been included in the report.

The objective of the NMGWM model stated in the Geoscience report (pg.8) was to "evaluate the impacts of the proposed MPWSP on the Salinas Valley Groundwater Basin. Groundwater modeling was conducted to assess the impacts of MPWSP on the groundwater levels and the seawater intrusion".

Geoscience identified the following tasks to be completed in its scope of work (pg. 8):

- Collecting and analyzing historical geohydrologic data,
- Updating and recalibrating the North Marina Groundwater Model (NMGWM), including data gathered during the exploratory borehole work (GEOSCIENCE, 2014),
- Updating and recalibrating the Salinas Valley Integrated Ground and Surface Water Model (SVIGSM; see Appendix A)
- Developing a focused CEMEX Model for the CEMEX Site,
- Developing and running various MPWSP scenarios, and
- Preparing the modeling report.

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[13] Doherty, J. 2015. PEST Calibration and Uncertainty Analysis for Complex Environmental Models, pg. 62.

[14] Hill, MC and CR Tiedeman 2007. Effective Groundwater Model Calibration. John Wiley & Sons, Inc.

[15] Dry cells in modeling can present difficulties for inverse modeling, but this model expectedly did not incur this difficulty to the extent that inverse methods would have been rejected *a priori*.

3.1 Data Deficiencies and Exclusion

While additional data collection was part of the task, Geoscience included no water level data for the Dune Sand/A Aquifer unit across the entire model area. But the Dune Sand/A Aquifer unit is one of the two primary units intended for pumping in the MPWSP. Geoscience did identify the existence of well data at Fort Ord (Figure 96), but excluded it from the calibration results in the model report. Because the expanse of this unit as represented in model layer 2 excluded water level data, the Geoscience NMGWM calibration for the Dune Sand/A Aquifer unit is associated with significant uncertainty, and predictions relying on the Geoscience calibrated model are concluded to be unreliable. Model bias is also evident in the 180-ft aquifer. Only when HydroFocus included the water level data (but only in the Fort Ord area south of the Salinas River), a poor calibration was revealed. But the calibration may be poor across other areas of the model where no water level data was available to inform the calibration. HydroFocus is correct in its assertion that the model in its current condition was unacceptable for its intended objective.

Geoscience described the CEMEX modeling in its report (April 17, 2015) but monitoring and testing of the CEMEX wells was initiated at nearly the same time as the report in early to mid-April 2015. It is unfortunate that the Geoscience CEMEX modeling was not delayed until after the testing which presumably would provide significantly better data for the model.[16] Because this data was not yet available, Geoscience relied on lower quality information from sediment texture curves, which included significant and untested assumptions, to derive the aquifer parameter starting values for calibration. But equipped with no water level data and no stream gain-loss data for calibration, the model representation of the Dune Sand/A Aquifer unit remained uncalibrated, so the presumably highly uncertain values used as initial values reasonably remained equivalent or nearly so to the final values.

HydroFocus presented calibration results using the CEMEX testing in which observed and calculated drawdown was presented for its model, the Geoscience model and the CEMEX model. But HydroFocus did not report the CEMEX test estimates of hydraulic conductivity (K); horizontal (Kh) or vertical (Kv)), or the estimated specific yield/storage estimate (Sy/S), or that the model used those values.[17] The model K and S values for either the HydroFocus model or the Geoscience model are not compared with the

[16] I am unfamiliar with potential constraints on the project schedule but the nearly contemporaneous report submittal and data acquisition is noted.

[17] See Figure 3.3d

valuable test-derived estimates. Of the three models, the CEMEX model most accurately simulated the test drawdown, which HydroFocus attributed to the better resolution in the CEMEX model.

The source data was not included in the reports. Neither consultant posted actual K or storage values from testing in their parameter zone maps. While HydroFocus did prepare a list of sources for its basis in the model parameter zone values, those sources are most often other modeling efforts. It is not known if the source K values are model-estimated or estimates from testing. Model-derived estimates of K through calibration, for instance, are of less reliability than a hydraulic conductivity (K) value derived from pumping tests. The consultants require that the reviewer must gather and review all source documents to extract the information that should be reported in the model report. Standard model reporting includes a description of the method used to estimate each aquifer parameter[18], which is absent in the reports.

3.2 Parameter Adjustment During Calibration

HydroFocus and Geoscience adjusted parameter values to minimize the difference between the observed and model-calculated (estimated))water levels during calibration. This minimization of the objective function (water level or head residuals (errors)) is but one measure of many in determination of the calibration quality and whether the model is a sufficiently accurate representation of the aquifer system. Calibration quality determination by assessing only the error in the water level residuals considers only a portion of the error information, and in this case likely a small portion of the error information. The NMGWM objective function is dependent on the water level data available, and, as described in previous sections, insufficient data was acquired, utilized and presented for the NMGWM model calibrations. Furthermore, the calibration process must only adjust parameters within reasonable ranges based on available data, and quantify the uncertainty in those parameter estimates during a sensitivity analysis.

But the NMGWM calibration is concluded to have significant errors besides those already presented, and they include unreasonable parameter values, insufficient data, and inadequate sensitivity analysis.

Because of these errors, the model is not concluded to be representative of the aquifer system. The model will be unreliable for predictions of impacts from slant well pumping, regardless of its ability to minimize the objective function.

[18] Anderson, MP, WW Woessner and RJ Hunt 2015. Applied Groundwater Modeling Simulation of Flow and Advective Transport. Elsevier/Academic Press.

3.2.1 Hydraulic Conductivity

Sensitivity analysis and confidence intervals for the calibrated parameter values are not reported in the consultants' reports. The uncertainty in the calibrated parameter estimates is not quantified.

Geoscience updated the CEMEX model subsequently in 2016, prior to the HydroFocus NMGWM calibration (2017), and presumably reflective of the high quality data from the pumping test performed in April 2015.[19] But HydroFocus did not identify the CEMEX aquifer test estimates of the horizontal (Kh) and vertical hydraulic conductivity (Kv) values in the report, and instead relied on other (often older) reports which appear to include predominantly modeling estimates of Kh and Kv.[20] The CEMEX monitoring well network for the test appears to have been particularly well suited for determination of Kh and Kv values.

In the CEMEX and Potrero Road sites, the Geoscience initial estimates of Kh and Kv were based on an assumed relationship between sediment texture and horizontal and vertical hydraulic conductivity. The method assumptions were not subsequently validated with the CEMEX aquifer test parameter estimates. Had the assumptions been subsequently validated, an opportunity would have existed to extend that demonstrated correlative relationship to other areas of the model. HydroFocus did not provide a post-audit of the validity of the approach and assumptions, or appear to rely on that method.

In the model area primarily east, south and southeast of CEMEX, the Kh and Kv values in the Geoscience and HydroFocus models are substantially different for the Dune Sand/A Aquifer unit, the Salinas Valley aquitard (SVA), and the 180-ft aquifer. The Kv changes include up to seven orders of magnitude reduction in the newly-interpreted low conductivity material in the HydroFocus model in layer 3 (SVA).

The mapped SVA (Salinas Valley aquitard) north of the Salinas River has a Kv value five orders of magnitude larger than this anomalous low Kv zone south of the river. Because this change was not associated with a defined lithologic reinterpretation in the HydroFocus report, the value appears to be unreasonable. The Kh and Kv of the Dune Sand/A Aquifer unit are also generally lower in this anomalous zone, although the Kh value is identical between the Dune Sand unit and the low conductivity zone, also

[19] The pumping test at CEMEX is concluded to have been performed in April 2015 based on the hydrographs presented in the HydroFocus report.
[20] See Figure 3.3d

potentially reflecting an unreasonable Kh value for the Dune Sand unit if it is permeable material.

This area is partially traversed and bordered by the Salinas River.[21] The low Kh and Kv will limit the hydrologic connection between the river and the aquifer. Because the stream-aquifer interaction along the Salinas River may be affected by the erroneous model values, and because stream gain-loss data were not presented for the calibration, the predicted impact to the River from slant well pumping is unreliable. HydroFocus excluded explicit representation of a portion of the Salinas River in this area of the model in its predictive modeling, as will be described in Section 4.0.

The Kh and Kv values in the 180-ft aquifer were also revised between the Geoscience and HydroFocus models significantly south of the Salinas River and near the southern boundary. The Geoscience Kh of 160 feet per day (ft/d) was revised to 50 ft/d (western half) and 425 ft/d (eastern half) so that a much higher Kh value is assigned inland as compared to the coast. The Kv was increased more than an order of magnitude above the Geoscience model values. HydroFocus did not post/identify the specific K values used to support this set of values, so it is not possible to make a conclusion about its accuracy.

HydroFocus incorporated more water level data along the southern boundary than Geoscience, which allowed for better calibration in this area of the model. However, calibration must also reflect reasonable aquifer properties, while also minimizing the residuals between observed and calculated water levels. Some of the significant parameter changes made in the HydroFocus model may have been to compensate for anomalous boundary and initial water levels prior to the evident conclusion that the water levels were erroneous and disregarded in subsequent superposition modeling.

3.2.2 Storage Values

Only a cursory review of the model storage properties has been accomplished. I did not identify any source data values in the reports to which I can compare the model values. HydroFocus referred primarily to SVIGSM, but the LSCE model report did not include S estimates. HydroFocus had not included estimates from the CEMEX aquifer test so a comparison with model values could be made.[22]

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[21] Because Geoscience and HydroFocus do not show the Salinas River on its respective parameter zone maps, I can only estimate based on a comparison across multiple figures.

[22] It is unknown whether the CEMEX testing yielded an estimate of specific yield and storage coefficient because the CEMEX report was not reviewed, and HydroFocus did not identify the values in its model report.

Accurate representation of the specific yield (effective porosity) and the storage coefficient is required for accurate predictions of the drawdown distribution and seawater intrusion. The HydroFocus values of specific storage (representing the storage coefficient divided by the aquifer thickness) as presented in Figure 3.3c appear to indicate an average model value of 0.001/ft, which seems high for a confined aquifer where that exists.[23] Without any independent estimates made available by the consultants, it is not possible to conclude that the model storage values are reasonable. The model reports did not present interpreted or calculated potentiometric surface maps so areas where aquifers are confined or unconfined could not be distinguished and weighed against the storage estimates. The potentiometric surface is an imaginary surface passing through all points to which water will rise in wells penetrating a confined aquifer, and the surface is described by a series of contour lines along which the potential head is equal. The ground water flow direction is perpendicular to the contours. For an unconfined aquifer, the potentiometric surface is referred to as the water table, which defines the surface upon which the water pressure is equal to atmospheric pressure[24]. Definition of the potentiometric surface/water table is integral to understanding the hydrogeologic system.

3.2.3 Model Budget

The NMGSM hydrographs show that the initial model heads and heads at the boundaries were inaccurate for a significant portion of the simulation period.[25] The HydroFocus model flow budget presented in Figure 4.5 is inaccurate because it appears to use an average based on the inaccurate heads, as well as the erroneous pumping and recharge components. The model flow budget represents the model balance of each flow component simulated explicitly in the model, with some of the components positive (water into model area), precipitation recharge for example, and the others negative (water out of model area), including pumping as an example. Modflow numerically balances the positive and negative components with a balanced model showing a near zero difference between the two. Unbalanced or excessive flow budget error would be an indication that the flow components are not balanced, and the model is not concluded to be numerically precise. A model flow budget for the Geoscience model calibration is not included in the report. It is standard modeling practice to compare the model budget with that estimated independently depending on available

[23] Without review of source data, it is indeterminate whether 0.001/ft is an accurate value for the aquifer specific storage.

[24] McWhorter, DB and DK Sunada 1977. Ground-Water Hydrology and Hydraulics. Water Resources Publications, LLC.

[25] See HydroFocus Figure 4.1A layer 2 hydrographs.

historic data. LSCE had provided a detailed basis for some components, but the consultants did not incorporate this as part of the model calibration evaluation.

3.3 Sensitivity Analysis

HydroFocus stated the objective of its sensitivity analysis (pg. 42):

> The objective of the sensitivity analysis is to address the question: "If the assumptions adopted in developing the model were changed, would the model predictions change so as to change the conclusions regarding proposed slant well operation?"

For its sensitivity analysis, the HydroFocus report included an evaluation of the changes in drawdown in the predictive scenarios with alteration of five of nearly 50 conductivity model parameter zones.[26,27] Evaluation of the predictive uncertainty is valuable but not without an evaluation of the uncertainty in the parameter values estimated in calibration, upon which predictive uncertainty also depends. Standard reporting includes reporting the parameter sensitivity for all parameters, not only 10 percent, and from the calibration, not only from the predictive scenarios. While it was not made clear in either report whether inverse modeling was used for parameter estimation, Modflow 2000 allows for calculation of the sensitivities, as do other freely-available, coupled softwares to Modflow. Corroboration of the methodology and software is not possible without more information.

3.4 Analysis of the Residual Error

Geoscience and HydroFocus presented various report figures describing the residual error between the observed and model-calculated water level (head) values. The following observations are made based on my review of the report figures.

Dune Sand/A Aquifer unit

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[26] HydroFocus report Figure 6.1.

[27] Sensitivity is defined as the change in the model calculated response variable (for NMGWM, the water level, or derived drawdown) associated with the change in the parameter value (i.e. K; Anderson, MP, WW Woessner and RJ Hunt 2015. Applied Groundwater Modeling Simulation of Flow and Advective Transport. Elsevier/Academic Press.), although typically in inverse modeling perturbation of the parameter value over a small range more accurately reflects the parameter sensitivity because the parameter sensitivity is not always linear (Hill, MC and CR Tiedeman 2007. Effective Groundwater Model Calibration. John Wiley & Sons, Inc.). HydroFocus changes to the parameter values were large, assuming linearity, and done to demonstrate only the change in extent of drawdown away from the slant pumping.

Of the eight wells, seven show that the model underestimates the observed water levels in the Dune Sand/A Aquifer unit. The model shows a biased low water level distribution. Four of the wells[28] show that the starting head in the model was as great as 70 to 80 ft in error, as compared to the observed values. While there is convergence of the observed and simulated water levels late in the simulation period at three of the wells, it is not evident that error magnitude is not increasing with time,[29] or that application of an extremely low and likely unreasonable Kv is justified and has not been applied to specifically to reduce the residuals.

At monitoring wells MW-OU2-29-A and MW-BW-01-A, the erroneous starting head as applied at or near the boundaries is shown to rise more than 70 ft during the simulation period at the (latter) well farther in from the boundary, and 35 ft at the (former) well more proximal to the boundary, possibly distinguishing error contributions.[30] Despite the significant rise in model water levels, concluded in the report to be erroneous, the observed water levels range similarly between the wells over a 10-15-ft interval. Rather than a localized perched condition, as HydroFocus concludes without presentation of adequate data[31], the four wells collectively support instead a laterally extensive (of a few miles at least) saturated unit possibly above the Dune Sand/A Aquifer unit. It is possible that an additional aquifer above or within the Dune Sand/A Aquifer unit is present south of the Salinas River and is not the seemingly insignificant localized perched zone HydroFocus concludes. Additional data should have been collected to determine if this apparent upper aquifer unit is in hydrologic connection to the Dune Sand/A Aquifer unit. If it is, the evident vertical gradient warranted better vertical resolution (increased layering). This, among other expanses of model layer 2 where the absence of water level data could not allow for similar revelation may be an indication that the layering is too coarse for accurate representation of the uppermost aquifer units, including the Dune Sand/A Aquifer unit, thereby preventing evaluation of the full impacts from slant well pumping. Because the consultants provided no interpretation of the potentiometric surface or the model-simulated potentiometric surface for any aquifer in their reports, contrary to model reporting standards, the extent to which this

[28] MW-OU2-07-A, MW-BW-31-A, MW-OU2-29-A and MW-BW-01-A

[29] MW-OU2-07-A hydrograph Figure 4.1a shows an approximate 90% increase in the error between the beginning and end of the correlated portion of the record. MW-BW-31-A observed values show an anomalous step in the record which prevents a determination of the change in errors before the simulation period ends in Sept 2011.

[30] Errors in starting head and errors in the boundary conditions represent different error impacts in the model.

[31] Review of lithologic logs and interpretation of the potentiometric surface would have helped to distinguish whether the area may be in hydrologic communication with the aquifer or is perched, but Geoscience excluded the water level data, and HydroFocus concluded, in my opinion without adequate analysis completed, that the area was likely perched and that Modflow limitations prevented accurate representation of the water levels. Both consultants failed to adequately characterize this area, among others in NMGWM, as a consequence of not collecting additional data in the uppermost unit.

area may be in hydrologic communication with the Dune Sand unit at CEMEX has not been investigated or described by the consultants. The model does not allow for this communication as evidenced in the calibration results.

The extremely low Kv applied to the Dune Sand/A Aquifer unit, and particularly in the underlying layer 3[32] appears to have resulted in eventually reducing the residual at three of the wells. The extremely low Kv was applied to reduce the residuals at the wells, but because the value seems unreasonable, its use as a mechanism (prop up the head in layer 2) to improve the appearance of the calibration instead reduces the confidence in the calibration.

Geoscience included no data for calibration of this unit. Because of the errors revealed in the HydroFocus calibration and report, the Geoscience calibration is expectedly also poo, as likely would have been concluded had the data been included.

For the CEMEX modeling as presented in Figure 4.2, the comparison between the observed and model-calculated values indicates low error in the water level residuals. However, the basis provided by HydroFocus on its improvement to well MS-5S[33] consists of the changes made to the SVA Kv. The Kv changes are described above and are considered unreasonable but applied as a mechanism to prop up the head in the model. An acceptable calibration achieves low magnitude, spatially and temporally random error, using reasonable parameter values. Because a sensitivity analysis of the calibrated parameter values was not presented in the report, the influence of the low Kv on the CEMEX area model-calculated water levels is unknown. The extent to which the model water level distribution in the Dune Sand/A-Aquifer unit in the CEMEX area depends on the seemingly unreasonable low Kv value of the nearby underlying SVA has not been assessed due to the consultants' not including a sensitivity analysis of the calibrated parameter values.

The calibration is poor for the Dune Sand/A Aquifer unit and is affected to an unquantified extent by erroneous boundary conditions, erroneous starting heads, unreasonable parameter values and insufficient data. Based on the reports, the interpretation is also insufficient and fails to characterize the impact of these errors on the accuracy of the calibrated parameter values. Model predictions relying on a model with these errors are unreliable.

180-ft Aquifer

[32] as described in Section 3.2.1

[33] The CEMEX test was simulated in the Geoscience and HydroFocus NMGWM, but MW-5S available for monitoring and calibration during the slant well testing was excluded from Figure 4.6 without explanation.

The HydroFocus calibration included 10 wells with time-series data. The match between the observed and calibrated water levels at six of the wells is excellent in both timing and magnitude. However, five of the six wells are proximal to rivers (streams slough, etc; unlabeled in the HydroFocus report). It cannot be concluded that aquifer property values are accurate because the good fit between observed and calculated values may be a consequence of the unreported streamflow infiltration values provided by SVIGSM. It is not even clear from the reports if streamflow infiltration is applied in layer 3. Furthermore, because a sensitivity analysis was not presented for the calibrated parameter values, the sensitivity of these observations to recharge is unknown.

Two of the model-calculated water level hydrographs exhibit too much variability in the model response as compared to the observed response, and the remaining two show too little variability in the magnitude as compared to the observed values. But the extent to which this is significant depends on the problematic LSCE treatment of pumping in its calibration as described in Section 2.2 of this report. The LSCE calibration included allocation of pumping rates vertically across the aquifers based on observed water level data; water level data also used in the subsequent Geoscience and HydroFocus calibrations.[34] The LSCE practice resulted in what may be considered a contamination of the independence of the water level dataset because of the explicit correlation made between water levels and pumping in SVIGSM. If the pumping is inaccurate (as concluded by HydroFocus and this review), but a reasonable fit between observed and calculated water levels has been achieved due to parameter (K,S) adjustment, as is shown to be the case to an extent in the consultants' respective calibrations, then the aquifer properties are likely inaccurate also. Use of the observed water levels to allocate pumping results in lower confidence in the aquifer parameter values.

The calibration results indicating low error are not an indication that the underlying parameter values are reasonable, only that they have compensated for unquantified error in pumping, recharge, boundary conditions and initial heads. The extremely low Kv values are a demonstration of exactly this. The confidence in the calibrated model is low, and reliable predictions of drawdown cannot be calculated.

Geoscience presented only four hydrographs for the 180-ft aquifer, and nine for the 400-ft aquifer, even though the 180-ft aquifer is of prime interest, and more data was available. LSCE presented seven hydrographs for the 180-ft aquifer. HydroFocus presented 10 hydrographs. Why the available data was excluded was not addressed in

[34] Approximately the same datasets, as Geoscience only presented four of the wells in its report with its appended LSCE report showing only seven as compared to HydroFocus' presenting 10 hydrographs.

the Geoscience report. The Geoscience 180-ft aquifer residuals range from low magnitude to as high as approximately 18 ft. The two three? remaining wells show an acceptable match to observations, but this statement is qualified in the preceding paragraphs. Even where low residuals have been calculated, there is low confidence in the calibrated aquifer parameters.

The CEMEX modeling based on the Geoscience and HydroFocus calibrated models shows low magnitude error but a bias in the model-calculated water levels indicating that the model cannot reproduce the variability exhibited in the observed values. HydroFocus did not provide an explanation for this effect.[35]

Another anomaly in the HydroFocus and Geoscience calibrations was the ambiguous placement of observation well 14S/2E-14L01 which according to the Monterey County Water Resources Agency is a 180-ft aquifer monitoring well. But because of seemingly similar water levels, it was instead placed in the 400-ft aquifer layer. Sufficient information was not presented to discern that the consultants assigned the well to the correct aquifer. The well construction details were apparently not reviewed although that review may have resolved the ambiguous placement with more confidence. HydroFocus did not identify that Geoscience undertook this effort either.[36]

400-ft Aquifer

The HydroFocus model generally underestimates the observed response in this aquifer, and generally simulates too high a head compared to the observations. The Geoscience model achieved a poor calibration over most of the 400-ft aquifer with the largest residuals calculated along the eastern and northern boundaries. Residuals of greater than 50 ft are prevalent in proximity to the eastern boundary. This result shows that the eastern boundary water levels were significantly erroneous and influenced the water level distribution inside the model, including, expectedly, the predictions of drawdown made by Geoscience from slant well pumping. No observations near the southern boundary were included so the extent to which the southern boundary water levels were erroneous cannot be determined.

For the CEMEX modeling as presented in Figure 4.2, evident bias is shown for the 400-ft aquifer with all simulated water levels higher than the corresponding observed values. This indicates that the model underestimated the impact to the 400-ft aquifer during

[35] Although the report does identify that pumping and recharge changed after September 2011, but also identified that hydrologic conditions have not likely changed substantially between the model timeframe and the water level data period.

[36] Geoscience prepared a communication for HydroFocus on the matter, but I have not reviewed that document.

CEMEX pumping from the overlying aquifers. It is not evident from the report if the calibration sought to resolve this. If not, the predicted impact to this aquifer will be underestimated for the MPWSP.

900-ft Aquifer

During half of the simulated period, the observed water level response at all of the monitoring wells varies over a narrow range of approximately two feet. The model simulates a 10-ft range.

3.5 Analysis of the Model Error

Insufficient data was used for model calibration as described. The error evaluated by the consultants only reflects as much error as the calibration dataset allows, which is limited most notably in the Dune Sand/A Aquifer unit, a primary aquifer targeted for slant well pumping, as well as by the absence of stream gain-loss data. Error along model boundaries is largely unquantified owing to limited data in those areas. The impact of this error on calculated water levels across the model is unquantified. Because sensitivity analysis of the calibrated values and estimation of parameter uncertainty were not performed, the model error has not been thoroughly evaluated for calibration or prediction.

The structural error due to elements including layering and zonation has not been evaluated. It is possible that an additional aquifer above or within the Dune Sand/A Aquifer unit is present south of the Salinas River and is not the (insignificant) localized perched zone HydroFocus concludes. This, among other expanses of model layer 2 where the absence of water level data could not allow for similar revelation, may be an indication that the layering is too coarse for accurate representation of the upper aquifer unit, thereby preventing evaluation of the full impacts from slant well pumping.

But model error in the form of bias is evident in the calibration results. Model error is reflected in the non-randomness of the residuals as demonstrated by the correlation between residual error and calculated water levels, by non-randomness in space and, to the extent it could be determined, unreasonable parameter values.[37] Sensitivity analysis of calibrated parameter values and of the SVIGSM-adopted errors in pumping and recharge was not accomplished. Without this, the uncertainty in the parameter values is unknown.

[37] Because specific values of K and S from aquifer testing were not reported, the extent to which the model values adhered to reasonable values as determined independently of the model cannot be determined. In some cases however, the calibrated values do not appear to be reasonable based on other indicators.

Rather than rectify the model bias error, HydroFocus employed superposition to predict the drawdown associated with proposed slant well pumping. But the model error, the revelation of which was limited by the dataset, was inherent in the calibration, and superposition relied on the calibrated parameter values. So the error was transferred and potentially compounded for the superposition modeling.

Geoscience and HydroFocus present other error measures in their respective reports including the relative error, concluded by HydroFocus to be acceptable based on the following excerpt (pg. E-1):

> The relative error calculated from the standard deviation of the model errors and range of measured water levels in the model meets calibration criteria and ensures that model errors are only a small part of the overall model response.
>
> The results provide confidence that the model calculations are reliable estimates of the groundwater response to pumping, which was confirmed by simulating measured drawdown during test slant well pumping.

The statements are ambiguous, but, importantly, HydroFocus correctly concludes that other model measures, including the identified bias, renders the calibrated head model unacceptable for use in predictions of drawdown from slant well pumping. This set of conclusions, that the residual error is low, but the model bias is significant and the calibrated model cannot accomplish what it was designed for, is a good demonstration that an acceptable calibration must consider bias as an integral measure of model utility. Geoscience did not include sufficient data or analysis to make the correct conclusion that HydroFocus was able to make. The model was not calibrated to an acceptable standard, but instead of improving the calibration, admittedly not a simple undertaking in this case, HydroFocus employed superposition for predictive modeling.

4.0 Predictive Modeling

4.1 Uncertainty in Calibrated Parameter Values

HydroFocus and Geoscience did not evaluate the uncertainty in the calibrated parameter estimates, and its impact to the calculated water levels. HydroFocus evaluated only the sensitivity of a few parameters near CEMEX and Potrero Road sites during predictive modeling. From its limited sensitivity analysis for predictions, HydroFocus concluded (pg. 42):

> Increasing the anisotropy (increasing horizontal conductivity and decreasing vertical conductivity) minimizes the area of the cone of depression. Conversely, decreasing the anisotropy (decreasing horizontal conductivity and increasing vertical conductivity) maximizes the area of the cone of depression.".[38]

Hydraulic conductivity often exhibits characteristic anisotropy, meaning that it is directionally dependent[39] and in the NMGWM, anisotropy is used to reflect that Kh is not equal to Kv.[40] The HydroFocus conclusion stated above regarding the effect of anisotropy on the drawdown cone extent is counterintuitive to the expected result. For clarification, higher anisotropy indicates that the Kh is *much* larger than the Kv. For such a situation, among other variables[41], one would expect a laterally extensive drawdown in the horizontal direction (high Kh) and limited drawdown vertically (low Kv). The conclusion HydroFocus derived based on its modeling does not make sense.[42] Reducing the anisotropy (making Kh and Kv less dissimilar, or more equivalent in magnitude) and allowing for increased vertical flow should result in a cone of depression that is less laterally extensive. The HydroFocus model calibration included apparent unreasonable values of Kh and Kv east and south of the CEMEX site, and the remainder of the model includes parameter values of unquantified uncertainty because of inadequate sensitivity analysis.

HydroFocus presented three scenarios varying the pumping allocation between the Dune Sand/A Aquifer unit and the 180-ft aquifer. However, HydroFocus elects to present results for the scenario which is apparently not based on the most likely allocation between the two aquifers. Based on the CEMEX model calibration, more of the pumping is derived from the Dune Sand as opposed to the 180-ft aquifer (worse-case scenario?). While it is unclear why HydroFocus presented the results of this apparently less likely scenario, it may be that increased pumping from Dune Sand would have calculated a greater drawdown extent and increased leakage from the Salinas River and other modeled surface water drainages.[43]

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[38] Pg 42 in HydroFocus report

[39] Anisotropy is defined as a property that varies with direction (Driscoll, FG 1986. Groundwater and Wells. Johnson Filtration Systems, Inc.)

[40] Kh can also be directionally dependent along the x and y tensors. But NMGWM does not reflect this particular anisotropy.

[41] Storage characteristics, transmissivity values, well completion, initial head and head differences across layers, boundary effects, etc.

[42] Because I do not have access to the model files, I cannot confirm that this is accurate. It is possible that sufficient numerical precision was not achieved, or the flow budget was associated with excess error. Or it is possible that the statement is correct but not intuitive.

[43] However, this can only be surmised without access to the model files.

HydroFocus adapted the NMGWM superposition model to include explicit representation of a portion of the Salinas River and Tembladero Slough/Reclamation Ditch using the Modflow river package so that the stream-aquifer interaction along these drainages is represented in order to quantify the impacts from slant well pumping. A large reach of the Salinas River and several other streams are not included in the analysis. No explanation for this is provided.

Because the calibration does not incorporate evaluation of stream gain-loss data, and the conceptual model does not include adequate information or analysis of the stream-aquifer interaction, the superposition model-predicted depletion impacts to the surface water system are concluded to be unreliable. The uncertain MPSWP predicted impacts to the streams may exceed allowable limits of established minimum streamflow standards. The results did not address this possibility.

4.2 Superposition

HydroFocus abandoned use of the calibrated head model, and instead relied on superposition to quantify the drawdown impacts from slant well pumping. But superposition relied on a set of calibrated parameter values which are concluded to also range from unreasonable to exhibiting significant but unquantified uncertainty. As a consequence, the superposition modeling produced unreliable predictions of drawdown from slant well pumping.

Superposition requires that the model be linear[44], or nearly so. But the degree of potential nonlinearity was not investigated by HydroFocus. It is not concluded that the thinning and unconfined Dune Sand/A Aquifer or the reduction in transmissivity from slant well pumping or the boundary conditions did not present significant nonlinearities in the system causing the application of superposition to calculate erroneous drawdown values. This same criticism may be applicable to the Salinas Valley Aquitard where it may become unconfined during predictive simulations.

Superposition, as applied in the HydroFocus work, did not include dynamic updating of the boundaries which may have incurred drawdown, although the presentation style of reporting only drawdown greater than one foot does not show the full drawdown extent.[45] The zero/near zero drawdown contour should have been included in the Geoscience and HydroFocus analyses and figures to identify areas where the boundaries affected the model-calculated drawdown extent. The boundary inflow with and without

[44] Reilly TE, OL Franke, and GD Bennett, 1984. The Principle of Superposition and its Application in Ground-Water Hydraulics, U. S. Geological Survey Open-File Report 84-459.
[45] This was the presentation form in both the Geoscience and HydroFocus reports.

slant well pumping should have been presented to discern any changes in inflow mitigating drawdown. A prevailing gradient is simulated at the General Head Boundary (GHB). If pumping inside the model results in drawdown reaching the GHB, inflow at the boundary will continue at a biased high rate resulting in an erroneous calculation of the drawdown extent. Insufficient analysis and reporting do not demonstrate that this was not a factor.

Application of superposition to isolate the impact from only the slant well pumping may be inconsistent with the model purpose as defined by Geoscience (pg. 8):

> The purpose of this study was to evaluate the impacts of the proposed MPWSP on the Salinas Valley Groundwater Basin. Groundwater modeling was conducted to assess the impacts of MPWSP on the groundwater levels and the seawater intrusion.

The Salinas Groundwater Basin includes multiple complex variables (recharge and discharge) changing in time and space which affect the groundwater levels and rate and extent of seawater intrusion. The success of the slant well pumping to expectedly not exceed seawater intrusion thresholds, among other measures, is dependent on the effects from these other complex and dynamic stresses. In the superposition analysis, these other relevant stresses are omitted, thereby making system response predictions unreliable. It is insufficient to predict only slant well pumping impacts in a dynamic system integrally defined by many other complex impacts which, in turn, affect the slant well pumping.

The application of superposition, intended by HydroFocus to diminish the error and uncertainty in many aspects of the calibrated head model, did not alleviate the errors or quantitatively demonstrate a reduction in error, and possibly introduced new and different errors in that aspects of the superposition model were not calibrated (i.e. stream gain-loss; boundary inflow, etc.).

4.3 Slant Wells Designed to Replace Freshwater with Saltwater

Dr. Weitzman indicated that, according to his understanding of the project objective, that the slant wells would not cause additional seawater intrusion and requested that, if available, I include information from the consultants' reports which did not support this understanding.

Review of the consultants reports identifies that seawater intrusion would increase. The increase in inland extent due to creation of a cone of depression from pumping was not reliably determined in the consultants' model. But the slant well pumping is designed to replace freshwater in the Dune Sand/A Aquifer unit and 180-ft aquifer with seawater

over some unreliably quantified aquifer volume and timeframe based on the HydroFocus report excerpt presented below (pg. 36):

> A capture zone refers to the three-dimensional volume of aquifer that contributes the water extracted by the wells. When the pumps are turned on, the wells initially extract the existing ambient mix of native groundwater in storage, but as pumping continues the wells extract increasing proportions of infiltrating recharge from the ocean. The ocean recharge gradually replaces the ambient water within the capture zone, and moves within the capture zone toward the well but does not spread beyond the capture zone. In map view, the capture zone is a 2-dimensional surface that delineates the underlying aquifer volume where ocean water replaces ambient groundwater and ultimately becomes the primary water source to the wells.

Because the slant well pumping is designed to replace aquifer freshwater with seawater, the pumping necessarily results in an increase in seawater intrusion into aquifer areas still containing freshwater.

5.0 Conclusions

The MPWSP proposes slant well pumping to replace freshwater aquifers with seawater as a supply for the desalination plant. A calibrated model was needed to make accurate predictions of drawdown and seawater intrusion resulting from slant well pumping. To accomplish this, the existing SVIGSM model was updated. The model results were adopted for use in the better resolution NMGWM. Geoscience calibrated the NMGWM as described in its 2015 report. HydroFocus provided an alternate calibration starting with the Geoscience model as described in its 2016 report, and used superposition for its predictions of drawdown.

Based on my review of the reports, it is concluded that:

- Insufficient data was collected/evaluated for the model calibrations:
    - including, but not limited to, inadequate (to no) water level data in particular for the Dune Sand/A Aquifer unit, one of two primary units targeted for slant well pumping,
    - and stream gain-loss data which would have improved the model and aided in parameter optimization.

- SVIGSM produced unreliable estimates of the pumping, recharge and initial water levels for use in NMGWM.

- NMGWM calibration included adjustment of model parameters based on unreliable values from SVIGSM.
- Geoscience was aware of Dune Sand/A Aquifer unit data but excluded it from the calibration without explanation. Geoscience also excluded water level data available for the 180-ft aquifer, also without explanation.
- Inadequate information was presented in the reports contrary to standard model report documentation and included:
    - Interpretations of the potentiometric surface for each aquifer in the NMGWM area were not included in the reports.[46] Recall that the potentiometric surface is described by a series of contour lines along which the potential head is equal. The ground water flow direction is perpendicular to the contours. Standard model reporting includes representation of the interpreted and model-simulated surfaces to show that the model is consistent with the hydrogeologic understanding of head and flow directions derived from the conceptual model. No such demonstration was made in either consultant's report for the NMGWM area.
    - Simulated potentiometric surface maps from the NMGWM area were not presented in the consultants' reports.
        - It is possible that an additional aquifer above or within the Dune Sand/A Aquifer unit is present south of the Salinas River and is not the (insignificant) localized perched zone HydroFocus concluded. This, among other expanses of model layer 2 where the absence of water level data could not allow for similar revelation, may be an indication that the layering is too coarse for accurate representation of the uppermost aquifer units, including the Dune Sand/A Aquifer unit, thereby preventing evaluation of the full impacts from slant well pumping. Because the consultants provided no interpretation of the potentiometric surface or the model-simulated potentiometric surface for any aquifer in their reports, contrary to model reporting standards, the extent to which this area may be in hydrologic communication with the Dune Sand unit at CEMEX, for example, has not been adequately investigated or described by the consultants. The model does not allow for this communication as evidenced in the calibration results.

[46] although the Geoscience model report did append the LSCE interpretations and simulations from SVIGSM of the 180-ft and 400-ft aquifers

- Inadequate specific information was reported for the source data including K and S values that were relied upon for parameter adjustment.
- Inadequate explanation for the recharge distribution including the characteristics associated with streamflow infiltration rates along unnamed rivers in NMGWM.
- HydroFocus did not report the K and S values estimated from the CEMEX testing, and without explanation, did not rely on those for calibration of NMGWM (Figure 3.3d).
- The Geoscience model report did not include an interpreted model water budget or a simulated water budget. HydroFocus presented a simulated budget but it is concluded to be incorrect for many reasons described in this report.
- A comparison between the SVIGSM aquifer properties and model calculated heads upon which NMGWM relied was not presented in the Geoscience model report. Evaluation of evident model bias was not included in the report, and therefore could not be used to improve the model. Because of this, erroneous initial heads and erroneous heads along the boundaries were not revealed until the HydroFocus report, which included data for the Dune Sand/A Aquifer unit and additional data in the 180-ft aquifer. The Geoscience model was considered a poorly calibrated model despite the calibration results presented which showed a low error in the residuals.
- The HydroFocus report revealed the existence of unacceptable error from model pumping, model recharge, initial model heads, and model boundary heads, but failed to provide detailed information to support its conclusions. Instead of correcting these errors (probably a major undertaking), HydroFocus subsequently relied on superposition for prediction of drawdown impacts from slant well pumping so that some of the identified error was eliminated to achieve accuracy in the predictions.
- HydroFocus simulated stream-aquifer interaction with the Modflow river package but did not provide an explanation why some NMGWM area streams/rivers were excluded from the predictive analysis.
- HydroFocus did not present a comparison of model-calculated gain-loss estimates against estimated values and therefore did not demonstrate that their assumptions and assigned properties were accurate.

- It was indeterminate whether the model calibration was accomplished using inverse methods, considered an industry standard at this time[47], or was accomplished deterministically. At a minimum, an explanation for not using inverse techniques should have been included in the report.
- HydroFocus and Geoscience did not include the NMGWM calibrated parameter sensitivity and parameter uncertainty. Sensitivity analysis is considered an industry standard. If inverse modeling was done, enormous information generated by that process was excluded from the reports, including among other output:
  - Sensitivity of parameters
  - Sensitivity of water level observations
  - Sensitivity of boundaries
  - Parameter correlation
  - Parameter confidence intervals
  - Degree of nonlinearity

- Because of inadequate data, analysis, reporting and the use of parameter values ranging from unreasonable to unquantified uncertainty, and known and unknown error, the NMGWM is concluded to be poorly calibrated and not representative of the aquifer system.
- HydroFocus, in recognition of some of these elements, rejected use of the NMGWM head model and instead used superposition based on NMGWM calibrated parameter values to predict drawdown from slant well pumping.
- Because superposition relies on parameters from a poorly calibrated model with known and unknown/unquantified errors, the error in the parameter estimates contributes unquantified error to the predictions.
- Superposition did not produce reliable estimates of drawdown from slant well pumping, and is not concluded to have been the appropriate methodology to employ to meet the project goals.

[47] My opinion stating that inverse modeling is the industry standard for approximately 15 years now is based on the techniques in model calibration presented at the Colorado School of Mines Integrated Ground Water Modeling Center's biannual conference (over the past 20 years) with inverse modeling being the most common approach among modelers presenting at the conference. Also at least three public domain codes are available for use. All models are not necessarily amenable to inverse modeling if dry cells are calculated but because NMGWM did not incur this effect according to the absence of information in the reports, it seems it would have been calibrated using this standard technique.

Luster, Tom@Coastal

From: Charles Cech <ccech1@gmail.com>
Sent: Saturday, November 30, 2019 11:25 AM
To: CalAmMonterey@coastal; Luster, Tom@Coastal
Subject: Geoscience TDS measurements questioned
Attachments: TSW DSA measurement.doc; img20191123_09100591.pdf

I believe that thousands of Test Slant Well Intake Water Conductivity/TDS measurements are incorrect. Please see my attached document and graph.

Chuck Cech
Monterey
831-594-6117

The attached graph comes from the November 2019 Monterey Peninsula Water Supply Project Test Slant Well (TSW) Long Term Pumping Monitoring Report No. 166. The Illustration is a plot of the Specific Conductivity measurements of the water being drawn by the TSW from 4/22/15 to October 18, 2019. Specific conductivity is a measurement taken by a sensor (transducer) placed in the TSW intake water. The intake water electrical conductivity is proportional to the amount of Total Dissolved Solids (TDS) in the water being measured.

The TSW conductivity data when multiplied by 0.66 provides an accurate TDS equivalent. According to Google ocean water is typically 35,000 milligrams per liter (mg/l) TDS. During the period from February 2015 to March 2017 the TSW ran 24/7 drawing 2100 gallons per minute with an average drawn water TDS of 30,000 mg/l or about 86% of average seawater. This TDS level could require Cal Am to return approximately 14% of the desalinated product water to the city of Castroville due to the return water proposal. However the TDS sensor making these measurements was placed 305 feet from the top of the slant well and is not exposed to the mix of Dune Sand Aquifer (DSA) fresh water and 180 foot aquifer brackish water. The data recoded during the 2 year test period are primarily 180 foot aquifer brackish water measurements.

In March 2017 the TSW 24/7 test was terminated, but the TSW was not deconstructed as required by prior agreement. TSW operations continue one day a week for six hour on that day. Tests are run and measurements are plotted and documented in the Monterey Peninsula Water Supply Project Test Slant Well Long Term Pumping Monitoring Reports. The weekly 6 hour plots start in March 2017 and continue to date.

Starting on March 7, 2018 the green plot indicates that because of the reduction in TSW pumping time, fresh DSA water is percolating down to the TSW sensor and is now influencing the TDS readings. This plot indicates 22,000 mg/l which is a 37% reduction of the 3.5% average TDS on October 28, 2019. Fresh DSA water is obviously moderating the brackish water drawn by the TSW. This is important because Cal Am has no rights to fresh DSA water and the return water proposal becomes unworkable. This graph is also an indication that DSA water plays a significant part in reducing seawater intrusion in the Salinas River Basin. As long as Cal Am draws DSA fresh water, the slant well intake water will never be 100% seawater as originally speculated!

THE BIG QUESTIONS ARE:

Was the conductivity sensor intentionally placed in a location that minimized the effects of DSA fresh water on conductivity/TDS measurements?

Will Cal Am Monterey District customers be billed $20 million for erroneous TSW conductivity/TDS sensor measurements?

Specific Conductivity in MPWSP Test Slant Well During and After Long-Term Pumping Test

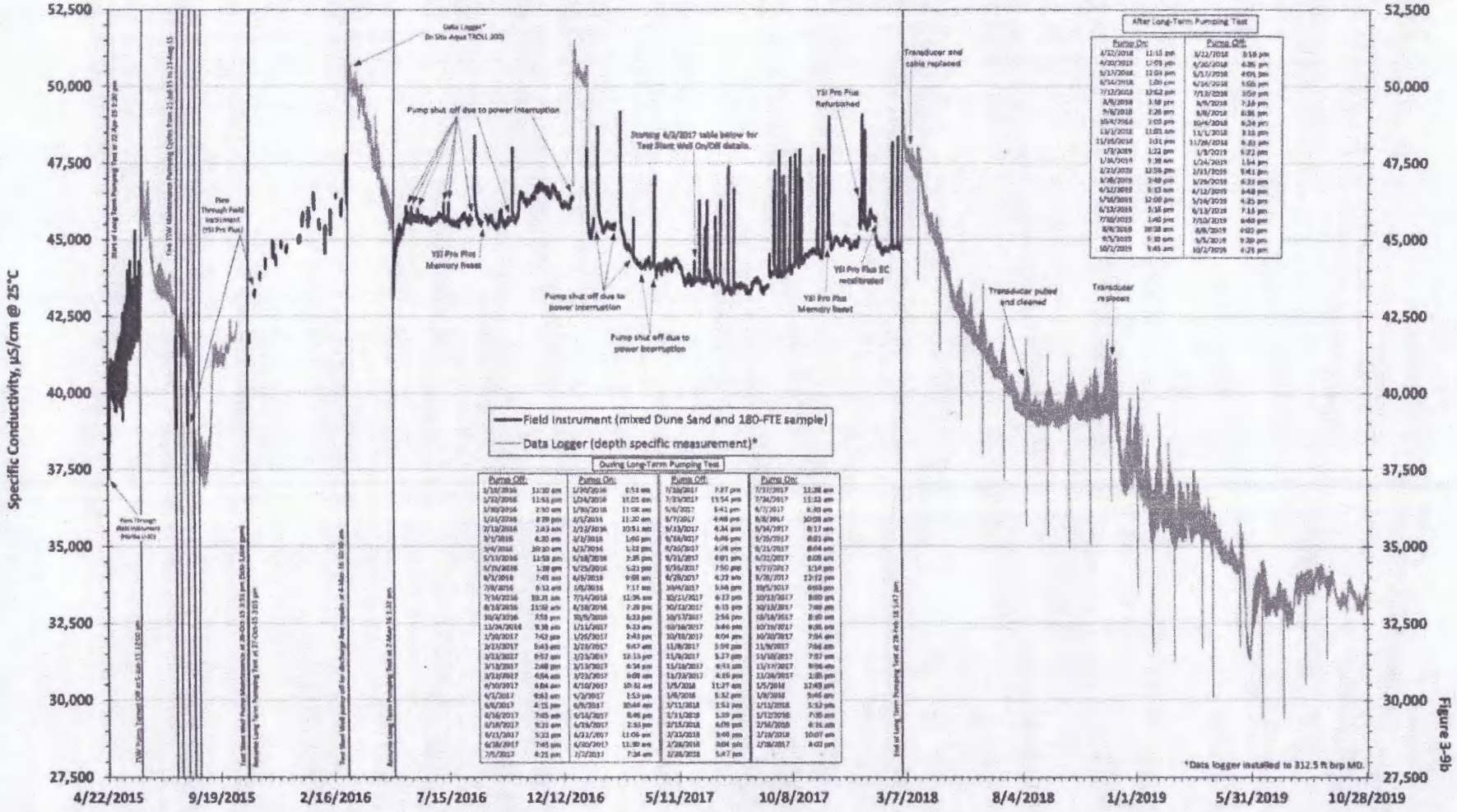


Figure 3-9b

Th3a & 4a

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

California-American Water

OPPOSED LETTERS

Packet 2
Updated
September 9, 2020

Luster, Tom@Coastal

From: Louise Berry <plberry850@comcast.net>
Sent: Wednesday, September 09, 2020 2:03 PM
To: CalAmMonterey@coastal
Subject: PLEASE HEAD THE RECOMMENDATION OF YOUR STAFF

Dear Commissioners,

I have been following the plight of water shortages in Monterey County for the past 14 years. Cal Am has again sent out large postcards to every member of our community with false information - this should be illegal.

We need water, but we don't need this desal plant. There is a far better alternative. Expanding the Pure Water Monterey project is the most cost-effective and environmentally sound solution. This alternative is one of the main reasons the Coastal Commission staff recommends against Cal Am's desal.

Thank you,

Louise C Berry

24 Yerba Buena Ct

Seaside CA 93955

age 80 and of sound body and mind.

Luster, Tom@Coastal

From: Patricia Eastman <peastman38@yahoo.com>
Sent: Wednesday, September 09, 2020 1:53 PM
To: CalAmMonterey@coastal
Subject: Deny CalAm's Desal project

Dear Commissioners,

Please vote to DENY Cal Am's Desal project. It will be a environmental disaster and will lead to even more expensive water.

Please vote in accordance with the staff recommendation.

Sincerely,
Patricia Eastman

Luster, Tom@Coastal

From: Bill Bruffey <bbruffey39@gmail.com>
Sent: Wednesday, September 09, 2020 1:52 PM
To: CalAmMonterey@coastal
Subject: Deny Cal Am's Desal project

Commissioners:

Please vote per staff recommendation. Vote to DENY Cal Am's desal project. We do not need a desal plant and we do not need higher water costs!

Sincerely,

Bill Bruffey

Luster, Tom@Coastal

From: Sheila Clark <saclark63@gmail.com>
Sent: Wednesday, September 09, 2020 1:21 PM
To: CalAmMonterey@coastal
Subject: California American Water Co. Project Application #9-19-0198

Dear Commissioners:

I am writing to urge you not to approve the above Project as recommended by the Coastal Commission's Staff Report. I am a resident of Seaside living on a fixed income. As a Seaside resident, I have gone to great lengths to conserve water, however, my water bills continue to rise. Cal-Am has been able to increase its rates regardless of poor management, failed projects, and even reimbursed for water not used by ratepayers. This is in addition to being paid a 10% profit. A large population of Seaside residents live in low income households. Many of these households are living below the 200% poverty level. For many of these ratepayers, increased costs of housing, job insecurity, and **rising water rates**, may make it impossible for them to continue living in Seaside. Affordable housing is not possible without affordable water. If people cannot afford to live in Seaside, the local economy will suffer. Needing to decide whether to pay rent, buy groceries, medicines, or water is an **economic injustice**.

The Cal-Am Project is not necessary. The expansion of Pure Water Monterey provides a long-term sustainable water source. Cal-Am's desalination water project would cost $6,000-$8,000 per acre foot. The alternative Pure Water

Monterey Project purified recycled water will be less than half that cost. Pure Water Monterey is now operational. In addition, ratepayers would be subsidizing desalination water for Castrollvile. Castroville would be charged $110 per acre foot. Consequently, we would pay a subsidy of $5 million a year. Seaside ratepayers cannot afford this.

In making a decision to approve or disapprove this project, I urge you to look at the economic injustice as well as the environmental injustice of this project.

Again, I urge you to look out for the greater good of our local communities and **disapprove** this project.

Sincerely,
Sheila Clark

Luster, Tom@Coastal

From: Nick Denning <nickdenning@hotmail.com>
Sent: Wednesday, September 09, 2020 12:45 PM
To: CalAmMonterey@coastal
Subject: Marina desalination plant

Mr. John Ainsworth,

Good afternoon. I am a concerned citizen of Marina CA. I work on Dunes Drive.

My concern is for the city and it's people. Can you please explain to me how Marina benefits from this desalination plant? As far as I know our water supply is stable & has been even when the Army was taping into it.
As of this moment I would urge you to decline the project permit until at the very least, a deal is stuck that benefits our city and people and offsets the damage to our beautiful beaches, Dunes, and the fragile ecosystem.

Again, please halt or deny thus project.
If not please provide information as to how this directly benefits us.

All the best,
Nicholas Denning

Luster, Tom@Coastal

From: Nancy Selfridge <self48@icloud.com>
Sent: Wednesday, September 09, 2020 12:06 PM
To: CalAmMonterey@coastal
Subject: Deny Cal Am Desal Project

Dear Costal Commissioners,
After being involved in water issues for the past 14 years, I am very pleased with your staff's decision. It is exactly correct. For all of the reasons listed the Cal Am desal project will never work. Their goal is to charge the ratepayers the maximum amount of money that they are allowed.Thankfully your staff saw through their mistakes and subterfuge. Please vote with the staff report and deny the Cal Am project.
Sincerely,
Nancy Selfridge
Former Monterey City Council Member

Sent from my iPhone

Luster, Tom@Coastal

From:	James Dorsey <whalekeeper@yahoo.com>
Sent:	Wednesday, September 09, 2020 10:52 AM
To:	CalAmMonterey@coastal
Subject:	Stop Cal AM
Attachments:	Stop CalAm.jpg

Dear Director, Ainsworth,

Cal AMs' plan for slant wells in Marina will devastate our beach, wipe out an endangered species, and take precious water from its rightful source.

I moved to Marina to enjoy my life; not to have it fouled by greed for profits over the health of us local people.

Vote against Cal Am.

James and Irene Dorsey
268 10th St. Marina Ca. 93933

Luster, Tom@Coastal

From: Kathryn Varner <k-varner@sbcglobal.net>
Sent: Wednesday, September 09, 2020 10:51 AM
To: CalAmMonterey@coastal
Subject: Cal Am Desalination

Please deny their expensive proposal.
We are paying out of pockets the most expensive rates in the entire country and this entirely is a risk that is not needed.

Kathryn Varner
Pacific Grove ,CA 93950

Luster, Tom@Coastal

From: Howard Kranther <hkranther@hotmail.com>
Sent: Wednesday, September 09, 2020 10:50 AM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

My name is Howard Kranther.
I am a resident of East Garrison, CA, and I am a customer of Marina Coast Water District.
I am a retired computer programmer.

I have read the Summary of Staff Recommendation regarding the application by California American Water Co. to build and operate slant wells and a desalination plant near Marina, CA.
I agree with the staff recommendation to deny the project.

This project will cause unfair economic hardship to residents of the area.
It will harm the local environment.
Cal Am has proven to be a poor steward of Monterey Peninsula's water supply in the past.
Recycled water provided by Monterey One Water is a better, less costly, and more just way to provide water to the Central Coast at this time.

Please deny this project!

Thank you,

Howard Kranther
East Garrison

Luster, Tom@Coastal

From: Lynn Gmail <lynnhmltn@gmail.com>
Sent: Wednesday, September 09, 2020 10:07 AM
To: CalAmMonterey@coastal
Subject: Deny Cal Am desal

Dear Coastal Commissioners,

The much better solution for the water we need in the Monterey area is to expand Pure Water Monterey. It is feasible, less costly and less environmentally damaging. I don't want my money going to a huge, non-local corporation that uses deception to make big profits. I heard yesterday, from a friend who lives in Seaside, that CalAm has just sent out very misleading Information to Seaside residents, in an attempt to get support for the desal project in Marina.
We need to be fair to all local communities, and treat water as the precious, vital life-sustaining resource it is!
Thank you for your attention,

Lynn Hamilton
Monterey, CA

Luster, Tom@Coastal

From: Suzette Cavanaugh <suzettecavanaugh@gmail.com>
Sent: Wednesday, September 09, 2020 10:02 AM
To: CalAmMonterey@coastal
Subject: Deny Cal Am's Desal Project

This project is not in the public interest and there is an environmentally superior alternative in the expansion of Pure Water Monterey.

I read the entire Coastal Commission's Staff Report that recommends denial of Cal Am's Desal. For all of the reasons stated in your Staff's Report, please vote with your Staff and deny Cal Am's desal project.

Thank you.

Sincerely,

Suzette Cavanaugh Singer
1861 Yosemite Street
Seaside, CA 93955
821-920-1136

Luster, Tom@Coastal

From: Charles <pecher38@comcast.net>
Sent: Wednesday, September 09, 2020 10:00 AM
To: CalAmMonterey@coastal
Subject: desalination plant

CalAm is a German company and all its proceeds are returned to Germany.

I don't agree that a foreign investor should have control or say over our national resources.

If Monterey, Seaside or other cities on the Peninsula want a desalination plant then build one on your ocean site because the last time I looked I saw that the they have the same ocean shores as Marina.

Maria A. Baker

Luster, Tom@Coastal

From: Белый Парус <mb6kp9@gmail.com>
Sent: Wednesday, September 09, 2020 9:43 AM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff,

My name is Stephen Corbett and I am a resident of the city of Marina. My wife and I have lived and worked on the Monterey Peninsula for more than a decade. She is a teacher at the Defense Language Institute and I am a disabled Navy Veteran who is not only a graduate of DLI but also taught Russian there and currently work for a local agency assisting homeless and other struggling Veterans. We believe that the CalAm project is harmful not only to our environment but also to the people of our city. Thank you for your time and we hope for the best outcome for all of us in Marina at the Special Meeting on 17 September.

Please deny the CalAm Slant Well project!

Very respectfully,

Stephen Corbett

Luster, Tom@Coastal

From: Brian McCarthy <brianmm80-solarua@yahoo.com>
Sent: Wednesday, September 09, 2020 9:09 AM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

Dear California Coastal Commissioners, Executive Director John Ainsworth and staff,

Please deny the harmful CDP for this project.

I've spend the last several years using my available free time trying to educate myself, neighbors and community leaders about the real harm this project will create for the disadvantaged community of Marina. As if our community wasn't struggling enough, this potential knockout blow comes at a time we are least prepared to defend against it. The scars of having to defend against this threat will be long lasting, however I believe our strong community will be up for the challenge each and every time.

Thank you for all the work you do defending the California Shoreline and the people who appreciate it.

Please deny the CAL-AM project.

Respectfully,

Brian McCarthy
Resident of Marina

Luster, Tom@Coastal

From: Merphant Babnoggle <nomarbushes@comcast.net>
Sent: Wednesday, September 09, 2020 8:44 AM
To: CalAmMonterey@coastal
Subject: Proposed California-American Desalinization Plant

There are environmentally superior alternatives to the "desal" plant proposed by Cal-Am. I urge you to deny this project.

B. Graybill
Monterey, California

Luster, Tom@Coastal

From: Linda K <cvgal99@gmail.com>
Sent: Wednesday, September 09, 2020 8:42 AM
To: CalAmMonterey@coastal
Subject: Water Price

Please reduce our super high water prices, they are much higher than anywhere else with no good reason. Tired to being ripped off by something that SHOULD be a public utility and instead is a company that is taking advantage of the residents who are effectively held hostage to these excessive water rates!

Sincerely,

Linda Killa28 Paso Hondo
Carmel Valley, CA

Luster, Tom@Coastal

From: msimmons@fujitsu.com
Sent: Wednesday, September 09, 2020 8:14 AM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit
Attachments: 029.JPG

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:-

My name is Mark Simmons.
I have lived in the lovely beachside location of Marina for over four years now and have seen little to spoil the area.
I now work 100% from home due to COVID-19 restrictions and get out onto the beach as often as I can with my wolf dog Chewie.



The beach is his happy place (& mine) & we go almost daily.

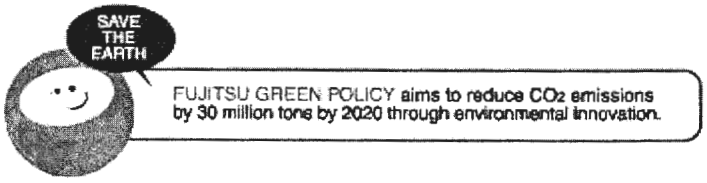
After visiting Israel & seeing a de-salination plant in action (Sorek – Red Sea coast) with its noise, dust, 24x7, the thought of a large de-salination plant on the beach right here just really really annoys me.
Compounding this is that the water from it isn't even intended for Marina's use as I understand things.... Where is the irony in that? Where is the social justice?

Please make the right decision for Chewie, myself & the other great inhabitants of this quaint small town – please deny the CalAm de-salination project!

Many thanks for your attention & consideration.

Kind regards / Mit freundlichen Grüßen / 敬具/ Maligayang pagbati / よろしくお願いします/أطيب التحيات
Mark K.R. Simmons, B. Sc(Hons), DIS, MBCS
CTO, Platform Products Group
Fujitsu America, Inc.

Upcoming absence(s):-
Corporate Mobile (669) 224-0152
Personal Mobile (408) 674-7047
E-mail: msimmons@fujitsu.com
please don't print this e-mail unless you really need to.



http://www.fujitsu.com/global/about/environment/

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Luster, Tom@Coastal

From: DEBORAH WALDRON <dewal@comcast.net>
Sent: Wednesday, September 09, 2020 8:10 AM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

Attn: CA Coastal Commissioners, Executive Director Ainsworth & Staff

I am an African-american resident of Marina for 42 years. I strongly urge you to deny this environmentally harmful project to our area. Thank you.

/daw

Luster, Tom@Coastal

From: Barbara Haney <barbarina394@att.net>
Sent: Wednesday, September 09, 2020 6:30 AM
To: CalAmMonterey@coastal
Subject: Cal Am Desal Project

Please do NOT APPROVE CAL AM'S DESAL PROJECT. WE DON'T NEED IT LETS STOP THIS UNNEEDED, OVER-PRICED, AND ENVIRONMENTALLY DAMAGING PROJECT.
BARBARA HANEY
EDWARD HANSON
1375 PLUMAS AVE
SEASIDE, CA 93955

Sent from Mail for Windows 10

Luster, Tom@Coastal

From: zsopa@aol.com
Sent: Wednesday, September 09, 2020 6:22 AM
To: CalAmMonterey@coastal
Subject: Desal plant

There was an old law in Monterey County that stated that any desal Plant had to be publicly owned. Two Monterey County supervisors took it upon themselves to change that rule in secret meetings with Cal-Am.
Look at Monterey Herald article "Follow the Money but keep it a secret" dated August 25, 2013..

Luster, Tom@Coastal

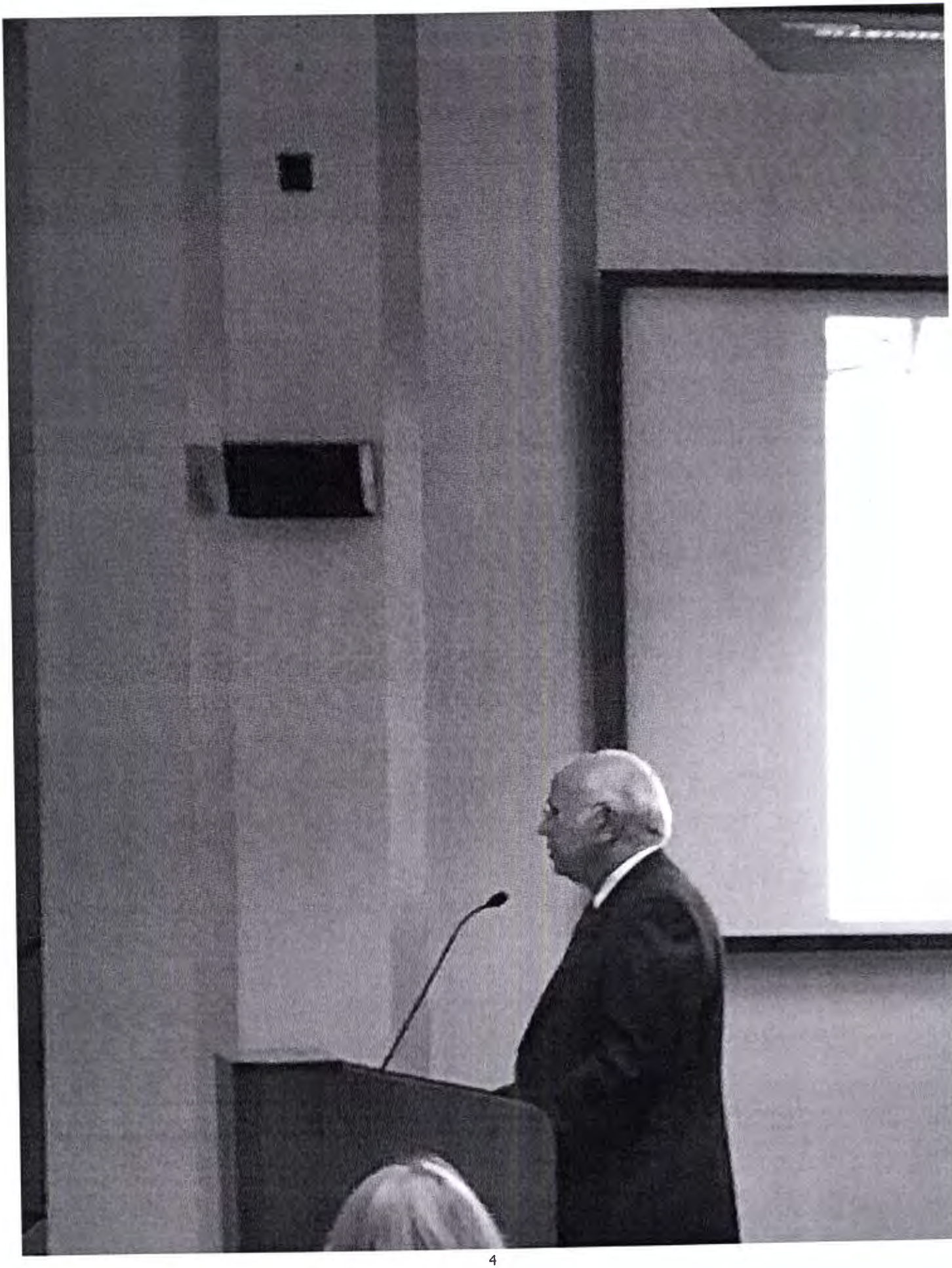
From: Liesbeth Visscher <liesbethvisscher@yahoo.com>
Sent: Tuesday, September 08, 2020 11:50 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:


COMMUNITY
ROOM

My name is Liesbeth Visscher. I grew up in the Netherlands and 25 years ago moved to California, together with my husband. Three years ago, soon after moving to Marina, we attended a "Water Forum" hosted by Citizens for Just Water. When we learned about the threat to the aquifers and coast we became involved.

I would like to give you **one example** of the unfair challenges that we have had to endure while fighting a private deep-pocketed company. To attend a CPUC meeting in September 2018 a car with five volunteers left Marina at 5 AM in order to arrive on time in San Francisco. We each had prepared our 3-minutes public comments. When we filled out the speaker slips we found out that we had to limit our comments to ONE minute. Just when the meeting was about to start two buses showed up at the entrance, filled with mostly men in suits. At the end of the public comments period anybody who hadn't filled out a speaker slip was allowed to line up and give a one-minute comment. All those business people spoke in favor of CalAm's MPWSP. The CPUC approved the permit, the CalAm supporters were picked up by the buses and we heard that they celebrated with champagne on the way home. Meanwhile, we walked a few blocks to pick up our car, paid a small fortune for parking, and on the way home stopped for lunch – which we of course paid for ourselves.



I fortunately can afford to take days off from work and pay for gas to travel to meetings. Please know that many people in Marina cannot afford to do this. We feel simply overrun by CalAm. Since we now can't attend meetings in person we have taken many photos of residents trying to show you how diverse Marina's population is and that all those people are asking you to protect our water source and beach, and to **please deny the Slant Well project!**

Signed,
Liesbeth Visscher,
Resident of Marina, CA.

Luster, Tom@Coastal

From: Marilyn Mason <mason.marilyn@yahoo.com>
Sent: Tuesday, September 08, 2020 11:40 PM
To: CalAmMonterey@coastal
Subject: Please deny Cal Am's Desal Project

I am against Cal Am's project because Pure Water Monterey – Phase 1, now in operation, will give us the additional water we need to stop illegal diversions from the Carmel River by the December 2021 deadline. Expanding Pure Water Monterey would give us the water we need for growth. And it would lift the moratorium much sooner than Cal Am's desal.

After December 2021, only 3,376 acre-feet (AF) of water can be legally taken from the river. But because of the 3,500 AF of new water available from Pure Water Monterey, we can meet that deadline with a surplus. This will stop the illegal withdrawals and protect the River. The decades long environmental problem on the Carmel River will be solved. But to meet the requirements of the Cease and Desist Order (CDO) and the CPUC imposed moratorium, we would need an additional water supply like the expansion of Pure Water Monterey.

If the Pure Water Monterey Expansion of 2,250 AF were added to the current 3,500 AF from Pure Water Monterey – Phase 1, along with our legal River withdrawal of 3,376 AF and other available sources, the total available would be 11,700 AF. We only use 9,825 AF annually. That would lift the CDO and give us 1,875 AF of surplus water for growth. If history is any indicator this will give us enough water for a minimum of 20 to 30 years.

Marilyn Mason
Seaside, CA

Luster, Tom@Coastal

From: Gloria McKee <gloria.mckee@gmail.com>
Sent: Tuesday, September 08, 2020 11:39 PM
To: CalAmMonterey@coastal
Subject: Deny

We are economically disadvantage community. Many of our long time residence are widowed of U. S. army veterans, I am one of those affected individuals who can't afford to be swift into Cal Am customer base if they compromise our limited water supply. Cal Am is unaffordable and unwanted by our community let them take their exploitative slant well technology elsewhere on their own customer base.

Luster, Tom@Coastal

From: Emily Zefferman <ezefferman@gmail.com>
Sent: Tuesday, September 08, 2020 10:53 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

To the California Coastal Commissioners, Executive Director, and staff:

As a resident of Marina who cares about the long-term sustainability of our water supply and the coastal environment, **I encourage you to DENY CalAm's permit for their proposed desalination plant in Marina**.

I agree with the staff report that found that the Pure Water Monterey expansion is a viable and preferred alternative to meet the water use needs of the Monterey peninsula, and that this desal plant would pose an environmental injustice to the citizens of Marina who would not receive water from this project but would potentially bear the burden of a contaminated water supply and degraded beaches.

Thank you for considering my statement,

Emily Zefferman

Luster, Tom@Coastal

From: Ray Bennett <yarbennett@gmail.com>
Sent: Tuesday, September 08, 2020 10:53 PM
To: CalAmMonterey@coastal
Subject: Public Comment on September 2020 Agenda Item undefined 3a - Appeal No. A-3-MRA-19-0034 (California American Water Company, et. al., Monterey Co.)

The proposed Cal-Am desalinization project is unnecessary and is an incredibly expensive ruse to increase their return on investment. The Pure Water Monterey project is a much preferable alternative to building a billion dollar desalinization facility that will cause irreversible harm the surrounding environment. Additionally, but the pipeline needed for transporting the water along with its installation will harm wildlife that is already under considerable pressure.

The proposal to offer water to the community of Castroville at reduced rates is offensive to those of us who are water users in other communities. If this is allowed to proceed, once again we will see another huge increase to our water bills on top of all the other rate increases and fees we currently are forced to pay. We already pay one of the highest, if not the highest, water rates in the entire country.

If the proposed facility is allowed to continue, complicated and expensive litigation over water rights will ensue and will last for many years. One effect of this Litigation is that it will postpone the reduction of water taken from the Carmel River.

I was once a supporter of Cal-Am and understand they are in the business of creating return on their shareholders' investments. However, I have changed my opinion of Cal-Am and now see them as tyrant that will do anything to increase return including building an expensive desalinization plant so they will be guaranteed nearly a ten percent return on their billion dollar investment. This begs the question, why is Cal-Am guaranteed such an obscenely high rate of return? As an individual, I feel fortunate if I can get a two percent return on my investments.

Please follow your staff's recommendations and deny all of Cal-Am's appeals and permit applications.

Thank you,

Ray Bennett
Seaside, CA

Luster, Tom@Coastal

From: Mario <mario636@yahoo.com>
Sent: Tuesday, September 08, 2020 10:28 PM
To: CalAmMonterey@coastal
Subject: Deny Cal Am's Desal Project.

Dear Commissioners of the California Coastal Commission,

My family lives in Marina in Monterey county. We are very afraid of the environmental impact the desal plant will have on our water and environment. We ask that you deny the proposed Desal Project.

We need water in the Monterey Peninsula area, but we don't need to have this desal plant. There is a far better alternative. Expanding the Pure Water Monterey project is the most cost-effective and environmentally sound solution. This alternative is one of the main reasons your Coastal Commission staff recommends against Cal Am's desal.

This project is not in the public interest and there is an environmentally superior alternative in the expansion of Pure Water Monterey.

Sincerely yours,
Mário Flores
Homeowner, Taxpayer, Voter.
Marina, CA 93933

Sent from my iPhone

Luster, Tom@Coastal

From: veruka salt <msverukasalt@gmail.com>
Sent: Tuesday, September 08, 2020 10:09 PM
To: CalAmMonterey@coastal
Subject: Desal

Dear Commissioners,

I am asking you to deny Cal Am's desal permit.
In reviewing the material regarding this project, it is very clear that it is not in the public interest.
the expansion of Pure Water Monterey is a superior alternative financially and environmentally.
Thank you,
Sandra Dee

Luster, Tom@Coastal

From: Ulrika Bjorkman <ubjorkman@hotmail.com>
Sent: Tuesday, September 08, 2020 9:27 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

My name is Ulrika Bjorkman-Stiller and I live in Marina California. I absolutely love my city and enjoy walking on the Marina Dunes trails and beaches each and every week. My son enjoys looking for bugs and lizards on the trails here. We love watching the ocean waves and seeing the birds thriving here in Marina. Something that is becoming less common these days. We immigrated here from Sweden years ago, a country that takes pride in protecting its environment. I hope we can too.

I DO NOT want CalAm to build slant wells on Marina's beach and to take groundwater to which they have no rights! Not a drop of that water will benefit Marina, it will be sold to CalAm's customers on the peninsula. This project will harm our water source!

PLEASE DENY THIS HARMFUL PROJECT!!



Please!
Thank you,

Ulrika Bjorkman-Stiller



Sent from my iPhone

Luster, Tom@Coastal

From: wiskoff@aol.com
Sent: Tuesday, September 08, 2020 9:15 PM
To: CalAmMonterey@coastal
Subject: Deny Cal Am's Desal Project

Dear Commissioners:

It's time for Monterey Peninsula water ratepayers to get rid of California American Water. Cal Am has spent 25 years — without success but consistently increasing our water bills nevertheless — supposedly trying to solve our water supply problem. We know that Cal Am cannot be trusted, and passing Measure J was our declaration of independence from corporate greed at our expense.

Thanks to our Monterey Peninsula public agencies, all the water we need for decades is now available through Pure Water Monterey and the Pure Water Monterey Expansion — but Cal Am is blocking it in favor of its own over-sized, over-priced desal project.

Cal Am's desal project is not in the public interest: It would double our water bills, leading to a decrease in the supply of affordable housing. It would damage the environment by harming our coastal habitat and Marina's beautiful dunes. It has no legal source water and would draw NOT ocean water but groundwater from an already over-drafted groundwater basin.

The argument that desal is needed to solve a Carmel River crisis has no basis in fact. Our current water supply from Pure Water Monterey (Phase 1: 3,500 acre-feet) will allow us to stop illegal withdrawals from the Carmel River by December 2021. Our current water supply will restore the Carmel River and protect the steelhead. The environmental issues facing the Carmel River have been resolved by Pure Water Monterey without the need for Cal Am's desal.

The Pure Water Monterey Expansion is the feasible and environmentally preferable alternative to desal. It will give us a new water supply much sooner than Cal Am's project. It will provide a long-term sustainable water supply for decades of growth while supporting affordable housing and economic recovery.

The Pure Water Monterey Expansion's source water is primarily the 8,000 acre-feet of excess wastewater that is now discharged into Monterey Bay. It is contractually secure and drought proof. It avoids environmental damage to our wondrous coastline and avoids environmental injustice to our citizens.

Cal Am is the only obstacle to the Pure Water Monterey Expansion. We have been Cal Am ratepayers since 1987, and we respectfully ask you to deny CalAm's desal project.

Sincerely,

Martin & Karen Wiskoff
Monterey, CA

Luster, Tom@Coastal

From: Roberta L. Durand <rlengstrom@gmail.com>
Sent: Tuesday, September 08, 2020 8:53 PM
To: CalAmMonterey@coastal
Subject: Vote No on CalAm Desal

To whom it may concern:

I urge you to protect Marina's groundwater by voting NO on CalAm's desal project in Marina.

Thank you.
Roberta Durand

Luster, Tom@Coastal

From: kathy west <tasker928@hotmail.com>
Sent: Tuesday, September 08, 2020 8:26 PM
To: CalAmMonterey@coastal
Subject: Subject – Deny Cal Am's Desal Project

Please deny CalAm's Desal Plant. It is not in our best interest and will only raise our already too high water prices (we are still the #1 most expensive water in the USA by far) with a project that is not necessary, as we can meet our needs via expanding Pure Water Monterey's project. Not only is the desal overkill and burdensome to water users in the Peninsula, but it just doesn't make sense when we can get all the water we need via PWM for years to come.

I did not purchase a home in this area thinking that I'd need to go to a laundromat to wash my clothes since it's unaffordable to do so anymore in my home. I conserve as much as I possibly can but still can't afford my monthly bill!

I'm pleading with you- please don't allow CalAm to build the Desal Plant!

Karen Wood
Carmel Valley Resident

Luster, Tom@Coastal

From: Evan Asuncion <21003@gopalma.org>
Sent: Tuesday, September 08, 2020 8:17 PM
To: CalAmMonterey@coastal
Subject: Re: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit



On Tue, Sep 8, 2020 at 8:16 PM Evan Asuncion <21003@gopalma.org> wrote:
Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

My name is Evan Asuncion and I am a resident of Salinas. I have lived in Salinas my whole life and I attend Palma school. At Palma, I am enrolled in the AP Environmental Science class. In this class, we have and are learning how to be the best stewards we can be for our world. If the Desalination project is approved, it will leave many coastal habitats and animals, such as the Snow Plover at risk. Also it will ultimately contaminate the regional ground water supply. I hope that you will make the right decision for the Marina Community.

Please deny the CalAm Slant Well project!

Signed,
Evan Asuncion

Luster, Tom@Coastal

From: Evan Asuncion <21003@gopalma.org>
Sent: Tuesday, September 08, 2020 8:17 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:



My name is Evan Asuncion and I am a resident of Salinas. I have lived in Salinas my whole life and I attend Palma school. At Palma, I am enrolled in the AP Environmental Science class. In this class, we have and are learning how to be the best stewards we can be for our world. If the Desalination project is approved, it will leave many coastal habitats and animals, such as the Snow Plover at risk. Also it will ultimately contaminate the regional ground water supply. I hope that you will make the right decision for the Marina Community.

Please deny the CalAm Slant Well project!

Signed,
Evan Asuncion

Luster, Tom@Coastal

From: Sbc <lindymarrington@sbcglobal.net>
Sent: Tuesday, September 08, 2020 8:08 PM
To: CalAmMonterey@coastal
Subject: Re: Deny Desal Plant

My name is Lindy Marrington and a long time inhabitant of Carmel. I studied Marine Biology at UCSC and we learned about desalinization. It is a very inefficient and damaging process. Please vote no on the desal plant!

Thank you,

Lindy Marrington

Luster, Tom@Coastal

From: Gwyn De Amaral <califwayoflife@aol.com>
Sent: Tuesday, September 08, 2020 7:58 PM
To: CalAmMonterey@coastal
Subject: Deny Cal Am Desal

Dear Coastal Commissioners ,

As a homeowner and Carmel Highlands resident, I urge you strongly to listen to your staff and **deny** the Cal Am's Desal plant.
We hear so much about affordable housing and coastal access but for some reason no one ever mentions affordable water. No matter how much we conserve, our water bill and its surcharges continue to rise. At the same time, this is now determining our decision to stay in the area.
I am a fifth-generation Monterey County resident, and, sadly, it's come to this. It is factoring in Cal Am water cost in my retirement. The project is not in the public interest, and there is an environmentally superior alternative in the expansion of Pure Water Monterey.

Thank you ,

Gwyn De Amaral
Carmel Highlands Ca

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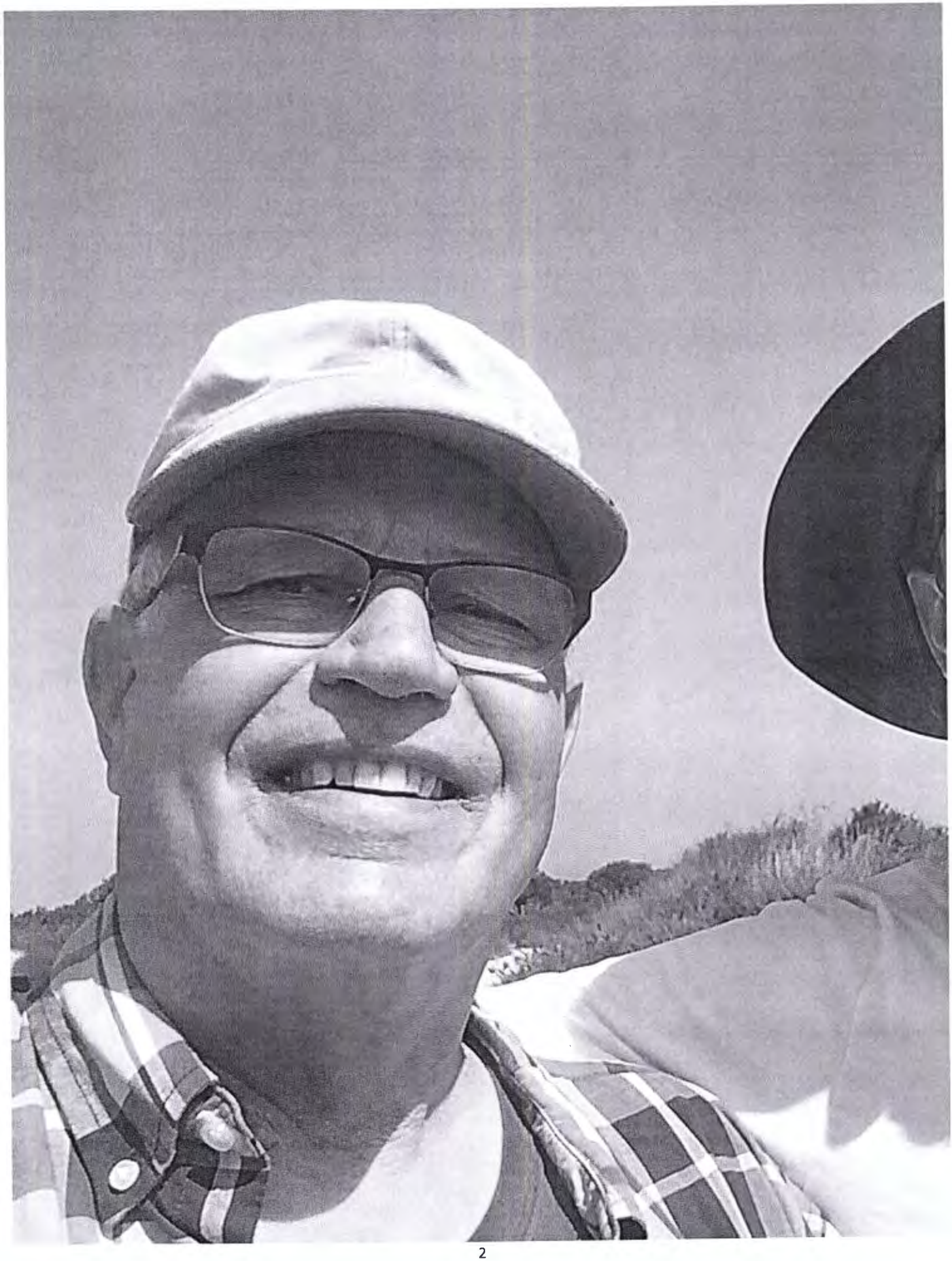
Luster, Tom@Coastal

From: Alex Stewart <akstew@sbcglobal.net>
Sent: Tuesday, September 08, 2020 7:51 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:



My name is Alex Stewart and I live in Marina with my son, Simon. I am retired and my 25 year-old son graduated last year from CSUMB and received his Substitute Teaching Credential last Summer. My family has lived in Marina since 1968 and Simon went to all Marina schools. I graduated from Seaside High in 1970 and he graduated from Marina High in 2013.

Marina already shoulders the burden of many County resources (landfill, recycled water...etc) and the LCP shows that we need healthy dunes to combat rising sea levels due to climate change. Constructing the CalAm slant wells in sensitive and protective dunes is bad for Marina.

Please deny the CalAm Slant Well Project!

Thank you-Alex Stewart

Luster, Tom@Coastal

From: Berj Amir <berj_amir@yahoo.com>
Sent: Tuesday, September 08, 2020 7:40 PM
To: CalAmMonterey@coastal
Subject: Deny California American Water's Desal Project

Dear Costal Commission Members,

I am writing to urge you to deny California American's application for a water desalination plant in the Monterey area. I am a resident of Seaside, California. I making this request for two reasons.

First there is a much better option available that is not only environmentally sound, but much less costly. Expanding the Pure Water Monterey Project simply makes sense and is a far more efficient solution to the water needs for our area.

Second, California American Water Company has a terrible record of management. They are inefficient, and costly. They seem to have no motivation to run things in an efficient manner, as they simply keep applying for any and all possible way to increase costs to the consumer in this area. The information that they send out is misleading and often outright inaccurate, and they spend no expense to doing so, as your commission has no doubt been lobbied by them very heavily to approve the desalination proposal.

To hand an already incredibly costly project over to such a company will do no good for our community, we are already paying some of the highest cost for water in the country thanks in great part to California American's management. It simply makes no sense at all when there is a perfectly good, environmentally sound, less costly alternative available.

I cannot afford a team of attorney's and administrators to lobby for my best interests as California American Water has, I am relaying on you. Please deny this request. It is not the best solution, and it would be managed by one of the worst companies I have ever had to be a customer of. I need water, and I cannot drill my own well, so I have to business with them.

Respectfully,

Berj Amir
Resident, Seaside California 93955

Luster, Tom@Coastal

From: Lynn Johnson <lynnjohnson100@gmail.com>
Sent: Tuesday, September 08, 2020 7:39 PM
To: CalAmMonterey@coastal
Subject: Desalination Plant

I have lived on the Monterey Peninsula for over 35 years and I have been following the water situation. I am convinced that we do not need a desalination plant. The rates here are already the highest in the nation and will go up even more with desalination.
Pure Water Monterey can provide us the needed water at less cost and less destruction to the environment.

Please vote against the desalination plant.
Lynn Johnson

1836 Highland St

Seaside, Ca.

Luster, Tom@Coastal

From: RacerX <seacleandiver@gmail.com>
Sent: Tuesday, September 08, 2020 7:36 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034/Deny CalAm Desalination Project Permit

Dear CA Coastal Commissioners, Executive Director John Ainsworth & Staff:
Regarding the; CalAm Desalination Project Permit,
PLEASE STOP THIS ENVIROMENTALLY HARMFUL PROJECT!
Regards,
Randolph Fry
Marina, CA
Sent from Mail for Windows 10

Luster, Tom@Coastal

From: Howley, Annie <ahowley@middlebury.edu>
Sent: Tuesday, September 08, 2020 7:34 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:



My name is Annie Howley and I am a 27 year old resident of Monterey, California. I grew up in the small town of Sebastopol, California, attended UC Davis with a major in Environmental Science and Management (with a minor in Managerial Economics), and then lived in San Francisco before moving to beautiful Monterey County. In addition to working for a consulting firm that supports electric utilities with their efforts to modernize the electric grid, I am a Graduate Student at the Middlebury Institute of International Studies at Monterey. I am studying International Environmental Management.

Please deny this harmful project. Thank you!

Sincerely,
Annie Howley

Annie Howley
MA International Environmental Policy Candidate
Middlebury Institute of International Studies at Monterey
ahowley@middlebury.edu | c: 707.921.9143
She/Her/Hers

Luster, Tom@Coastal

From: ghbabbitt02@comcast.net
Sent: Tuesday, September 08, 2020 7:29 PM
To: CalAmMonterey@coastal
Subject: Deny Cal Am!

Coaster Commissioners!

I urge you to deny Cal Am's desal permit. This project is not in the public interest and there is an environmentally superior alternative in the expansion of Pure Water Monterey.

I've read much on the topic – representing both sides – and cannot support Cal Am's proposal over that of Pure Water Monterey.

Thank you!

Ginny

Ginny Babbitt
990 McClellan Ave
Monterey, CA 93940

Luster, Tom@Coastal

From: Kay Cline <kecline@sbcglobal.net>
Sent: Tuesday, September 08, 2020 7:26 PM
To: CalAmMonterey@coastal
Subject: Please deny Cal Am's Desal Plant

Dear California Coastal Commissioners,

I am a 30 year Seaside resident who ran for Mayor of our city in 2016. I am very concerned about the number of low and moderate income local residents who will be greatly impacted financially by the costs of an unnecessary desal plant.

Due to creativity and hard work, our region has Pure Water Monterey (PWM) ready to provide enough water to suffice for 30 years at a much lower cost than desal. This is the solution favored by many residents, Monterey Peninsula Water Management District and Marina Coast Water District.

Please, stand for social justice and practicality. Follow your staff's recommendation and deny Cal Am's desal.

Respectfully,

Kay Cline

Luster, Tom@Coastal

From: Jason Scorse, Middlebury Institute <profscorse@gmail.com>
Sent: Tuesday, September 08, 2020 7:00 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

My name is Jason Scorse, a resident of Aptos. I'm a professor at the Middlebury Institute of International Studies in Monterey where I direct the Center for the Blue Economy. I've been following this issue closely and I ask that you please deny this harmful project. It's unjust, environmentally destructive, and unnecessary. There are much better solutions to provide clean affordable water to the Marina (and surrounding) community, without threatening endangered species.

Thank you,
Jason

--

"One way or another, this darkness got to give." **Jerry Garcia**

"Those living a lie will act offended when you confront them with the truth." **Anonymous**

"It is a caricature of love when you want to give in charity what you owe for justice." **Oscar Romero**

Jason Scorse, Ph.D.
Associate Professor
Chair, International Environmental Policy Program
Director, Center for the Blue Economy
Graduate School of International Policy and Management
Middlebury Institute of International Studies at Monterey
Office: K23, Craig Building

Zoom Meeting Room: Password7sQnmz
Faculty Webpage
LinkedIn
Book: What Environmentalists Need to Know About Economics

Luster, Tom@Coastal

From: Gary & Diane McCluskey <gdmccluskey@gmail.com>
Sent: Tuesday, September 08, 2020 6:57 PM
To: CalAmMonterey@coastal
Subject: Cal Am desal plant

As a resident in Cal Am's jurisdiction, I am asking you to please deny Cal-AM's proposed desal plant. My request is based upon the finding of the Coastal Commission's Staff Report along with the following facts.

1. Cal Am water is already some of the most expensive water in the country, and this project would significantly raise the water cost of not just the low income. It also purposes hardships for those of but those of us that are considered middle income (the ones who already bear most of the burden for taxes and subsidized programs) and that are trying to be responsible citizens and budget and save for emergency funds and retirement. This project will raise water cost significantly over what the alternative program offers. This is already difficult considering my billed has already doubled since we started paying the fee for saving water during the drought.
This increase would also be inaction to another increase Cal Am is requesting to allow them to purchase and subsidize another failing water company.

2.The know negative impacts to the environment, along with the likely potential for other significant negative impacts to the environment.

3. The irresponsibility Cal Am has already demonstrated with it's lack of action, or even planning for solutions to address the over-drafting of water from the Carmel River, until just before the deadlines. Cal Am's lack of planning has resulted in poorly conceived and though out solutions, inadequate planning and studies, inaccurate budget proposals which then spurred multiple lawsuits only adding to the cost of its project. Increased costs that Cal Am wants to pass on to it consumers.

4. There is a lot of opposition to this project in the community, in fact it has spurred efforts in the community for buying CalAm out and making the water a public utility. Why then approve and start a project that is so costly and has so much opposition, when it has a high potential to end up a waste of tax payer money as Cal Am gets caught up in lawsuits and can't afford to finish the project without raising costs even more- especially when there is an alternative that has already demonstrated success. This project also has the likelihood of only being a short term solution (20-25 year) given the projected life of the wells and lack of feasible new sites. -So what happens then? Another costly project?
What will also happen if Cal Am is bought out- will it get scrapped and all that money wasted given there is so much opposition to the project.

5 Cal Am solution appears to be an extremely expensive temporary solution and not a tru solution to the problem given the expected lifespan of its wells and it apparent ability to demonstrate reasonably attainable alternative well sites when the proposed well are no longer accessible/useable.

Diane McCluskey

Luster, Tom@Coastal

From: Kristen Atkins <kgwatkins60@gmail.com>
Sent: Tuesday, September 08, 2020 6:54 PM
To: CalAmMonterey@coastal
Subject: Please deny Cal Am's coastal development permit

To whom it May Concern,
Please deny a permit for Cal Am's proposed Desal project. I have been following this for months and I believe this is not a good plan. Please review the data and I believe this will not harm our citizens. The Pure Water Expansion plan is the healthier option and I would like to advocate for this option over the Desal plant. I have lived in Carmel Valley for 12 years and I respect the work everyone has done on this matter.
Thank you,
Kristen Atkins, Carmel Valley

Sent from my iPad

Luster, Tom@Coastal

From: Harold JORDAN <jordan0814@sbcglobal.net>
Sent: Tuesday, September 08, 2020 6:48 PM
To: CalAmMonterey@coastal
Subject: Deny Cal Am's Desal Project

Dear California Coastal Commissioners:

Please Deny Cal Am's desal Permit on September 17.
Cal Am is a G-R-E-E-D-Y stock holding corporation.
They've been RIPPING OFF Monterey County customers since day one decades ago.
Cal Am needs to be dismantled & eliminated A.S.A.P.

H. Roy Jordan

Luster, Tom@Coastal

From: Keith Day <22116@gopalma.org>
Sent: Tuesday, September 08, 2020 6:29 PM
To: CalAmMonterey@coastal; Joey Silva

Dear CA Costal Commissioners, Executive Director John Ainsworth and staff:

My name is Keith Day Jr and I am a residence of Chualar. I am a Junior in Palma Highschool. I am currently taking a AP Environmental Sience class. I believe that the CalAm water project is an injury act environmentally to the Marina community. The project threatens to harm groundwater in Marina, and will underestimate the impacts of the project. The CalAm project is focusing more on the benefits of its customers rather than the environment and its natural resources. I hope that the community makes the right decision on saving the environment.

Deny the CalAm Slant Well project!

Signed,
Keith Day Jr.

Luster, Tom@Coastal

From: frederica jones <outlook_BD9B446720695E4E@outlook.com>
Sent: Tuesday, September 08, 2020 6:25 PM
To: CalAmMonterey@coastal
Subject: Deny Cal Am's permit

Dear Commissioners,

I have been a Del Rey Oaks resident for over 13 years and unfortunately have been a Cal-Am ratepayer. My rates have sky rocketed, and I have been using less water..... as requested...

It's clear that with Pure Water Monterey, Cal-Am now has the water it needs to meet the cease and desist order, restoring the water needed for the protection of the Carmel River Steelhead. It is my opinion that with the recycled water project, we are moving in the right direction by reusing our wastewater, which there is plenty of, and protecting our natural resources.

There is still an issue with needing water for sustainable growth and that's where the rub comes in. Cal-Am and the local politicians and business interests who see water as their limiting factor for unrestrained growth, are pushing this project. In doing so, they have adversely affected votes for the expansion of Pure Water Monterey, just so they can continue to have a water source that satisfies their needs, even though it's environmentally damaging and far more expensive for the ratepayers. They have been moved to lies and unethical behaviors such as withholding environmental documents that the residents paid for so that it looked like the expansion was not feasible.

PLEASE, DO NOT be swayed by their politics. PLEASE DENY Cal-Am's permit for their desal project. It is not necessary and carries too many ramifications. The facts are out and clearly we have a project that is feasible, not environmentally damaging, provides water at a cheaper price, has no legal barriers ahead, and can be accomplished within a reasonable time frame. The Pure Water Monterey expansion project is the way to go!!!!

Thank you for your time,
Frederica Jones

Sent from Mail for Windows 10

Luster, Tom@Coastal

From: Kim Shirley <kimshirley1@gmail.com>
Sent: Tuesday, September 08, 2020 6:05 PM
To: CalAmMonterey@coastal
Subject: Deny Cal Am's Desal Project

Dear Commissioners,

I am a Del Rey Oaks resident and a Cal-Am ratepayer. Knowing that we had a cease and desist order for the Carmel River and with our water rates moving sky-high, I decided to pay attention to our local water issues. What I found was entirely political.

It's clear that with Pure Water Monterey, Cal-Am now has the water it needs to meet the cease and desist order, restoring the water needed for the protection of the Carmel River Steelhead. With the recycled water project, we are moving in the right direction by reusing our wastewater, which there is plenty of, and protecting our natural resources.

There is still an issue with needing water for sustainable growth and that's where the rub comes in. Cal-Am and the local politicians and business interests who see water as their limiting factor for unrestrained growth, are pushing this project. In doing so, they have adversely affected votes for the expansion of Pure Water Monterey, just so they can continue to have a water source that satisfies their needs, even though it's environmentally damaging and far more expensive for the ratepayers. They have been moved to lies and unethical behaviors such as withholding environmental documents that the residents paid for so that it looked like the expansion was not feasible.

Do not be swayed by their politics. Please DENY Cal-Am's permit for their desal project. It is not necessary and carries too many ramifications. The facts are out and clearly we have a project that is feasible, not environmentally damaging, provides water at a cheaper price, has no legal barriers ahead, and can be accomplished within a reasonable time frame. The Pure Water Monterey expansion project is the way to go.

Thank you for your time,
Kim Shirley
Del Rey Oaks resident

Luster, Tom@Coastal

From: Epiphany Antoinette <epiphanyt95@gmail.com>
Sent: Tuesday, September 08, 2020 5:46 PM
To: CalAmMonterey@coastal
Subject: Appeal

Dear California Coastal Commissioners and Coastal Commission Staff:

Hello Everyone:

My name is Epiphany Thompson, I'm 19 years old , I attended Marina high and now go to Monterey Peninsula College. I work unpredictable hours driving DoorDash while I"m going to school, so I can't attend meetings. I appreciate the opportunity to speak up here.

By proceeding to do the following building these pipes under the dunes just to re-sell the water back to the peninsula is first off, not a positive change to society ,and secondly it only supports the drawback of-this country which is being so money hungry that you constantly put money over human well being.

Not to mention all the extra industrialization and the stress it puts on the environment. If you permit these pipes, you show that you care about money over the environment's health and well being of others.

For example a college student like myself will spend 40+ years of their lives working a career they were rushed into or that they don't enjoy all because this society taught us to care about money more than ourselves and our lives essentially. We sell our happiness and mental health slaving at work day after day just to stay afloat already - so why add this financial burden to the already hard working citizens of the community and decrease the environment?.

The working class already works hard to just live here , not to mention taking into account those with kids and single parents, Plus young adults on their own that simultaneously do work and school while paying rent trying to stay afloat on top of all the other things life throws at you.

So my only question is - if this isn't going to be a positive change or beneficial for the vast majority of the community why do it? And how do you feel morally about the decisions you're making knowing it can affect and pollute our water?

We should give the Pure Water Recycling Project a chance before making a negative impact on Marinas water system . **Please deny the de-sal project per**mit.

Thank you.

Epiphany Thompson/ Marina

Luster, Tom@Coastal

From: John Norman <normanj713@hotmail.com>
Sent: Tuesday, September 08, 2020 5:40 PM
To: CalAmMonterey@coastal
Subject: Proposed Desalination Plant

Please do not approve Cal Am's proposal for a desalination plant. We are already paying too much for our water, we cannot afford to have our rates double. Please don't let Cal Am do this to us, many of us are struggling and Cal Am has no empathy, only a craving for ever growing profits. Please consider the impact on the quality of life of many thousands of Seaside residents before you render your decision.

Thank you,

John Norman

Luster, Tom@Coastal

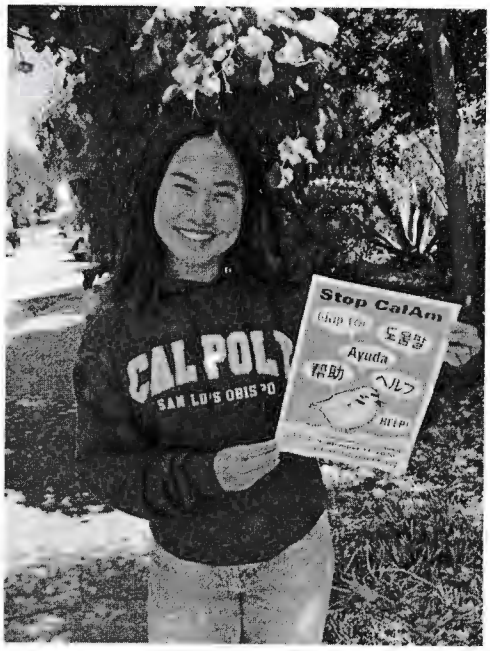
From: Susanna Hoffman <suhoffma@calpoly.edu>
Sent: Tuesday, September 08, 2020 5:06 PM
To: CalAmMonterey@coastal
Cc: D Cleary
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination

Dear Coastal Commission Staff:

My name is Susanna Hoffman. I graduated from Marina High School, and now I'm attending college at Cal Poly San Luis Obispo.

My parents and I recycle every drop of water we can in our household. I hope we haven't been doing all that careful conservation just end up with Cal Am reselling our aquifer to hotels on the Peninsula and to growers in Castroville!

Please deny this desalination project permit!



Thank you,

Susanna Honggui Hoffman
Sunrise Circle, Marina CA

Luster, Tom@Coastal

From: Jackie Perry <perrysretired@yahoo.com>
Sent: Tuesday, September 08, 2020 5:05 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A*3*MRA*19*0034: Deny Cal Am Desalination Project Permit

Dear CA Coastal Commissioners, Executive Director John Ainsworth and Staff

My name is Jacqueline Perry and I have been a resident of Marina for four years. I am a senior citizen and am deeply concerned for our community and the CalAm Slant Well Project. I love my community and am so concerned that the Slant Well will damage our precious environment. Please do not let Cal Am destroy our community!

Sincerely,

Jacqueline Perry
Marina, CA

Luster, Tom@Coastal

From: Rafael Granados <mr.rafael.granados@gmail.com>
Sent: Tuesday, September 08, 2020 5:00 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

My name is Rafael Granados; I am a resident of Marina (432 Combs Ct). My family and I just moved to this wonderful area. We are concern about the CalAm project and would like to as that you please deny this harmful project. Thank you

Rafael Granados

Luster, Tom@Coastal

From: Tom Rivelli <tom@rivelli.com>
Sent: Tuesday, September 08, 2020 4:36 PM
To: CalAmMonterey@coastal
Subject: Vote Against Approval of CalAm Desal Project

It is not necessary and much too expensive compared to the Pure Water Monterey alternative that you are well aware of.

Regards,

Tom Rivelli Associates: www.rivelli.com
ProTips Media: www.protipsmedia.com
Phone: 831-394-5119
Email: tom@rivelli.com
LinkedIn: https://www.linkedin.com/pub/tom-rivelli/17/538/30b

Luster, Tom@Coastal

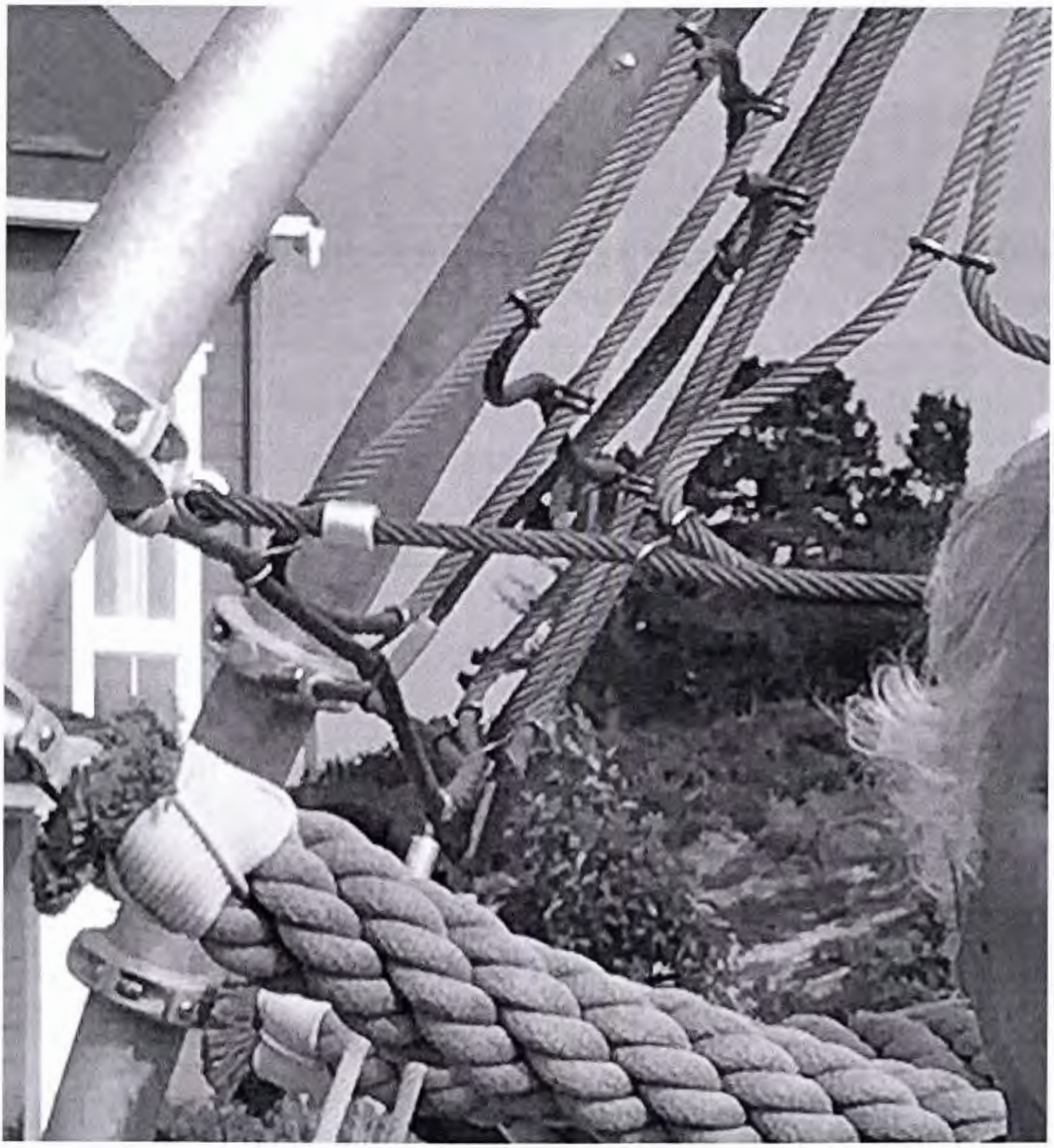
From: Jeff Dee <jffdee@att.net>
Sent: Tuesday, September 08, 2020 2:55 PM
To: CalAmMonterey@coastal
Subject: Water

We don't want nor need cal-am and there deceptive business practices and want a more economical sound resource!! NO ON DRILLING!!!

Sent from my iPhone

Luster, Tom@Coastal

From: Cheryl DeGier <j.degier@att.net>
Sent: Tuesday, September 08, 2020 3:51 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit



Dear CA Coastal Commissioners, Executive Director John Ainsworth, and Staff:

We are writing to ask you to deny the CalAm Slant Well project. We moved to Marina so we could be near this beautiful coastline. Please heed your duty to preserve it.

The CalAM desalination plant would damage our water and our dunes, with an industrial site on our pristine coast. And the result? CalAm would take Marina's water, without water rights, and provide it to other cities on the peninsula, not Marina.

Marina is a diverse low income community, where a majority of the population is non-white. We oppose this discriminatory land use policy. The wealthier communities should not take our town's water!

Pure Water expansion is the least environmentally damaging choice. Please save the snowy plover. We love walking on Marina's beach line and seeing this amazing bird and all the other wildlife and beauty. Save our town, save our water, and save our coastline.

Please deny the CalAm Slant Well project!

Thank you,

Cheryl & Joe de Gier

Luster, Tom@Coastal

From: Susan Morse <smorse21st@gmail.com>
Sent: Tuesday, September 08, 2020 3:24 PM
To: CalAmMonterey@coastal
Subject: Deny CalAm's Desal proposal

Dear Commissioners,
Please resist CAlAm's backroom pressure, deny the desal proposal, as is recommended in the report of your staff.
Desal is expensive, involves questionable environmental processes, and is not necessary in Monterey county. We are an earnest community who can save and reuse water, and don't need a lot of growth, especially in light of the covid and post covid era we need to shift into.
We have voted to get CAl Am out of the picture, please honor our votes and our wishes.
Susan Morse
Carmel, CA 93923

--

Susan C. Morse

smorse21st@gmail.com
831 915-8691

Luster, Tom@Coastal

From: Sylvia Shih <58eugenia58@gmail.com>
Sent: Tuesday, September 08, 2020 2:49 PM
To: CalAmMonterey@coastal
Subject: Deny Cal Am's Desal Project

Dear Commissioners,
I am writing to you again to request a Deny of Cal Am's Desal Project.
Aside from all the reasons presented by your staff report, I found CAL AM tricking the rate payers into supporting its Desal Project. Herald has published my letter to the editor.
It is inline here to show one more reason to deny Cal Am's desal project.

Monterey Herald • September 8, 2020

Suspicious of postcard ask

A black and white large postcard came to me and my neighbors in Seaside asking us to write to the California Coastal Commission (CCC) to support the Monterey Peninsula Water Supply Project. The postcard made me feel suspicious. Upon checking, I realized it is asking me to write to CCC to support the desalination project of California American Water.

The cost of water of the proposed desalination project is more than three times the cost of water produced by recycling. The postcard is attempting to mislead its readers to write to CCC to support desalination.

I wonder how many unknowing readers have been misled. I also wonder why Cal Am would not come out openly to tout its desalination project which it has been pushing hard everywhere.

Sylvia Shih, Seaside

Luster, Tom@Coastal

From: Leland R Smith <gloriousvista@yahoo.com>
Sent: Tuesday, September 08, 2020 2:41 PM
To: CalAmMonterey@coastal
Subject: deny the desal plant

Please find it in your heart, and our pocket books, to deny the desal plant that is too expensive, does not help the community with property taxes if it affects sales of homes and the Pure Water saving method is working.

Leland Smith

I have lived in Carmel Valley for 36 years. When I moved here I think I was paying $20 a month for water. I was not wasting water even during the 80's.

Luster, Tom@Coastal

From: kristin@worldcitizen.cc
Sent: Tuesday, September 08, 2020 2:39 PM
To: CalAmMonterey@coastal
Cc: Sylvia Shih
Subject: Re: Cal Am's Desal Project

Done!
Love,
Kristin

On Sep 8, 2020, at 2:37 PM, kristin@worldcitizen.cc wrote:

Dear Coastal Commission,

Please!
We don't need Cal Am's oversized, over priced desal project to solve our future water supply needs.
What do we owe Cal Am - who have given us only the highest water rates in the country??

First of all, Cal Am's Desal project is certainly not in the public interest.

Secondly, there is an alternative!
One that is not only feasible, environmentally preferable and more than adequate for the Penninsula's water needs. Also, it is much more affordable:

It's Pure Water Monterey Expansion plan:

Our new water supply from Pure Water Monterey – Phase 1 (3,500 acre-feet) will allow us to restore the Carmel River and stop illegal withdrawals by December 2021.

The environmental issues facing the Carmel River are resolved without Cal Am's desal.

This is MUCH more in our interest and to our benefit than Cal Am could ever be.

Respectfully,
Kristin Ramsden

*:...:**:...:*:...:**:...:*
Kristin Ramsden
kmramsden@gmail.com

<PastedGraphic-12.tiff>

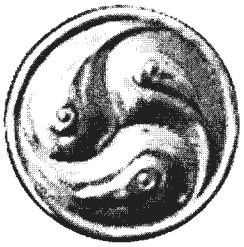
Constant change
...for the better....
*:...:**:...:*:...:**:...:*

32 Miramonte Rd.
Carmel Valley, Ca.,
93924 USA

mobile: 207-208-7888
landline: 831-659-7888
*:...:**:...:*:...:**:...:*

*:...:**:...:*:...:**:...:*
Kristin Ramsden
kristin@worldcitizen.cc

"Really nothing is worse....
than not to try to gain an understanding
of every kind of human feeling
and human sensation and human life."
~ Rudolf Steiner



Constant change
...for the better....
*:...:**:...:*:...:**:...:*

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Carmel Valley, Ca.,
93924 USA

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*:...:**:...:*:...:**:...:*

Luster, Tom@Coastal

From: kristin@worldcitizen.cc
Sent: Tuesday, September 08, 2020 2:38 PM
To: CalAmMonterey@coastal
Subject: Cal Am's Desal Project

Dear Coastal Commission,

Please!
We don't need Cal Am's oversized, over priced desal project to solve our future water supply needs.
What do we owe Cal Am - who have given us only the highest water rates in the country??

First of all, Cal Am's Desal project is certainly not in the public interest.

Secondly, there is an alternative!
One that is not only feasible, environmentally preferable and more than adequate for the Penninsula's water needs. Also, it is much more affordable:

It's Pure Water Monterey Expansion plan:

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The environmental issues facing the Carmel River are resolved without Cal Am's desal.

This is MUCH more in our interest and to our benefit than Cal Am could ever be.

Respectfully,
Kristin Ramsden

*:...:**:...:*:...:**:...:*
Kristin Ramsden
kmramsden@gmail.com



Constant change
...for the better....
:. . . : *:. . . :* :. . . :* *:. . . :*

32 Miramonte Rd.
Carmel Valley, Ca.,
93924 USA

mobile: 207-208-7888
landline: 831-659-7888
:. . . : *:. . . :* :. . . :* *:. . . :*

Luster, Tom@Coastal

From: Marlene Johnson <mjohnson9158@sbcglobal.net>
Sent: Tuesday, September 08, 2020 2:32 PM
To: CalAmMonterey@coastal
Subject: CalAm's Desal Proposal

Dear CalAm Constituents,

I received a flyer in the mail announcing the intent of CalAm to undermine the integrity of Marina's groundwater basin. If this information is accurate, I wish to add my voice to the opposition of this proposal.
Born in Monterey, Marina is home to me and my family. You can understand our concern for the future of our children, our city, and our community.

Respectfully,
Marlene Johnson
mjohnson9158@sbcglobal.net

Luster, Tom@Coastal

From: Mark Poehner <markpoehner@icloud.com>
Sent: Tuesday, September 08, 2020 2:30 PM
To: CalAmMonterey@coastal
Subject: No Desalination Plant

Living on the Monterey Peninsula for 26 years, I am aware of the water supply needing care and conservation. There is no room for waste. Yet a combination of factors leads to mismanagement and waste: it is a paradise of arid beauty, cool weather and welcoming social groups, although some are elitist and exclusive. The combination has severe maladaptive behaviors. The natural beauty entices tourists to a lucrative hospitality indeed which neither educates nor rations water. The Departament of Defense had two facilities that bring personnel from areas that don't have droughts and don't educate their personnel on water usage. And there's a huge surplus of golf courses.

On top of that, residents have been saddled by an unscrupulous private company that wants to profit by addressing the so-called "shortage" by building a facility that will contaminate Monterey Bay, the regional environment and agricultural lands. This company's marketing efforts are deceitful, and add to the expenses that they pass on to already abused customers.

Please vote against the desal plant.

Thank you,
Mark Poehner

Luster, Tom@Coastal

From: Marikay LeValley <marikaylevalley@gmail.com>
Sent: Tuesday, September 08, 2020 2:19 PM
To: CalAmMonterey@coastal
Subject: Desal

Dear Coastal Commissioners,
Thanks for all you do to protect our unique and valuable coast. I would like to encourage you to deny a coastal permit for Cal Am's desal plant.
The Pure Water Monterey Expansion program is a more affordable and environmentally smart way to go. I live on the Carmel River and have seen the depletion of steelhead over the decades. We can do more to preserve our resources by using wisely what's already here and not creating a new set of negative consequences incurred by desal.
Thanks again,
Marikay LeValley

Luster, Tom@Coastal

From: james rogers <jrogers@garlic.com>
Sent: Tuesday, September 08, 2020 2:18 PM
To: CalAmMonterey@coastal
Cc: Andy; Amy Rogers
Subject: Deny Cal Am's Desal Project

Dear Sirs:

We own a home in Pacific Grove that my son's family lives in. We feel very strongly that all water systems should be publicly owned. Please deny Cal Am's application for a desalinization plant. We understand this is a very complex decision, but beg you to vote in favor of the water users, not a profit-making corporation.

Jim and Connie Rogers
7690 Santa Theresa Drive
Gilroy, CA 95020
408-842-8494

Luster, Tom@Coastal

From: Nina Harrison <niharrison@aol.com>
Sent: Tuesday, September 08, 2020 2:16 PM
To: CalAmMonterey@coastal
Subject: Desal Plant

We do not need a desal plant. Please do not allow it. CalAm is about making money.
NinaJarrison

Sent from my iPhone

Luster, Tom@Coastal

From: lhschwabe@aol.com
Sent: Tuesday, September 08, 2020 11:12 AM
To: CalAmMonterey@coastal
Subject: Desal

I was an engineering member of a 12,000,000/day desal plant. What a disaster besides consuming 100,000 horsepower (aren't we supposed to be a green state???), the maintenance costs are astronomical, the membranes have a short life and the equipment is huge the pumps we used were 10' tall, prone to fail and have enormous costs to repair.

There are much more environmentally sounds sound ways to supply our water needs.

The only reason Cal Am wants a desal plant **is GREED,.** Per law a contractor is allowed to charge 10% overhead and **10% profit** so the more expensive the project the more they make.

What a ripoff to the consumers who would see are costs for water sky rocket.

Lester Schwabe

Luster, Tom@Coastal

From: Sandra Gray <sandrag394@gmail.com>
Sent: Tuesday, September 08, 2020 2:06 PM
To: CalAmMonterey@coastal
Subject: Deny CAL-AM desalination project

Please deny the CAL-AM desalination project. It is not the best project for our areas needs. Expand the Pure Monterey Now Project. It is ready to go and will cost less and save water. --

Sandra Gray

Redbubble to view and buy art and photos

Luster, Tom@Coastal

From: HELEN BILL BIRDSONG <helenbirdsong@comcast.net>
Sent: Tuesday, September 08, 2020 1:58 PM
To: CalAmMonterey@coastal
Subject: deny Cal Am's desal permit

I am voting that Cal Am's desal permit be denied.

Helen Birdsong
231 Pheasant Ridge Road
Del Rey Oaks 93940
Home owner

Luster, Tom@Coastal

From: Alan Vavrin <avavrin@sbcglobal.net>
Sent: Tuesday, September 08, 2020 1:54 PM
To: CalAmMonterey@coastal
Subject: Deny CalAm

I am against CalAm project, the alternative addresses the needs of the public. CalAm is looking at future profit returns and ignoring the costs to communities who would have carry the burden of affordable water.

This is not in the interest of the people!

Sent from my iPhone

Luster, Tom@Coastal

From: Judy Refuerzo <carmelspinone@me.com>
Sent: Tuesday, September 08, 2020 12:53 PM
To: CalAmMonterey@coastal
Subject: Deny Cal Am's desal permit

Dear Coastal Commissioners,

Please deny Cal Am's desal permit. Cal Am desal project is not in the best interest of our peninsulas environment and not the answer to our affordable housing.

Pure Water Monterey is a superior alternative.

Please do what is right for our environment and our future generations. - Deny the desal permit.

Judy Refuerzo
Carmel by the Sea

Luster, Tom@Coastal

From: Pat Creese <pat.creese@hotmail.com>
Sent: Tuesday, September 08, 2020 12:46 PM
To: CalAmMonterey@coastal
Subject: de sal

Please vote to DENY the desalinazation plant.

Big money from Cal Am should not dictate your vote.
Please do the right thing for all of us.

Thank you

Pat Creese
Martin Road
Carmel,
Ca.

Sent from Mail for Windows 10

Luster, Tom@Coastal

From: Carole Ehrhardt <ehrhardtc@gmail.com>
Sent: Tuesday, September 08, 2020 12:44 PM
To: CalAmMonterey@coastal
Subject: Lies by Cal AM

We are really tired of hearing all the lies coming from Cal Am. When we citizens first tried to purchase the company, we were bombarded with very clever, but misleading, statements on this "important wonderful company". Enough people believed them. For the next election, those same lies were not believed as rates again were raised so that Cal Am customers pay the highest rates in the nation. The company spends money each day with radio ads telling us how wonderful they are. Unfortunately, repairs to an aging infrastructure are ignored. We did learn that 19 million dollars were paid to their stockholders and we have no clue how much goes to the executives.

Our second vote authorized us to purchase the company. Of course this "cash cow" is gold to Cal Am and they will fight with their attorneys to keep this lucrative company.

We now have recycled water to last for decades. We do not need or want the expensive desal treatment plant with the expense added to our already high bills. Affordable water should be a right. Not all local citizens will be able to afford water at the rates Cal Am will charge.

Please deny Cal Am's request for the desal plant. Thank you.

Sincerely,

Carole Ehrhardt

--

Carole Ehrhardt
P.O. Box 243
Pebble Beach, CA 93953

Luster, Tom@Coastal

From: John Bird <jbnapa1@gmail.com>
Sent: Tuesday, September 08, 2020 12:31 PM
To: CalAmMonterey@coastal
Subject: Deny Cal Am's Desal Project

Dear Commissioners,

I respectfully ask you to deny Cal Am's desal permit. This project is not in the public interest and there is an environmentally superior alternative in the expansion of Pure Water Monterey. Please consider this.

The Desal plant is not in the public's best interest.

Regards,
John Bird
70 Forest Ridge Rd
Monterey, CA 93940
Homeowner
831 920-6430

Luster, Tom@Coastal

From: MICHAEL MCMILLAN <mmcmillan@cypresshealthcare.com>
Sent: Tuesday, September 08, 2020 12:30 PM
To: CalAmMonterey@coastal
Subject: Deny Cal Am's Desal Project
Attachments: image001.png; image002.jpg

Dear Commissioners,

I have been a resident of the Monterey Peninsula area for 30 years, as well as a business owner for the past 26 years, employing over 550 people in more than 20 locations in Monterey County.

I strongly oppose Cal-Am desal project for financial and environmental reasons. Pure Water Monterey is a much better alternative.

It's absurd that Cal-Am over the years has raised rates, driving down demand/usage as intended, and then files for rate increases to cover the lost revenue. What a great business model – sell less of your product that customers can get nowhere else, resulting in reduced operating expenses, and then increase rates to cover the revenue shortfall. Too bad my business can use the same model.

I am in a 2-person household with all the latest water-saving fixtures and appliances, and I don't have a blade of grass on my quarter acre lot with drought resistant plants only watered by drip irrigation. Yet my monthly water bill is >$300 in the Winter and >$650 in the Summer.

PLEASE DENY CAL-AM's DESAL PROJECT!

Michael McMillan
Cypress Healthcare Partners
Central Coast MSO
Doctors on Duty
(O) 831.649.1000
(D) 831.242.8600
(M) 831.238.5210
mmcmillan@cypresshealthcare.com<mailto:mmcmillan@cypresshealthcare.com>

[signature_172942828][signature_639734718]
Confidentiality Notice: This is a transmission from the email systems hosted by Cypress Healthcare Partners. This message and any attached documents may be

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Luster, Tom@Coastal

From: Dianne Driessen <diannedriessen@yahoo.com>
Sent: Tuesday, September 08, 2020 12:29 PM
To: CalAmMonterey@coastal
Subject: Deny Cal Am's Desal Project

Cal Am's Desal Project is inconsistent with relevant Coastal Act and LCP policies and there is a a feasible, less damaging alternative from Pure Water Expansion that will adequately provide water and protect the public welfare. Please vote in accordance with the staff report to deny Cal Am's Desal Project. They have taken the time and done the work to evaluate the project. This was their job to do and they recommend that the project be denied.

Staff believes, after weighing the evidence in the record at this time, that the Pure Water Expansion is a feasible alternative to Cal-Am's Project, will allow Cal-Am to cease its illegal water withdrawals from the Carmel River and meet the region's water needs, and is the preferable, least environmentally damaging alternative. The Pure Water Expansion would also result in fewer environmental and economic burdens to the communities of concern within Cal-Am's service area, would avoid environmental burdens to the City of Marina, and appears to have fewer significant hurdles to clear before it could be implemented. It is important to note that the Commission does not have the authority to actually approve, or require approval of, the Pure Water Expansion project. Rather, the Commission's role is to determine whether Cal-Am's Project is Application 9-19-0918 / Appeal A-3-MRA-19-0034 (California American Water Co.) 4 consistent with relevant Coastal Act and LCP policies, whether there is a feasible alternative to the Project, and whether denial of the Project would harm the public welfare. Staff recommends finding that the Project is inconsistent with relevant Coastal Act and LCP policies and that the Commission may not approve the Project despite those inconsistencies because the PWM Expansion is a feasible, less damaging alternative that will adequately provide water and protect the public welfare.

Luster, Tom@Coastal

From: greg@gregsfineart.com
Sent: Tuesday, September 08, 2020 12:12 PM
To: CalAmMonterey@coastal
Subject: Cal-Am's Desal project.

Please deny Cal-Am's Desal project.

Greg Hanlon, homeowner, 672 Van Buren Cir., Monterey, Ca., 93940

Gabriella Ulloa
gulloa@csumb.edu

4th September 2020

California Coastal Commission
455 Market Street
Suite 300
San Francisco, CA 94105

Dear California Coastal Commission,

My name is Gabriella Ulloa and I am writing to express my thoughts regarding the Cal-Am desalination project. This project has sparked much controversy which is why I feel it is necessary for the public to voice their opinion. I am not a proponent of the Cal-Am desalination project and my arguments against the desalination plant are below. I am in support of the Pure Water Monterey Expansion Project.

First off, the desalination project presents economic concerns. The desalination plant would cost $2 billion dollars in total, at a rate of $6,000 per acre foot. The desalination plant costs around 2 to 3 times as much as the recycled water from the Pure Water Expansion Project. The desalination plant is also an expansion of an additional 2,250 ft and this expansion would cost $90 million. Cal-Am's Project unnecessarily provides excess water at a much higher cost so it is more reasonable to approve the project which will provide lower rates for customers, this being the Pure Water Monterey Expansion Project. It is important to consider the large majority of low-income ratepayers in this decision since the price of water has always been of concern in this area. Water is a basic necessity and should not be priced at such a high rate when there is an feasible, sufficient, and less expensive option provided by the Pure Water Expansion Project. It's a shame that nearby communities working in the local area can't afford to live here because of

poor water policy for decades and for this reason the Pure Water Expansion Project should be approved.

Secondly, Cal-Am's Project would emit an excessive amount of greenhouse gases in comparison to the Pure Water Expansion Project. The Desalination Project is expected to emit 4,990 metric tons of carbon dioxide per year; meanwhile, the Pure Water Expansion project is projected to emit a much smaller amount of carbon dioxide at a rate of 2 metric tons per year. This proves that the Pure Water Project is much less carbon intensive. The Pure Water Project is a much more environmentally sound choice because the recycling water plant purchases electricity from the Monterey Regional Waste Management District. The MRWMD utilizes biogas produced by the decomposition of waste material in the landfill to produce electrical energy, making this a more sustainable source of energy.

Finally, Cal-Am's Project would pose an environmental injustice by disproportionately impacting the community of Marina with the construction of the desalination plant in this city. Meanwhile, Marina would not be able to enjoy the benefits of the desalination plant since they are not a part of the service area. Marina is already an underserved community and was hoping to use the property at the CEMEX site for recreation and enjoyment instead of it being utilized by Cal-Am's Desalination Project. Equality for all people should be of great influence in this decision in order to create a more just society by lessening the strain in underserved communities.

I hope this letter impacts your decision in denying the construction of the plant. We need a water supply immediately and the Pure Water Expansion Project proves itself to be a feasible and less environmentally damaging option.

Sincerely,

Gabriella M. Ulloa

Luster, Tom@Coastal

From: Shirley Svetich <2shirleysvetich@sbcglobal.net>
Sent: Tuesday, September 08, 2020 12:08 PM
To: CalAmMonterey@coastal
Subject: 9/17/2020 Coastal Commission Hearing concerning CalAm's Desal Project

To the Members of the Coastal Commission Hearing,

My name is Shirley Svetich, and I have been a Marina manufactured home owner since July 2000. I am very concerned about CalAm's Desal Project in Marina, especially because of the study results. And, so should you if you really care about Marina and it's residents.

The following is mainly quoted from the City of Marina's report: Our water comes from Marina's groundwater basin, which is over-drafted, and CalAm's project wants to take up to 15 million gallons per day to supply Monterey Peninsula customers (of which we are not even included). The Stanford University study and other studies indicate that CalAm's desal project may deplete and/or contaminate our groundwater. If it is contaminated, the city of Marina may be forced to purchase water from CalAm, which is the highest price in the nation. Their project would threaten our coastal dunes, the wildlife habitat, and our beachfront recreation area.

These actions would be an unconscionable, over-reach, showing their desire and plan to have a monopoly control of water in this area (in spite of the evidence of being detrimental), and then be so money hungry as to charge their customers for their own water. Any just person could see that this is totally wrong.

I suggest they pursue an alternate solution: such as The Expansion of the Pure Water Monterey Project, which is capable of replacing CalAm's desal at a fraction of the cost and with no coastal impacts. It would use Monterey One Water's existing advanced water recycling facility to produce highly purified water, which is then stored in the Seaside Groundwater Basin for CalAm customers. This would not harm Marina's water supply, and it preserves use and enjoyment of our beautiful California coast.

I respectfully request that justice prevail by rejecting this CalAm Desal Project proposal.

Sincerely,

Shirley A. Svetich
Marina, CA 93933

Luster, Tom@Coastal

From: Yunuen <yuyudelcastillo@gmail.com>
Sent: Tuesday, September 08, 2020 12:07 PM
To: CalAmMonterey@coastal
Subject: Cal Am Desal permit

To whom it may concern:

I'm a Pacific Grove homeowner and longtime resident of Monterey county. I'm writing to let you know that I'm very concerned about the future of our water resources. Yes we need water, but we don't need this desal plant. There is a far better alternative. Expanding the Pure Water Monterey project is the most cost-effective and environmentally sound solution. Please deny Cal Am's desalination permit.

Thank you sincerely,

Yunuen Del Castillo
Sent from my iPhone

Luster, Tom@Coastal

From: Andy Walling <awalling@csumb.edu>
Sent: Tuesday, September 08, 2020 12:06 PM
To: CalAmMonterey@coastal
Subject: Marina Slant Wells: A Dishonest Project

To whom may have authority:

The fact that a privately owned company owns and has mismanaged a water utility, willfully violating the law for decades and overdrawing natural sources it was required to protect, now intends to annex a neighboring community's water supply to continue over-charging its customers is hard to accept. It is even harder to accept that it has gained this much support from politicians and big business, and it is taking community outrage to point out how wrong this is, both legally and ethically.

I am writing to point out something which should be obvious to even the most casual observer:

The proposed intention of this project is outright dishonest. If the goal is desalination of seawater, it is unnecessary to pervert an already overburdened overdrawn aquifer which is owned by another community. Cal Am has no right to the proposed location or the water which it is intending to use. The location already has been designated for other purposes by the local governing body. This manipulation is exploiting the desperation of one community and pitting it against another for a hostile land grab and takeover of another municipal water system.

This project is being marketed as if it is good for the community and the future. Nothing could be further from the truth. Overzealous development of this fragile coastal ecosystem has resulted in water shortage which threatens the future of this area. Further destroying of a floundering watershed next door is par for the course with CAL AM.

The desal initiative is clearly motivated by greed. Allowing the lack of accountability, competence, planning, and consideration for local ecology (let alone the LAW) by CAL AM which has resulted in this situation to be rewarded with such allowance would be a failure of local government and conscience.

There are other ways to solve the water issues faced by the peninsula communities without compromising adjacent watersheds.

Please stand against this hostile takeover of public resources by a private corrupt institution, and on the right side of history.

Look where else in CA that Desal has FAILED the community:
Avalon
Huntington Beach
San Diego

https://www.voiceofsandiego.org/topics/science-environment/desal-plant-producing-less-water-promised/

Andy Walling
Network Pathways Analyst
California State University Monterey Bay
100 Campus Ctr, Building 41
Seaside, CA 93955
(831)-582-3336

Luster, Tom@Coastal

From: Profile image Kevin OBrien <kmobrien1@sbcglobal.net>
Sent: Tuesday, September 08, 2020 11:56 AM
To: CalAmMonterey@coastal
Subject: Cal-Am Permit

Please deny Cal-Am's pending permit application before the board.

Thank you,

Kevin O'Brien
24520 #2 Outlook Drive
Carmel, CA 93923

Luster, Tom@Coastal

From: Patricia Marshall <pmarshall@redshift.com>
Sent: Tuesday, September 08, 2020 11:54 AM
To: CalAmMonterey@coastal
Subject: Deny the Cal Am Desal Plant Permit

I am a 30+ year resident of Pacific Grove. I've followed our water issues throughout this time. I am very much opposed to the Cal Am desalination plant. Yes, we need water, but we don't need Cal Am's desalination plant. There is a far superior alternative. Expanding the Pure Water Monterey project is the most cost-effective and environmentally sound solution. I urge you to deny Cal Am's desal plant. Your decision will affect the cost of water for decades to come. So too will your decision affect the well-being of our environment for years to come, perhaps even permanently. Thank you. Patricia Marshall

Luster, Tom@Coastal

From: Michael Baer <mgbisme@yahoo.com>
Sent: Tuesday, September 08, 2020 11:52 AM
To: CalAmMonterey@coastal; Luster, Tom@Coastal
Subject: Baer final comments again

I was told that comments should be sent as straight email rather than attachments so here they are again. Sorry for the burden, I know you are getting tons of comments, but I just want to ensure these words are seen by the Commission.

Regards,
Michael Baer

September 5, 2020

Dear Chairman Padilla and Commissioners of the CCC,

...and so, we come to the culmination of a long six-year process that I have been involved in every step of the way. I'm going to treat this letter as if I had 5 minutes to speak, to keep it under 1,000 words...

My name is Michael Baer. I was a resident of the Monterey Peninsula from August of 1982 until May of 2019... over 36 years. I moved to San Jose, the town I grew up in, in May of 2019 to help my ailing parents. I have remained active in the Monterey Peninsula Water Supply Project (MPWSP) despite the move. This is too important to me, and I have invested too much time and energy to stop merely by changing my address 70 miles north.

I first became involved in the local water issues in November of 2013, so I had already been at it a year, when I came to that fateful meeting in Half Moon Bay in November of 2014, where the Commission considered the decision of the test slant well permit, which was approved. Thus began an odyssey, and those Commissioners who have been around these last six years, probably recall me chasing you all over the state on this issue.

So here we are again... and likely for the last time.

Staff got it right, please deny the local coastal permit for the desal plant. Do your substantial part to bring this nightmare to a close.

There is so much wrong with this project which is amply and cogently covered in the staff report. You will no doubt be hearing the numerous arguments from many dozens of advocates commenting against the plant, as well as the handful of tired and misleading arguments from the proponents for the desal.

With so much to cover, the question is where to point the laser. I always try to add a novel perspective, or at least present in a novel way, to actually add value to your deliberations. What can I say now that we have reached this point?

I want to talk about the other side, the business and political allies that Cal Am has cobbled together for support.

On the political side, you "old timers" will recall, that a JPA was formed called the Monterey Peninsula Regional Water Authority (MPRWA) comprised of the six Peninsula mayors from the six Peninsula cities (Monterey, Seaside, Carmel, Pacific Grove, Del Rey Oaks, and Sand City). The fact that a community of less than 100,000 people is divided into six city jurisdictions (not to mention an additional nearly ten thousand county residents within Cal Am's borders) is one of the main reasons Cal Am can create so much mischief. There are so many different stress points they can exploit politically and financially.

The MPRWA was often referred to as "the mayors authority" and it was the brainchild and chaired by Jason Burnett, who was the mayor of Carmel; a young aspiring politician; grandson to David Packard of Hewlett/Packard, nephew to Julie Packard, the director of the world renowned Monterey Bay Aquarium. He developed a unanimous coalition of all the mayors, with the mission to unify the Peninsula to meet their long-standing problems of sufficient, sustainable water supply and resolve the CDO from the SWRCB to reduce the draw from the Carmel River.

Jason Burnett admitted more than once publicly that the "mayor's authority" had no actual authority. They were not beholden to their respective city councils nor the constituents who voted them to office. They simply worked as self-appointed lobbyists to help resolve the water supply problem in their self -perceived interests, which coincidently aligned with Cal Am wholeheartedly.

As previously mentioned, there was no representation for the county residents in unincorporated Carmel Valley, Carmel Highlands, or Pebble Beach, nor any other unincorporated areas in Cal Am's district.

Do you want to know who else wasn't at the table? Every single person who has been clambering before you to kill the project for the last six years.

I think it's instructive to note that not a single one of the six mayors on the MPRWA who came to you in 2014 was an elected official after the 2018 election. Some retired, and some were defeated. The first to leave was Jason Burnett himself, who retired in 2016 and took his family to Washington D.C.

That is the political side of the story, but there's also the commercial interests. Hospitality, Real Estate, and the local Chambers of Commerce make up the lion's share, but there are other smaller, sometimes non-profit interests, who support Cal Am. Salinas Valley Agriculture is the largest business sector in the County; they support Cal Am too, even though they are entirely outside the boundaries of Cal Am's customer base. Why do they care so much, and flex their muscles? I'm not entirely sure.

But I submit to you that every single proponent for the project, from those listed above, to Paul Bruno of MPE which has a multi-million dollar contract to trench the pipelines, to Castroville Services District, which would receive water at about 2 cents on the dollar to produce it, to low wage employees of the hospitality industry who will tell you they need that water so they can have a job...

All of them, every one, if you dig deep enough you will find they receive some financial benefit, while very few of them will see the cost on their water bill as residents, because few are residents within the Cal Am district.

This is the debate before you. Staff has laid out beautifully all the reasons why this project is fatally flawed. We've been saying it for the last several years.

Thank you for your service, your time, and your consideration.

Sincerely,

Michael Baer

Luster, Tom@Coastal

From: Andrew <allison.aa@gmail.com>
Sent: Tuesday, September 08, 2020 11:47 AM
To: CalAmMonterey@coastal
Subject: Desal project

CalAm has been heavily lobbying the Commission with extraordinarily misleading misinformation.
There already exists a much more cost-effective solution to the water supply problem, namely the expansion of Pure Water Now.
Staff has rightly recommended denial of the desal project, which has very little chance of meeting being completed and the Board should protect ratepayers its cost.
Andrew Allison
25420 Via Cicindela
Carmel, CA 93923

Luster, Tom@Coastal

From: Patric Zito <przito@gmail.com>
Sent: Tuesday, September 08, 2020 11:46 AM
To: CalAmMonterey@coastal
Subject: Desal Permit

Please do deny CalAm's desal permit and favor the more environmentally friendly alternative project.
Thanks

Sent from my iPhone

Patric

Luster, Tom@Coastal

From: Kevin Raskoff <kraskoff@gmail.com>
Sent: Tuesday, September 08, 2020 11:40 AM
To: CalAmMonterey@coastal
Subject: Deny Monterey Desal Project

Commissioners,
As a resident of Del Rey Oaks, and part of the service area of California American Water Co. water in the Monterey Bay area, I would like to urge you to deny Cal Am's request for the local desalination project.

Cal Am's strong lobbying aside, the data clearly shows that the expanded Pure Water wastewater treatment options should be completely built out before any desal is attempted in our area. There are many economic arguments for this choice but as a marine biologist, I would like to highlight the huge environmental toll that the desal project would pose from the massive power requirements and complex brine dilutions. If (when?) the brackish intake water fails to provide the needed flow to fully dilute the brine to ocean salinities, what will happen to the outflow going into the Monterey Bay National Marine Sanctuary? Either the desal will significantly be restricted, or the hypersaline brine will be released into the bay.

We have better, cheaper, more sustainable, and lower-hanging fruit to try before any desalination should be attempted in Monterey. We need to allow for a few years of data collection with full wastewater reclamation before following this path. All current estimates show that we will have the water needed to abide by the Carmel River restrictions and meet the region's needs without desalination. Shouldn't we all try this first?

Thank you for your time,
Kevin Raskoff

Luster, Tom@Coastal

From: tward74058 <tward74058@aol.com>
Sent: Tuesday, September 08, 2020 11:36 AM
To: CalAmMonterey@coastal
Subject: Desal

Please do not allow Cal Am Water to persuade you to keep their stockholders happy. We need affordable, reliable water and a public water utility that will care about the consumer.
Thank you,
Tim Ward

Sent from my Verizon, Samsung Galaxy smartphone

Luster, Tom@Coastal

From: Tony T. <t.tollner@yahoo.com>
Sent: Tuesday, September 08, 2020 11:31 AM
To: CalAmMonterey@coastal
Subject: Cal Am Desal

Coastal Commissioners,

I have lived here for 35 years and during that entire time, Cal Am has been promising a new water source.
They have yet to deliver.

Pure Water Monterey has proven itself to be a viable alternative and the logical option when it comes to reducing our pumping of the Carmel River basin.

Cal Am's desal plant concept is overpriced, well past its "due date" and bad for our community.

Please deny Cal Am's request for a desal plant and stick with the Proven alternative.

Thank you,
Tony Tollner

This is from my phone and sometimes, Siri and/or my thumbs don't cooperate. Please excuse any typos. Thanks,

Luster, Tom@Coastal

From: Susan <achasta@gmail.com>
Sent: Tuesday, September 08, 2020 11:22 AM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

Dear California Coastal Commissioners, Executive Director John Ainsworth and staff,

My husband and I own a home in Marina. I am a retired faculty member having taught at CSUMB for 15 years. I am still a practicing archaeological consultant and have a background in the history of Monterey County and I understand the environmental challenges to the region. My husband, Jonathan Nasaw, and I oppose the slant wells that are under consideration by the Commission.

As citizens of Marina, we ask that you please deny this harmful project. Thank you!

Please read the following scientific evidence from Citizens for Just Water. We do not want this project. We are adamantly opposed.

CalAm has no groundwater rights and the experimental Slant Well extraction of groundwater will cause further harm to an aquifer in overdraft. Cal Am's desal project relies on using Marina's groundwater to feed their experimental desalination project for the Monterey Peninsula Water Supply Project. Cal Am does not have water rights to this water. A Stanford groundwater study shows that this project will cause harm to the aquifer which is already identified as "critically over drafted". The project will impact our beaches and federally recognized threatened wildlife but serve no water to Marina. Our community was not asked if we

wanted this project. It is being forced on our less wealthy community to serve the peninsula hospitality and real estate interests.

Please stop this injustice!

Respectfully,
Susan Morley, MA., RPA

Luster, Tom@Coastal

From: Ron Weitzman <ronweitzman@redshift.com>
Sent: Tuesday, September 08, 2020 11:15 AM
To: CalAmMonterey@coastal
Cc: waterplus@redshift.com
Subject: Water Letter in Today's Herald

Suspicious of postcard ask

A black and white large postcard came to me and my neighbors in Seaside asking us to write to the California Coastal Commission (CCC) to support the Monterey Peninsula Water Supply Project. The postcard made me feel suspicious. Upon checking, I realized it is asking me to write to CCC to support the desalination project of California American Water.

The cost of water of the proposed desalination project is more than three times the cost of water produced by recycling. The postcard is attempting to mislead its readers to write to CCC to support desalination.

I wonder how many unknowing readers have been misled. I also wonder why Cal Am would not come out openly to tout its desalination project which it has been pushing hard everywhere.

— *Sylvia Shih, Seaside*

Luster, Tom@Coastal

From: Kathryn Maurer <bitsyrn@sbcglobal.net>
Sent: Tuesday, September 08, 2020 11:15 AM
To: CalAmMonterey@coastal
Subject: Deny Cal Am's Desal Project.

Commissioners,

I can not urge you strongly enough to deny Cal Am's desal permit.This project is not in the public interest and there is an environmentally superior alternative in the expansion of Pure Water Monterey.

Pure Water Monterey is the superior choice as it is already in operaton with Phase 1. It will give us the additional water we need to stop illegal diversions from the Carmel River by the December 2021 deadline. By expanding Pure Water Monterey would give us the water we need for growth. And it would lift the moratorium much sooner than Cal Am's desal.

FACTS:
After December 2021, only 3,376 acre-feet (AF) of water can be legally taken from the river. But because of the 3,500 AF of new water available from Pure Water Monterey, we can meet that deadline with a surplus. This will stop the illegal withdrawals and protect the River.

The decades long environmental problem on the Carmel River will be solved not by the disastoris Cal Am desal plan but with an enviromentally sound Pure Water Now plan.

FACTS:
If the Pure Water Monterey Expansion of 2,250 AF were added to the current 3,500 AF from Pure Water Monterey – Phase 1, along with our legal River withdrawal of 3,376 AF and other available sources, the total available would be 11,700 AF. We only use 9,825 AF annually. That would lift the CDO and give us 1,875 AF of surplus water for growth. If history is any indicator this will give us enough water for a minimum of 20 to 30 years.

Please deny Cal Am's Desal Project on Sept 17.

Thank you,

Kathryn O Maurer
Pacific Grove, CA.

Luster, Tom@Coastal

From: Jerry Takigawa <jerry@takigawadesign.com>
Sent: Tuesday, September 08, 2020 11:12 AM
To: CalAmMonterey@coastal
Subject: Deny Cal Am's Desal Project.

Dear Commissioners,

I respectfully submit that Cal Am's Desal Plant be denied at the upcoming September 17th meeting. I agree with the Coastal Commission's Staff Report reasoning to deny such a solution.

Sincerely,

Jerry Takigawa

Jerry Takigawa
Takigawa Design
225 Cannery Row Ste 22
Monterey, CA 93940
831-372-7486
831-601-9600 M
takigawaphoto.com
takigawadesign.com

Luster, Tom@Coastal

From: Maxine Reneker <mreneker@pacbell.net>
Sent: Tuesday, September 08, 2020 11:11 AM
To: CalAmMonterey@coastal
Subject: Desalination Plant

I am writing to ask you to deny the permit Cal Am is requesting for a desalination plan to supply water to the Monterey peninsula.

I recently received a card from Cal Am, which is full of misinformation, and is typical of the kind of publicity they have been sending out, full of data that is mis-interpreted. For many years, they have been negligent in providing appropriate sources of water to the peninsula. I believe they want the desalination plant to greatly increase their assets in order to make it harder for rate payers to buy them out, as much as to provide water for the peninsula.

I have lived on the peninsula for over 25 years, and have watched their poor record, and increasing water rates.

Please deny their request for a permit for the desal plant.

Maxine Reneker
740 Dry Creek Road
Monterey CA 93940

Sent from Mail for Windows 10

Luster, Tom@Coastal

From: Bobby Latino <bobbylatino17@gmail.com>
Sent: Tuesday, September 08, 2020 11:08 AM
To: CalAmMonterey@coastal
Subject: Cal Am Desal Permit

Commissioners,
I urge you to deny Cal Am's permit for a desal plant as it provides the burden of cost onto existing customers. Right now economically is not a time to a to put more of a financial burden onto customers. As is, the customers pay already some of the highest rates in the nation and these customers also happen to be some of the most water conservative customers in the nation as well. Why punish these customers? Represent what is right by the customers and your constituents.

Sincerely,
Robert Latino
5 Cummings Drive
CV, CA 93924

Sent from my iPhone

Luster, Tom@Coastal

From: billie lee brown <billielee45@gmail.com>
Sent: Tuesday, September 08, 2020 11:07 AM
To: CalAmMonterey@coastal
Subject: Please deny Cal Am permit

Please deny Cal Am's desal permit.This project is not in the public interest and there is an environmentally superior alternative in the expansion of Pure Water Monterey.

They do not have our community's interest in mind, only profit.

thank you,
Billie Brown
410 Congress Ave, Pacific Grove, CA 93950

Luster, Tom@Coastal

From: Nancy Green <ngreen1897@aol.com>
Sent: Tuesday, September 08, 2020 10:55 AM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

This letter is in support of the Pure Water Monterey Expansion project as the superior alternative to Cal-Am's slant well desalination project. The PWM Expansion project cost far less than desal, is less harmful to our precious environment and will supply water faster.

Continuing forward, I will emphasize a few rebuttals to the Carmel Steelhead Association (CSA) argument for the desal plant against PWM Expansion.

The CSA made many false claims beginning with the amount of water the various water sources will produce. CSA claims if there is no desal plant, the Monterey Cal-Am district will be 2,000 afy short of water,however this is false because we will be 500 afy in surplus.

CSA claims the Monterey One Water board voted twice not to approve the EIR for the PWM Expansion Phase II. This is false because the vote to certify failed and the vote not to certify also failed, both with an 11 to 10 weighted vote.

CSA claims the desal plant is expandable while the PWM Expansion is not expandable.and that the volume is not guaranteed. This is false because the PWM Expansion amounts to 2,250 afy of expansion and the water is guaranteed! In Phase 1 of the PWN project, the Carmel River will be restored by taking less water mandated by the California Water Resources Control Board and by taking less water it helps to restore the steelhead.

As a resident of the Monterey Peninsula for over fifty years and a retired attorney, I find the CSA's claims misleading, discrediting and an attempt to obscure the facts.

Sincerely,

Nancy W Green,
Attorney at Law, ret'd

Luster, Tom@Coastal

From: v. wayne thompson <vwayne.thompson@live.com>
Sent: Tuesday, September 08, 2020 10:44 AM
To: CalAmMonterey@coastal
Subject: Denial of California American Water's Application for a Coastal Development Permit

To: California Coastal Commission Chair, Commissioners and Staff

I hereby urge the California Coastal Commission (Commission) to NOT approve California American Water Company's request to proceed with their planned desalination plant. Not only do I feel a great lack of trust in the manner in which this company has executed the planning and testing aimed at securing approval for this plant, but I also believe that a viable alternative to this plant exists that better serves the interests of all of the citizens of the entire Monterey peninsula community.

Having worked for over 45 years for a large engineering and construction company, I have extensive experience in the specification, design and construction of complex mechanical equipment and systems. I have learned (often the hard way) that it is not sufficient to merely trust that suppliers of equipment or services can satisfy the requirements established for a project based on the typically brief statements made in their proposals. Verification of the credentials of a supplier, both technical and commercial, are paramount. All work being tendered must be fully specified and the performance of the equipment and attendant systems must be clearly stated and backed up by a written warranty. Above all, the supplier must provide references for past work performed that will fully corroborate successful performance on past projects similar to the one being proposed.

In my review of literature available to the general public regarding the design and specification of the proposed CalAm desal plant, I find that little specific information has been presented both for the drilling of the extraction wells and for the design and operation of the desal plant itself. The company selected to drill the extraction wells for the CalAm desal project has limited experience in drilling slant wells in the environment and for the overall capacity associated with this project. Again, as I have learned in my work experience, bigger is different. The test wells that were drilled for the purpose of confirming the viability of the drilling technology did not correctly follow the planned methodology nor did the results address all of the required performance criteria. I do not find the proposal for the planned desal plant to be worthy of acceptance without additional testing and verification of the full specifications defining the design, engineering and "warranted" performance of the entire plant.

Fortunately, there is a viable alternative to the proposed CalAm desal plant. The alternative is the Expansion of the Pure Water Monterey (PWM) water reclamation plant. The base PWM plant, capable of producing 3500 acre-feet of highly purified reclaimed water, has been built and is in commercial operation. The PWM Expansion would produce an additional 2250 acre-feet of water which, along with approved draws from other sources, should more than satisfy the current and future water consumption requirements for the areas served by CalAm, based on accepted water consumption forecasts. The PWM Expansion project provides a host of advantages when compared to the CalAm desal plant. Both initial construction costs and ongoing operation costs would be substantially less for the PWM Expansion project than for the CalAm desalination plant project. This will equate to much lower costs for the ratepayers (of which I am one). Finally, the negative impact on the environment will be much less for the PWM Expansion as compared to the CalAm desal plant; much less air and water pollution; less visual pollution at the coastline, and less seawater intrusion into the aquifers presently supplying groundwater to the surrounding communities.

Thank you for your consideration.

Victor Thompson
Carmel, CA 93923

Luster, Tom@Coastal

From:	Ron Weitzman <ronweitzman@redshift.com>
Sent:	Tuesday, September 08, 2020 10:34 AM
To:	CalAmMonterey@coastal
Cc:	Luster, Tom@Coastal
Subject:	Evaluation of the Ground Water Modeling for the Cal Am Monterey Peninsula Water Supply Project
Attachments:	GeoHydroScienceWRAMPrptAugust14 .pdf

Coastal Commission:

For your consideration in making your decision on granting or denying approval of Cal Am's application for a coastal development permit, I am submitting the attached **Evaluation of the Ground Water Modeling for the Cal Am Monterey Peninsula Water Supply Project** by hydrogeologist Barbara Ford, who specializes in modeling. I originally consulted with Ms. Ford to help me find out how data used in modeling might have been altered to produce the negative correlation (-0..45) between estimates and errors I discovered in the Geoscience data on the 180-foot aquifer. I learned that the alteration occurred in the "adjustment" of what hydrogeologists call "parameters" – which are the values of what statisticians call independent variables used in modeling to make estimates of dependent variables, in this case water levels. It is that adjustment, made to reduce error variation, that created the negative correlation I observed. An error, by definition, is the portion of a measurement that a model cannot estimate and so errors should have no correlation with estimates. Ms. Ford was so helpful and had devoted so much time to her study of the MPWSP modeling that I asked her to write a report for Water Plus evaluating that modeling. The attached evaluation is her report (14 August 2019).

Most respectfully,

Ron Weitzman

President, Water Ratepayers Association of the Monterey Peninsula (aka Water Plus).

Evaluation of the Ground Water Modeling for the Cal Am Monterey Peninsula Water Supply Project

Prepared for Dr. Ron Weitzman, President
of the
Water Ratepayers Association of the Monterey Peninsula

Prepared by Barbara Ford, PE*, GeoHydroScience llc

August 10, 2019

*CO

1.0 Introduction

1.1 GeoHydroScience Objective

Modeling is essential for accurate prediction of the environmental impact of proposed slant well pumping in the California-American Water Company (Cal Am) Monterey Peninsula Water Supply Project (MPWSP). That project underwent two draft environmental impact reports (EIRs), one in 2015 and one in 2017.[1] Each report contained an appendix on modeling identified as Appendix E2. The first was prepared by Geoscience Support Services, Inc. (Geoscience) and the second by HydroFocus Inc. (HydroFocus), collectively referred to as the consultants. I have been informed by Dr. Weitzman of the following:[2]

> The second (H-E2) was created at least partly in response to critical comments on the first (G-E2) by Dr. Ron Weitzman, president of Water Plus, a party to the proceeding on MPWSP. The final project EIR contained H-E2 and a chapter (Chapter 6) consisting of responses to critical comments on the second draft, including comments by Dr. Weitzman on H-E2. According to Dr. Weitzman, the California Public Utilities Commission has not held any evidentiary hearings on the second draft or the Chapter 6 responses in the final EIR. Because Dr. Weitzman considers the EIR modeling to be seriously inadequate, as well as professionally uncontested, he has filed a lawsuit challenging the usefulness of the EIR to determine the environmental impact of MPWSP.

Under these circumstances, for assistance in that suit, Dr. Ron Weitzman has hired Barbara Ford, PE[3] of GeoHydroScience llc, as an expert in hydrogeology and modeling to review both G-E2 and H-E2, and write a report.

1.2 Information Reviewed

Because of the short timeframe as a consequence of Dr. Weitzman's communicated difficulty in acquiring assistance in California as a consequence of conflicts of interest, my review was necessarily limited to only the documents identified below:

- Water Ratepayers Association of the Monterey Peninsula and the State of California Amended Complaint for Damages and Civil Penalty and Demand for Jury Trial, Case No.:16CV001561, Draft April 12, 2019.

[1] Communication with Dr. Weitzman on August 8, 2019.
[2] Ibid.
[3] Barbara Ford, author of this report is a licensed Professional Engineer in Colorado and Arizona.

- Geoscience Support Services, Inc. April 17, 2015. Appendix E2 Monterey Peninsula Water Supply Project Groundwater Modeling and Analysis. Prepared for California American Water and Environmental Science Associates. It includes Appendix A - Luhdorff and Scalmanini, Consulting Engineers, March 2015. Monterey Peninsula Water Supply Project Using the Salinas Valley Integrated Ground and Surface Water Model. Prepared for Geoscience.
- HydroFocus, Inc., August 31, 2017. Appendix E2 North Marina Groundwater Model Review,Revision, and Implementation for Slant Well Pumping Scenarios. Prepared for Cal Am Monterey Peninsula Water Supply Project.

1.3 Information Not Reviewed

Of significance to this review, there is additional information that has not been reviewed for the reason stated. The following is a partial list of items not reviewed.

- Data and data analysis reports
- Source data
- Model files
- CEMEX model report and files
- Responses to Comments to the Final Environmental Impact Report

Accordingly, my report can only assess the model based on the information reviewed, and weighing that information across the reports and against standard modeling practice as appropriate.

The last item in the list, Responses to Comments was made available to me on July 26, late in my review and only just prior to report preparation. While time did not allow for sufficient review of that document, I was able to identify that some concerns by other reviewers similar to my own were addressed to an unknown extent by the consultants (because of my limited time not allowing for a comprehensive review). To the extent that the consultants comments have not adequately addressed, mitigated or corrected each of the items described in this report, my opinions on that particular item remain relevant.

2.0 Model

2.1 Reliance on Salinas Valley Integrated Ground and Surface Water model (SVIGSM)

The Geoscience modeling relied on an updated calibration of the SVIGSM model by its subcontractor, Luhdorff and Scalmanani, Consulting Engineers (LSCE). Geoscience extracted a portion of the area of the SVIGSM model to construct the North Marina Ground Water Model (NMGWM) and adapted it to estimate the drawdown impacts to the aquifer system resulting from proposed slant well pumping along the coast at the CEMEX site and the Potrero Road site. HydroFocus adopted the Geoscience model, adjusted parameter values among other revisions to produce a calibrated model, concluded that the NMGWM boundary conditions, pumping and recharge were in error and instead relied on superposition to predict drawdown from proposed slant well pumping.

The LSCE focus was as follows (excerpt from LSCE, p.1):

> This report focuses on documenting the extension and recalibration of the SVIGSM along with the predictive scenario results of the MPWSP generated by the SVIGSM with a focus on the influence the MPWSP has on Salinas River streamflow and interaction with underlying groundwater aquifers in the Pressure and East Side subareas of the Salinas Valley.

2.2 Limitations in SVIGSM Calibration

LSCE identified the methodology employed to update the SVIGSM calibration. Of significance, primarily because of the subsequent reliance on SVIGSM water levels for assignment of boundary conditions in NMGWM, the LSCE calibration was necessarily limited to only revising and updating system stresses including aquifer recharge and discharge, but excluded updating of the aquifer properties[4] because elements of the existing SVIGSM were inaccessible (see excerpt below, LSCE pg.2):

> The intent of the recalibration effort was to retain the existing model framework and aquifer properties as originally conceptualized by Water Resource and Information Management Engineering, Inc. (WRIME) and MCWRA due to the inability to obtain the SVIGSM source modeling code.

Also from LSCE (pg. 11; underline added for emphasis):

[4] such as hydraulic conductivity (K)/transmissivity(T), and specific storage(Ss)/storage coefficient (S); T and S reflect the K and Ss across the aquifer thickness.

> The intent of the model extension and recalibration effort was to retain the existing modeling framework and aquifer properties and any adjustments that were necessary to recalibrate the model focused on recharge and discharge input values.

Presumably LSCE would have chosen to update aquifer properties to capitalize on the new data available since the last SVIGSM calibration. LSCE provided the following SVIGSM output for the NMGWM model (excerpt, pg. 13):

> SVIGSM calibration outputs were provided to Geosciences for incorporation into the NMGWM. These outputs included monthly output of groundwater levels at SVIGSM nodes located along the edge of the NMGWM domain, groundwater pumping by element, deep percolation by element, and streambed infiltration by stream node. These data were incorporated into the NMGWM for use in model calibration.

LSCE modified the pumping in each model layer based on observed water level data, as described in the following excerpt (LSCE pg. 11):

> During the model calibration, the vertical distribution of groundwater pumping was adjusted to more closely simulate the observed conditions within all three (3) model layers based on water levels at calibration wells. Groundwater levels in each calibration well individually reflect conditions in distinct depth intervals corresponding with different model layers. Accordingly, the hydrographs of simulated and observed water levels for calibration wells were used as guidance in making adjustments to the vertical distribution of pumping for different time periods during the updated model calibration period.

While much of the LSCE data preparation for the model update was reasonable, this re-allocation of pumping during the calibration is problematic. It is not clear that this practice was done model-wide or only for select wells as the report did not provide sufficient information. If the justification for this application was for only wells which spanned multiple aquifers (multi-completion wells), a more defensible approach would have been to employ an equivalent method as that available in the Modflow multimode package which dynamically allocates pumping depending on the layer water level (head), the transmissivity and the storage characteristics (if a transient model). Reallocation by using only the observed water level, presumes the aquifer properties are known and correct in the model. If not, the pumping reallocation based on the observed water level as the guidance, is incorrect. Because the NMGWM calibration would subsequently revise aquifer properties, while retaining the SVIGSM pumping allocation, but also in accordance with the observed water levels, the pumping allocation would be erroneous. Not only that, the calibrated aquifer properties would also be potentially erroneous, because of their dependence on the erroneous stress.

LSCE presented no stream gain-loss data in its report to support its estimation of the streambed infiltration used in the calibrated model, but like the pumping, it was a calibration parameter. But because stream gain-loss data was not presented, it is indeterminate if the calibrated recharge distribution was accurate. Sensitivity analysis of calibrated values was not presented, so the uncertainty is unquantified.

2.3 SVIGSM and NMGWM Inconsistencies

NMGWM is reliant on the recharge and discharge distributions from the updated SVIGSM calibration. Geoscience explicitly states adoption of those stresses, consistent with the LSCE report as follows (excerpt from Geoscience report pg. 27):

> Monthly data for deep percolation from precipitation, stream recharge and groundwater pumping in the NMGWM area as well as the water levels assigned for the general head boundaries during the calibration period were obtained from the SVIGSM.

Geoscience describes the following calibration process (excerpt pg. 28):

> The calibration process involved adjusting model parameters until the model provided a reasonable match between the simulated and measured parameters. These aquifer parameters included horizontal hydraulic conductivity, vertical hydraulic conductivity, effective porosity, and the storage coefficient.

A side-by-side comparison of the aquifer properties in the two models (SVIGSM and NMGWM) is not presented by Geoscience or HydroFocus and because LSCE did not present the aquifer properties in SVIGSM, I am unable to identify and evaluate the differences.

The properties are presumably different between SVIGSM and NMGWM as a consequence of subsequent parameter revisions during calibration by Geoscience and HydroFocus. Because of inadequate documentation in the Geoscience report however, the extent to which a feedback loop between Geoscience and LSCE existed is not evident. It is possible that such feedback was used and the water levels assigned at the NMGWM boundaries were consistent with the SVIGSM output, but if employed, that process may have led to other errors, potentially of great relevance to the reliability of the model results. Only because HydroFocus included water level data in the southern area of the model (south of the Salinas River), was a major discrepancy revealed between the SVIGSM calculated water level elevations and those assigned by Geoscience along the boundary condition. HydroFocus identified the error but did not correct it, and chose instead to abandon use of the calibrated head model for predictions of drawdown from slant well pumping, and employ superposition in its place.

2.3.1 Boundary Conditions

The consultants relied on the updated SVIGSM model-calculated water level distributions associated with an unknown set[5] of SVIGSM aquifer property values in order to assign the water level elevations along the general head boundaries (GHB) in the NMGWM model.

The GHB includes assignment of water levels and conductance terms to perimeter boundary cells and its function is simulation of a head distribution and prevailing gradient at the NMGWM model boundary. Accurate representation of the GHB ensures that the water level elevations in the aquifer layers are equivalent between the parent SVIGSM and NMGWM models at the boundaries. But the consultants do not report the water level elevations at the GHB. LSCE included figures of the simulated potentiometric surface showing contours of the model-calculated spatial water level elevation in the 180-ft aquifer and the 400-ft aquifer, but did not include the Dune Sand/A Aquifer/Salinas Valley aquitard potentiometric surface (SVIGSM model layer 1a). Geoscience and HydroFocus included no figures of the interpreted or simulated potentiometric surfaces for any aquifer in NMGWM so the head assigned along the boundaries could not be determined. The failure to include these interpretations is contrary to standard model (conceptual and numerical) reporting.[6] Also contrary to standard model reporting was the absence of a conceptual water budget, how well the model adhered to that budget, and definition of the method used to calculate the GHB conductance terms.

Subsequent to boundary assignment using the SVIGSM results, Geoscience and HydroFocus[7] revised the aquifer properties inside of the model area, including along the boundaries. This likely resulted in a disparity between the water level elevation assigned at the boundary per SVIGSM, and that inside of the NMGWM. But the disparity at the boundary would result in erroneous flow rates at the boundaries and to an unquantified extent, erroneous water levels inside the boundary. HydroFocus concluded the error was significant, and rather than correct the erroneous boundaries, abandoned the NMGWM physically-based head model in favor of a superposition

[5] not included in the LSCE report appended to the Geoscience report

[6] Anderson, MP, WW Woessner and RJ Hunt 2015. Applied Groundwater Modeling Simulation of Flow and Advective Transport. Elsevier/Academic Press.

[7] It is assumed Geoscience altered the parameter values after importing the SVIGSM boundary water levels because the report does not distinguish otherwise. HydroFocus did alter the Geoscience NMGWM parameter values.

model, where only the change to the water level (not the water level elevation or head) is calculated. The predictive modeling is described in Section 4.0 of this report.

Pumping

The errors in pumping introduced during SVIGSM calibration described in the previous section, were compounded in the Geoscience and HydroFocus calibrations.

Recharge

In order to accurately quantify the impacts during predictive modeling, there must first be an understanding of the stream-aquifer interaction for the conceptual model based on gain-loss data, followed by estimation of the stream-aquifer parameter values during calibration using that data, and finally, quantification of the uncertainty in the calibrated parameter values based on sensitivity analysis. But the consultants do not present this data and analysis.

Stream gain-loss estimates were not presented in the Geoscience or HydroFocus reports. The reports do not present adequate information for the conceptual model pertaining to the stream aquifer interaction, nor where or how SVIGSM stream infiltration is assigned in the NMGWM model, and how well the NMGWM represents that relationship.

It appears[8] that historic gaged flow data along the Salinas River within the SVIGSM and NMGWM areas is available, but an explanation as why gain-loss estimates have not been estimated and utilized in calibration of the respective ground water models was not provided. If such data are available, it is of high value because it reduces uncertainty in the estimated parameter values and reduces the non-uniqueness commonly confounding optimization. Nonuniqueness occurs when different combinations of parameter values match the observations equally well.[9] Furthermore, the predictions of drawdown from slant well pumping and the impact to the stream gain-loss is of critical interest as identified in both the Geoscience and HydroFocus reports. The Geoscience and HydroFocus reports did not include a demonstration that the models accurately simulate the stream-aquifer interaction.

2.3.2 Model Layering

[8] on only a cursory review of USGS online data

[9] Hill, MC and CR Tiedeman 2007. Effective Groundwater Model Calibration. John Wiley & Sons, Inc.

NMGWM includes a layer for the Dune Sand/Aquifer A aquifer[10] (layer 2), and a layer (layer 3) representing the Salinas Valley aquitard, where present. In contrast, SVIGSM combines the typically highly transmissive Dune Sand/Aquifer A unit and the very low permeability aquitard into only one layer (1a), even where both occur vertically in the project area. Because LSCE did not present the aquifer properties of this lumped layer, the disparity in the SVIGSM and NMGWM cannot be evaluated.[11] Accurate representation of this uppermost aquifer layer including the Dune Sand/A Aquifer unit is critical to the calibration and predictions made using the model, including subsequent superposition modeling. The uppermost layer has expectedly the most (if not all) interaction with the recharge stresses, including stream gains and losses, precipitation recharge and other deep percolation.[12] Because SVIGSM revised the recharge distribution in its calibration, it is not evident that the inconsistent representation of the uppermost aquifer unit did not result in inaccurate representation of the recharge distribution. This may be another reason HydroFocus concluded the recharge distribution was erroneous, but this was not specified in its conclusion.

Geoscience and LSCE presented no calibration data for the Dune Sand/A Aquifer unit, although Geoscience was apparently aware of the existence of this data as shown in its Figure 96. Because Geoscience and LSCE did not include any calibration data in the Dune Sand/A Aquifer unit, the level of error remains unquantified.

3.0 Model Calibration

The description of the methodology employed for model calibration in the Geoscience and HydroFocus reports is incomplete. It is not possible to determine if Modflow 2000 was used for parameter estimation using inverse techniques, or was instead used deterministically. Parameter estimation using inverse techniques includes minimization of the objective function, representing the sum of the squared residual values in order to optimize the independent variables, the parameters. The residual is the difference between the observed and calculated value.

[10] Layer 2 also houses Perched Aquifer, the Perched "A" Aquifer, the 35-ft Aquifer and the -2 ft Aquifer (HydroFocus report pg. 9) but in this report I will refer to the "Dune Sand/A Aquifer unit" for simplicity.
[11] LSCE presented no information on the aquifer property values in the SVIGSM model so that a comparison could be made with that presented in the Geoscience and HydroFocus reports.
[12] Based on HydroFocus figures, however, there may be stream infiltration to the 180-ft aquifer, although there was inadequate information in the report to make a conclusion.

Modflow 2000 can be used for either approach. Parameter estimation is the calibration process which adjusts aquifer and stress variables (typically including the aquifer hydraulic conductivity, transmissivity, storage properties and recharge, among others) within reasonable ranges, to minimize the residuals in the observed and calculated response variables (i.e. the water level, also referred to as the head, and flux/flow). Industry standard calibration was historically done deterministically but, for approximately the past 15 years, inverse techniques have become more commonly employed because of the benefits of the inverse methodology, including quantification of the parameter uncertainty and sensitivities (coefficients calculated during parameter estimation to reduce the difference between the observed and calculated values[13]) , as well as quantification of the uncertainty in predictions, among other documented benefits.[14]

Neither consultant states which of the two, or whether a combination of the two was used to calibrate the models, critical to my review. It would have been assumed that the models were calibrated using inverse techniques in that the model is expectedly amenable to inversion.[15] The absence of enormous amounts of information generated by inverse modeling from the reports suggests that perhaps only deterministic methods were employed, sacrificing a valuable opportunity to better define the system through parameter optimization and uncertainty analysis. At a minimum, the identification of which calibration method was employed, and if not employed, a legitimate reason for not using inverse methods should have been included in the report.

The objective of the NMGWM model stated in the Geoscience report (pg.8) was to "evaluate the impacts of the proposed MPWSP on the Salinas Valley Groundwater Basin. Groundwater modeling was conducted to assess the impacts of MPWSP on the groundwater levels and the seawater intrusion".

Geoscience identified the following tasks to be completed in its scope of work (pg. 8):

- Collecting and analyzing historical geohydrologic data,
- Updating and recalibrating the North Marina Groundwater Model (NMGWM), including data gathered during the exploratory borehole work (GEOSCIENCE, 2014),
- Updating and recalibrating the Salinas Valley Integrated Ground and Surface Water Model (SVIGSM; see Appendix A)
- Developing a focused CEMEX Model for the CEMEX Site,
- Developing and running various MPWSP scenarios, and

[13] Doherty, J. 2015. PEST Calibration and Uncertainty Analysis for Complex Environmental Models, pg. 62.
[14] Hill, MC and CR Tiedeman 2007. Effective Groundwater Model Calibration. John Wiley & Sons, Inc.
[15] Dry cells in modeling can present difficulties for inverse modeling, but this model expectedly did not incur this difficulty to the extent that inverse methods would have been rejected *a priori*.

- Preparing the modeling report.

3.1 Data Deficiencies and Exclusion

While additional data collection was part of the task, Geoscience included no water level data for the Dune Sand/A Aquifer unit across the entire model area. But the Dune Sand/A Aquifer unit is one of the two primary units intended for pumping in the MPWSP. Geoscience did identify the existence of well data at Fort Ord (Figure 96), but excluded it from the calibration results in the model report. Because the expanse of this unit as represented in model layer 2 excluded water level data, the Geoscience NMGWM calibration for the Dune Sand/A Aquifer unit is associated with significant uncertainty, and predictions relying on the Geoscience calibrated model are concluded to be unreliable. Model bias is also evident in the 180-ft aquifer. Only when HydroFocus included the water level data (but only in the Fort Ord area south of the Salinas River), a poor calibration was revealed. But the calibration may be poor across other areas of the model where no water level data was available to inform the calibration. HydroFocus is correct in its assertion that the model in its current condition was unacceptable for its intended objective.

Geoscience described the CEMEX modeling in its report (April 17, 2015) but monitoring and testing of the CEMEX wells was initiated at nearly the same time as the report in early to mid-April 2015. It is unfortunate that the Geoscience CEMEX modeling was not delayed until after the testing which presumably would provide significantly better data for the model.[16] Because this data was not yet available, Geoscience relied on lower quality information from sediment texture curves, which included significant and untested assumptions, to derive the aquifer parameter starting values for calibration. But equipped with no water level data and no stream gain-loss data for calibration, the model representation of the Dune Sand/A Aquifer unit remained uncalibrated, so the presumably highly uncertain values used as initial values reasonably remained equivalent or nearly so to the final values.

HydroFocus presented calibration results using the CEMEX testing in which observed and calculated drawdown were presented for its model, the Geoscience model and the CEMEX model. But HydroFocus did not report the CEMEX test estimates of hydraulic conductivity (K); horizontal (Kh) or vertical (Kv)) or the estimated specific yield/storage estimate (sy/S), or that the model used those values.[17] The model K and S values for

[16] I am unfamiliar with potential constraints on the project schedule but the nearly contemporaneous report submittal and data acquisition is noted.

[17] See Figure 3.3d

either the HydroFocus model or the Geoscience model are not compared with the valuable test-derived estimates. Of the three models, the CEMEX model most accurately simulated the test drawdown, which HydroFocus attributed to the better resolution in the CEMEX model.

The source data was not included in the reports. Neither consultant posted actual K or storage values from testing in their parameter zone maps. While HydroFocus did prepare a list of sources for its basis in the model parameter zone values, those sources are most often other modeling efforts. It is not known if the source K values are model-estimated or estimates from testing. Model-derived estimates of K through calibration, for instance, are of less reliability than a hydraulic conductivity (K) value derived from pumping tests. The consultants require that the reviewer must gather and review all source documents to extract the information that should be reported in the model report. Standard model reporting includes a description of the method used to estimate each aquifer parameter[18], which is absent in the reports.

3.2 Parameter Adjustment During Calibration

HydroFocus and Geoscience adjusted parameter values to minimize the difference between the observed and model-calculated water levels during calibration. This minimization of the objective function (water level or head residuals (errors)) is but one measure of many in determination of the calibration quality and whether the model is a sufficiently accurate representation of the aquifer system. Calibration quality assessing only the error in the water level residuals, considers only a portion of the error information, and in this case likely a small portion of the error information. The NMGWM objective function is dependent on the water level data available, and as described in previous sections, insufficient data was acquired, utilized and presented for the NMGWM model calibrations. Furthermore, the calibration process must only adjust parameters within reasonable ranges based on available data, and quantify the uncertainty in those parameter estimates during the sensitivity analysis.

But the NMGWM calibration is concluded to have significant errors besides those already presented, and they include unreasonable parameter values, insufficient data, and inadequate sensitivity analysis.

[18] Anderson, MP, WW Woessner and RJ Hunt 2015. Applied Groundwater Modeling Simulation of Flow and Advective Transport. Elsevier/Academic Press.

Because of these errors, the model is not concluded to be representative of the aquifer system. The model will be unreliable for predictions of impacts from slant well pumping, regardless of its ability to minimize the objective function.

3.2.1 Hydraulic Conductivity

Sensitivity analysis and confidence intervals for the calibrated parameter values are not reported in the consultants reports. The uncertainty in the calibrated parameter estimates is not quantified.

Geoscience updated the CEMEX model subsequently in 2016, prior to the HydroFocus NMGWM calibration (2017), and presumably reflective of the high quality data from the pumping test performed in April 2015.[19] But HydroFocus did not identify the CEMEX aquifer test estimates of the horizontal (Kh) and vertical hydraulic conductivity (Kv) values in the report, and instead relied on other (often older) reports which appear to include predominantly modeling estimates of Kh and Kv.[20] The CEMEX monitoring well network for the test appears to have been particularly well suited for determination of Kh and Kv values.

In the CEMEX and Potrero Road sites, the Geoscience initial estimates of Kh and Kv were based on an assumed relationship between sediment texture and horizontal and vertical hydraulic conductivity. The method assumptions were not subsequently validated with the CEMEX aquifer test parameter estimates. Had the assumptions been subsequently validated, an opportunity would have existed to extend that demonstrated correlative relationship to other areas of the model. HydroFocus did not provide a post-audit of the validity of the approach and assumptions, or appear to rely on that method.

In the model area primarily east, south and southeast of CEMEX, the Kh and Kv values in the Geoscience and HydroFocus models are substantially different for the Dune Sand/A Aquifer unit, the Salinas Valley aquitard (SVA), and the 180-ft aquifer. The Kv changes include up to seven orders of magnitude reduction in the newly-interpreted low conductivity material in the HydroFocus model in layer 3.

The mapped SVA (Salinas Valley aquitard) north of the Salinas River has a Kv value five orders of magnitude larger than this anomalous low Kv zone south of the river. Because this change was not associated with a defined lithologic reinterpretation in the HydroFocus report, the value appears to be unreasonable. The Kh and Kv of the Dune Sand/A Aquifer unit are also generally lower in this anomalous zone, although the Kh

[19] The pumping test at CEMEX is concluded to have been performed in April 2015 based on the hydrographs presented in the HydroFocus report.
[20] See Figure 3.3d

value is identical between the Dune Sand unit and the low conductivity zone, also potentially reflecting an unreasonable Kh value if it is permeable material.

This area is partially traversed and bordered by the Salinas River.[21] The low Kh and Kv will limit the hydrologic connection between the river and the aquifer. Because the stream-aquifer interaction along the Salinas River may be affected by the erroneous model values, and because stream gain-loss data were not presented for the calibration, the predicted impact to the River from slant well pumping is unreliable. HydroFocus excluded explicit representation of a portion of the Salinas River in this area of the model in its predictive modeling as will be described in Section 4.0.

The Kh and Kv values in the 180-ft aquifer were also revised between the Geoscience and HydroFocus models significantly south of the Salinas River and near the southern boundary. The Geoscience Kh of 160 feet per day (ft/d) was revised to 50 ft/d (western half) and 425 ft/d (eastern half) so that a much higher Kh value is assigned inland as compared to the coast. The Kv was increased more than an order of magnitude above the Geoscience model values. HydroFocus did not post/identify the specific K values used to support this set of values, so it is not possible to make a conclusion about its accuracy.

HydroFocus incorporated more water level data along the southern boundary than Geoscience which allowed for better calibration in this area of the model. However, calibration must also reflect reasonable aquifer properties, while also minimizing the residuals between observed and calculated water levels. Some of the significant parameter changes made in the HydroFocus model may have been to compensate for anomalous boundary and initial water levels prior to the evident conclusion that the water levels were erroneous and disregarded in subsequent superposition modeling.

3.2.2 Storage Values

Only a cursory review of the model storage properties has been accomplished. I did not identify any source data values in the reports to which I can compare the model values. HydroFocus referred primarily to SVIGSM, but the LSCE model report did not include S estimates. HydroFocus had not included estimates from the CEMEX aquifer test so a comparison with model values could be made.[22]

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[21] Because Geoscience and HydroFocus do not show the Salinas River on its respective parameter zone maps, I can only estimate based on a comparison across multiple figures.

[22] It is unknown whether the CEMEX testing yielded an estimate of specific yield and storage coefficient because the CEMEX report was not reviewed, and HydroFocus did not identify the values in its model report.

Accurate representation of the specific yield (effective porosity) and the storage coefficient is required for accurate predictions of the drawdown distribution and seawater intrusion. The HydroFocus values of specific storage (representing the storage coefficient divided by the aquifer thickness) as presented in Figure 3.3c appear to indicate an average model value of 0.001/ft which seems high for a confined aquifer where that exists.[23] Without any independent estimates made available by the consultants, it is not possible to conclude that the model storage values are reasonable. The model reports did not present interpreted or calculated potentiometric surface maps so areas where aquifers are confined or unconfined could not be distinguished and weighed against the storage estimates. The potentiometric surface is an imaginary surface passing through all points to which water will rise in wells penetrating a confined aquifer, and the surface is described by a series of contour lines along which the potential head is equal. The ground water flow direction is perpendicular to the contours. For an unconfined aquifer, the potentiometric surface is referred to as the water table, which defines the surface upon which the water pressure is equal to atmospheric pressure[24]. Definition of the potentiometric surface/water table is integral to understanding the hydrogeologic system.

3.2.3 Model Budget

The NMGSM hydrographs show that the initial model heads and heads at the boundaries were inaccurate for a significant portion of the simulation period.[25] The HydroFocus model flow budget presented in Figure 4.5 is inaccurate because it appears to use an average based on the inaccurate heads, as well as the erroneous pumping and recharge components. The model flow budget represents the model balance of each flow component simulated explicitly in the model, with some of the components positive (water into model area), precipitation recharge for example, and the others negative (water out of model area), including pumping as an example. Modflow numerically balances the positive and negative components with a balanced model showing a near zero difference between the two. Unbalanced or excessive flow budget error would be an indication that the flow components are not balanced, and the model is not concluded to be numerically precise. A model flow budget for the Geoscience model calibration is not included in the report. It is standard modeling practice to compare the model budget with that estimated independently depending on available

[23] Without review of source data, it is indeterminate whether 0.001/ft is an accurate value for the aquifer specific storage.

[24] McWhorter, DB and DK Sunada 1977. Ground-Water Hydrology and Hydraulics. Water Resources Publications, LLC.

[25] See HydroFocus Figure 4.1A layer 2 hydrographs.

historic data. LSCE had provided a detailed basis for some components, but the consultants did not incorporate this as part of the model calibration evaluation.

3.3 Sensitivity Analysis

HydroFocus stated the objective of its sensitivity analysis (pg. 42):

> The objective of the sensitivity analysis is to address the question: "If the assumptions adopted in developing the model were changed, would the model predictions change so as to change the conclusions regarding proposed slant well operation?"

For its sensitivity analysis, the HydroFocus report included an evaluation of the changes in drawdown in the predictive scenarios with alteration of five of nearly 50 conductivity model parameter zones.[26,27] Evaluation of the predictive uncertainty is valuable but not without an evaluation of the uncertainty in the parameter values estimated in calibration, upon which predictive uncertainty also depends. Standard reporting includes reporting the parameter sensitivity for all parameters, not only 10 percent, and from the calibration, not only from the predictive scenarios. While it was not made clear in either report whether inverse modeling was used for parameter estimation, Modflow 2000 allows for calculation of the sensitivities, as do other freely-available, coupled softwares to Modflow. Corroboration of the methodology and software is not possible without more information.

3.4 Analysis of the Residual Error

Geoscience and HydroFocus presented various report figures describing the residual error between the observed and model-calculated water level (head) values. The following observations are made based on my review of the report figures.

Dune Sand/A Aquifer unit

Of the eight wells, seven show that the model underestimates the observed water levels in the Dune Sand/A Aquifer unit. The model shows a biased low water level distribution.

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[26] HydroFocus report Figure 6.1.

[27] Sensitivity is defined as the change in the model calculated response variable (for NMGWM, the water level, or derived drawdown) associated with the change in the parameter value (i.e. K; Anderson, MP, WW Woessner and RJ Hunt 2015. Applied Groundwater Modeling Simulation of Flow and Advective Transport. Elsevier/Academic Press.). Although typically in inverse modeling, perturbation of the parameter value over a small range more accurately reflects the parameter sensitivity because the parameter sensitivity is not always linear (Hill, MC and CR Tiedeman 2007. Effective Groundwater Model Calibration. John Wiley & Sons, Inc.). HydroFocus changes to the parameter values were large, assuming linearity, and done to demonstrate only the change in extent of drawdown away from the slant pumping.

Four of the wells[28] show that the starting head in the model was as great as 70 to 80 ft in error, as compared to the observed values. While there is convergence of the observed and simulated water levels late in the simulation period at three of the wells, it is not evident that error magnitude is not increasing with time,[29] or that application of an extremely low and likely unreasonable Kv is justified and has not been applied to specifically to reduce the residuals.

At monitoring wells MW-OU2-29-A and MW-BW-01-A, the erroneous starting head is shown to rise more than 70 ft during the simulation period at the (latter) well farther in from the boundary, and 35 ft at the (former) well more proximal to the boundary, possibly distinguishing error contributions.[30] Despite the significant rise in model water levels, concluded in the report to be erroneous, the observed water levels range similarly between the wells over a 10-15-ft interval. Rather than a localized perched condition as HydroFocus concludes without presentation of adequate data[31], the four wells collectively support instead a laterally extensive (of a few miles at least) saturated unit possibly above the Dune Sand/A Aquifer unit. It is possible that an additional aquifer above or within the Dune Sand/A Aquifer unit is present south of the Salinas River and is not the seemingly insignificant localized perched zone HydroFocus concludes. Additional data should have been collected to determine if this apparent upper aquifer unit is in hydrologic connection to the Dune Sand/A Aquifer unit. If it is, the evident vertical gradient warranted better vertical resolution (increased layering). This, among other expanses of model layer2 where the absence of water level data could not allow for similar revelation, may be an indication that the layering is too coarse for accurate representation of the uppermost aquifer units, including the Dune Sand/A Aquifer unit, thereby preventing evaluation of the full impacts from slant well pumping. Because the consultants provided no interpretation of the potentiometric surface, or the model-simulated potentiometric surface for any aquifer in their reports, contrary to model reporting standards, the extent to which this area may be in hydrologic communication with the Dune Sand unit at CEMEX has not been investigated

[28] MW-OU2-07-A, MW-BW-31-A, MW-OU2-29-A and MW-BW-01-A

[29] MW-OU2-07-A hydrograph Figure 4.1a shows an approximate 90% increase in the error between the beginning and end of the correlated portion of the record. MW-BW-31-A observed values show an anomalous step in the record which prevents a determination of the change in errors before the simulation period ends in Sept 2011.

[30] Errors in starting head and errors in the boundary conditions represent different error impacts in the model.

[31] Review of lithologic logs and interpretation of the potentiometric surface would have helped to distinguish whether the area may be in hydrologic communication with the aquifer or is perched, but Geoscience excluded the water level data, and HydroFocus concluded, in my opinion without adequate analysis completed, that the area was likely perched and that Modflow limitations prevented accurate representation of the water levels. Both consultants failed to adequately characterize this area, among others in NMGWM as a consequence of not collecting additional data in the uppermost unit.

or described by the consultants. The model does not allow for this communication as evidenced in the calibration results.

The extremely low Kv applied to the Dune Sand/A Aquifer unit, and particularly in the underlying layer 3[32] appears to have resulted in eventually reducing the residual at three of the wells. The extremely low Kv was applied to reduce the residuals at the wells, but because the value seems unreasonable, its use as a mechanism (prop up the head in layer 2) to improve the appearance of the calibration, instead reduces the confidence in the calibration.

Geoscience included no data for calibration of this unit. Because of the errors revealed in the HydroFocus calibration and report, the Geoscience calibration is expectedly also poor, as likely would have been concluded had the data been included.

For the CEMEX modeling as presented in Figure 4.2, the comparison between the observed and model-calculated values indicates low error in the water level residuals. However, the basis provided by HydroFocus on its improvement to well MS-5S[33] consists of the changes made to the SVA Kv. The Kv changes are described above and are considered unreasonable but applied as a mechanism to prop up the head in the model. An acceptable calibration achieves low magnitude, spatially and temporally random error, using reasonable parameter values. Because a sensitivity analysis of the calibrated parameter values was not presented in the report, the influence of the low Kv on the CEMEX area model-calculated water levels is unknown. The extent to which the model water level distribution in the Dune Sand/A-Aquifer unit in the CEMEX area depends on the seemingly unreasonable low Kv value of the nearby underlying SVA has not been assessed due to the consultants not including a sensitivity analysis of the calibrated parameter values.

The calibration is poor for the Dune Sand/A Aquifer unit and is affected to an unquantified extent by erroneous boundary conditions, erroneous starting heads, unreasonable parameter values and insufficient data. Based on the reports, the interpretation is also insufficient and fails to characterize the impact of these errors on the accuracy of the calibrated parameter values. Model predictions relying on a model with these errors are unreliable.

180-ft Aquifer

[32] as described in Section 3.2.1

[33] The CEMEX test was simulated in the Geoscience and HydroFocus NMGWM, but MW-5S available for monitoring and calibration during the slant well testing was excluded from Figure 4.6 without explanation.

The HydroFocus calibration included 10 wells with time-series data. The match between the observed and calibrated water levels at six of the wells is excellent in both timing and magnitude. However, five of the six wells are proximal to rivers (streams slough, etc; unlabeled in the HydroFocus report). It cannot be concluded that aquifer property values are accurate because the good fit between observed and calculated values may be a consequence of the unreported streamflow infiltration values provided by SVIGSM. It is not even clear from the reports if streamflow infiltration is applied in layer 3. Furthermore, because a sensitivity analysis was not presented for the calibrated parameter values, the sensitivity of these observations to recharge is unknown.

Two of the model-calculated water level hydrographs exhibit too much variability in the model response as compared to the observed response, and the remaining two show too little variability in the magnitude as compared to the observed values. But the extent to which this is significant depends on the problematic LSCE treatment of pumping in its calibration as described in Section 2.2 of this report. The LSCE calibration included allocation of pumping rates vertically across the aquifers based on observed water level data; water level data also used in the subsequent Geoscience and HydroFocus calibrations.[34] The LSCE practice resulted in what may be considered a contamination of the independence of the water level dataset because of the explicit correlation made between water levels and pumping in SVIGSM. If the pumping is inaccurate (as concluded by HydroFocus and this review), but a reasonable fit between observed and calculated water levels has been achieved due to parameter (K,S) adjustment, as is shown to be the case to an extent in the consultants respective calibrations, then the aquifer properties are likely inaccurate also. Use of the observed water levels to allocate pumping results in lower confidence in the aquifer parameter values.

The calibration results indicating low error are not an indication that the underlying parameter values are reasonable, only that they have compensated for unquantified error in pumping, recharge, boundary conditions and initial heads. The extremely low Kv values are a demonstration of exactly this. The confidence in the calibrated model is low, and reliable predictions of drawdown cannot be calculated.

Geoscience presented only four hydrographs for the 180-ft aquifer, and nine for the 400-ft aquifer, even though the 180-ft aquifer is of prime interest, and more data was available. LSCE presented seven hydrographs for the 180-ft aquifer. HydroFocus presented 10 hydrographs. Why the available data was excluded was not addressed in

[34] Approximately the same datasets, as Geoscience only presented four of the wells in its report with its appended LSCE report showing only seven as compared to HydroFocus presenting 10 hydrographs.

the Geoscience report. The Geoscience 180-ft aquifer residuals range from low magnitude to as high as approximately 18 ft. The two remaining wells show an acceptable match to observations, but this statement is qualified in the preceding paragraphs. Even where low residuals have been calculated, there is low confidence in the calibrated aquifer parameters.

The CEMEX modeling based on the Geoscience and HydroFocus calibrated models, shows low magnitude error but a bias in the model-calculated water levels indicating that the model cannot reproduce the variability exhibited in the observed values. HydroFocus did not provide an explanation for this effect.[35]

Another anomaly in the HydroFocus and Geoscience calibrations was the ambiguous placement of observation well 14S/2E-14L01 which according to the Monterey County Water Resources Agency is a 180-ft aquifer monitoring well. But because of seemingly similar water levels, was instead placed in the 400-ft aquifer layer. Sufficient information was not presented to discern that the consultants assigned the well to the correct aquifer. The well construction details were apparently not reviewed although that review may have resolved the ambiguous placement with more confidence. HydroFocus did not identify that Geoscience undertook this effort either.[36]

400-ft Aquifer

The HydroFocus model generally underestimates the observed response in this aquifer, and generally simulates too high a head compared to the observations. The Geoscience model achieved a poor calibration over most of the 400-ft aquifer with the largest residuals calculated along the eastern and northern boundaries. Residuals of greater than 50 ft are prevalent in proximity to the eastern boundary. This result shows that the eastern boundary water levels were significantly erroneous and influenced the water level distribution inside the model, including expectedly, the predictions of drawdown made by Geoscience from slant well pumping. No observations near the southern boundary were included so the extent to which the southern boundary water levels were erroneous cannot be determined.

For the CEMEX modeling as presented in Figure 4.2, evident bias is shown for the 400-ft aquifer with all simulated water levels higher than the corresponding observed values. This indicates that the model underestimated the impact to the 400-ft aquifer during

[35] Although the report does identify that pumping and recharge changed after September 2011, but also identified that hydrologic conditions have not likely changed substantially between the model timeframe and the water level data period.

[36] Geoscience prepared a communication for HydroFocus on the matter but I have not reviewed that document.

CEMEX pumping from the overlying aquifers. It is not evident from the report, if the calibration sought to resolve this. If not, the predicted impact to this aquifer will be underestimated for the MPWSP.

900-ft Aquifer

During half of the simulated period, the observed water level response at all of the monitoring wells varies over a narrow range of approximately two feet. The model simulates a 10-ft range.

3.5 Analysis of the Model Error

Insufficient data was used for model calibration as described. The error evaluated by the consultants only reflects as much error as the calibration dataset allows, which is limited most notably in the Dune Sand/A Aquifer unit, a primary aquifer targeted for slant well pumping, as well as by the absence of stream gain-loss data. Error along model boundaries is largely unquantified owing to limited data in those areas. The impact of this error on calculated water levels across the model is unquantified. Because sensitivity analysis of the calibrated values and parameter uncertainty analysis were not performed, the model error has not been thoroughly evaluated for calibration or prediction.

The structural error due to elements including layering and zonation has not been evaluated. It is possible that an additional aquifer above or within the Dune Sand/A Aquifer unit is present south of the Salinas River and is not the (insignificant) localized perched zone HydroFocus concludes. This, among other expanses of model layer2 where the absence of water level data could not allow for similar revelation, may be an indication that the layering is too coarse for accurate representation of the upper aquifer unit, thereby preventing evaluation of the full impacts from slant well pumping.

But model error in the form of bias is evident in the calibration results. Model error is reflected in the non-randomness of the residuals as demonstrated by the correlation between residual error and calculated water levels, and non-randomness in space, and to the extent it could be determined, unreasonable parameter values.[37] Sensitivity analysis of calibrated parameter values, and of the SVIGSM-adopted errors in pumping and recharge was not accomplished. Without this, the uncertainty in the parameter values is unknown.

[37] Because specific values of K and S from aquifer testing were not reported, the extent to which the model values adhered to reasonable values as determined independently of the model cannot be determined. In some cases however, the calibrated values do not appear to be reasonable based on other indicators.

Rather than rectify the model bias error, HydroFocus employed superposition to predict the drawdown associated with proposed slant well pumping. But the model error, the revelation of which was limited by the dataset, was inherent in the calibration, and superposition relied on the calibrated parameter values. So the error was transferred and potentially compounded for the superposition modeling.

Geoscience and HydroFocus present other error measures in their respective reports including the relative error, concluded by HydroFocus to be acceptable based on the following excerpt (pg. E-1):

> The relative error calculated from the standard deviation of the model errors and range of measured water levels in the model meets calibration criteria and ensures that model errors are only a small part of the overall model response.
>
> The results provide confidence that the model calculations are reliable estimates of the groundwater response to pumping, which was confirmed by simulating measured drawdown during test slant well pumping.

The statements are ambiguous, but importantly, HydroFocus correctly concludes that other model measures, including the identified bias, renders the calibrated head model unacceptable for use in predictions of drawdown from slant well pumping. This set of conclusions, that the residual error is low, but the model bias is significant and the calibrated model cannot accomplish what it was designed for, is a good demonstration that an acceptable calibration must consider bias as an integral measure of model utility. Geoscience did not include sufficient data or analysis to make the correct conclusion that HydroFocus was able to make. The model was not calibrated to an acceptable standard, but instead of improving the calibration, admittedly not a simple undertaking in this case, HydroFocus employed superposition for predictive modeling.

4.0 Predictive Modeling

4.1 Uncertainty in Calibrated Parameter Values

HydroFocus and Geoscience did not evaluate the uncertainty in the calibrated parameter estimates, and its impact on the calculated water levels. HydroFocus evaluated only the sensitivity of a few parameters near CEMEX and Potrero Road sites during predictive modeling. From its limited sensitivity analysis for predictions, HydroFocus concluded (pg. 42):

> Increasing the anisotropy (increasing horizontal conductivity and decreasing vertical conductivity) minimizes the area of the cone of depression. Conversely, decreasing the anisotropy (decreasing horizontal conductivity and increasing vertical conductivity) maximizes the area of the cone of depression.".[38]

Hydraulic conductivity often exhibits characteristic anisotropy, meaning that it is directionally dependent[39] and in the NMGWM, anisotropy is used to reflect that Kh is not equal to Kv.[40] The HydroFocus conclusion stated above regarding the effect of anisotropy on the drawdown cone extent is counterintuitive to the expected result. For clarification, higher anisotropy indicates that the Kh is *much* larger than the Kv. For such a situation, among other variables[41], one would expect a laterally extensive drawdown in the horizontal direction (high Kh) and limited drawdown vertically (low Kv). The conclusion HydroFocus derived based on its modeling does not make sense.[42] Reducing the anisotropy (making Kh and Kv less dissimilar, or more equivalent in magnitude), and allowing for increased vertical flow should result in a cone of depression that is less laterally extensive. The HydroFocus model calibration included apparently unreasonable values of Kh and Kv east and south of the CEMEX site, and the remainder of the model includes parameter values of unquantified uncertainty because of inadequate sensitivity analysis.

HydroFocus presented three scenarios varying the pumping allocation between the Dune Sand/A Aquifer unit and the 180-ft aquifer. However, HydroFocus elects to present results for the scenario which is apparently not based on the most likely allocation between the two aquifers. Based on the CEMEX model calibration, more of the pumping is derived from the Dune Sand as opposed to the 180-ft aquifer (worse-case scenario?). While it is unclear why HydroFocus presented the results of this apparently less likely scenario, it may be that increased pumping from Dune Sand would have calculated a greater drawdown extent and increased leakage from the Salinas River and other modeled surface water drainages.[43]

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[38] Pg 42 in HydroFocus report

[39] Anisotropy is defined as a property that varies with direction (Driscoll, FG 1986. Groundwater and Wells. Johnson Filtration Systems, Inc.)

[40] Kh can also be directionally dependent along the x and y tensors. But NMGWM does not reflect this particular anisotropy.

[41] Storage characteristics, transmissivity values, well completion, initial head and head differences across layers, boundary effects, etc.

[42] Because I do not have access to the model files, I cannot confirm that this is accurate. It is possible that sufficient numerical precision was not achieved, or the flow budget was associated with excess error. Or it is possible that the statement is correct but not intuitive.

[43] However, this can only be surmised without access to the model files.

HydroFocus adapted the NMGWM superposition model to include explicit representation of a portion of the Salinas River and Tembladero Slough/Reclamation Ditch using the Modflow river package so that the stream-aquifer interaction along these drainages is represented in order to quantify the impacts from slant well pumping. A large reach of the Salinas River and several other streams are not included in the analysis. No explanation for this is provided.

Because the calibration does not incorporate evaluation of stream gain-loss data, and the conceptual model does not include adequate information or analysis of the stream-aquifer interaction, the superposition model-predicted depletion impacts to the surface water system are concluded to be unreliable. The uncertain MPSWP predicted impacts to the streams may exceed allowable limits of established minimum streamflow standards. The results did not address this possibility.

4.2 Superposition

HydroFocus abandoned use of the calibrated head model, and instead relied on superposition to quantify the drawdown impacts from slant well pumping. But superposition relied on a set of calibrated parameter values which are concluded to also range from unreasonable to exhibiting significant but unquantified uncertainty. As a consequence, the superposition modeling produced unreliable predictions of drawdown from slant well pumping.

Superposition requires that the model be linear[44], or nearly so. But the degree of potential nonlinearity was not investigated by HydroFocus. It is not concluded that the thinning and unconfined Dune Sand/A Aquifer, or the reduction in transmissivity from slant well pumping or the boundary conditions did not present significant nonlinearities in the system causing the application of superposition to calculate erroneous drawdown values. This same criticism may be applicable to the Salinas Valley Aquitard where it may become unconfined during predictive simulations.

Superposition, as applied in the HydroFocus work, did not include dynamic updating of the boundaries which may have incurred drawdown, although the presentation style of reporting only drawdown greater than one foot does not show the full drawdown extent.[45] The zero/near zero drawdown contour should have been included in the Geoscience and HydroFocus analyses and figures to identify areas where the boundaries affected the model-calculated drawdown extent. The boundary inflow with and without

[44] Reilly TE, OL Franke, and GD Bennett, 1984. The Principle of Superposition and its Application in Ground-Water Hydraulics, U. S. Geological Survey Open-File Report 84-459.

[45] This was the presentation form in both the Geoscience and HydroFocus reports.

slant well pumping should have been presented to discern any changes in inflow mitigating drawdown. A prevailing gradient is simulated at the General Head Boundary (GHB). If pumping inside the model results in drawdown reaching the GHB, inflow at the boundary will continue at a biased high rate resulting in an erroneous calculation of the drawdown extent. Insufficient analysis and reporting does not demonstrate that this was not a factor.

Application of superposition to isolate the impact from only the slant well pumping may be inconsistent with the model purpose as defined by Geoscience (pg. 8):

> The purpose of this study was to evaluate the impacts of the proposed MPWSP on the Salinas Valley Groundwater Basin. Groundwater modeling was conducted to assess the impacts of MPWSP on the groundwater levels and the seawater intrusion.

The Salinas Groundwater Basin includes multiple complex variables (recharge and discharge) changing in time and space which affect the groundwater levels and rate and extent of seawater intrusion. The success of the slant well pumping to expectedly not exceed seawater intrusion thresholds, among other measures, is dependent on the effects from these other complex and dynamic stresses. In the superposition analysis, these other relevant stresses are omitted, thereby making system response predictions unreliable. It is insufficient to predict only slant well pumping impacts in a dynamic system integrally defined by many other complex impacts which in turn, affect the slant well pumping.

The application of superposition, intended by HydroFocus to diminish the error and uncertainty in many aspects of the calibrated head model, did not alleviate the errors or quantitatively demonstrate a reduction in error, and possibly introduced new and different errors in that aspects of the superposition model were not calibrated (i.e. stream gain-loss; boundary inflow, etc.).

4.3 Slant Wells Designed to Replace Freshwater with Saltwater

Dr. Weitzman indicated that according to his understanding of the project objective, that the slant wells would not cause additional seawater intrusion and requested that if available, I include information from the consultants reports which did not support this understanding.

Review of the consultants reports identifies that seawater intrusion would increase. The increase in inland extent due to creation of a cone of depression from pumping was not reliably determined in the consultants model. But the slant well pumping is designed to replace freshwater in the Dune Sand/A Aquifer unit and 180-ft aquifer with seawater

over some unreliably quantified aquifer volume and timeframe based on the HydroFocus report excerpt presented below (pg. 36):

> A capture zone refers to the three-dimensional volume of aquifer that contributes the water extracted by the wells. When the pumps are turned on, the wells initially extract the existing ambient mix of native groundwater in storage, but as pumping continues the wells extract increasing proportions of infiltrating recharge from the ocean. The ocean recharge gradually replaces the ambient water within the capture zone, and moves within the capture zone toward the well but does not spread beyond the capture zone. In map view, the capture zone is a 2-dimensional surface that delineates the underlying aquifer volume where ocean water replaces ambient groundwater and ultimately becomes the primary water source to the wells.

Because the slant well pumping is designed to replace aquifer freshwater with seawater, the pumping necessarily results in an increase in seawater intrusion into aquifer areas still containing freshwater.

5.0 Conclusions

The MPWSP proposes slant well pumping to replace freshwater aquifers with seawater as a supply for the desalination plant. A calibrated model was needed to make accurate predictions of drawdown and seawater intrusion resulting from slant well pumping. To accomplish this, the existing SVIGSM model was updated. The model results were adapted for use in the better resolution NMGWM. Geoscience calibrated the NMGWM as described in its 2015 report. HydroFocus provided an alternate calibration starting with the Geoscience model as described in its 2016 report, and used superposition for its predictions of drawdown.

Based on my review of the reports, it is concluded that:

- Insufficient data was collected/evaluated for the model calibrations:
    - including, but not limited to, inadequate (to no) water level data in particular for the Dune Sand/A Aquifer unit, one of two primary units targeted for slant well pumping,
    - and stream gain-loss data which would have improved the model and aided in parameter optimization.

- SVIGSM produced unreliable estimates of the pumping, recharge and initial water levels for use in NMGWM.

- NMGWM calibration included adjustment of model parameters based on unreliable values from SVIGSM.
- Geoscience was aware of Dune Sand/A Aquifer unit data but excluded it from the calibration without explanation. Geoscience also excluded water level data available for the 180-ft aquifer, also without explanation.
- Inadequate information was presented in the reports contrary to standard model report documentation and included:
    - Interpretations of the potentiometric surface for each aquifer in the NMGWM area were not included in the reports.[46] Recall that the potentiometric surface is described by a series of contour lines along which the potential head is equal. The ground water flow direction is perpendicular to the contours. Standard model reporting includes representation of the interpreted and model-simulated surfaces to show that the model is consistent with the hydrogeologic understanding of head and flow directions derived from the conceptual model. No such demonstration was made in either consultant's report for the NMGWM area.
    - Simulated potentiometric surface maps from the NMGWM area were not presented in the consultants' reports.
        - It is possible that an additional aquifer above or within the Dune Sand/A Aquifer unit is present south of the Salinas River and is not the (insignificant) localized perched zone HydroFocus concluded. This, among other expanses of model layer2 where the absence of water level data could not allow for similar revelation, may be an indication that the layering is too coarse for accurate representation of the uppermost aquifer units, including the Dune Sand/A Aquifer unit, thereby preventing evaluation of the full impacts from slant well pumping. Because the consultants provided no interpretation of the potentiometric surface, or the model-simulated potentiometric surface for any aquifer in their reports, contrary to model reporting standards, the extent to which this area may be in hydrologic communication with the Dune Sand unit at CEMEX, for example, has not been adequately investigated or described by the consultants. The model does not allow for this communication as evidenced in the calibration results.

[46] although the Geoscience model report did append the LSCE interpretations and simulations from SVIGSM of the 180-ft and 400-ft aquifers

- Inadequate specific information was reported for the source data including K and S values that were relied upon for parameter adjustment.
- Inadequate explanation was provided for the recharge distribution, including the characteristics associated with streamflow infiltration rates along unnamed rivers in NMGWM.
- HydroFocus did not report the K and S values estimated from the CEMEX testing and, without explanation, did not rely on those for calibration of NMGWM (Figure 3.3d).
- The Geoscience model report did not include an interpreted model water budget or a simulated water budget. HydroFocus presented a simulated budget but it is concluded to be incorrect for many reasons described in this report.
- A comparison between the SVIGSM aquifer properties and model calculated heads upon which NMGWM relied was not presented in the Geoscience model report. Evaluation of evident model bias was not included in the report, and therefore could not be used to improve the model. Because of this, erroneous initial heads and erroneous heads along the boundaries were not revealed until the HydroFocus report, which included data for the Dune Sand/A Aquifer unit and additional data in the 180-ft aquifer. The Geoscience model was considered a poorly calibrated model despite the calibration results presented which showed a low error in the residuals.
- The HydroFocus report revealed the existence of unacceptable error from model pumping, model recharge, initial model heads, and model boundary heads, but failed to provide detailed information to support its conclusions. Instead of correcting these errors (probably a major undertaking), HydroFocus subsequently relied on superposition for prediction of drawdown impacts from slant well pumping so that some of the identified error was eliminated to improve accuracy in the predictions.
- HydroFocus simulated stream-aquifer interaction with the Modflow river package but did not provide an explanation why some NMGWM area streams/rivers were excluded from the predictive analysis.
- HydroFocus did not present a comparison of model-calculated gain-loss estimates against estimated values and therefore did not demonstrate that their assumptions and assigned properties were accurate.

- It was indeterminate whether the model calibration was accomplished using inverse methods, considered an industry standard at this time[47], or was accomplished deterministically. At a minimum, an explanation for not using inverse techniques should have been included in the report.
- HydroFocus and Geoscience did not include the NMGWM calibrated parameter sensitivity and parameter uncertainty. Sensitivity analysis is considered an industry standard. If inverse modeling was done, enormous information generated by that process was excluded from the reports, including among other output:
  - Sensitivity of parameters
  - Sensitivity of water level observations
  - Sensitivity of boundaries
  - Parameter correlation
  - Parameter confidence intervals
  - Degree of nonlinearity

- Because of inadequate data, analysis, reporting and the use of parameter values ranging from unreasonable to unquantified uncertainty, and known and unknown error, the NMGWM is concluded to be poorly calibrated and not representative of the aquifer system.
- HydroFocus, in recognition of some of these elements, rejected use of the NMGWM head model and instead used superposition based on NMGWM calibrated parameter values to predict drawdown from slant well pumping.
- Because superposition relies on parameters from a poorly calibrated model with known and unknown/unquantified errors, the error in the parameter estimates contributes unquantified error to the predictions.
- Superposition did not produce reliable estimates of drawdown from slant well pumping, and is not concluded to have been the appropriate methodology to employ to meet the Project goals.

[47] My opinion stating that inverse modeling is the industry standard for approximately 15 years now is based on the techniques in model calibration presented at the Colorado School of Mines Integrated Ground Water Modeling Center's biannual conference (over the past 20 years) with inverse modeling being the most common approach among modelers presenting at the conference. Also at least three public domain codes are available for use. All models are not necessarily amenable to inverse modeling if dry cells are calculated but because NMGWM did not incur this effect according to the absence of information in the reports, it should have been calibrated using this standard technique.

Luster, Tom@Coastal

From: Ethan Meyer <ethan.meyer@gmail.com>
Sent: Tuesday, September 08, 2020 10:34 AM
To: CalAmMonterey@coastal
Subject: Opposition to CalAm Desal Project in Marina

Hello,
As a long-time resident of the city of Marina, I am opposed to CalAm's proposed Desal Project in Marina. I am concerned about the potential environmental impacts to our coastline, and the potential environmental and health impacts to Marina's existing water supply. Other more environmentally and economically sound options exist, like the Pure Water Monterey Project. Smarter solutions exist. Please do not approve the permit by CalAm.

Thank you,
Ethan Meyer

Luster, Tom@Coastal

From: A&N Kukulan <kukulan94611@gmail.com>
Sent: Monday, September 07, 2020 11:10 PM
To: CalAmMonterey@coastal
Subject: Cal Am's Desal Project

Dear Commissioners,

My wife wrote a letter signing both of our names but I wanted to write my own letter

I am writing in support of your staff's recommendations OPPOSING California American Water Company's (Cal-Am) proposed Monterey Peninsula Water Supply Project. Some of the reasons important to me are the project's extremely high costs and its environmental impacts. In addition, there is a project available, the expansion of the Pure Water Monterey project, that would satisfy Cal-Am's need for additional water supply.

Cal Am has failed to produce a good solution in a long time and have used deceptive practices in their mailing. Please help protect our dunes and marine life with a more environmentally

sustainable program with the Pure Water Monterey project.

Thank you,

Nicholas Kukulan

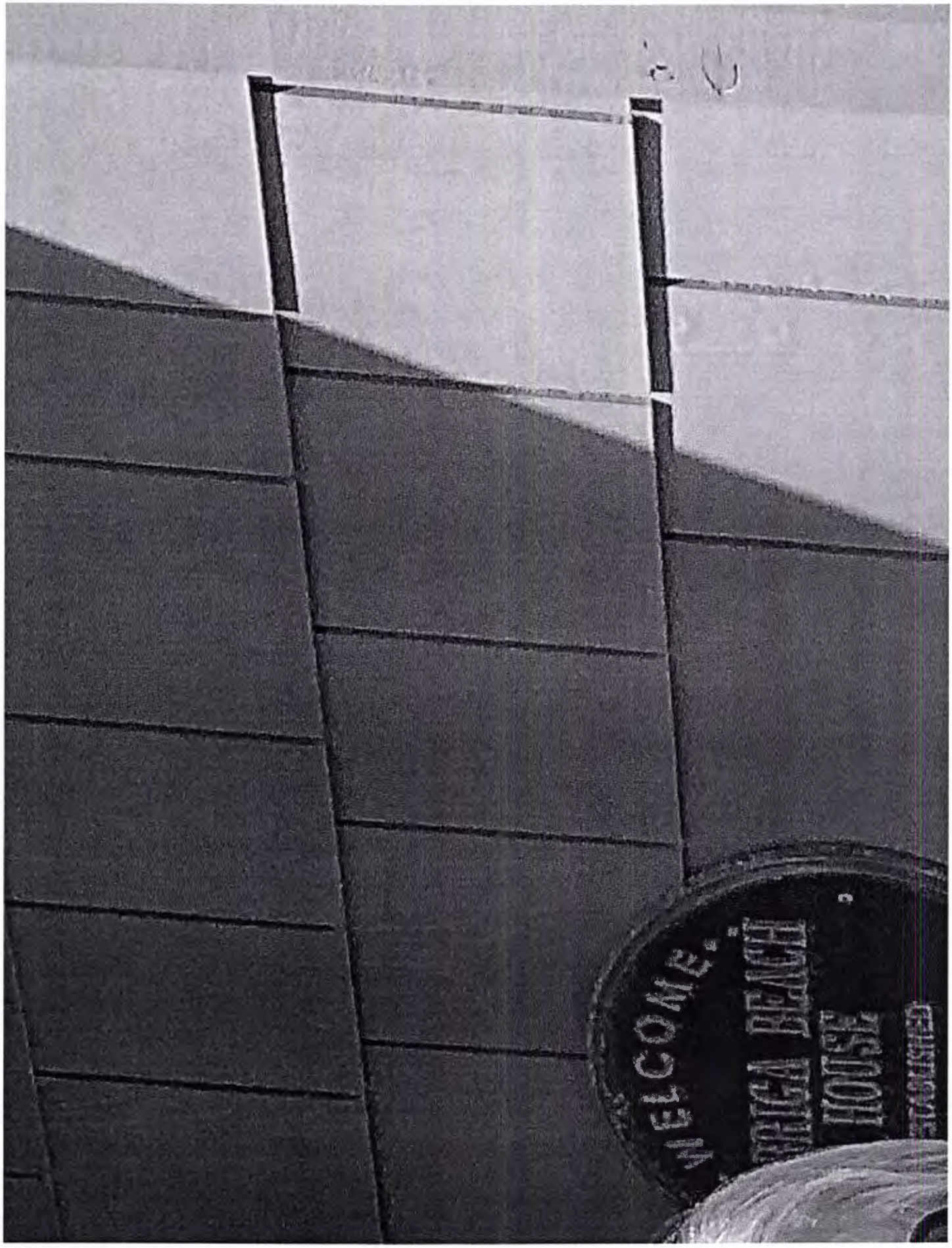
Carmel Highlands

Luster, Tom@Coastal

From: Debi Nobriga <nobrigadj@yahoo.com>
Sent: Monday, September 07, 2020 10:41 PM
To: CalAmMonterey@coastal
Subject: Fw: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff.


WELCOME
HOUSE

My name is Debi Nobriga and I have lived in Marina for 4 yrs. I have raised a family of 6 boys (now men) and am now retired. I chose Marina for the proximity to its beautiful dunes and its wonderful community. This community faces many challenges, the most important being the safety of its aquifers, which is its sole source of water supply. CalAm's proposed desalination plant is a blatant **exploitation of a disadvantaged community**.
Marina will NOT benefit from this plant, as we are not CalAm customers, but .....
It will adversely impact Marina's water source, AND adversely impact the habitat (dunes) of the Snowy Plover.

The Pure Water Monterey expansion project is completely doable with no environmental impact. It will produce the water needed without the slant wells and it's adverse impacts.

Please deny CalAm's application for this permit for the Slant Well project!

Respectfully,

Debi Nobriga
The Dunes of Monterey Resident
nobrigadj@yahoo.com

Luster, Tom@Coastal

From: Judy Strojny <judystrojny@hotmail.com>
Sent: Monday, September 07, 2020 9:34 PM
To: CalAmMonterey@coastal
Subject: Deny CalAm Desalination Project Permit

Dear CA Coastal Commissioners, Executive Director John Ainsworth and Staff:



2020 began with great promise as a year of "clear vision". Bill and I were looking forward to soaking up the sounds, smells and visual pleasures of living near the beaches in Marina. Although we still enjoy the pleasure of this relaxing environment, this year has dealt our community a heavy blow as we deal with the many Corona virus concerns. Our community certainly needs a relief from additional stress. Damaging our environment and destroying our wildlife is unthinkable.

Please support our committee's well being by denying the CalAm Slant Well project.

Sincerely,
Judy Strojny

Luster, Tom@Coastal

From: a&n Kukulan <kukulan94611@gmail.com>
Sent: Monday, September 07, 2020 7:15 PM
To: CalAmMonterey@coastal
Subject: Cal Am's Desal Project

Thank you very much for all the work done

I'm writing to strongly urge you to vote AGAINST CalAms Desal Project

Pure Water Monterey Expansion is the feasible and environmentally preferable alternative There is no water supply crisis. Pure Water Monterey will give us a new water supply much sooner than desal

Our new water supply from Pure Water Monterey – Phase 1 (3,500 acre-feet) will allow us to restore the Carmel River and stop illegal withdrawals by December 2021. The environmental issues facing the Carmel River have been resolved without Cal Am's desal.

Expansion of Pure Water Monterey provides a long-term sustainable water source that is capable of supporting affordable housing, economic recovery and protecting the Carmel River and the Seaside basin.

Cal Am's Desal project is not in the public interest Cal Am's desal would double our water bills. We don't need Cal Am's oversized, over priced desal project to provide our future water supply Cal Am is the only obstacle to the expansion of Pure Water Monterey. Also Cal Ams recent mailer is deceptive and and seems to want to confuse the voters by trying to get users to sign up for pure water by clicking on their link. Cal Am cannot be trusted. Passing Measure J was the community's statement

I believe that Desal damages the environment, costs too much and creates environmental injustice. It (Desal) harms the coastal habitat and Marina's beautiful dunes
Desal would draw from an overdrafted groundwater basin NOT under the ocean

PWMon the other hand Would source water from primarily the 8,000 acre-feet of excess wastewater that is now discharged into the Bay. It is contractually secure and drought proof
Pure Water It is the same system thatOrange County has used for decades

Cal Am has had 25 years to solve or water supply problem with too much delay and litigations.

Thank you
Nick and A Kukulan
Carmel Highlands

Luster, Tom@Coastal

From: R. J. Roland <President@rolands.com>
Sent: Monday, September 07, 2020 5:51 PM
To: CalAmMonterey@coastal
Subject: Please DENY CAL AM's Desalination Project

Members of the California Coastal Commission,

I know you have all heard this before. I am a member of the citizen's group that has been advocating for public ownership of the Monterey water system for years. Forgive me if I become repetitive but this is very important to me and my children. Please deny CAL AM's arguments against public ownership because:

Cal Am's desalination project is not in the public interest. They have had 25 years to solve or water supply problem.
Currently, Cal Am is the only obstacle to the expansion of Pure Water Monterey (PWM).
Pure Water Monterey Expansion is the feasible and environmentally preferable alternative. It will give us a new water supply much sooner than any desalination effort. The current water supply from PWM – Phase 1 (3,500 acre-feet), will allow Cal Am to stop illegal withdrawals from the Carmel River by December 2021.

The environmental issues facing the Carmel River have been resolved by PWM without the need for Cal Am's desalination or the PWM Expansion. Our current water supply will restore the Carmel River and protect the Steelhead. Cal Am desalination project is a solution to a problem that does not exist!

Affordable housing cannot be planned without affordable water yet the Cal Am desalination project would substantially increase our current water bills. The Expansion of PWM will provide a long-term sustainable water supply for decades of growth. It will support affordable housing and economic recovery and avoid environmental damage and environmental injustice to Marina.

The passage of Measure J affirmed the community's statement to the feasibility study to purchase the Cal Am assets. Moving forward to meet that vote is the PUC's responsibility. Please help us out.

V/r,

Jay Roland

Ronald J. Roland, Ph.D., President
ROLANDS & ASSOCIATES Corporation
120 Del Rey Gardens Drive
Del Rey Oaks, CA 93940

+1.831.373.2025; +1.888.FOR.JTLS
M:+1.831.402.8607
www.ROLANDS.com

PROPRIETARY and CONFIDENTIALITY NOTICE: This e-mail is intended only for the above-named recipient(s). If you have received this message in error, please notify the sender.

Luster, Tom@Coastal

From: Ronald Shikashio <ronaldshikashio@yahoo.com>
Sent: Monday, September 07, 2020 5:23 PM
To: CalAmMonterey@coastal
Subject: CalAm Desal Project

As a concerned Marina resident I am opposed to the CalAm Desal Project. My main opposition to this proposal is my concern that this project could deplete or contaminate our city's groundwater. I don't want to be subjected to water contamination problems such as suffered by Flint, MI..

Regards,

Ronald Shikashio
301 Sirena Del Mar Rd.
Marina, CA. 93933

Luster, Tom@Coastal

From: Andrew Zendejas <21097@gopalma.org>
Sent: Monday, September 07, 2020 4:29 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

To: CalAmMonterey@coastal.ca.gov
From: 21097@gopalma.org (Andrew Zendejas)
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

My name is Andrew Zendejas; I am a resident of Gonzales, California. In my family I have two sisters, one brother, and two wonderful parents. We enjoy our quiet life in our small hometown with our dog, Cookie, who I received as a gift for my tenth birthday. I am a current high school senior at Palma High School meanwhile my younger sister attends our sister school, Notre Dame. My older siblings have attended or are currently attending the University of California Santa Cruz in preparation for medical school. My parents are hardworking individuals who work in the agriculture and custodial business to pay for our schooling. We may not live in the area but we are worried that the CalAm project will negatively affect the city of Marina therefore negatively impacting the people who live there. The city of Marina is a highly populated BIPOC area, which makes the project not only an economic issue, but a social issue. The project under review is similar to the stories of gentrification in which white owned businesses attempt to obtain property owned by BIPOC to accommodate to the needs of middle to upper class people who also happen to be majority white. Please do not let CalAm capitalize off of what belongs to the citizens of Marina, which again is a majority BIPOC area. Additionally, I am enrolled in an AP Environmental Science class that has highlighted this topic as a prominent local issue concerning our Earth's most precious resource. We have already discussed how limited access to uncontaminated freshwater will become if we, as human beings, continue to take easy cash grabs that neglect what is best for the environment only to fill people's pockets. I believe that the CalAm initiative is one of these cash grabs that will push California and the world as a whole into an unhealthy position in the future. Please ask yourself if a greedy short-sighted plan is worth negatively impacting the environment and community of Marina. Please deny this harmful project! Thank you.
Sincerely,
Andrew Zendejas

Luster, Tom@Coastal

From: Mitch Johnson <aikimich@gmail.com>
Sent: Monday, September 07, 2020 4:01 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff,

My name is Mitch Johnson. I have been a resident of the Marina for about 50 years. My wife, Trish was born in Monterey and has lived and worked here all her life. When we decided to buy a home, Marina was the obvious choice. It is a beautiful place, and we love it.

I'm writing today to ask you to please deny CalAm's permit for their proposed desal project. Better technology already exists that is more ecologically sound, much (much) less expensive, and will provide all the needed water – and more - where it is needed. This technology will continue to advance and will only get better, supplying all the water that the Peninsula needs, eventually in quantities that will allow us to replenish sources that have been overdrawn.

The proposed desal plant will be an environmental disaster. Please deny this harmful project.

Thank you,

Mitch Johnson

Marina, CA

Luster, Tom@Coastal

From: Douglas Holtzman <dholtzman@mac.com>
Sent: Monday, September 07, 2020 2:12 PM
To: CalAmMonterey@coastal
Cc: Jennifer Smith
Subject: Public Comment on September 2020 Agenda Item undefined 3a - Appeal No. A-3-MRA-19-0034 (California American Water Company, et. al., Monterey Co.)

Dear CA Coastal Commissioners, Executive Director John Ainsworth, and staff:

We have lived in Marina for 16 years. We value many things about our community, including its economic and cultural diversity, its beautiful protected beaches, and its affordable public water supply.

We support your staff recommendation to deny the CalAm Slant Well project. The project threatens our groundwater and our dunes. The Pure Water Monterey Expansion Project is a lower-cost, environmentally responsible alternative.

Please deny this harmful project!

Thank you.

Douglas Holtzman
Jennifer Smith



****

Douglas Holtzman
dholtzman@mac.com

Luster, Tom@Coastal

From: Douglas McLain <dmclain@hotmail.com>
Sent: Monday, September 07, 2020 1:36 PM
To: CalAmMonterey@coastal
Subject: Deny CalAm Desal Project

Salt and water are ionic substances and separating them is energy expensive; proportional to the salinity of the water. Sea water is 3.5 percent salt while domestic and agricultural waste waters are less than 1.0 percent salt. Thus desalting waste waters is much less expensive than desalting sea water. Pure Water Monterey will recycle low salinity waste and brackish waters, thus saving energy costs.

The proposed CalAm desalination system would use electricity generated by the gas-fueled generator at Moss Landing. We should reduce our burning of fossil fuels wherever possible to moderate climate effects.

Desalination of sea water discharges high salinity brine into the ocean which may harm marine life.

For these reasons, I urge you to deny CalAm's proposed seawater desalination program.

Douglas R McLain
PhD Oceanography, University of Michigan
651 Sinex Ave, K216
Pacific Grove, CA 93950

Sent from my iPad

Sent from my iPad

Luster, Tom@Coastal

From: Joseph Lucido <joseph.lucido@sbcglobal.net>
Sent: Monday, September 07, 2020 1:15 PM
To: CalAmMonterey@coastal
Subject: Subject: Cal Am's Desalination Project/Staff Report on De Novo Appeal and Consolidated Coastal Development Permit
Attachments: Commission Letter.docx

California Coastal Commission

With respect to Coastal Commission Staff Report on De Novo Appeal and Consolidated Coastal Development Permit,

I submit this attached letter for your consideration.

I have read the California Coastal Commission staff's Summary of Staff Recommendation. I agree with your staff's findings that the Cal Am proposed Monterey Peninsula Water Supply Project (MPWSP) is inconsistent with relevant Coastal Act and LPC policies and that the Commission may not approve the Project despite those inconsistencies because the PWM Expansion is a feasible, less damaging alternative that will adequately provide water and protect the public welfare.

I strongly urge the Coastal Commission to follow your staff's Summary of Staff Recommendation for the Denial of De Novo Permit and the Denial of Regular Permit.

My letter is attached with the reasons for recommendation.

Sincerely,

Joe Lucido (831-372-7537)

California Coastal Commission

September 7, 2020

455 market Street, Suite 228

San Francisco CA 94105

Subject: Staff Report on De Novo Appeal and Consolidated Coastal Development Permit

I have read the California Coastal Commission staff's Summary of Staff Recommendation. I agree with your staff's findings that the Cal Am proposed Monterey Peninsula Water Supply Project (MPWSP) is inconsistent with relevant Coastal Act and LPC policies and that the Commission may not approve the Project despite those inconsistencies because the PWM Expansion is a feasible, less damaging alternative that will adequately provide water and protect the public welfare.

Cal Am and their supporters believe that the MPWSP is the ONLY viable option for the Monterey District, but this believe is not consistent with both the Monterey Peninsula Water Management District's and your staff's findings and recommendations. Cal Am and their supporters desire the MPWSP for their own special interests and they are not always in the best interests of the public welfare, considering all factors.

History gives us an indication of Cal Am's interests. In 1990's Cal Am illegally over drafted the Carmel River for their special interests. Then, in 2006, Cal Am adjudicated the Seaside Basin resulting in the expected overdraft of that local water resource and with the legal requirement to restore this local water resource over a 30-year period (This 30 year period was to start in 2015, but the overdraft of the Seaside Basin continues at this time). For over 25 years Cal Am has promised the development a of safe and secure a water source to remedy their illegal activities. The MPWSP is their latest attempt, but the Project has many outstanding legal and environmental challenges that are extensively addressed in your staff's findings (pages 4 through 11) and many other reliable studies.

Your staff and/or the Monterey Peninsula Water Management District findings support the PWN Expansion over the MPWMD desalination plant.

The only proven project to date is the Pure Water Monterey Projects (PWM) sponsored by the Monterey Peninsula Water Management District and many other Monterey organizations over the last seven years. Cal Am and their supporters have tried every possible legal and technical tactic to deny implementation of the PWM Projects to enhance their own special interests. Cal Am has been a constant obstacle to the expansion of Pure Water Monterey Projects and Cal Am even refused to purchase water from PWM, because they desired to defeat the PWM Projects and pursue their own special interests.

Pure Water Monterey Factors are as follows: PWN Expansion is in the public interest and is a significantly lower cost water supply alternative; PWN Expansion is the feasible and is environmentally preferable alternative; PWN Expansion will give us a new water supply much sooner than the proposed but unproven MPWSP; With the Pure Water Monterey Projects the MPWMD analysis shows that the Pure Water Monterey project now in operation will stop illegal diversions on the Carmel River by December 2021; PWM Expansion provides a long-term sustainable water source that is capable of supporting affordable housing, economic recovery and protecting the Carmel River and the Seaside Basin; and PWM Expansion source water is primarily the 8,000 acre-feet of excess wastewater that is now discharged into the Bay.

MPWSP Factors are as follows: The MPWSP will result in a major impact to the cost of water and the affordability of water to all to all customers in the Monterey District; The MPWSP will be over-sized and over-priced and will dramatically exceed our projected water supply needs; The MPWSP does not have the legal rights to groundwater water that the proposed extraction wells would produce, since these extraction wells (located only onshore that will draw water from onshore resources prior to gaining access to draw offshore seawater) would draw groundwater from an already over drafted groundwater basin (not under the ocean) and would draw water that will impact the legal groundwater supply to the City of Marina; The MPWSP will most likely result in the increased intrusion of seawater within an expanded local coastal onshore area/depth, which has been the major concern of the Seaside Basin Adjudicated Decision of 2006; and The MPWSP will most likely harm the coastal habitat, including the Marina's environmentally sensitive dunes.

My Opinion of Cal Am Accountability

Cal Am has had 25 years to solve or water supply problem, caused by their improper if not illegal actions to over-draft water resources in the Carmel River and Seaside Basin. Without Cal Am's support our local public agencies have developed a solution over the last 6 years that is in the best interests of the Monterey District customers. Cal Am activities have been counter productive to the successful development of the PWN Projects. Cal Am's special interests have not always been in the best interests of the customers of the Monterey District. Cal Am past activities have proved financially harmful and environmentally harmful without any accountability to Cal Am. The full burden for Cal Am's harmful activities has been imposed on the Monterey Community customers. We solve the problems and we pay the financial burden. I believe that we should not give Cal Am and their supports a third opportunity to financially and environmentally harm our Monterey Community by thinking that Cal Am's activities always represent the Monterey District's best interests or by thinking that the cost and technical documentation presented by Cal Am are accurate and provable. The past history shows a proven record of Cal Am deficiencies without any Cal Am accountability.

With the proven and substantiated information provided by Coastal Commission staff, the Monterey Peninsula Water Management staff and the many letters from concern agencies and customers, I strongly urge the Coastal Commission to follow your staff's Summary of Staff Recommendation for the Denial of De Novo Permit and the Denial of Regular Permit.

Sincerely,

Joseph Lucido

25417 Boots Road

Monterey CA 93940

Luster, Tom@Coastal

From: Levi Matsushima <lmatsush@ucsc.edu>
Sent: Monday, September 07, 2020 12:54 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

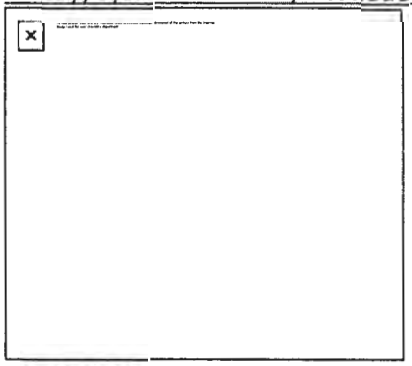
Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

My name is Levi Matsushima; I am a resident of Santa Cruz, but I lived in Marina for 6 years between 2013-2019. I am a CSU Monterey Bay Alumni, currently working towards a PhD at UC Santa Cruz. Marina was my home for those 6 years, and even though I have now moved away I continue to visit and support the City of Marina.

During my time in Marina, I worked as a Water Quality Lab Analyst testing drinking water, irrigation water, and runoff water from around the Monterey Peninsula. I understand the predicament that the Central Coast is facing with the extremely limited supply of water. We are in need of a sustainable source of water that also honors our values of conservation that we hold dear to our hearts in the City of Marina. This project is not sustainable, conservation-minded, or a long-term solution. Instead of building new infrastructure, let us grow the projects we already have at Monterey One.

Please deny this harmful project.

Thanks,

Levi Matsushima
Ayzner Lab
https://ayzner.chemistry.ucsc.edu/

Physical Sciences Building
PSB 186
1156 High Street
Santa Cruz CA 95064

lmatsush@ucsc.edu
Cell: 925.858.5344

Luster, Tom@Coastal

From: Terri Sheldahl <tdsheldahl@gmail.com>
Sent: Monday, September 07, 2020 12:52 PM
To: CalAmMonterey@coastal
Subject: Cal Am's De Sal project

You need to leave Marina alone. We don't want or need you to be involved with our water. We will be fine with Pure Water Monterey Project. Stay away!!!

A Very Concerned Marina Resident

Luster, Tom@Coastal

From: Stefani MIstretta <smistretta@redshift.com>
Sent: Monday, September 07, 2020 11:44 AM
To: CalAmMonterey@coastal
Subject: NO desal

Dear Coastal Commission members,
How many times do we locals on the Monterey Peninsula have to plead that we do not want Cal Am's giantly oversized, expensive, and environmentally wasteful desal plant.

We have a better, cheaper, more environmentally friendly option. Expansion of Pure Water Monterey provides a long-term sustainable water source that is capable of supporting affordable housing, economic recovery and protecting the Carmel River and the Seaside basin. But after 25 years of not solving our water problem, Cal Am is blocking it.

Please support your staff's recommendation of denial.

Thank you,
Stefani Mistretta
1287 Sonoma Avenue
Seaside CA 93955

Luster, Tom@Coastal

From: Sheila Sheppard <deerpaths@yahoo.com>
Sent: Monday, September 07, 2020 10:22 AM
To: CalAmMonterey@coastal
Subject: DENY Cal Am's Desal Plant

Dear Staff,
I am writing regarding the upcoming vote on Cal Am's proposed desal plant.
I just want to encourage you to deny this request. It is both extremely costly and unnecessary given the new source of Pure Water Monterey that is now at hand and ready to deliver. The people of Monterey County clearly demonstrated via vote that they want to move forward with a publicly directed and owned water system. Our public organizations should now help us move in that direction.
If Cal Am is allowed to proceed with this highly questionable approach we know that our water bills will only continue to rise. The cost of building the desal operation will itself be extravagantly high and that too will be passed on to consumers. This has become untenable—-we already have the highest water cost in the entire nation.
Please stand with the people with your votes.
Sincere thanks for your time and attention, Sheila Sheppard

Sent from my iPad

To: CalAmMonterey@coastal.ca.gov
From: Steve Hunt & Family
Subject: Appeal No. A-3-MRA-19-0034; Deny Cal-Am Desalination Project Permit.



Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

My name is Steve Hunt and I have lived in Marina since 1992 where my wife Julie and I have raised three children, all of whom are now adults. I serve the City of Marina as a Public Works Commissioner, Past President of Marina Rotary and co-founder of a 501c(3) nonprofit organization. Not to mention many roles as a volunteer. My wife is a past PTA President and also involved in the community. We will be celebrating our 30th wedding anniversary and cannot attend the Sept 17 meeting which the reason for my letter today.

I am somewhat amazed that this issue is still pressing. Cal-Am attorneys must really have a hold on you and the commission since we are still talking and writing you about this. The only reason Cal-Am chose Marina in the first place is because it was the most simple and profitable solution for Cal-Am and its investors. The proverbial path of least resistance. We all know that if Marina were Pebble Beach these debates would not be taking place. Cal-Am would never challenge the "white" money that is Pebble Beach, Pacific Grove and Monterey for that matter. There are multiple locations south of Marina that Cal-Am could use to desalinate their water without stealing from Marina and you know it. But they chose Marina because they thought we lacked the resources (money & intelligence) to put up a fight.

Also, in addition to water and the quality of water, if you allow Ca-Am to prevail it will mean they will be digging up the streets of Marina in order to install pipelines that deliver Marina water to their treatment facility. Another major disruption. It would also suggest the CCC is either corrupt or incompetent.

Do what is right and Please deny the CalAm Slant Well project!

Luster, Tom@Coastal

From: Pat <plgrant@earthlink.net>
Sent: Monday, September 07, 2020 6:46 AM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.
Attachments: 20171231_220800.jpg

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff.

I have lived in Marina for over three decades. I enjoyed being the Veterinarian in my lovely little town where neighborhood parties are the norm.

As a Senior Citizen who is now retired, the specter of our city having its ground basin water removed by an out of town slant well project is deeply troubling.

This is the sort of thing that social justice movies are made about.

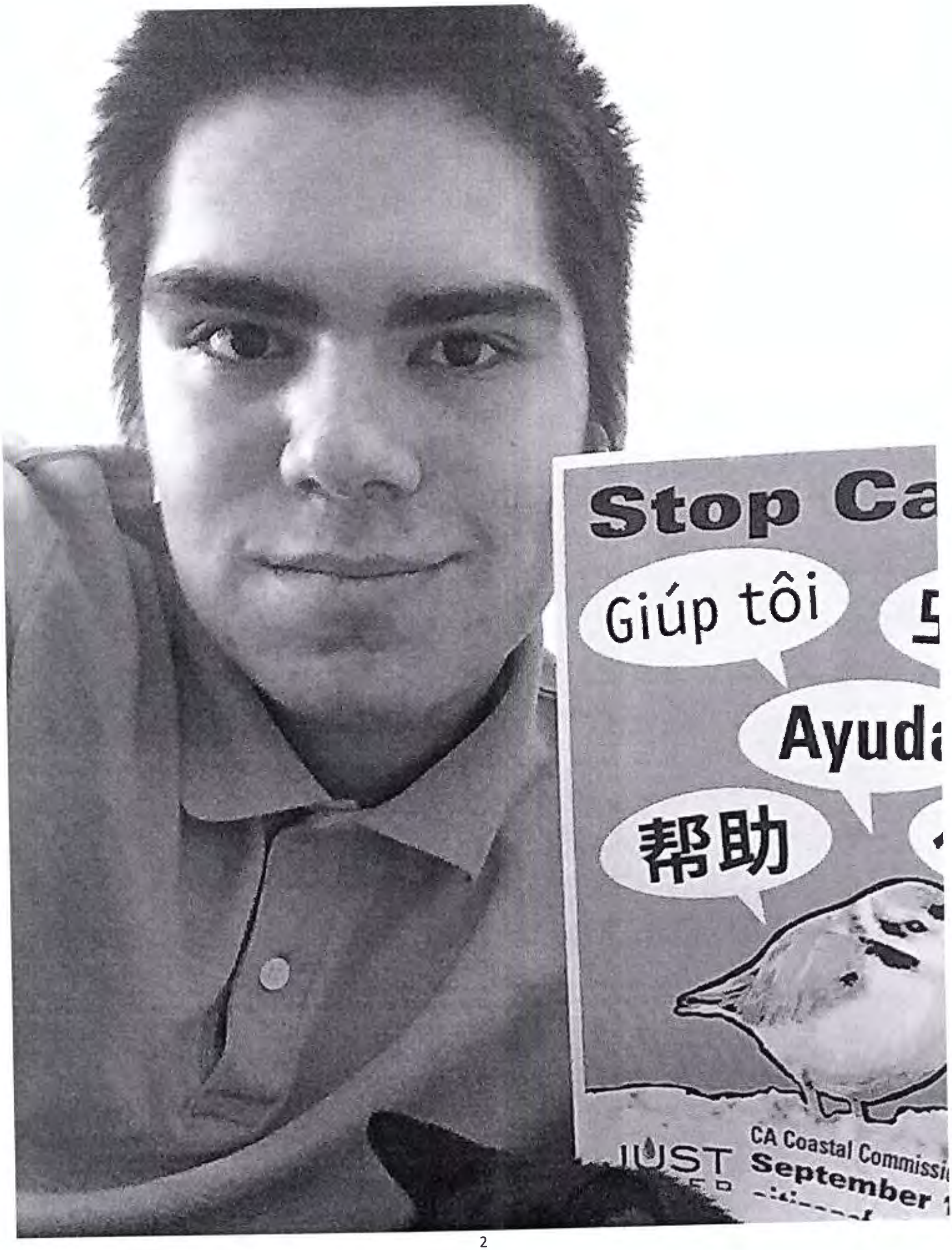
Please be on the side of the hero and stop Cal Am from taking my community's water.

Pat Grant, DVM
454 Forest Circle
Marina, CA 93933

Luster, Tom@Coastal

From: Anthony Santa Ana <21093@gopalma.org>
Sent: Sunday, September 06, 2020 10:20 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff: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CA Coastal Commissi
September

My name is Anthony Santa Ana. I have lived in Salinas all my life. Drinkable water in my area has seen prices steadily rising for years, an unfortunate occurrence when we all depend on it, especially during the current times. Even though a desalination plant would make the situation more economically beneficial for our wallets, we, not just as citizens of Monterey County, but as global citizens of the Earth, have a moral obligation to care for our planet. A desalination plant is a greedy, short-term solution to an expansive and burgeoning long-term issue- one that my high school environmental class has covered extensively. The decision to deny the permit may not be the most glaring financial choice, but, with the health of our lush local area and the situation of the posterity in consideration, the choice is clear. I will be unable to speak at the meeting, but, through this letter, I hope that my concerns have been voiced and that my voice has been heard.

Please deny the CalAm Slant Well project!

Signed,
Anthony Santa Ana

--
Sent from my iPhone

Luster, Tom@Coastal

From: Blake Iverson <21017@gopalma.org>
Sent: Sunday, September 06, 2020 9:55 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

Hello my name is Blake Iverson and I am a resident of King City. I am in the AP environmental science class at Palma and this cause was recently brought to my attention. Although I do not live in Marina, I feel that it is important that I help the residents get their voices heard in their fight against the Cal Am project. I understand the need for a desalination plant, however it seems unfair that the residents of Marina are being asked to bear the risk and danger involved, especially since the project isn't going to benefit them. I am also concerned, along with the residents of Marina, that the slant wells could cause salt water intrusion and be damaging to the environment and to the safety of the endangered species that call Marina home.

Please deny this harmful project

Thank you for your time,
Blake Iverson

--
Blake Iverson

Luster, Tom@Coastal

From: Timothy Sanders <tds@oxy.edu>
Sent: Sunday, September 06, 2020 8:42 PM
To: CalAmMonterey@coastal
Subject: Subject: Cal Am's Desal Project

Dear Commissioners:

Cal Am's continuing misleading and false assertions, for which it has become notable, now are being organized by Cal Am into a letter-writing campaign intended to promote those unsupportable assertions as if arising from public enthusiasm. **The case against the Cal Am claims, however, is overwhelming**, independent of any attempt to disguise them as arising from popular knowledge and concern.

It is simply **false** to claim that Cal Am's proposed desalination plant (labeled misleadingly the "Monterey Water Supply Project") is "the **only** viable option to supply our community" that meets fundamental needs of the Monterey Peninsula. Your Commission is, of course, very much aware of an *existing alternative water source,* the Pure Water Monterey system with its expansion project.

The[TS1] **Pure Water Monterey Expansion** is **in** fact an **available, feasible** and indeed **superior alternative** water source that meets Cal Am's own stated criteria of being

- **Sustainable** for foreseeable decades
- Capable of **supporting affordable housing**
- Capable of **supporting economic recovery**
- (Most important!) Capable of **restoring the Carmel River and Seaside Basin.**

The Pure Water Monterey Expansion is

- Far **less expensive** both to build and to operate than the proposed desalination plant
- Environmentally much **cleaner**,
  - Using **far less energy**, and correspondingly, until and unless totally renewable energy sources are utilized, generating **far lower greenhouse gas** emissions and air pollution
  - Being **free from seawater and ocean impacts.**

The **additional economic costs of the desalination** alternative to water-recycling **are huge**. The recycling alternative can utilize population and business growth to increase the base resource of recycled water. And the lower price of recycled water compared with desalinated water **reduces the relative costs of living** on the Peninsula and thus supports more-affordable housing.

The **Cal Am proposal** is **substantially oversized**, and since the cost of desalination increases with the degree of underutilization, the excessive size of the Cal Am proposal produces **unnecessary and unwanted inefficiencies**.

All available evidence indicates that the Pure Water Monterey Expansion will be able to deliver water reliably **before** the Monterey Water Supply Project, and therefore will satisfy Cal Am's "as quickly as possible" criterion, **again favoring the water-recycling solution**.

The Monterey Peninsula water resource problem is ***not*** **a crisis**, and the delays and resistance to solution that have exacerbated the problem are principally of Cal-Am's own making.

Through its ***control*** of a *vital human resource*, Cal Am consistently has chosen to grow its **profits in preference to fulfilling** its fundamental obligation to efficiently and faithfully serve the **public's needs and interests**. The Coastal Commission on the other hand is fundamentally committed to the public interest. **By every relevant measure, the Pure Water Monterey Expansion is significantly superior to the Cal Am desal proposal** in pursuit and execution of that commitment, and should be selected as the source for future Monterey Peninsula water requirements.

I **urge you** and your Commission Colleagues therefore to vote to **deny the Cal Am desal proposal** and thereby remove that threat of oversized, over-expensive and environmentally greatly inferior system from the Peninsula's water-dependent future. The **Coastal Commission's thorough Staff report demonstrates clearly and unambiguously that this is the appropriate decision,**

Thank you for your considered attention.

Respectfully,

Timothy D. Sanders
25075 Pine Hills Drive
Carmel, CA 93923
(831) 625-4324

[TS1]

3079 Hermitage Road
Pebble Beach, CA 93953

September 4, 2020

Commissioners
California Coastal Commission
455 Market Street, Suite 300
San Francisco, CA 94105

SUBJECT: Comments on Items TH3a and TH4a
September 17, 2020 Special Meeting Re: California American Water Company's Monterey Peninsula Water Supply Project

Dear Commissioners:

I urge you to deny California American Water Company's (Cal-Am) Appeal No. A-3-MRA-19-0034 and Application No. 9-19-0198.

The Coastal Commission Staff Report dated August 25, 2020 recommends both of these actions. The Staff Report provides detailed background and reasoning for the staff recommendations. Primary in importance to me are the project costs and the environmental impacts of its construction and operation. An alternative project, expansion of the Pure Water Monterey water recycling and aquifer storage project, is available to allow Cal-Am to cease its illegal water withdrawals from the Carmel River and meet the region's water supply needs, and according to your staff's analysis is the preferable, least environmentally damaging alternative. The cost of water from an expanded Pure Water Monterey project is a fraction of that from Cal-Am's proposed desalination project. In addition, this project could be implemented much more quickly than Cal-Am's desal proposal.

Sincerely,

Andrew M. Bell

Water\20200904.Letter to CCC re Cal-Am appeal & application.doc

Luster, Tom@Coastal

From: ROYCE FOSTER <rdfsearose@comcast.net>
Sent: Sunday, September 06, 2020 7:57 PM
To: CalAmMonterey@coastal
Subject: Appeal No.MRA-19-0034: Deny CalAm Desalination Project Permit

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff

My name is Royce Foster and I am a resident of Marina. My husband Jim and I are retired, and moved here from Carmel and Los Angeles, originally, because of the beautiful, fresh ocean environment and the friendly family-oriented neighborhoods. We are very disappointed that a huge, for-profit company, CalAm, has illegally attempted to take our water, to which they are not entitled,
in order to sell it into other areas at a profit. This will destroy our pristine and fragile coastline and it's natural inhabitants.

Please deny this harmful project. Thank you, Royce Foster

Luster, Tom@Coastal

From: DOUGLAS STEAKLEY <dsteakley@comcast.net>
Sent: Sunday, September 06, 2020 4:07 PM
To: CalAmMonterey@coastal
Subject: Cal Am's Desal Proposal

Subject: Cal Am Desalination Project

I am writing to support your staff's recommendation to deny Cal Am's proposed desalination project. There are numerous reasons why this project should be denied, and perhaps the most salient is that Pure Water Monterey will be able to provide the water Cal Am needs to meet the state's order to stop pumping from the Carmel River quickly, at a significantly lower price, with less environmental damage, and for a longer period of time. Cal Am has stated that the slant wells will have to be re-located in twenty to twenty-five years to an undetermined location that will have new and additional environmental problems.

I have been a Cal Am customer for more than forty years and have watched in dismay as our water bills have increased annually by substantial amounts. As you know, we were charged many millions of dollars by Cal Am for being conscientious and conserving water. Cal Am does not have it's customers' interest at heart, as a privately held company, it is more concerned with increasing profits for shareholders.

Cal Am has been aware of water shortage issues on the Monterey Peninsula for decades and has landed on desal as a water source, not because it is the best or most affordable, but the one that provides them with more revenue. Fortunately, Pure Water Monterey has created a solution that will provide the water we need at a reasonable price.

Other issues surrounding a desalination plant include reduced affordable housing due to increased water costs, increasing water fees for lower income communities, environmental damage, which still has not been fully calculated, a questionable water source for the water the slant wells will use, the unproven technology of slant wells, etc.

Thank you for your thoughtful consideration of our water source for the coming decades, I hope you will concur with staff recommendations and deny Cal Am's permit.

Sincerely,

Doug Steakley

Doug Steakley
Fine Art Photography
Photography Tours and Expeditions

www.douglassteakley.com
P.O. Box 736
Carmel Valley, CA 93924
831.601.0632

Luster, Tom@Coastal

From: Brendan Watson <23107@gopalma.org>
Sent: Sunday, September 06, 2020 2:02 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff,
My name is Brendan Watson and I have lived in Santa Cruz all my life. I go to Palma High School and I am taking an AP Environmental Science class. I believe that this project won't do anything but damage our coastline and jeopardize Marina's main source of drinking water.

Please deny this harmful project! Thank you.

Signed,
Brendan Watson

Luster, Tom@Coastal

From: MWChrislock <mwchrislock@redshift.com>
Sent: Sunday, September 06, 2020 12:25 PM
To: CalAmMonterey@coastal
Subject: Pure Water Monterey Reduces Carmel River Withdrawals

Cedar Street Times • August 30, 2020

Withdrawals from the Carmel River to be Reduced as the Pure Water Monterey Supply Becomes Available

By Mike McCullough, MPA
Director of External Affairs for Monterey One Water

Coming to a tap near you in February, 2021

Monterey, Calif., August 26, 2020 >> A new water supply for the Monterey Peninsula is here. Over the weekend, injection of purified water from the Pure Water Monterey Project into the Seaside Groundwater Basin – a key drinking water source for the Monterey Peninsula – reached 1,000 acre feet. This mile- stone marks completion of the Project's operational reserve and the start of its 1-for-1 replacement water supply to support species and habitats in the Carmel River.

"On behalf of our Board and staff, Monterey One Water is pleased to help in providing cooperative water solutions for the area. It has been a long journey but one where collaboration and innovation have made a difference in developing a sustainable water solution for many years to come," stated Paul Sciuto, General Manager for Monterey One Water (M1W), the Agency responsible for operating and managing Pure Water Monterey.

How does a 1-for-1 replacement water supply work?

The primary goal of Pure Water Monterey is to reduce extractions from the Carmel River. To do this, Pure Water Monterey treats then purifies a variety of wastewaters to stringent drinking water standards. The purified water is injected into the Seaside Groundwater Basin where it mixes with existing groundwater and enhances the water supply for California American (Cal Am) Water's Monterey District. For every acre foot of purified water added to the Basin, Cal Am can increase its dependency on the Seaside Basin by one acre foot and reduce its dependency on the Carmel River by one acre foot.

What is an operational reserve?

The original 1,000 acre feet of purified water injected into the Seaside Groundwater Basin represent an operation reserve for M1W. It gives the Agency flexibility in the future to temporarily decrease production for routine maintenance or capital improvements and can be thought of as a savings account to be used only when needed.

The Monterey Peninsula Water Management District (MPWMD), who manages and allocates available water supplies, was critical in developing and commissioning this new supply. "Together, M1W and District staff performed outstandingly to get us to our 1,000-acre-foot goal ahead of expectations," said Dave Stoldt, MPWMD General Manager. This important milestone introduces a new water supply for residents and businesses.

When will advanced purified water be part of the supply coming out of taps?

Pure Water Monterey is a groundwater replenishment project. Purified water is not pumped directly to homes, rather it is injected into the Seaside Groundwater Basin to assist in sustaining this existing water source. Once purified water is injected into the Basin, it travels through the aquifer for approximately one year before it reaches Cal Am's extraction wells which deliver water to its Monterey District customers. Injection of purified water began in February 2020 and customers can anticipate purified water reaching their taps in late winter/spring of 2021. Extensive monitoring of water quality and travel time confirms the integrity, safety, and progress of the purified water for the life of the project.

Luster, Tom@Coastal

From: Marlene Tise <tise455@aol.com>
Sent: Sunday, September 06, 2020 11:35 AM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034, Deny CalAm Desalination Project Permit

Dear CA Coastal Commission:

My name is Marlene Tise and I have been living on the Monterey Peninsula since 1974 and in Marina since 1982. I love this area and feel the Slant Well project will be detrimental to Marina in particular, but eventually to the rest of the area also. We have a safe alternative for increasing our water supply with the Pure Water complex and should utilize and expand that before building a desal system that draws from our groundwater systems.

Please deny the CalAm desalination plant permit.

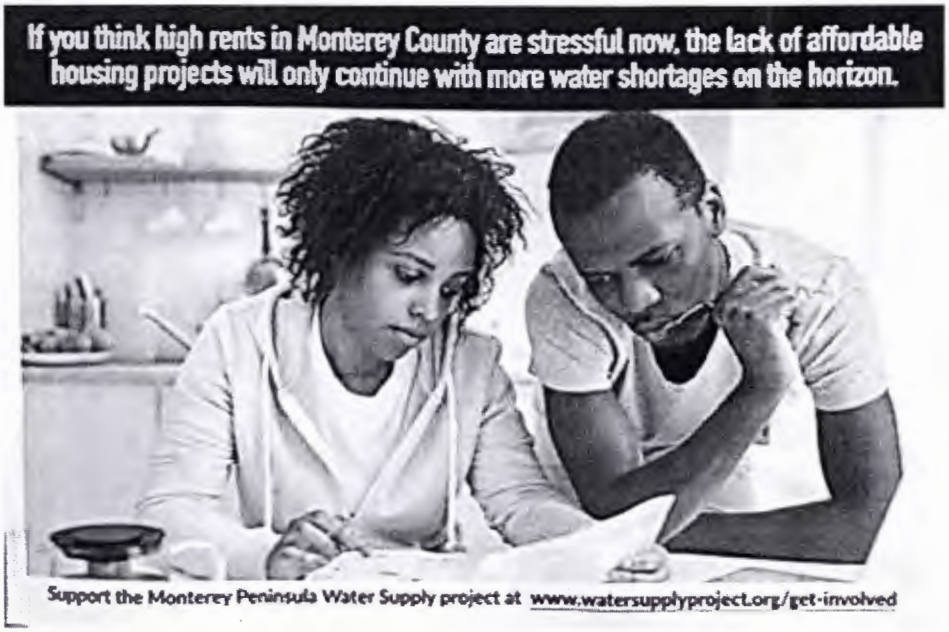
Thank you.
Marlene Tise

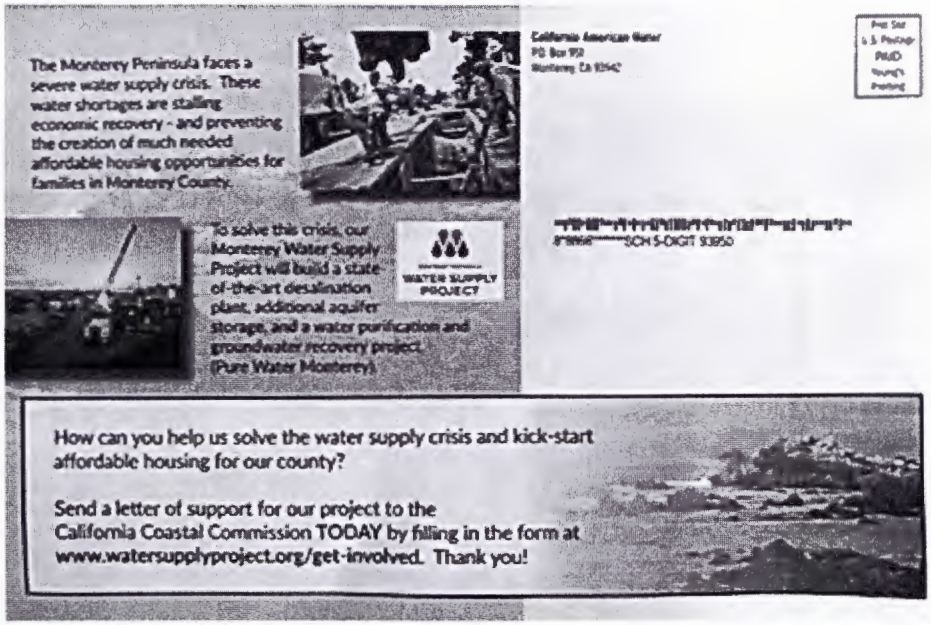
Luster, Tom@Coastal

From: Michael Ostovich <setman1@hotmail.com>
Sent: Sunday, September 06, 2020 11:33 AM
To: CalAmMonterey@coastal
Subject: CalAm trickery

Dear Commissioners:

This mailer shown below is the latest effort by Cal Am to get their unnecessary desal plant built (at an exorbitant price for Monterey Peninsula ratepayers:





California American Water is attempting to dupe their customers into appealing to directly you to approve the permit for the desal project in order to maintain their strangle-hold on our water. Please recognize the fallacy or their message, claiming desal is needed to keep rents low.

The desal plant will double water costs for the Peninsula... higher rents will be inevitable. Wealthy ratepayers can absorb the costs, but average and struggling ratepayers will be deeply affected.

Our best, least-expensive, fastest, and environmentally-safest solution for sustainable water for our area is available through the Pure Water Monterey recycled water project.

Please follow the findings of your own staff and deny the permit.

Michael Ostovich
(831) 207-6078

Luster, Tom@Coastal

From: CHERYL CAPECE <dcapece743@aol.com>
Sent: Sunday, September 06, 2020 11:32 AM
To: CalAmMonterey@coastal
Subject: Public Comment on September 2020 Agenda Item undefined 3a - Appeal No. A-3-MRA-19-0034 (California American Water Company, et. al., Monterey Co.)

Dear CA Coastal Commissioner, Executive Director John AInsworth and staff



My name is Cheryl Capece. My husband Dave and I are retired and live in Marina. Marina has always protected the coast, assuring access to everyone.
Water is extremely important to our community, and Cal Am should not be allowed to steal it from us.
Please deny the CalAm Slant Well project!
Thank You
Cheryl Capece

Luster, Tom@Coastal

From: ecklesmpg@aol.com
Sent: Sunday, September 06, 2020 11:29 AM
To: CalAmMonterey@coastal
Subject: Sept 17 meeting regarding desal

Dear ladies and gentlemen of the Coastal Commission, and for Greta

If you simply peruse peninsula neighborhoods to see a growing blight brought about by among the most expensive water in the country, we residents can't live with the CalAm knee pressed upon our surroundings and pocket backs...

Your staff findings to recommend against the slant wells are absolutely correct..Desal slant wells are for water as fracking is for oil; an ecologic and economic CalAmity, CalAM seeks to press upon us.

CalAm has engaged in every conniving, lying maneuver imaginable to retain their control over the public's resource- their cash cow.

As to their veracity, in an earlier round, parading a person before the media to proclaim what a bad deal it was for Felton residents to buy CalAM. Being an old Felton resident, one afternoon I interviewed residents in shops, religious centers, the police and fire departments, grocery store, and every person expressed how pleased they were with their accomplishment. and shook their heads incredulous at to what could motivate the person to be a spokesperson for CalAm.

If you ever visited the San Clemente Dam site it was obvious there was no sign of ANY upkeep of the dam or reservoir. A Carmel Valley resident told me about the non-disclosure agreement a property owner entered to have the material removed from the silted-in reservoir and deposited in his nearby canyon. It became easier, politically correct, and at no expense to CalAm to have their private maintenance problem become a $55,000,00 public liability. (With weather extremes a well designed, modern dam will ultimately prove to be a crucial structure for all living creatures and to protect the many millions of dollars of property downstream; see Los Vaqueros reservoir.)

Among the litany, how about the "misplaced" sensor that gave erroneous salinity readings in the test well. See also the Stanford ground penetrating radar study.

For thirty years, we three Leos often met from San Luis Obispo to Santa Barbara (dinner at Ostini's Hitching Post II in Casmalia) where we encountered Hollister Ranch with its remote, pristine ocean-front, restricted from the public. Makes Martin's Beach a postage stamp. How could that possibly be? A local told us. It's creation occurred prior to the Ca Coastal Comm! Please do not allow the desal CalAmity to be set upon us all, with its deleterious energy effects.

Very truly yours, Mark Magruder Eckles Pacific Grove Ca 831-241-8940 1040 Olmsted Ave

Luster, Tom@Coastal

From: LEON HELLER <leonoid@comcast.net>
Sent: Sunday, September 06, 2020 10:13 AM
To: CalAmMonterey@coastal; leonoid@comcast.net
Subject: CalAm Desal Plant

As a long time resident of Marina, I strenuously object to CalAm"s desal plant project to take water from Marina,
and ship the water to the Monterey Peninsula, especially since there is a viable alternative.(Pure Water Expansion).
This project is nothing more than a rob Peter (Marina water) to pay Paul (mitigate CalAm's overpumping of the Carmel River).
To add insult to injury, not one drop of water from the desal project will go to Marina...Bummer.

Question: Will CalAm be held responsible for making Marina's water undrinkable in the future due to salt contamination?
Could happen!...PG&E shelled out over 300 million to settle legal claims involving contamination in Hinkley CA (Erin Brockovich).
Perhaps, the Coastal Commission should consider having CalAm post a 300 million dollar bond to pay for any future litigation.

Question: Will the state of California be held responsible for making Marina's water undrinkable in the future if the
Coastal Commission approves CalAm's desal plant project?...Could happen!...Recently the state of Michigan has agreed to pay the
city of Flint Michigan 600 million for its part in contaminating Flint,s water with lead.

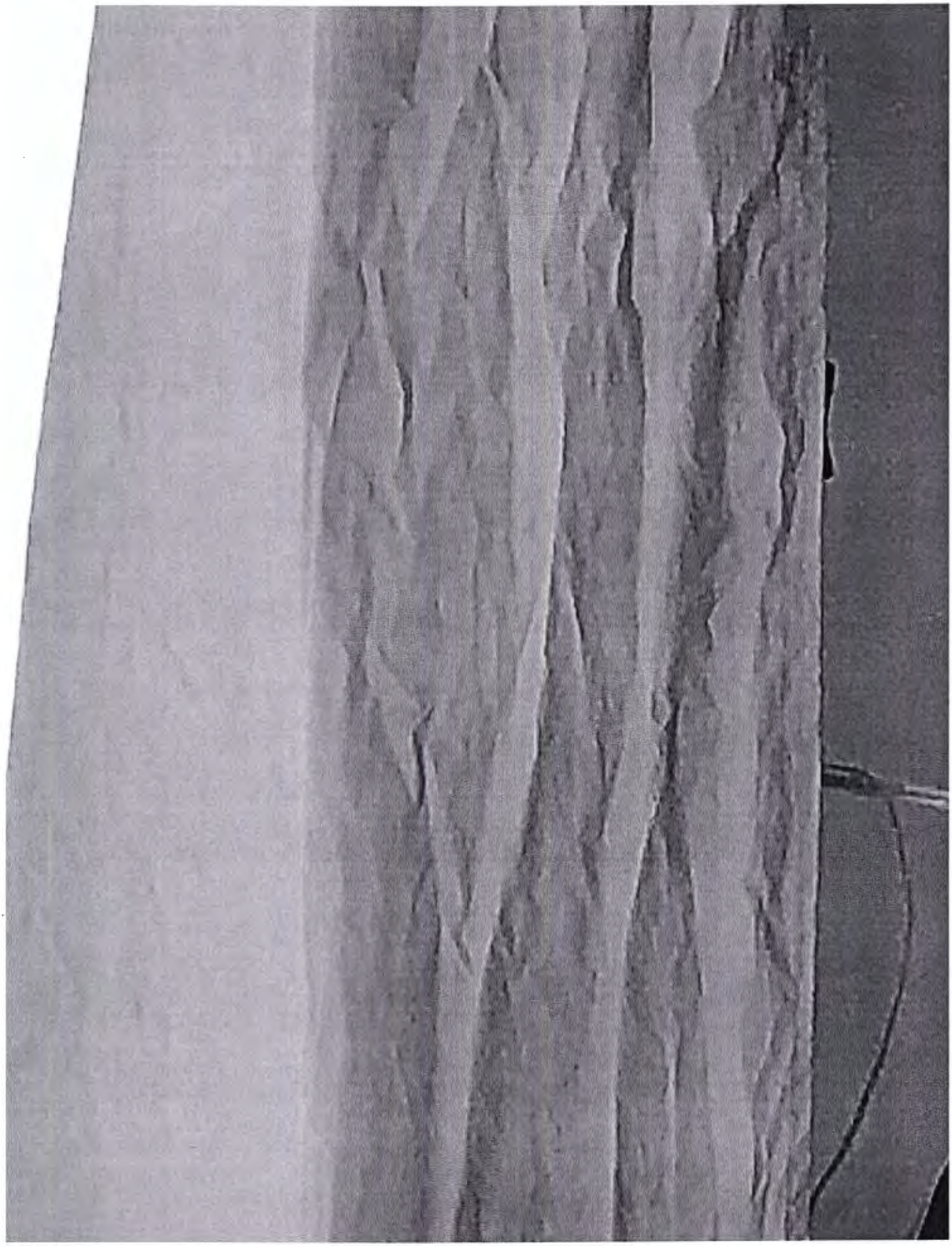
"Whiskey is for drinking, water is for fighting." Twain

Leon E. Heller
Marina CA

Luster, Tom@Coastal

From: Katherine Biala <kybiala@icloud.com>
Sent: Sunday, September 06, 2020 8:42 AM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:



Marina and the Ord Communities have done everything we could as a community to engage our residents in this fight for our future! I know you have listened to us over the last four years and please understand that this is an extraordinary feat for any community, let alone a disadvantaged community to continue to persevere! We implore you to deny the CalAm Slant Well project!

Thank you,

Kathy Biala, resident of Marina

Kathy Biala
kybiala@icloud.com
cell: 831-242-0023
Mailing address: 3012 Crescent St.
Marina, CA 93933

Luster, Tom@Coastal

From: Tina Walsh <tinainmarina@redshift.com>
Sent: Saturday, September 05, 2020 7:14 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Dear California Coastal Commissioners, Executive Director John Ainsworth and staff:



My name is Tina Walsh; I am a resident of Marina, California and lifelong resident of Monterey County. As a fixed income older person and widow of a Vietnam veteran, I live a simple life and appreciate the small, free pleasures living near the coast can bring as I observe the birds and dune plants that exist in my community. Especially exciting to me is the possibility of spotting a Smith's Blue Butterfly!

I urge you to vote for denial of the Cal Am project which came to us uninvited and brings to us harm instead of benefits. The intended recipients of the desalinated output water don't even want it because of its high cost. Expansion of the Pure Water Monterey project has been identified as a feasible alternative with less damaging impacts to our ESHA, public enjoyment, and local groundwater issues.

Please say no to this harmful project. Thank you for your consideration.

Sincerely,

Justina Walsh

Sent from Mail for Windows 10


This email has been checked for viruses by Avast antivirus software.
www.avast.com

Luster, Tom@Coastal

From: Karen Paull <karenppaull@gmail.com>
Sent: Saturday, September 05, 2020 6:45 PM
To: CalAmMonterey@coastal
Subject: Public Comment on September 2020 Agenda Item undefined 3a - Appeal No. A-3-MRA-19-0034 (California American Water Company, et. al., Monterey Co.)

Commissioners,

I write to you as a resident of Pacific Grove. I was an attorney at the CPUC for 15 years; for four of those years, Chief Counsel for the CPUC's Office of Ratepayer Advocates. I retired in 2014 and moved to Pacific Grove in 2018.

Commissioners, I urge you to adopt the staff recommendation to deny a coastal permit for Cal Am's desalination plant in Marina. The staff report presents overwhelming evidence in support of its recommendation. Pure Water Monterey Expansion is a feasible and environmentally preferable alternative. It would make it possible to stop illegal withdrawals from the Carmel River by December 2021. The environmental issues facing the Carmel River can be resolved without Cal Am's desal plant.

Furthermore, Pure Water Monterey Expansion can meet the supply needs of the Monterey Peninsula at a far lower cost. The cost issue is important. Cal Am's customers on the Monterey Peninsula already pay the highest costs in the country. The proposed desal plant would drive rates even higher. This is in a region with a high cost of living and a largely low-paid workforce.

Cal Am has argued that the desal plant is necessary to build affordable housing. This argument is disingenuous. You can't have affordable housing without affordable water. Pure Water Expansion can meet the region's needs at a much lower cost.

Is Cal Am's proposed desal plant even feasible? Probably not! Even if the Commission were to issue a permit, it seems unlikely that the plant could be built in this location. Cal Am doesn't have the necessary groundwater rights, and cannot acquire them. The staff report also identified unresolved environmental impact issues that at the very least, require further study before a permit can be issued. The project's unproven slant well technology is another source of uncertainty. And what about the impact of rising sea level? How long before the wells would need to be moved inland? Cal Am doesn't own land inland.

None of these hurdles apply to Pure Water Monterey Expansion. It is much more likely to succeed in bringing a new supply of water to the region.

I hope you will also give serious consideration to the environmental justice issue. The City of Marina should not be required to sacrifice its precious coastal resources to a project that would bring no benefit whatsoever to its residents, only burdens.

For all of these reasons, you should adopt the staff's recommendation and deny the permit.

Respectfully,

Karen Paull
Pacific Grove

Luster, Tom@Coastal

From: Jose Rafael Ramos <joserafaelramos@yahoo.com>
Sent: Saturday, September 05, 2020 6:23 PM
To: CalAmMonterey@coastal
Subject: Appeal No: A-3-MRA-19-0034 CalAmDesal Project

Cal Am's Desal project is not in the public interest because--

1. As a mater of social justice it would double the price or water in the area which it serves when the water it distributes is already the most expensive in the nation, and

2. The Pure Water Monterey Expansion will give us a sufficient new water supply at much less cost and sooner than desalination.

Clearly, the feasible and environmentally. preferable alternative is the Pure Water Monterey Expansion.

Make CalAm follow through on the delivery of recycled water or revoke its franchise to distribute water on the Monterey Peninsula.

José Rafael Ramos, Esq.
74 Via Descanso
Monterey, California 93940-6110
(831) 655 1555

To: California Coastal Commission Staff September 5, 2020

Cal Am's Desal Project

Application No.: 9-19-0198

Dear Commissioners,

I am writing to you today to address the application from Cal Am for their Desal Project on the Monterey Peninsula. You will be voting on this on September 17 – just over a week away. I urge the Commission in the strongest terms to deny that application, based upon all the reasons that your staff recommended denial.

- Cal Am's Desal project is not in the public interest.
- Pure Water Monterey Expansion is the feasible and environmentally preferable alternative. It will give us a new water supply much sooner than desal.
- Our new water supply from Pure Water Monterey – Phase 1 (3,500 acre-feet) will allow us to restore the Carmel River and stop illegal withdrawals by December 2021. The environmental issues facing the Carmel River have been resolved without Cal Am's desal.
- The Peninsula will not be able to build workforce housing until we get a new water supply. We have it in our sights to provide this much needed housing so people who work on the Peninsula can afford to live here and not have to drive an hour or more each way to work.
- Also, the Pure Water Monterey expansion will be a much more affordable way to ensure a sustainable water supply that the Peninsula's lower income earners could actually afford.
- Cal Am is the only obstacle to the expansion of Pure Water Monterey.
- Desal damages the environment – it would harm the dunes which provide a habitat for threatened and rare species.
- Cal Am's project is a major offense to environmental injustice, which was clearly pointed out by the CCC Staff report on this proposal.

Thank you for your years of attention to this issue. It has been a real struggle. I urge you to deny this application so that the Peninsula can move forward.

Respectfully,

Amy Anderson

Amy Anderson, PhD

Carmel, CA

Luster, Tom@Coastal

From: Lisa St.Mary <lstmary@sbcglobal.net>
Sent: Saturday, September 05, 2020 3:24 PM
To: CalAmMonterey@coastal
Subject: I am against desalination plant

Dear Commissioner,

Owing to the fact that EVERYTHING CalAm has done for decades and continues to do to manipulate and promote their interests first—how on Earth could anyone support giving them stewardship of any desal facilities??

They have proven themselves the worst of stewards for decades. Their profit margins are sinful and made on the backs of hard working citizens. How many companies have the HUGE GUARANTEED profit margins Cal Am is ensured?? They are an abusive and one sided entity and they have been blowing in the ear of the Coastal Commission for way too long.

I have been heartened that as of late the Coastal Commission has finally found their 'sea legs' pardon the pun—and have said no to them once or twice. Good on you.

Please quit believing the 'spun sugar' of Cal Am's Catherine Stedman with her 'sing-song' voice, deceptive presentations and half truths. That dog and pony show has been trotted out far too many years.

It would be important on this upcoming decision—more than any other—to REFUSE Cal Am's ridiculous request. The cogent points below more than ratify this position:

Key points to draw from:

– Cal Am's Desal project is not in the public interest
– Pure Water Monterey Expansion is the feasible and environmentally preferable alternative
– It will give us a new water supply much sooner than desal
– Our new water supply from Pure Water Monterey – Phase 1 (3,500 acre-feet) will allow us to restore the Carmel River and stop illegal withdrawals by December 2021. The environmental issues facing the Carmel River have been resolved without Cal Am's desal.
– There is no water supply crisis
– No Affordable housing without affordable water. Cal Am's desal would double our water bills.
– We don't need Cal Am's oversized, over priced desal project to provide our future water supply
– Expansion of Pure Water Monterey provides a long-term sustainable water source that is capable of supporting affordable housing, economic recovery and protecting the Carmel River and the Seaside basin.
– Cal Am is the only obstacle to the expansion of Pure Water Monterey.
– Cal Am cannot be trusted. Passing Measure J was the community's statement
– Desal damages the environment, costs too much and creates environmental

injustice
– Desal harms the coastal habitat and Marina's beautiful dunes
– Desal has no legal source water, it would draw groundwater from an overdrafted groundwater basin NOT under the ocean
– PWM Expansion source water is primarily the 8,000 acre-feet of excess wastewater that is now discharged into the Bay. It is contractually secure and drought proof
– Orange County has used this same system for decades
– Cal Am has had 25 years to solve or water supply problem
– Our public agencies have solved it in the last 6 years. Now all the water we need for decades is available, but Cal Am is blocking it.

Thank you for considering my letter.

Sincerely,
Lisa St Mary

Sent from my iPhone

Luster, Tom@Coastal

From: Natalie Gibson <natalie.h.gibson@gmail.com>
Sent: Saturday, September 05, 2020 3:09 PM
To: CalAmMonterey@coastal
Subject: Cal Am's Desal Project

Dear California Coastal Commission Representative,

Cal Am's Desal project is not in the public interest and Pure Water Monterey Expansion is the feasible and environmentally preferable alternative. It will give us a new water supply much sooner than a desal plant would be able to. Our new water supply from Pure Water Monterey will allow us to restore the Carmel River by December 2021. Cal Am's desal would double our water bills. We don't need Cal Am's oversized, over priced desal project to provide our future water supply.

Cal Am is the only obstacle to the expansion of Pure Water Monterey. Cal Am cannot be trusted. Passing Measure J was the community's statement. Desal damages the environment, costs too much and creates environmental injustice. Desal harms the coastal habitat and Marina's beautiful dunes. Desal has no legal source water, it would draw groundwater from an overdrafted groundwater basin NOT under the ocean.

Orange County has used this same system for decades without incident. Cal Am is a FOR-PROFIT business and has no interest in serving the public good. They are selling us something that every human has a right to. WATER. Let it become a public issue so it can be dealt with fairly, economically and responsibly.
Please DENY the DESAL PLANT and put Cal Am in their place.

Sincerely,
Natalie Gibson
Monterey Resident for 40 years
831-277-9261

September 5, 2020

Dear Chairman Padilla and Commissioners of the CCC,

...and so, we come to the culmination of a long six-year process that I have been involved in every step of the way. I'm going to treat this letter as if I had 5 minutes to speak, to keep it under 1,000 words...

My name is Michael Baer. I was a resident of the Monterey Peninsula from August of 1982 until May of 2019... over 36 years. I moved to San Jose, the town I grew up in, in May of 2019 to help my ailing parents. I have remained active in the Monterey Peninsula Water Supply Project (MPWSP) despite the move. This is too important to me, and I have invested too much time and energy to stop merely by changing my address 70 miles north.

I first became involved in the local water issues in November of 2013, so I had already been at it a year, when I came to that fateful meeting in Half Moon Bay in November of 2014, where the Commission considered the decision of the test slant well permit, which was approved. Thus began an odyssey, and those Commissioners who have been around these last six years, probably recall me chasing you all over the state on this issue.

So here we are again... and likely for the last time.

Staff got it right, please deny the local coastal permit for the desal plant. Do your substantial part to bring this nightmare to a close.

There is so much wrong with this project which is amply and cogently covered in the staff report. You will no doubt be hearing the numerous arguments from many dozens of advocates commenting against the plant, as well as the handful of tired and misleading arguments from the proponents for the desal.

With so much to cover, the question is where to point the laser. I always try to add a novel perspective, or at least present in a novel way, to actually add value to your deliberations. What can I say now that we have reached this point?

I want to talk about the other side, the business and political allies that Cal Am has cobbled together for support.

On the political side, you "old timers" will recall, that a JPA was formed called the Monterey Peninsula Regional Water Authority (MPWRA) comprised of the six Peninsula mayors from the six Peninsula cities (Monterey, Seaside, Carmel, Pacific Grove, Del Rey Oaks, and Sand City). The fact that a community of less than 100,000 people is divided into six city jurisdictions (not to mention an additional nearly ten thousand county residents within Cal Am's borders) is

one of the main reasons Cal Am can create so much mischief. There are so many different stress points they can leverage politically and financially.

The MPWRA was often referred to as "the mayors authority" and it was the brainchild and chaired by Jason Burnett, who was the mayor of Carmel, a young aspiring politician, and grandson of David Packard, nephew to Julie Packard, the director of the world renowned Monterey Bay Aquarium. He developed a unanimous coalition of all the mayors, with the mission to unify the Peninsula to meet their long-standing problems of sufficient, sustainable water supply and resolve the CDO from the SWRCB to reduce the draw from the Carmel River.

Jason Burnett admitted more than once publicly that the "mayor's authority" had no actual authority. They were not beholden to their respective city councils nor the constituents who voted them to office. They simply worked as self-appointed lobbyists to help resolve the water supply problem in their self - perceived interests, which coincidently aligned with Cal Am wholeheartedly.

As previously mentioned, there was no representation for the county residents in unincorporated Carmel Valley, Carmel Highlands, or Pebble Beach, nor any other unincorporated areas in Cal Am's district.

Do you want to know who else wasn't at the table? Every single person who has been clambering before you to kill the project for the last six years.

I think it's instructive to note that not a single one of the six mayors on the MPWRA who came to you in 2014 was an elected official after the 2018 election. Some retired, and some were defeated. The first to leave was Jason Burnett himself, who retired in 2016 and took his family to Washington D.C.

That is the political side of the story, but there is also the commercial interests, Hospitality, Real Estate, and the local Chambers of Commerce make up the lions share, but there are other smaller, sometimes non-profit interests, who support Cal Am. Salinas Valley Agriculture is the largest business in the County; they support Cal Am too, even though they are entirely outside the boundaries of Cal Am's customer base. Why do they care so much, and flex their muscles? I'm not entirely sure.

But I submit to you that every single proponent for the project, from those listed above, to Paul Bruno of MPE which has a million dollar contract to trench the pipelines, to Castroville Services Committee, which would receive water at about 2 cents on the dollar to produce it, to low wage employees of the hospitality industry who will tell you they need that water so they can have a job...

All of them, every one, if you dig deep enough you will find they receive some financial benefit, while very few of them will see the cost on their water bill as residents, because few are residents within the Cal Am district.

This is the debate before you. Staff has laid out beautifully all the reasons why this project is fatally flawed. We've been saying it for the last several years.

Thank you for your service, your time, and your consideration.

Sincerely,

Michael Baer

Luster, Tom@Coastal

From: TAMMIE TIMMION <adagio3737@aol.com>
Sent: Saturday, September 05, 2020 11:32 AM
To: CalAmMonterey@coastal
Subject: Cal Am's Desalination Project Proposal at the current controversial CeMex sand mining site Near Marina, CA

I attended the coastal commission meeting held in Half Moon Bay last year regarding this subject. As you may know there was incredible community outrage and opposition to this proposal. The expert on desalination for the state of CA spoke also summarizing why this site is a very poor choice. Some extremely well educated and articulate members of our community spoke along with scholars on all aspects concerning this matter. No one that does not stand to be personally enriched by this boondoggle is advocating for approval of this desalination project.
Why Cal Am continues to push for this desal project at this very unsuitable location instead of finding an acceptable location shows how reckless this extremely profitable corporation is to everyone other than those shareholders and speculators.
PLEASE END THIS MADNESS! Cal Am has shown our community that it's profit motive is a major obstacle to our water resource. Eventually our community will rise up and take control of this vital public resource. Help us begin to untangle the stranglehold Cal Am has on the communities of the Monterey Bay!
Stand up to this extremely profitable New Jersey Corporation !
Thank you.
T Timmion

Sent from my iPhone

Luster, Tom@Coastal

From: tbharris146@aol.com
Sent: Saturday, September 05, 2020 9:58 AM
To: CalAmMonterey@coastal
Subject: desal project

Commissioners: I have lived in Monterey Co for over 40 years. 30+ years ago we bought a home that was in the Bishop water co. area of service. Our home has a pool. The water was / is awful but plentiful and affordable.
Cal am bought Bishop water several years ago. This past summer my bills have been high $400, $500, (water in the pool $800), $400. We have two families, (8 people) in the house and Cal Am's tiered billing is a killer. The costs will be unmanageable if the desal plant is allowed. It is not needed. **I urge you to follow the advice of your staff report** and deny the desal project for so many reasons. Thank you, Tamara Harris 10175 Sunstar Rd. Monterey CA.

Luster, Tom@Coastal

From: Jane Bell <ajjbell@redshift.com>
Sent: Friday, September 04, 2020 9:48 PM
To: CalAmMonterey@coastal
Subject: Cal Am's Desal Project, Vote NO. We support CA Coastal Commission Staff Report Recommendations against Desalination Project.

Dear California Coastal Commission,

Thank you for all that you do to protect California's precious coast. With regard to our issue here on the Monterey Peninsula, I urge you to uphold the thorough CCC Staff report in support of the City of Marina Planning Department decision against the California American Water desalination project and CCC Staff's recommendation for denial of Cal-Am's application for that project. Among the many reasons I oppose the desalination project is a new one. This community, which already has expensive water, is grappling with the effects of the Covid 19 epidemic. It has been damaging to hotels, restaurants, government services, small and large business and so many individuals and families. We cannot afford this experimental plant with unresolved issues that would impact acres of coastal dunes. AND there is a reasonable, less costly, and ready to implement alternative in the Pure Water Monterey project.

Please note that California American Water Company has sent out a flyer recently, quite deceptive and misguided in tying water to affordable housing. They ask that the addressee click on a form that will generate support for their desalination plant. I fear that many people will be confused by the label, "Monterey Water Supply Project," the description of which includes other projects besides the desalination project.

With much gratitude,

Jane R. Bell, MPH

Luster, Tom@Coastal

From: Andy Bell <amacbell@redshift.com>
Sent: Friday, September 04, 2020 9:26 PM
To: CalAmMonterey@coastal
Subject: Comments on September 17, 2020 Agenda Item TH3a - Appeal No. A-3-MRA-19-0034 (California American Water Company)
Attachments: 20200904.Letter to CCC re Cal-Am appeal & application.doc

3079 Hermitage Road
Pebble Beach, CA 93953

September 4, 2020

Commissioners
California Coastal Commission
455 Market Street, Suite 300
San Francisco, CA 94105

SUBJECT: Comments on Items TH3a and TH4a
September 17, 2020 Special Meeting Re: California American Water Company's Monterey Peninsula Water Supply Project

Dear Commissioners:

I urge you to deny California American Water Company's (Cal-Am) Appeal No. A-3-MRA-19-0034 and Application No. 9-19-0198.

The Coastal Commission Staff Report dated August 25, 2020 recommends both of these actions. The Staff Report provides detailed background and reasoning for the staff recommendations. Primary in importance to me are the project costs and the environmental impacts of its construction and operation. An alternative project, expansion of the Pure Water Monterey water recycling and aquifer storage project, is available to allow Cal-Am to cease its illegal water withdrawals from the Carmel River and meet the region's water supply needs, and according to your staff's analysis is the preferable, least environmentally damaging alternative. The cost of water from an expanded Pure Water Monterey project is a fraction of that from Cal-Am's proposed desalination project. In addition, this project could be implemented much more quickly than Cal-Am's desal proposal.

Sincerely,

Andrew M. Bell

[These comments are also attached as a Word document.]

Luster, Tom@Coastal

From: Robert Melton <robertjmelton@yahoo.com>
Sent: Friday, September 04, 2020 7:08 PM
To: CalAmMonterey@coastal
Subject: Commission Staff recomendations - support

September 3, 2020

To: Chair Steve Padilla and California Coastal Commissioners and Staff
From: Robert Melton MD, MPH
Re: Coastal Development Proposal from California American Water

I urge the Commissioners to support the recommendations of Commission Staff and deny the Coastal Development Permit for the desalination plant proposed by California American Water.

The need for the proposed plant has been obviated by the local community's Pure Water project that is now increasing the supply of potable water to the service area. At the same time, our consistent efforts at water conservation have significantly lowered the demand for water. The data on which the need for the original desal plant was based are now obsolete. We can meet current and future demand for water, including future growth and development, with Pure Water Monterey and the Pure Water Expansion.

During my twenty years as Public Health Officer and Director of the Monterey County Health Department I was responsible for the oversight of drinking water systems for small communities throughout Monterey County, and thus became aware of need to promote access to and quality of drinking water for all residents and visitors. Protection of ground water aquifers from contamination and runoff was an essential part of our staff's work. From this I learned of the long-term consequences of seemingly low-risk events and the costs of rebuilding systems that have been damaged. The risks from the proposed desal plant may be difficult to quantify, but the consequences of contamination of Marina's water supply would be long-lasting and irreversible.

I also recognize safe drinking water as an essential public good that must be available to all without regard for income or residency status.
An important aspect of access to water is cost. Monterey County's population is largely made up of moderate and low-income workers in the agricultural, hospitality and tourism sectors. These and other low income people may not be present to testify today, but their wellbeing matters very much. The desal plant proposed by California American water has become an expensive and environmentally risky project that would impose a very significant financial burden on ratepayers from these working families, without providing real benefits to them that justify its high additional economic and environmental costs.

Sincerely,

Robert J. Melton, MD, MPH
Carmel Valley CA

Luster, Tom@Coastal

From: M Melton <ccapacv@yahoo.com>
Sent: Friday, September 04, 2020 1:38 PM
To: CalAmMonterey@coastal
Subject: Cal Am's Desal Project

September 4, 2020

To: Chairman Steve Padilla and the California Coastal Commissioners and Staff:

Please support your staff's exhaustively researched and carefully reasoned recommendation to deny a Coastal Development permit for Cal Am's proposed desal project.

I believe that communities are capable of solving difficult problems in ways that benefit diverse interests and can create unexpected win-wins for all their residents and the environment, too.

Pure Water Monterey (PWM) and its Expansion are strong examples of this. After 20 years of Cal Am's failures, a coalition of local public agencies developed Pure Water Monterey in just six years. Expansion of Pure Water Monterey will provide a long-term sustainable water source that is capable of supporting affordable housing with affordable water. It will help us create a strong economic recovery and protect the Carmel River and the Seaside basin.

The PWM Expansion has an assured, drought-proof water supply. Its capital costs are roughly a quarter to a third of the cost Cal-Am's desal—and an even smaller fraction when the full cost, including interest over the life of the desal project is included. The water from Pure Water Monterey and the Pure Water Expansion projects is expected to cost between $2,245 and $3,000 per acre-foot (AF). Cal Am's desal would be more than two to three times as costly ($7,000 to $8000 per acre-foot).

Both Pure Water Monterey and its Expansion are well engineered. The Pure Water project description anticipated that its first-year production would be about 1,000 AF per year, not 3,500 AF. Based on current progress, Pure Water Monterey will be up and running in time to supply the full 3500 AFso we can comply with the State Water Resources Control Board's pumping limitations for the Carmel River by December 31, 2021. It seems odd that Cal Am claims an 18 month delay during a pandemic is a major PWM flaw, given its own 25 years of failures that were (and are) costly for ratepayers but profitable for Cal Am. The most recent example is that somehow, its engineers forgot that water doesn't run uphill and that it wouldn't be able to deliver the PWM water unless it added unexpected charges for more equipment to our bills.

Thank you for contacting low income residents in all the affected communities. While Monterey Peninsula residents are sympathetic to low income Castroville residents who need water, we believe the agricultural firms who caused the depletion and saltwater intrusion need to help them. There are more than 21,000 low income residents on the Monterey Peninsula, more than 5 times as many as there are in Castroville. They did not cause Castroville's depletion and saltwater intrusion, cannot afford to correct it, and already struggle to pay for some of the most expensive water in the nation.

Cal Am often cites the California Public Utility Commission's (CPUC) approval of its project and the large projected demand for its desal as if it were law. Please do not rely on these outdated figures or

the CPUC's supply and demand numbers or its environmental impact conclusions. Today's CPUC Commissioners have recently shown they are strongly committed to using current data and are willing to update and discard past findings that are no longer correct and discard policies that can no longer be justified.
If, in the future, global warming worsens dramatically, the PWM Expansion will allow us to build a better sited, technologically advanced, efficient, environmentally sustainable, nonprofit regional desal facility that meets our needs.

Today, Pure Water Monterey will allow us to lift the CDO more quickly than the proposed desal. PWM plus the Expansion will have the source water, location, and reliable functionality to assure a better future for salmon while also protecting the snowy plover, vernal pools and important coastal habitats. Equally important, the PWM Expansion will allow more affordable futures, greater fairness and better coastal access for many local people, including the disadvantaged. Unlike Cal Am's desal, the Pure Water Expansion will not create hazards, suffer from erosion or cause it in trying to protect its pipes, or pose any risk to the residents of Marina.

Thank you again for the Commission staff's very careful review, based on current evidence. Please support its findings that denial of the proposed Project will not harm the public welfare and that the Pure Water Expansion is a feasible and better alternative.

In closing, I would also like to appreciate and thank Chairman Padilla for his valiant fight to survive and recover from Covid-19 and for his very moving account of his experiences and those of his daughter.

Sincerely,

Marli Melton

Marli Melton, Carmel Valley

Luster, Tom@Coastal

From: Charles Cech <ccech1@gmail.com>
Sent: Friday, September 04, 2020 8:18 AM
To: CalAmMonterey@coastal
Subject: Slant Well Ground Water? Attachment
Attachments: # # Slant Well Ground Water.docx

How much Desalinated Water Will Need to Be Returned?

The following information was found in Cal Am's Test Slant Well Long Term Pumping Monitoring Report Number 168 dated 1/21/2020

Instead of drawing seawater from Monterey Bay for desalination, Cal Am's test slant well draws water from two aquifers. The upper intake is drawing fresh water from the shallow Dune Sand Aquifer (DSA) and the lower intake is drawing brackish water from the 180-foot aquifer. The total water drawn is around 46% DSA fresh water and 54% brackish water from the 180-foot aquifer. These are estimated slant well intake screen volumes. Note that the quality of the DSA water has been confirmed to be fresh water by Stanford University, using a proven high tech airborne electromagnetic measurement system.

The test slant well uses an electrical conductivity sensor to determine the total dissolved solids (mostly salt) in the drawn water. This sensor is located near the top of the 180-foot aquifer intake; but it is below the DSA (fresh water) intake. With the sensor in this location it primarily measures the electrical conductivity of the brackish 180-foot aquifer water; it does not measure the mixture of brackish and fresh DSA fresh water. The sensor should have been placed at the top of the test slant well to accurately measure the actual fresh water content of the mixed intake water.

A prominent California water law attorney has pointed out that the Monterey County Water Resources Agency Act prohibits exporting groundwater from the Salinas Valley Groundwater Basin. Cal Am is suggesting that the water being drawn from the 180-foot Aquifer is 93% seawater and only 7% fresh water. These measurements are made by the misplaced conductivity sensor. Cal Am proposes to pump 17,300 acre-feet from the Basin and return 7% fresh water by selling the 7% as desalinated water to the town of Castroville at a deeply discounted price. There is no provision in the Agency Act for taking and returning water to the Basin. This expert water law attorney believes that Cal Am's return water concept is rational for illegally pumping fresh water out of the Salinas Valley Groundwater Basin without water rights.

When DSA fresh water is mixed with the 180-foot aquifer intake the fresh water content might be as high as 52%. Consequently, the amount of desalinated water that will be produced and would need to be returned to Salinas Valley Groundwater Basin in Castroville is unknown but will unquestionably much higher than 7%.

Confirmation of the incorrect placement of the conductivity sensor in the test slant well can be viewed on page 32 of the Cal Am Test Slant Well Report 168 (See Reverse Side). The graph on this page indicates a decrease in the electrical conductivity in the water drawn by the test slant well starting in March of 2018. The decrease is due to the test slant well operating times being reduced from 24 hours per day to 6 hours per week. This dramatically reduced the amount of DSA fresh water drawn by the test slant well shallow intake. This allows the DSA fresh water to percolate down to the 180-foot aquifer sensor during the quiescent periods. This additional DSA fresh water reduced the volume of total dissolved solids in the water measured by the sensor by approximately 30%. The water measurement sensor indicated a fresh water increased from approximately 3% to about 23% in19 months. This fresh water also helps slow seawater intrusion.

Did Cal Am intend to misrepresent the total dissolved solids measurements of the blended brackish and fresh water by placing the sensor half way down the Test Slant Well? When there are 6 slant wells simultaneously drawing DSA fresh water how much water will need to be returned to the Basin? Is Cal Am's ultimate goal to create100% seawater intrusion in the Salinas Valley Groundwater Basin?

Charles Cech
Computer Automation Technologist, Monterey CA
chuck_cech@hotmail.com Cell Phone (831) 594-6117

CALIFORNIA AMERICAN WATER

Monterey Peninsula Water Supply Project
Test Slant Well Long Term Pumping Test
Monitoring Report No. 166

Specific Conductivity in MPWSP Test Slant Well

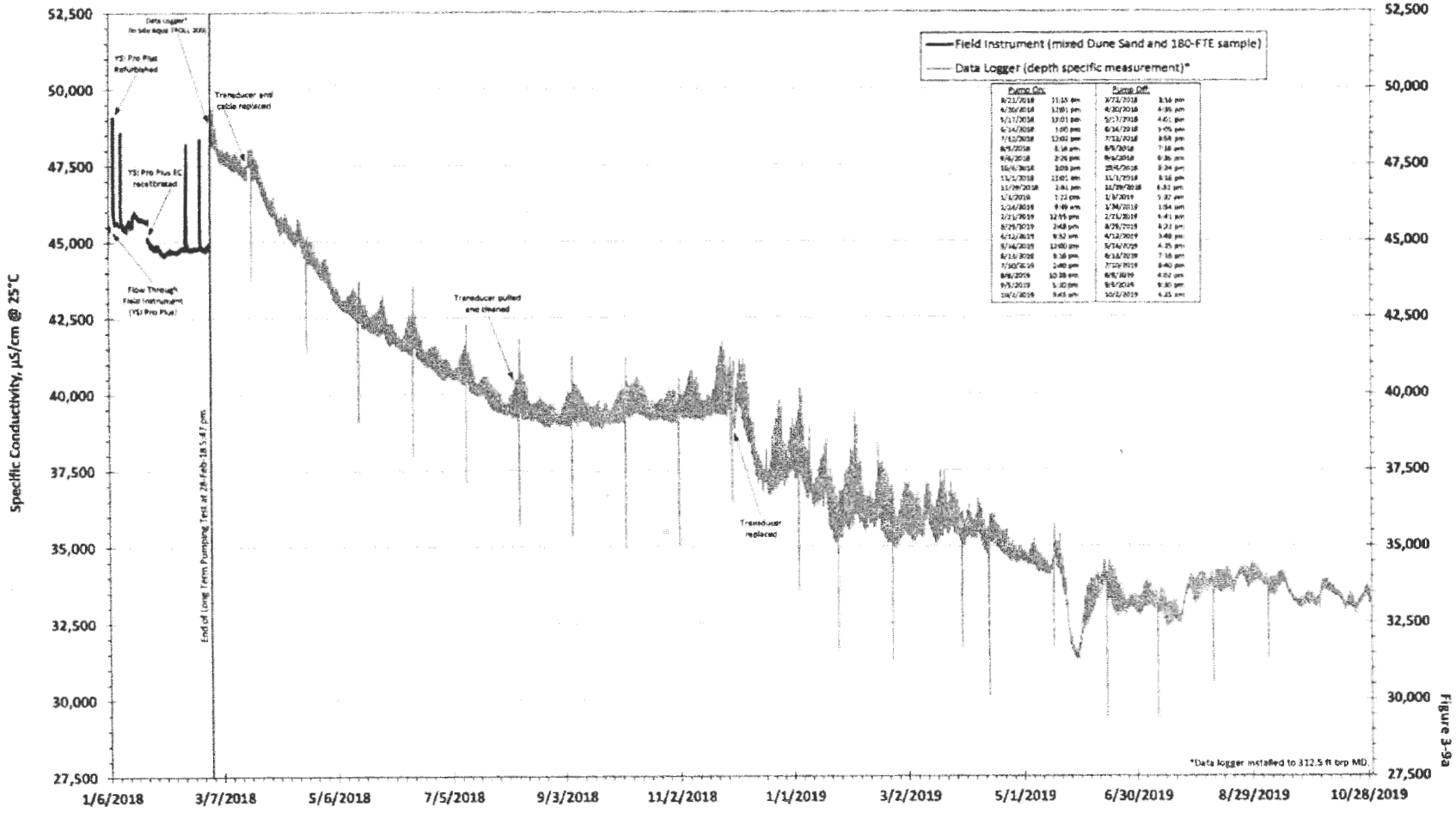


Figure 3-6a

5-Nov-19

GEOSCIENCE Support Services, Inc.

Specific Conductivity in MPWSP Test Slant Well

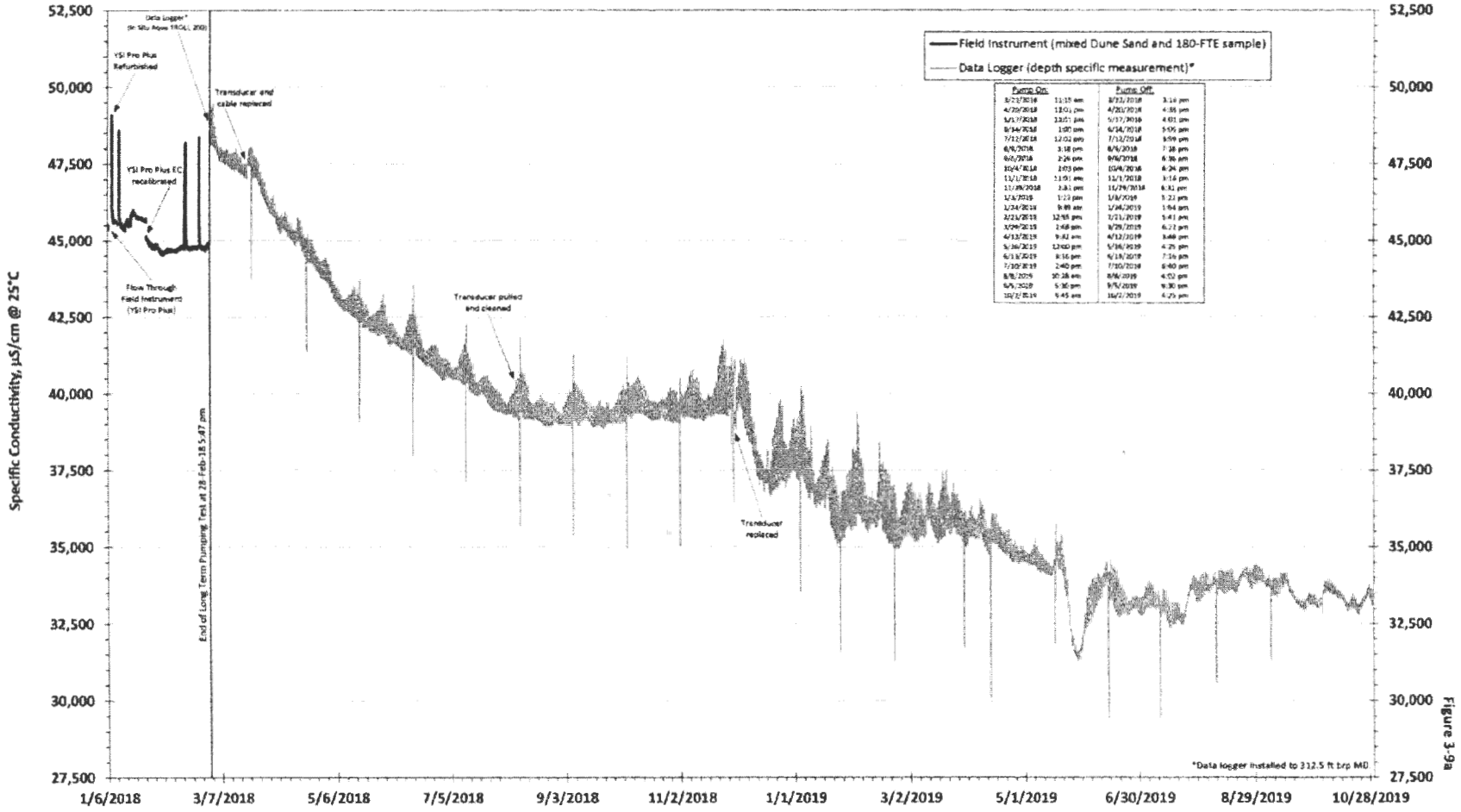


Figure 3-9a

5-Nov-19

Luster, Tom@Coastal

From: Robin R <robinarosintino@gmail.com>
Sent: Thursday, September 03, 2020 4:24 PM
To: CalAmMonterey@coastal; Robin Rosinski
Subject: Appeal No. A-3 MRA-19-0034; Deny CalAm Desalination Project Permit
Attachments: Birding 2.jpg; Birding 1.jpg

I am a resident of Marina California.I am highly opposed to the Cal AM Desal Project.
I feel very fortunate to live in a very beautiful and diverse area. I live a short distance to the dunes, beach and ocean which I frequent on a daily basis. Being a nature lover, it is important to me that our coast and its inhabitants, humans and all other creatures are treated with fairness and respect. I enjoy walking the beach and birdwatching. I enjoy the calmness I get while strolling along with the vast ocean on one side and the stunning dunes on the other. I also enjoy seeing many families playing with their children along the beach. Getting to experience these things on a regular basis makes my heart happy.
The Dunes are very important to me. I participate in a state parks program that is helping to restore dunes by removing invasive non native plants.The Marina community is also very important to me. I volunteer with organizations that feed the homeless and protect the ocean and educate school children.
Marina has borne the brunt of a landfill and sewage plant. The residents of this wonderful community are now being forced to have one more unsightly and a most environmentally unfriendly project and industrial buildings on their beautiful dunes. This is just not fair
1. This project is too expensive
2. The technology is unproven
3. The plant most likely will endanger our groundwater
4. There already is a much more environmentally friendly and affordable alternative, Monterey One Water.

I urge you to side with the residents of Marina and the Staff at the California Coastal Commision and Deny the Permit for the Cal AM Project.
Robin Rosinski Resident of Marina California
--
Kind Wishes
Robin Rosinski

Luster, Tom@Coastal

From: Merry Nolte <merrynolte@gmail.com>
Sent: Thursday, September 03, 2020 3:20 PM
To: CalAmMonterey@coastal
Subject: September 17 Hearing

I oppose granting any permit for Cal Am to build a desalination plant. It is unnecessary at this time, as the Pure Water Now project provides sufficient water, thanks to local support for water conservation. Eventually, a desal plant may be needed, but let's wait for improved technology and reduced costs. Monterey Peninsula does not need to be the first to test, and finance, a new system.

Also, this proposed plant would probably damage the city of Marina's water supply. Marina (where I do not live) has long been the neglected stepchild of the Monterey Peninsula, with its sand mining, county dump, etc. It does not seem fair that more infrastructure should be built there, which would not even benefit Marina residents.

Thank you for your consideration.

Merry Nolte
Carmel Valley

Luster, Tom@Coastal

From: Mark Angel <markcangel@att.net>
Sent: Thursday, September 03, 2020 1:27 PM
To: CalAmMonterey@coastal
Subject: No Desal: Yes Pure Water

For the following reasons I support the Coastal Commission recommendations:

– Cal Am's Desal project is not in the public interest
– Pure Water Monterey Expansion is the feasible and environmentally preferable alternative
– It will give us a new water supply much sooner than desal
– Our new water supply from Pure Water Monterey – Phase 1 (3,500 acre-feet) will allow us to restore the Carmel River and stop illegal withdrawals by December 2021. The environmental issues facing the Carmel River have been resolved without Cal Am's desal.
– There is no water supply crisis
– There will not be Truly Affordable Housing without affordable water. Cal Am's desal would double our water bills.

– We don't need Cal Am's oversized, over priced desal project to provide our future water supply.
– Expansion of Pure Water Monterey provides a long-term sustainable water source that is capable of supporting affordable housing, economic recovery and protecting the Carmel River and the Seaside basin.
– Cal Am is the only obstacle to the expansion of Pure Water Monterey.
– Cal Am cannot be trusted. Passing Measure J was the community's statement

– Desal damages the environment, costs too much and creates environmental injustice.
– Desal harms the coastal habitat and Marina's beautiful dunes and their endangered species.

– Desal has no legal source water, it would draw groundwater from an overdrafted groundwater basin -- NOT under the ocean
– PWM Expansion source water is primarily the 8,000 acre-feet of excess wastewater that is now discharged into the Bay. It is contractually secure and drought proof
– Orange County has used this same system for decades
– Cal Am has had 25 years to solve or water supply problem and not done so
– Our public agencies have solved it in the last 6 years. Now all the water we need for decades is available, but Cal Am is blocking it.

Thank you,

Mark Angel
77 Middle Canyon Road
Carmel Valley, CA 93924

Luster, Tom@Coastal

From: Jeanne Turner <jturner215@comcast.net>
Sent: Thursday, September 03, 2020 12:41 PM
To: CalAmMonterey@coastal
Subject: Vote Against Cal Am's desal project!

Dear Commissioners,

Your staff did its homework! There is no water crisis on the Monterey Peninsula. Pure Water Monterey's recycled water is the sustainable source of water we need to supply the Monterey Peninsula for decades to come. Phase 1 water has already been injected into the Seaside aquifer. That will be enough to meet the December 2021 deadline for illegal withdrawals of water from the Carmel River.

The truth is that Cal Am's desalination project is the only option on which they can make a huge profit. It is not in the best interests of our water customers, as it would double the price of our water which is already the most expensive in the country (according to Food and Water Watch). Pure Water Monterey has the capability to expand and meet the water needs of those of us being served by the Monterey Peninsula Water Management District. An expansion of the project would provide a long-term sustainable water source that is capable of supporting affordable housing, economic recovery and restoration of the Carmel River and the Seaside basin. Cal Am is the only thing standing in the way of this expansion.

Please vote against the Cal Am desal project.

Sincerely,

Jeanne Turner

Luster, Tom@Coastal

From: Suzanne Roland <suzanne_roland@yahoo.com>
Sent: Thursday, September 03, 2020 12:12 PM
To: CalAmMonterey@coastal
Subject: CalAm's Desal Project

Cal Am's Desal project is not in the public interest

– Pure Water Monterey Expansion is the feasible and environmentally preferable alternative
– It will give us a new water supply much sooner than desal
– Our new water supply from Pure Water Monterey – Phase 1 (3,500 acre-feet) will allow us to restore the Carmel River and stop illegal withdrawals by December 2021. The environmental issues facing the Carmel River have been resolved without Cal Am's desal.
– There is no water supply crisis; new water from recycling is able to meet our needs right now.
– No Affordable housing without affordable water. Cal Am's desal would double our water bills.
– We don't need Cal Am's oversized, over-priced desal project to provide our future water supply;
– Expansion of Pure Water Monterey provides a long-term sustainable water source that is capable of supporting affordable housing, economic recovery and protecting the Carmel River and the Seaside basin.
– Cal Am is the only obstacle to the expansion of Pure Water Monterey.
– Cal Am cannot be trusted. Passing Measure J was the community's statement that we should run our own system;
– Desal damages the environment, costs too much and creates environmental injustice relative to Marina's impact;
– Desal harms the coastal habitat and Marina's beautiful dunes
– Desal has no legal source water, it would draw groundwater from an overdrafted groundwater basin NOT under the ocean
– PWM Expansion source water is primarily the 8,000 acre-feet of excess wastewater that is now discharged into the Bay. It is contractually secure and drought proof;
– Cal Am has had 25 years to solve or water supply problem
– Our public agencies have solved it in the last 6 years. Now all the water we need for decades is available, but Cal Am is blocking it

M.Suzanne Roland
179 Palm Avenue
Marina, CA 93933
(831)582-9646
E-Mail: suzanne_roland@yahoo.com

Luster, Tom@Coastal

From: Nancy Runyon <nancy@nancyrunyon.com>
Sent: Thursday, September 03, 2020 11:59 AM
To: CalAmMonterey@coastal; Luster, Tom@Coastal; Carl, Dan@Coastal; Craig, Susan@Coastal
Subject: Comment for CCC Special Meeting September 17, 2020 Th 3a & 4a, Appeal No. A-3-MRA-19-0034 (California American Water) and Appl. No. 9-19-0198
Attachments: CaCoastalCom ltr deny Cal Am 9.17.20.docx

Dear California Coastal Commission,
Please distribute my attached comment to all Commissioners for this extremely important issue.
I thank you for your very thorough staff report and strongly concur with your request for denial.

Nancy Runyon
nancyrunyon.com
1195 Hoffman Avenue
Monterey, CA 93940
(831) 649-8132 home/office
email: nancy@nancyrunyon.com

Nancy Runyon
1195 Hoffman Avenue
Monterey, CA 93940

September 3, 2020

California Coastal Commission
Email to CalAmMonterey@coastal.ca.gov
Subject: Special Meeting September 17, 2020 **Th3a & 4a**
Appeal No. A-3-MRA-19-0034 (California American Water) and Appl. No. 9-19-0198

Chair Padilla, Commissioners and Staff,

I strongly **support your staff's recommendation** for denial of California American Water's (Cal-Am) appeal of the City of Marina's decision and your staff's recommendation for denial of Cal-Am's Application to build more pipelines we do not need. Your staff's and expert consultants very thorough evaluation of the environmental and economic damage and environmental justice issues that the Cal-Am proposed desalination plant in Marina will cause is so appreciated by every Cal-Am ratepayer I know.

Why Cal-Am could not find or create an affordable water source in the last 25 years since the CDO was issued, I can only assume is because they are incompetent and/or only driven by how they can maximize their profit. Cal-Am chooses to waste our money on glossy brochures filled with lies and scare tactics rather than provide water we can afford. It's no wonder we do not trust them. We are tired of paying for their mismanagement and mistakes.

Over 35,000 Monterey Peninsula ratepayers voted successfully to pursue a public takeover of Cal-Am in 2018. The Monterey Peninsula Water Management District's (MPWMD) feasibility study then showed that publically owned water (as over 85% of our country has already) with the recycled water project MPWMD developed (not Cal-Am), Pure Water Monterey, will save us huge amounts of money without the environmental damage that would be caused by the proposed Cal-Am Desal project. Pure Water Monterey will provide water for growth and affordable housing. Cal-Am's desal water will be too expensive for the affordable housing projects they are now sending us large postcards claiming only their desal project can provide. They can only lie and send out misleading propaganda because the facts do not support their claims.

Castroville is an under-privileged community that also needs water, but Cal-Am's desal project is not answer. I thank your staff for recognizing that I am one of the many poverty level senior citizens of the Monterey Peninsula, still working to pay bills. I think we all deserve the economic benefits of publically owned water. Cal-Am's expensive water is just not sustainable for anyone.

We, who live on the Monterey Peninsula, who have been the very best at water conservation in the state, **do not want to steal water from Marina**. We **do not want to cause environmental damage** to our coastal habitats. We do not want to cause salt intrusion into aquifers and potentially destroy the Salinas Valley agriculture. And we have learned from experience to have **no faith or trust in Cal-Am's management**. The less water we used, the more Cal-Am charged us to protect their profits. The CPUC has finally recognized that Cal-Am's WRAM has not been fair to ratepayers (8/27/2020 vote to discontinue).

The **Pure Water Monterey project will supply all the water we need** and provide for growth for more than 40 years. This new water supply Phase 1 (3,500 acre-feet) will allow us to restore the Carmel River and stop illegal withdrawals by December 2021, much earlier than the Cal-Am desal ever would, if it can be built at all with its pending lawsuits. We will still conserve water as it has become our lifestyle. In the future, if we

need to develop a desal plant we can choose a better location and technology that will not cause damage to the environment or bankrupt us all.

The Cal-Am Desal Plant proposed would produce more water than the Monterey Peninsula will need for decades. With our **current water being the most expensive in the country,** we can't afford to pay for water we aren't using. And we certainly **can't afford to pay the expected 2-3 times** what we are paying now for the Cal-Am Desal project nor Cal-Am legal bills to fight the City of Marina. Cal-Am's desal project and history of mismanagement is just too expensive for us in every way: economically, environmentally, ethically...

I thank your staff for their thorough report and urge you to **stop the wasting of our money and deny** the Cal-Am Appeal and Application for building pipeline for a desal plant we do not need or want.

Thank you,

Nancy Runyon

Cal-Am ratepayer since 1998

Luster, Tom@Coastal

From: fglt@sprynet.com
Sent: Thursday, September 03, 2020 11:02 AM
To: CalAmMonterey@coastal
Subject: Submittal of Letter re:Cal Am's Application for a Coastal Development Permit
Attachments: 2020 Letter to Coastal Commission.pdf

Attached is a letter outlining my rationale on why Cal Am's Application for a Coastal Development Permit should be denied.

Forrest Gunnison

Carmel CA

September 3, 2020

California Coastal Commission
Chair Dana Bochco, Commissioners and staff

Re: Denial of California American Water's Application for a Coastal Development Permit

Please deny California American Water's application for a Coastal Development Permit as not being in the public interest for at least the following reasons: a) the water production projections for California American's desalination plant ("the desalination plant") are outdated and far exceed the projected water demand over the life of the desalination plant; b) there is an environmentally superior alternative available; and c) there is a lower cost alternative available. The Coastal Commission staff correctly analyzes these issues in their latest report, and I urge you to adopt its findings.

Since the staff's original report, nothing has changed except California American Water's (Cal Am's) attempts to scare the populace into supporting the misguided, expensive, and unneeded desalination plant. The Pure Water Monterey Expansion Project ("PWME Project") meets the projected water demands for the Monterey Peninsula, while mitigating the effects on the environment and costing less than the desalination plant.

In addition, the Pure Water Monterey – Phase 1 (3,500 acre-feet) allows restoration of the Carmel River and allows stopping illegal withdrawals by December 2021. The environmental issues facing the Carmel River are resolved without Cal Am's desalination plant.

There is no water supply crisis. Cal Am's arguments to the contrary demonstrates that Cal Am cannot be trusted.

Unfortunately, Cal Am's interest appears to be directed more to providing profits for it shareholders than to providing the most environment friendly, lowest cost water to its customers. Cal Am appears to be the only obstacle to expansion of Pure Water Monterey, which, compared to the desalination plant, will provide the most environment friendly, lowest cost water to customers.

The PWME Project is projected to produce less greenhouse gases than the desalination plant. The desalination plant would produce 250 times more greenhouse gas than the PWME Project, and so the desalination plant is not in the public interest.

The desalination plant is estimated to cost Monterey Peninsula ratepayers $1.2 billion compared to $190 million for the environmentally superior alternative, the PWME Project. The excessive costs for unneeded water generation capacity will saddle the Monterey Peninsula with yet another handicap in maintaining and further developing an economically diverse population. Cal Am argues that affordable housing and economic recovery is not feasible without the desal plant. This totally ignores that costs associated with the desal plant and its costly water will take money away from everyone that could be used for other purposes such as sustaining the economy and affordable housing. The negative effects of unnecessarily costly water can be mitigated by denying California American Water's application for a Coastal Development Permit so that the lower cost alternative can be pursued.

Clearly, the desalination plant is not in our community's interest. It benefits Cal Am shareholders, while creating environmental damage and unnecessary financial burden for the Monterey Peninsula. I ask you to deny this permit.

Forrest Gunnison
Carmel, CA

Luster, Tom@Coastal

From: Juul Vanderspek <juulvanderspek@yahoo.com>
Sent: Wednesday, September 02, 2020 11:47 PM
To: CalAmMonterey@coastal
Subject: Fw: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.
Attachments: image1.jpeg

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff,

My name is Julius VanderSpek, resident of Marina.

Like many other inhabitants of my town I am protesting against the proposed CalAm desalination project.
As detailed in your staff report, this project is in effect raiding the Marina aquifer, and it amazes me to no end that the working class population of Marina had to spend their time, energy and money for over four years now to rally against this harmful project. That is, defending Marina's critical resources to which CalAm has no rights whatsoever.
The water purification project is a better solution to the region's water supply.

Please deny this water theft,

Thank you,

Julius VanderSpek

Luster, Tom@Coastal

From: Vicki Williams <vickimwilliams@gmail.com>
Sent: Wednesday, September 02, 2020 10:07 PM
To: CalAmMonterey@coastal
Subject: Cal Am's Desal Project

Dear Commissioners,

I am writing to say that I wholeheartedly support the California Coastal Commission Staff recommendation to deny the Cal Am Water proposed desalination project.

I have lived on the Monterey Peninsula since 1969 and have lived through all on going water challenges. Pure Water Monterey is giving us the solution that has been needed since 1995. It is feasible, a less damaging alternative that will adequately provide water; protect public welfare, the environment and the best economic solutions for the ratepayers.

Other key issues that are important to this community is, affordability and environment. Affordability is key to our economically diverse community that is badly in need of affordable housing, which cannot happen without affordable water. The Pure Water Monterey allows that to happen.

Desal damages the environment, is costly and harms the coastal habitat and the City of Marina's beautiful dunes.

I am grateful to our public agencies that have developed a solution to our water needs in just six years.

Sincerely,

Vicki Williams
650 Martin St
Monterey, CA 93940

Luster, Tom@Coastal

From: Tim Smith <tswheelwright@gmail.com>
Sent: Wednesday, September 02, 2020 7:56 PM
To: CalAmMonterey@coastal
Subject: Cal-Am Desal Project

Dear commission member,

As a resident of Carmel Valley on the Monterey Peninsula where Cal-Am is seeking to saddle us with yet another unaffordable, yet for them highly profitable project, I am writing you to urge a no vote on Cal-Am's proposals.

First off, we as a community, have done what was required of us to not only save water, but to develop sources of water that have clearly obviated the need for deal water.

Secondly, we already have some of the highest rates in the nation for water, and they will only get higher as we are burdened with Cal-Am's profit oriented approach to a public resource. How this has anything to do with making anything more affordable is beyond me.

Our newly developed source from Pure Water Monterey allows us to meet state requirements for environmental protection of the precious Carmel River aquifer with no need for over-pumping, as Cal-Am has done for years, passing the problems along to us. We have met that challenge, and deserve to chose our own destiny when it comes to supply and demand issues in our community. Anything less is anti-democratic and flies in the face of the people's will as evidenced in the Prop J outcome.

For years Cal-Am has overdrawn not only our water but our reserves of trust in them as a reputable utility that has our best interests at heart. Its time to put an end to their profiteering. As they currently oppose a proven solution, one that the community as a whole supports, is measure enough of their intention and willingness to disregard what is right in favor of what brings them cash and us needed financial burden.

Please see that the Deal Project is rejected. Do the right thing for the people you serve, not the corporations who come before you seeking to further gouge, lie, and deny.

Thank you.

Timothy Smith
101 Calle de Quien Sabe
Carmel Valley, CA 93924

Luster, Tom@Coastal

From:	mcopperma@aol.com
Sent:	Wednesday, September 02, 2020 6:51 PM
To:	CalAmMonterey@coastal; CalAmMonterey@coastal; j@aol.com; Ainsworth, John@Coastal; Luster, Tom@Coastal; Luster, Tom@Coastal
Subject:	September 17, 2020 Coastal Commission Meeting/hearing re CalAm Coastal Development Permit Application and Appeal
Attachments:	Coppernoll Final Response #2 to CCC Staff Report Recommendation to Deny CalAm Permit, 29 August 2020.docx

Dear Commissioners, Commissioner Alternates, John Ainsworth, Tom Luster and Staff,

Please accept the attached letter for your consideration and public comment input pertaining to the staff recommendation to deny the CalAm Coastal Development Permit Application and Appeal. It is my firm, and confirmed, conviction that the staff did a magnificent and absolutely thorough job in researching and presenting its findings and Conclusions. They "Got it Right" again, and have conscientiously put forward the only valid recommendation based on the scientific research and evidence: permit denial. I submitted the attached letter earlier, but want to ensure all proper procedural guidelines are followed, thus I am re-sending for that purpose - it is too important to risk your not seeing my communication.

Even if this permit were to be approved, which I strongly hope does not happen, the CalAm desalination project would be doomed to future failure because ultimately this project will run up against the State of California Sustainable Groundwater Management Act (SGMA) of 2014. The Salinas Valley Groundwater Basin, which is already on the state's critically over drafted groundwater list, will be under SGMA management stipulations that CalAm is currently violating, and will even increase violations if six more slant wells are allowed to be installed in the City of Marina's Dune Sand Aquifers and the 180/400 Foot Aquifers, the sole source of potable water for Marina and the Ord Communities. SGMA is working to mitigate the existing seawater intrusion in these aquifers. CalAm's desalination project would seriously increase seawater intrusion, per an independent hydrogeologist's scientific analysis and evaluation of the HydroFocus report in the CalAm EIR, Appendix E-2, a report that Water Plus provided to you under separate communication.

If you should approve the permit, it would, in my opinion, necessarily be overturned because this desalination project would further damage the Salinas River and its aquifers. This decision would ultimately bring an abrupt end to the desalination project, thereby leaving the Monterey Peninsula stranded without a potable water supply, and a huge unaffordable cost. **There is NO ENVIRONMENTAL JUSTICE achieved by approving the CalAm desalination permit.** Only future disaster is assured for all our communities. Marina ends up with no water at all, its potable water supply being destroyed, and the CalAm desalination plant forced to close due to its destruction of the Salinas River aquifers, leaving the Monterey Peninsula without sufficient potable

water. CalAm has already demonstrated it willfully endangered the Carmel River to the point of being issued a Cease and Desist Order from the State Water Resources Control Board that oversees surface water, but has no jurisdiction over groundwater. CalAm also over pumped the Seaside Basin, bringing on litigation and the adjudication of the Seaside Basin, which left CalAm owing the Seaside Basin a water debt yet to be repaid.

Please, please, Commissioners, understand the significance of a vote to deny this CalAm permit. As stated above, your staff got it right again. Permit denial is the only right answer. You will be praised for looking beyond the CalAm campaign to obfuscate, confuse, manipulate, and deceive you in order to obtain what it wants - more and more profits for its shareholders. Please do not let this greed happen at the expense of good citizens who have conscientiously conserved water and struggled for years against CalAm's nefarious and injurious actions in order to obtain environmental justice. What CalAm failed to accomplish in 25 years, Monterey Peninsula public agencies have accomplished in 6 years! Give credit where credit is due.

The Pure Water Monterey Expansion is the right answer to provide all the potable water the Monterey Peninsula will need for decades to come. In the meantime, there will be new technologies to explore and more resources to procure and preserve that are just now being considered as possible water sources. Furthermore, the State of California has mandated that all possible water sources be used and recycled as a way to protect and preserve our precious reservoirs and aquifers as well as the Monterey Bay National Marine Sanctuary.

This fact makes the Pure Water Monterey Expansion even more supportable and of paramount importance to implement.

Thank you so very much for doing the right thing. I salute John Ainsworth, Tom Luster, and staff for their truly outstanding, admirable report. They deserve special commendation for their solid research and well presented scientific arguments and evidence. I am very proud of them and their achievements. When doing what is in the public interest as opposed to doing what is in the interest of corporate greed, there is reason to celebrate the good action. Please deny the permit.

Very respectfully,

Margaret-Anne Coppernoll, Ph.D.
Co-Founder, Citizens for Just Water
Marina

August 29, 2020

California Coastal Commission
Commissioners, Tom Luster and Staff

SUBJECT: September 17, 2020 California Coastal Commission Hearing for California American Water Company's Monterey Peninsula Water Supply Project (MPWSP) Consolidated Coastal Development Permit Application, No.9-19-0918 and Appeal No. A-3-MRA-19-0034

Dear Commissioners and Staff,

In my past two letters supporting a MPWSP California American Water Company (CalAm) consolidated coastal development permit application denial, and supporting the November 2019 Staff Report Recommendation to deny the project permit, I am writing a third time to re-emphasize the vital importance of endorsing the August 24, 2020 Staff Report that for a second time recommends permit denial. This report is so professionally presented, so thorough and well researched with substantive scientific evidence reinforcing every documented finding, that it should be impossible to espouse any decision other than permit and appeal denial.

The obvious negative impact this desalination project would have in our communities is undeniable, and confirmed by legal, environmental justice dictates, scientific data, and local coastal plans as well as the California Coastal Plan, that even the most uninformed person can understand these well thought out, well developed and logically presented, clearly sequenced arguments in favor of permit and appeal denial, that this letter may be rendered superfluous, so perfect and professionally accomplished is this staff report. It is an awesome, impeccable, exceptionally well researched document. Still I write again as a way to remind you just how seriously significant your decision is to the future of our communities and to our peace, financial well-being, and survival.

Please deny this permit and appeal. The staff expended an enormous amount of time and energy in its meticulous report preparation and execution. Tom Luster, a consummate environmental scientist, examined every point of analysis and provided every possible detailed explanation authenticating the reasons the permit and appeal must be denied. This project is infeasible and unsustainable. It will necessarily entail a future Cease and Desist Order from the State Water Resources Control Board to stop CalAm from over pumping and depleting, via seawater intrusion, the Salinas River Freshwater Dune Sands Aquifers from which the project fully and explicitly intends to extract its source water for its desalination plant. This intended action is in direct violation of the State of California Sustainable Groundwater Management Act of 2014 that mandates groundwater sustainability plans be developed and implemented to protect, restore, and preserve groundwater in the Salinas Valley Groundwater Basin, a basin that is already on the California critically over drafted groundwater basin list.

The Salinas River and its aquifers service Monterey county, having seven sub-basins that extend as far south as San Luis Obispo county. This water system interconnectedness makes permit denial even more crucial and consequential due to the dangerous seawater intrusion challenge and sea level rise projections resulting from climate change. It is noteworthy that the MPWSP slant wells have been proven, and designed, to cause seawater intrusion. Please refer to hydrogeologist Barbara Ford's independent analysis, paid for and distributed by Water Plus. The Ford report elucidates the true purpose behind CalAm's slant well design as described in the HydroFocus EIR report in Appendix E-2.

It is unconscionable that any agency is still even considering this project or contemplating whether or not it should be allowed to move forward. How can any agency even suggest that it might approve a project that is already pre-identified as being an illegal, infeasible, unsustainable project that will destroy the viability of the Salinas River and its essential-for-life aquifers that so many communities and endangered species and ESHA depend on for survival? We are dealing with a blatantly disingenuous and surreptitious company whose project disregards environmental justice, legal water rights, and the legitimate concerns of conscientious tax-paying citizens, their well-being, and their wishes!

There should be no discussion other than a motion to deny the permit and appeal. Any other decision is an aberration of decency and sound judgment. Please do the right thing and vote in the public's interest and against callous corporate greed.

Our citizens are exhausted from having to fight so strenuously, and for such an extended period of years, to obtain environmental justice, and to realize our human right to affordable potable water. Please deny the permit and support the Pure Water Monterey Expansion as the only sensible and acceptable alternative project.

Thank you so much for your efforts to complete a fair and thorough analysis of our water crisis. I urge you to vote in favor of the only viable, feasible, environmentally safe, water alternative solution, Pure Water Monterey Expansion, by upholding Staff's Findings, Conclusions, and Recommendation to deny the MPWSP consolidated coastal development permit application and appeal.

You will be blessed for doing what is best for our communities. We salute you for your wisdom and for being good stewards of the public trust.

Very respectfully,

s//Margaret-Anne Coppernoll//
Margaret-Anne Coppernoll, Ph.D.
Marina

Luster, Tom@Coastal

From: wallace notley <wwnotley@gmail.com>
Sent: Wednesday, September 02, 2020 5:15 PM
To: CalAmMonterey@coastal
Subject: Cal Am's Desal Project

Dear Commissioners and Staff

As your staff has so meticulously shown, there are key issues with Cal Am's desal including: 1. Cost of desal water is 2x-3x more than Pure Water Monterey Expansion recycled water (PWMX). The cost for ratepayers would be over $1 billion over 30 years. 2. Environmental issues including: a. destruction of 7 acres of coastal dunes on ESHA; b. hundreds of times more energy consumption; c. thousands of times more CO2 release; d. saltwater intrusion; f. does not provide drought reserve as does PWMX. g.discharges huge amounts of brine; h. PWMX has no legal issues and can meet the State Water Resources Control Board's Carmel River CDO in less time than desalination. One often overlooked issue though is our mistrust of Cal Am. They have consistently distorted facts so they can make ever more increasing profits; have consistently criticized and distorted scientifically based facts as in PWMX SEIR and mocked the November 2018 Measure J Campaign that was brought to voters by resident activists and was passed overwhelmingly by voters in November 2018 in the interest of the residents here; and now in the desal proposal before you are giving water to Castroville for $100 afy where we the Monterey Peninsula residents pay $6000-$8000 afy when CCC Staff shows Marina and Cal Am service area has 7x more residents that would be burdened than those in Castroville that would benefit. Also, not specifically mentioned in the CCC Staff report is that Marina and Cal Am's service area has more low income residents than Castroville.

PWMX came as the result of a cooperative creative problem solving effort from many government entities including Monterey One Water, Monterey Peninsula Water Management District, Federal Agencies, State Agencies, and local leaders to give the Monterey Peninsula a long-term sustainable solution to our water issues. Since Cal Am has been water purveyor in 1966 through the present, Cal Am has never adequately brought in all the local stakeholders for cooperative solutions because it is so focused on shareholder return. Cal Am never even bothered considering the harm it was doing to the Carmel River all those years and had to be issued a state mandate to quit overdrawing water. They only looked at the cheapest source for the most profit and greatest shareholder return. Cal Am has spent more on lobbying, distorting facts, and misrepresenting ratepayers than on any significant wise stewardship of our water resources. My ultimate wish for all of us negatively impacted here is that PWM and PWMX can restore the trust that Cal Am has broken and that we residents do everything we can to stop Cal Am from another failed and expensive project that we will pay dearly for. Please deny Cal Am's coastal permit.

Thank You for Your Consideration
Walt Notley
Carmel, Ca. 93923

25865 South Carmel Hills Drive
Carmel, Ca. 93923
831-238-2398

Th3a & 4a

A-3-MRA-19-0034 / 9-19-0918

California-American Water

OPPOSE LETTERS

Packet 3
Updated
September 11, 2020

MONTEREY PENINSULA

WATER SUPPLY PROJECT

California American Water

Coastal Commission Hearing 9.17.20

Agenda Items Th3a & 4a



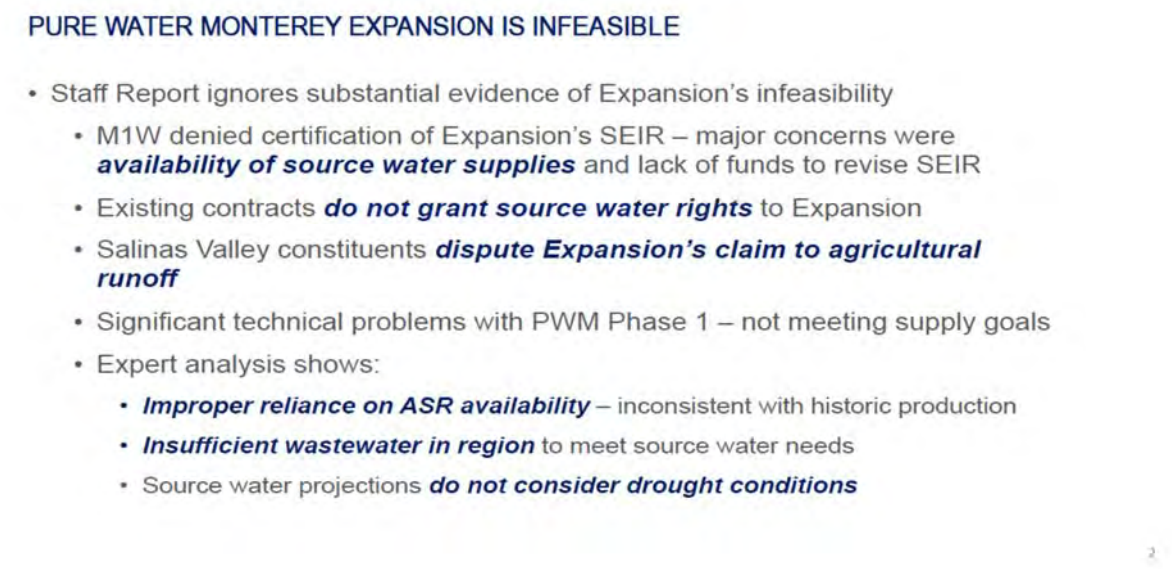
These materials have been provided to Coastal Commission staff

Marina Coastal Water District's Preliminary Response to Cal-Am's Presentation Materials dated 9/2/20

Cal-Am's Presentation Materials are full of inaccurate and misleading statements. MCWD provides this slide-by-slide response to Cal-Am's presentation summarizing why the Staff Report's conclusions regarding the Project's impacts on coastal resources and recommendation of denial is supported by more than the required substantial evidence. MCWD also provides references to the evidence in the record showing Cal-Am's attack on the Staff Report is not supported by the evidence and is, in fact, based largely on false or misleading statements.

(Submitted to Coastal Commission Staff on September 11, 2020)

Cal-Am Presentation Materials (Page 2)



MCWD Response:

PURE WATER MONTEREY EXPANSION IS FEASIBLE

Staff Report addresses each of the points raised by Cal-Am and explains why Cal-Am's arguments regarding the feasibility of PWM expansion are not supported by facts.[1] As explained by the Monterey Peninsula Water Management District (MPWMD)—the public agency created by the Legislature to address the Monterey Peninsula's water supplies—and further below :

- Expansion SEIR would be certified overnight if Cal-Am withdrew its opposition.
- Source water availability for Expansion has been confirmed by third-party experts. [2]
- Existing source water contracts do not differentiate between Phase 1 or Expansion. [3] The contracts are available for review and confirm supply is ample for Phase 1 and Expansion.
- No agricultural runoff is expected or needed for Expansion. [4]
- Startup problems with PWM Phase 1 have been resolved and will meet all targets next fiscal year. [5]

While the Staff Report acknowledges some uncertainty, the Expansion does have the ability to timely meet the Monterey Peninsula's demand[6]—the evidence shows that Cal-Am's expert's speculation is based on inaccurate assumptions and outdated data. As discussed below:

- During the last 4 water years, ASR has met supply targets despite Cal-Am's infrastructure constraints. [7] Cal Am deceptively uses ASR data from a ten-year span that largely predates installation of all four ASR wells and completion of the Monterey Pipeline and Hilby Pump Station.[8] The current ASR system with all the wells, pipelines, and pump stations has only been in service since January 2019,[9] skewing their average. Given additional ASR wells, Monterey Pipeline and Hilby Pump Station are now in place, it is likely Cal-Am will get more—not less—ASR supplies in the future.
- Sufficient wastewater in region verified by third-party experts. [10]
- Source water projections analyzed under two drought scenarios by third-party experts. [11]

Cal-Am Presentation Materials (Page 3)



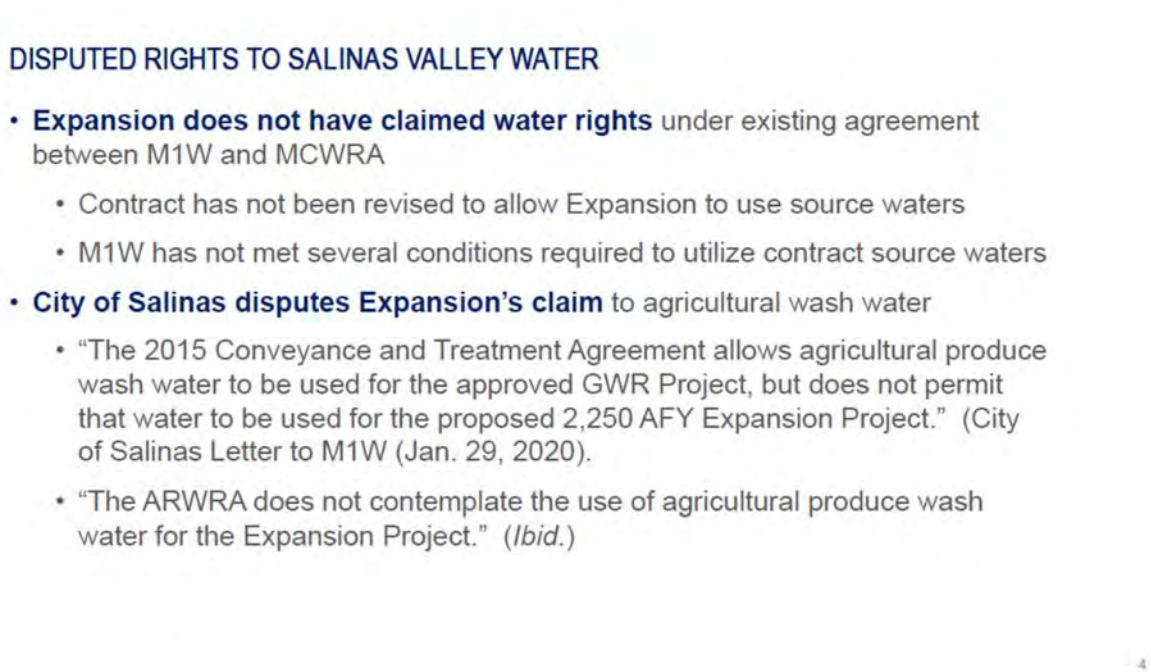
MCWD Response:

M1W BOARD DID NOT DENY CERTIFICATION OF THE EXPANSION SEIR OR VOTE TO STOP WORK AS CAL-AM FALSELY CLAIMS

Cal-Am ***misleadingly*** states the M1W Board voted to deny certification of the SEIR. As the Staff Report explains: "The vote to certify it failed by a vote of 10 to 11. **There was then a motion to deny certification of the FSEIR and terminate any further action on the Expansion project, which also failed on a vote of 10 to 11**."[12] Because both votes failed, no findings of any kind were made by the M1W Board regarding the SEIR

- While the M1W Board has not certified the EIR, they could do so without further environmental review with a one vote switch. Unless and until the Commission denies Cal-Am's CDP application, Cal-Am and its M1W Board allies are unlikely to relent in their unfounded opposition.
- The M1W Board did not adopt findings relating to any particular concern as Cal-Am misleadingly suggests. Moreover, the MPWMD explains in its assessment of Cal-Am's claims and the record shows:
    - M1W never asked its CEQA consultant to remedy any of Cal-Am's alleged "deficiencies" in SEIR or purportedly "unknown" scope of impacts. [13]
    - M1W never stated funding was an issue. [14]
    - MPWMD pays 75% and was never asked for funding remedies. [15]
    - Non-certification is a political gambit by proponents of the desalination project.
    - Carmel River ecosystem is not in peril based on last five years of data.[16] As explained further below, Cal-Am must—and can—eliminate all illegal Carmel River diversions with the supplies available at the end of 2021 and there is no need to modify the CDO.

Cal-Am Presentation Materials (Page 4)



MCWD Response:

M1W HAS CONTRACTIAL RIGHTS TO SUFFICIENT WATER FOR EXPANSION

- Cal-Am ***falsely*** states that M1W does not have contractual rights to source waters identified for Expansion. As the Staff Report explains: MIW "has contracts and agreements in place for more than enough water actually needed to provide the Pure Water project's expected production volumes , which would allow it to operate even if some sources are not available or are available in lesser amounts, and the[FSEIR] concludes that there is adequate water for the facility."[17]
- As the MPWMD explains in its recent assessment of Cal-Am's presentation:
    - Existing source water contracts do not differentiate between Phase 1 or Expansion. [18]
    - The "conditions precedent" if not met, have been factored into Phase 1 and Expansion sizing. [19]
    - No agricultural produce wash water is expected or needed for Expansion.[20] As explained further below, Cal-Am can must—and can—eliminate all illegal Carmel River diversions with the supplies available at the end of 20210.
- Through the 2015 City of Salinas agreement M1W[21] was given the right to use the industrial wastewater, also known as Ag Wash Water, that is beneficial to the Pure Water Monterey project. There are no limitations on the amount of Ag Wash Water to be provided to Pure Water Monterey nor any restrictions on us of the water for initial or future phases of the Pure Water Monterey project. The key language in the Agreement is as follows:
    - Term 1b states, "For the Term of this Agreement, City will provide MRWPCA [now M1W] access and RIGHTS to the industrial waste water in order for the MRWPCA to use industrial waste water in a manner that is beneficial and consistent with the uses described in Recital B, above, and consistent with the recitals and the terms and conditions listed in this section."[22]

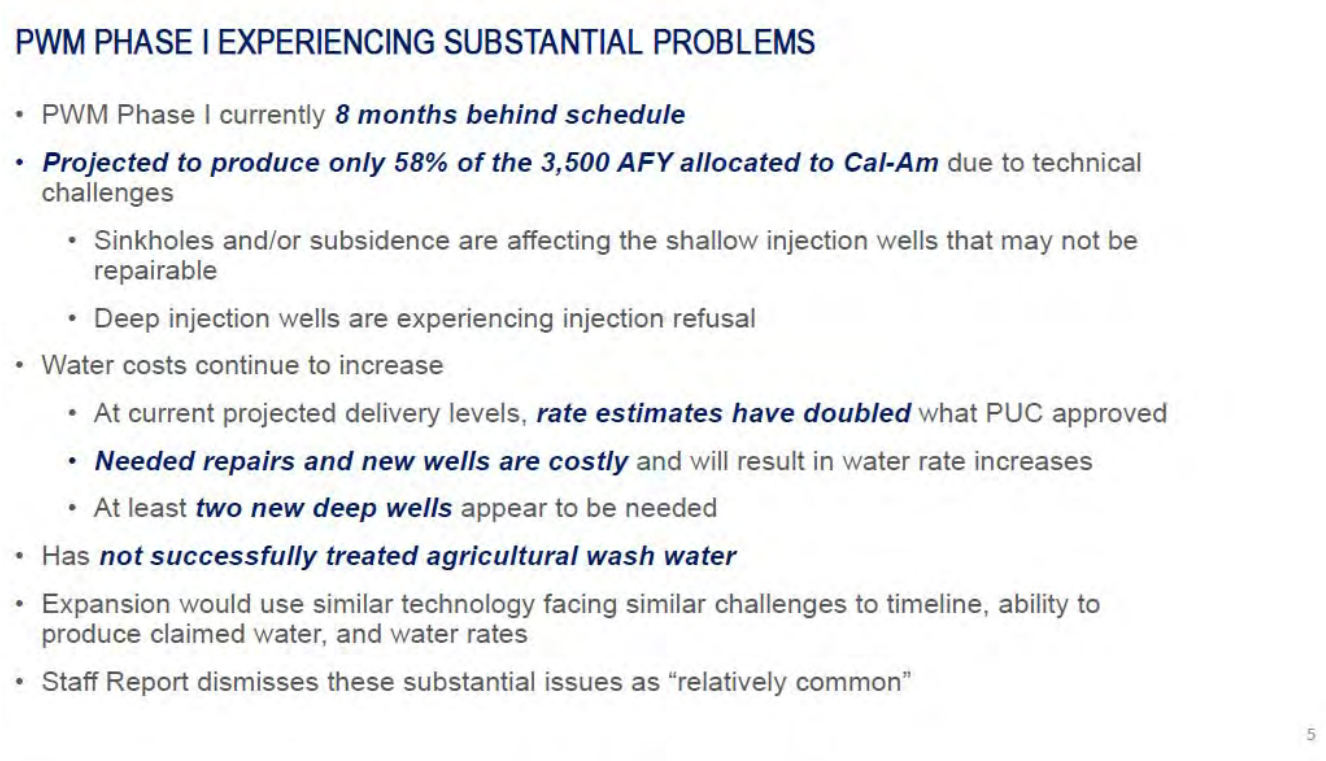
MCWD Response to Cal-Am Presentation Materials Page 4 (Continued):

- Recital B states "The MRWPCA [now M1W] has an existing need for source water for 1) to serve its Pure Water Monterey Replenishment Project (the "GWR Project") and 2) to augment the existing Castroville Seawater Intrusion Project ("CSIP") crop irrigation supply.[23]

- Further, through the 2015 Amended and Restated Water Recycling Agreement[24] between M1W and the MCWRA, section 4.02, the "New Source Water" derived from the Ag Wash, Rec Drain, and Blanco drain, totaling 8,701 AFY, was allocated to M1W and MCWRA such that M1W had first priority of 4,320 AFY of these "New Source Water" flows and MCWRA had the remaining allocation of 4,381 of "New Source Waters". This amount to M1W is sufficient on its own for PMW without use of any wastewater flows.

- Under Section 4.01 of the Agreement, M1W was allocated its share of wastewater flows that would be added to the "New Source Water" flows. Those rights include access to wastewater that is not claimed or utilized by MCWD or needed by MCWRA's authorized demand pursuant to the Agreement, plus 650 AFY to M1W from MCWRA. MCWRA's authorized demand in the Agreement, as shown in Exhibit C of the Agreement, has a total of 16,692 AFY of "New Source Water and SVRP" (wastewater flows) going to MCWRA. Subtracting the 4,381 of New Source Flows allocated to MCWRA from this amount (the amount described above in Section 4.02) determines MCWRA's demand for wastewater per the agreement at 12,311 AFY out of a total of 21,689. That leaves 9,378 AFY of wastewater flows that are for MCWD and M1W to use according to their rights. MCWD sends about 2100 AFY to the plant, leaving 7,378 AFY that M1W has rights to use currently**. The expansion project needs only 2,778 AFY.**

Cal-Am Presentation Materials (Page 5)



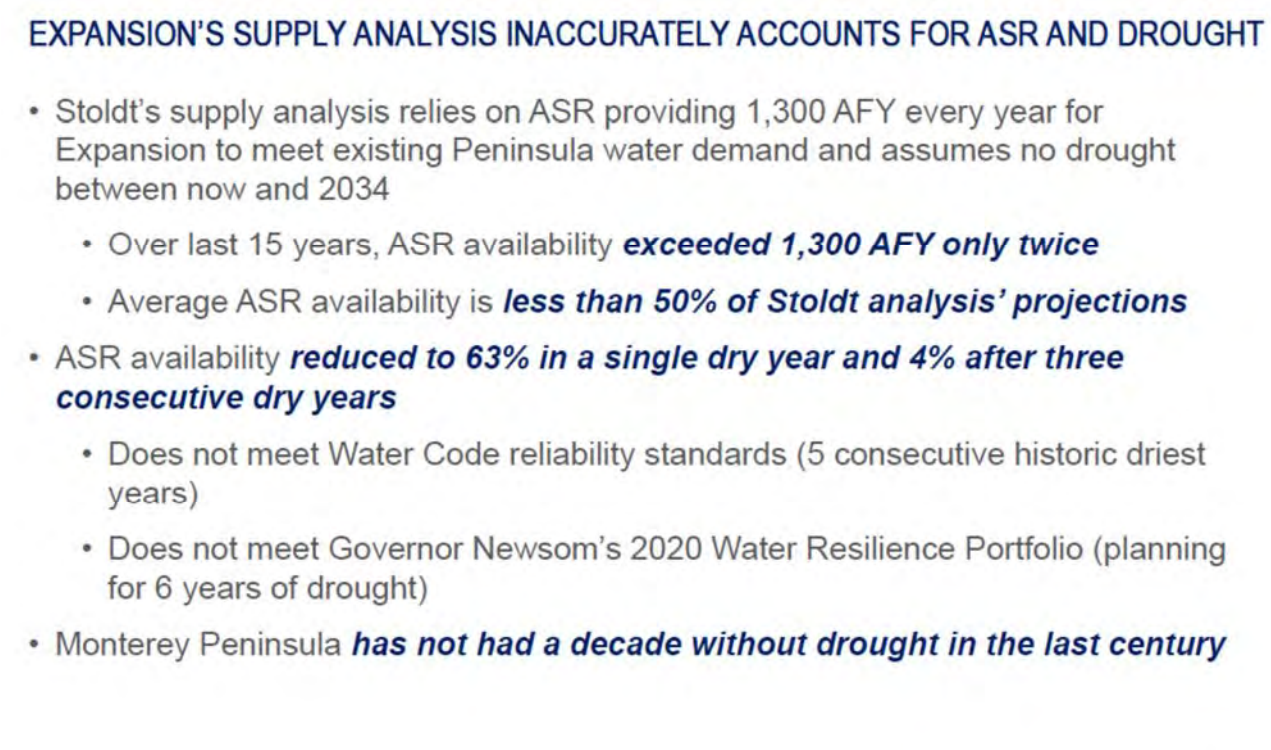
MCWD Response:

PWM PHASE I STARTUP GLITCHES HAVE BEEN ADDRESSED; PHASE I HAS MET ITS FIRST OBLIGATION TO DELIVER 1,000 AF RESERVE

Cal-Am ***misleadingly*** suggests the Staff Report improperly dismissed PWM Phase I start-up problems and falsely claims the project's initial delays and increased costs make its delivery of water unreliable. As the Staff Report explains: "the start-up problems are of a type that can readily be resolved, and in fact, Monterey One Water has developed the methods and schedule for adding a new well and improving conditions at the existing wells to allow for the full expected production."[25]

- As the MPWMD further confirms and explains in its recent assessment of Cal-Am's presentation:
  - Problems with PWM Phase 1 have been resolved and next fiscal year will meet all targets. [26]
  - Operating Reserve requirement was met August 21st, properly within 6 months of first injection. [27]
  - Deliveries began September 1, 2020.[28]
  - Rates have not doubled as Cal-Am implies. While the costs are higher than the projected 2016 estimates, Desal costs remain 3-times higher. [29]
  - M1W successfully treated agricultural wash water during the drought. It has not been needed recently. [30]
  - The PWM Phase I start-up issues are not "substantial." Rather, they are common start-up setbacks for which there are obvious and simple fixes. [31]
  - Originally PWM had 4 wells to be installed as part of the project. In an effort to save costs, only two wells were constructed. M1W is now installing a third well with approval of a fourth. All 4 wells could be online by the end of 2021 with sufficient capacity for both PMW and expansion, and M1W has already injected a 1,000 AF reserve in the Basin for Cal Am's later use.

Cal-Am Presentation Materials (Page 6)



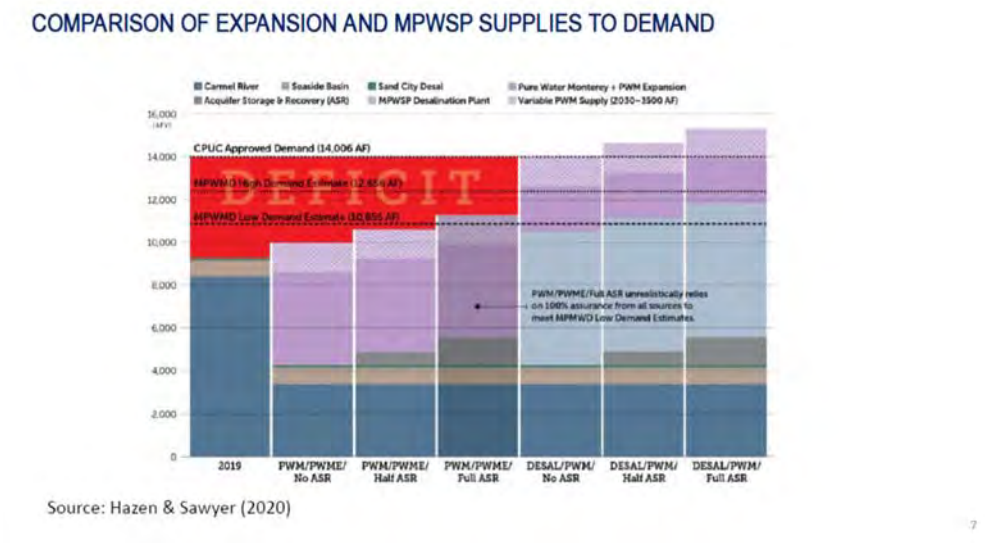
MCWD Response:

EXPANSION SUPPLY INCLUDES DROUGHT YEARS; CAL-AM's ATTEMPTS TO DIMINISH ASR SUPPLIES ARE CONTRADICTED BY THE RECORD

Cal-Am ***incorrectly*** states ASR supplies are not reliable and attacks the PWM Project SEIR's and Staff Report's reliance of ASR in evaluating future water supplies. As the Staff Report explains, improvements now permitting recovery of 1,300 AFY on average of ASR supplies have consistently been accounted for in the CPUC's analysis of Cal-Am's supply portfolio.[32]

- As the MPWMD further confirms and explains in its recent assessment of Cal-Am's presentation:
    - ASR has averaged 1,282 AF of injection the past 4 years despite Cal-Am infrastructure constraints, which is on the 1,300 AF target. Later, when operated post-CDO it will build up a "bank" of water that can persistently produce an average yield of 1,300 AF per year. [33]
    - Cal-Am "experts" use pre-CDO operating assumptions, rather than post-CDO analysis, in an attempt to justify the need for Cal-Am's desal project.[34]
    - ASR drought resilience has been confirmed by third-party experts.[35]
- In 2019, Cal-Am used the reliability and water supply value of ASR to justify including in its rate base the $50 million cost of the new Monterey Pipeline and Hilby Pump Station as essential to convey ASR water to the Seaside Basin for storage.[36] Now Cal-Am appears to imply that investment was wasted because ASR is purportedly unreliable.
- Cal Am deceptively uses ASR data from before all four ASR wells were installed and before the Monterey Pipeline and Hilby Pump Station were completed. The full ASR system was not in service until January 2019 resulting in an incorrect average.

Cal-Am Presentation Materials (Page 7)



Source: Hazen & Sawyer (2020)

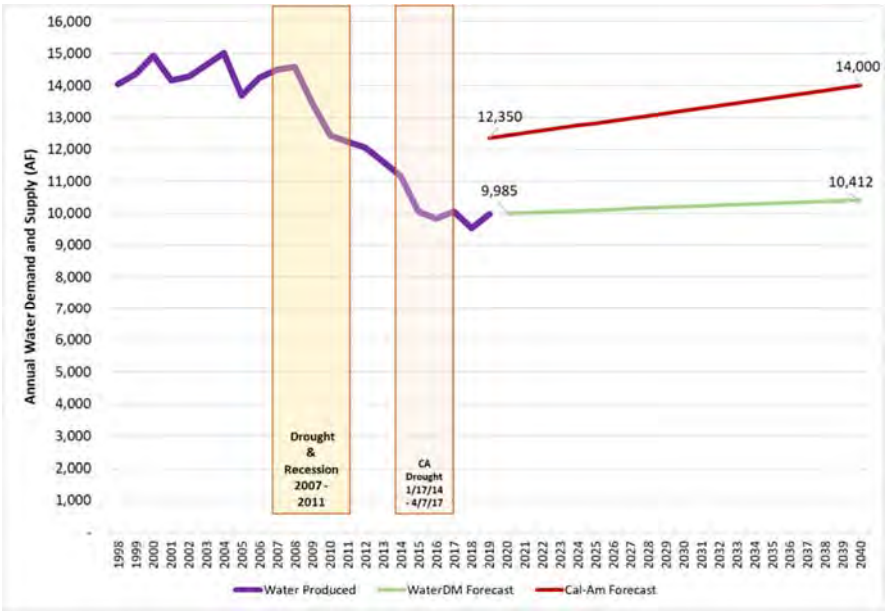
MCWD Response:

CAL-AM'S EXPERTS FAIL TO ADDRESS NEW INFORMATION RELATING TO DEMAND INCORECTLY ASSUMING NOTHING HAS CHANGED.

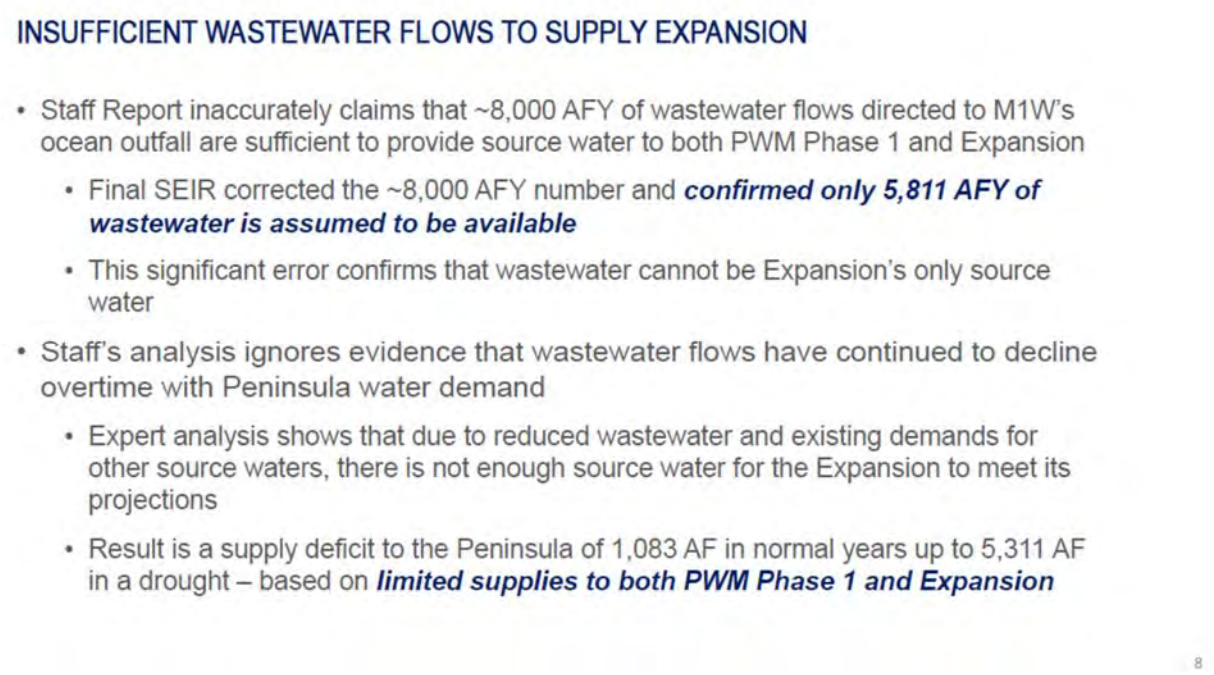
Cal-Am's reliance on the above Hazen and Sawyer Report chart is misplaced because Hazen and Sawyer ignored significant new information that shows significantly lower water demand in Cal-Am's service area—instead relying on the CPUC's demonstrably outdated prior projections. As the Staff Report explains: "Cal-Am's recent testimony to the CPUC shows that it expects demand in 2020 through 2022 to remain at the low end of use – about 9,789 acre-feet per year – which results in the high demand during 2008 and 2009 of around 14,000 acre-feet being replaced by upcoming years of about **4,000 acre-feet less demand**."[37]

- As MPWMD noted the "This chart makes no sense to any of us or our third-party experts."[38]
- As shown in Figure 1 of WaterDM's Second Supplemental Expert Report, 14,000 AFY is not a reasonable or accurate estimation of demand:[39]

Figure 1: WaterDM and Cal-Am forecasts of future average annual production



Cal-Am Presentation Materials (Page 8)



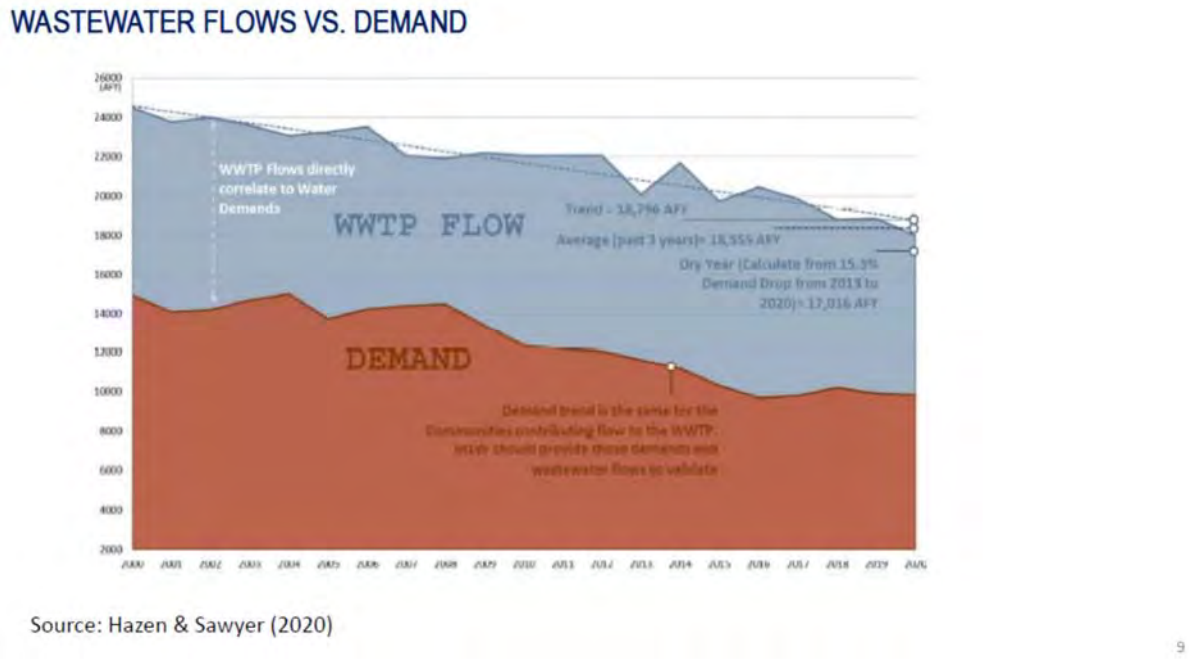
MCWD Response:

EXPANSION WASTEWATER FLOWS ARE ALONE SUFFICIENT

Cal-Am ***incorrectly*** states wastewater flows are insufficient to supply Expansion and that Staff Report's reliance of these flows is not supported by the evidence. As the Staff Report explains: M1W "has contracts and agreements in place for more than enough water actually needed to provide the Pure Water project's expected production volumes , which would allow it to operate even if some sources are not available or are available in lesser amounts, and the[FSEIR] concludes that there is adequate water for the facility."[40]

- As the MPWMD further confirms and explains in its recent assessment of Cal-Am's presentation:
    - Third-party experts on PWM Expansion did their analysis based on 5,811 AFY and confirmed more than enough source water. [41]
    - All four normal year/drought year scenarios analyzed indicate 1,400 to 2,100 AFY of excess source waters AFTER PWM Expansion, a buffer for declining flows. [42]
    - There is no supply deficit.[43]
    - M1W's analysis of the PWM wastewater sources under various conditions, including drought, concluded that the project can reliably perform.[44]

Cal-Am Presentation Materials (Page 9)



MCWD Response:

WASTEWATER FLOWS WILL INCREASE IF PROJECTED GROWTH OCCURS

As the Staff Report explains: "An August 20, 2020 letter from Monterey One Water addresses Cal-Am's contentions and clarifies that ***Cal-Am's concern about inadequate wastewater was based on incorrect analyses***."[45]

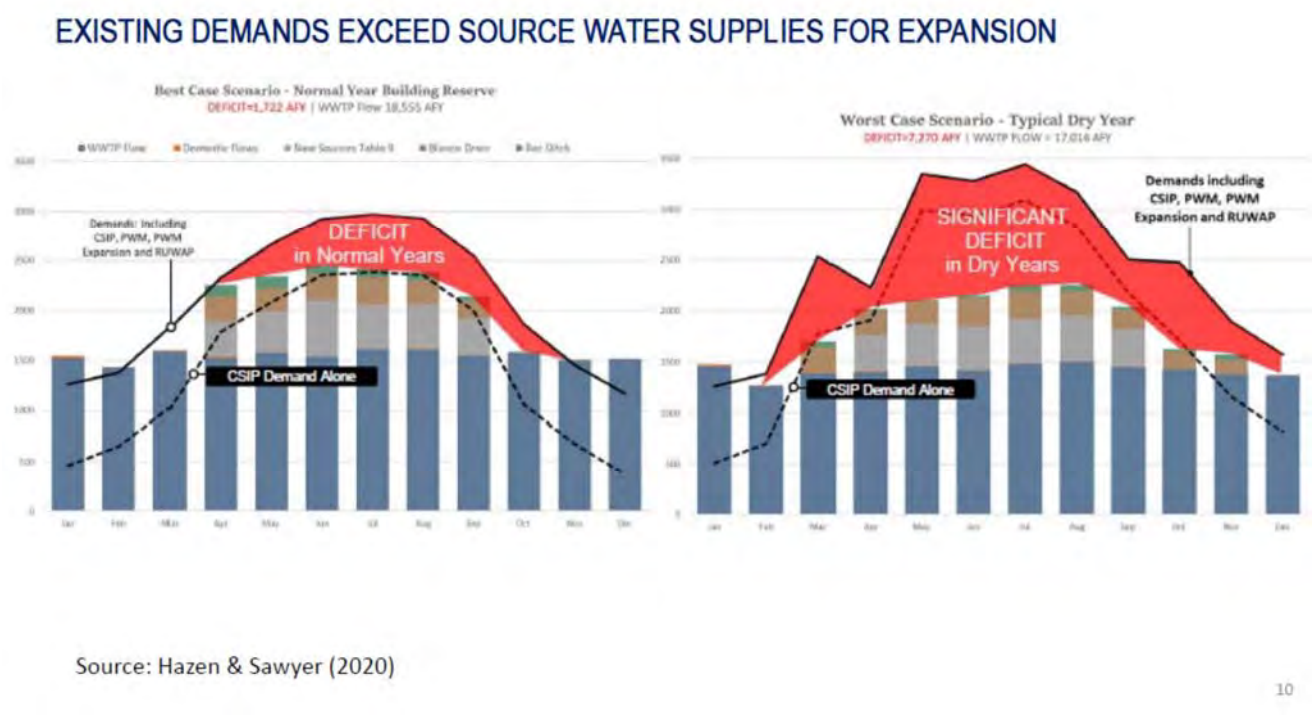
- Cal-Am's reliance on the above Hazen and Sawyer Report chart is ironic, because, although Hazen and Sawyer show a decrease in wastewater flows, the same chart confirms the long-term and permanent decrease in demand within Cal-Am's system that both Hazen and Sawyer and Cal-Am refuse to acknowledge throughout their materials.

- Moreover, even the decreased wastewater flows are more than ample for the various dedicated uses, and at any rate, to the extent there are population increases in the communities contributing wastewater flows to M1W's treatment facilities, that will balance out or exceed any additional reductions in wastewater flows due to ongoing conservation.

- As the MPWMD noted the "This chart summarizes why Cal-Am's proposed desal plant is too large – Customer demand has dropped since the plant was sized and shows no sign of needing 6,252 AFY within a reasonable planning horizon."[46]

- WaterDM's forecast is based on AMBAG's forecast of future population growth for the Cal-Am service area, and it includes all forecasts for future development across all sectors.[47]

Cal-Am Presentation Materials (Page 10)



MCWD Response:

THERE IS MORE THAN ENOUGH SOURCE WATER FOR EXPANSION

As the Staff Report explains: "the Pure Water Expansion's Final SEIR, which includes a detailed technical memorandum that uses a number of relatively conservative assumptions to evaluate several different scenarios – e.g., dry year versus wet year supplies, variable seasonal or annual amounts from different sources, etc. – and determined in each case that there would be sufficient water to produce the 2,250 acre-feet expected from the Pure Water Expansion" [48]

- Again, Cal-Am's reliance on the above Hazen and Sawyer Report chart is misplaced because Hazen and Sawyer incorrectly assume that recycled water must be available as-needed throughout the year by all users, when in fact it is only CSIP that requires recycled water for immediate use in the high irrigation summer months.

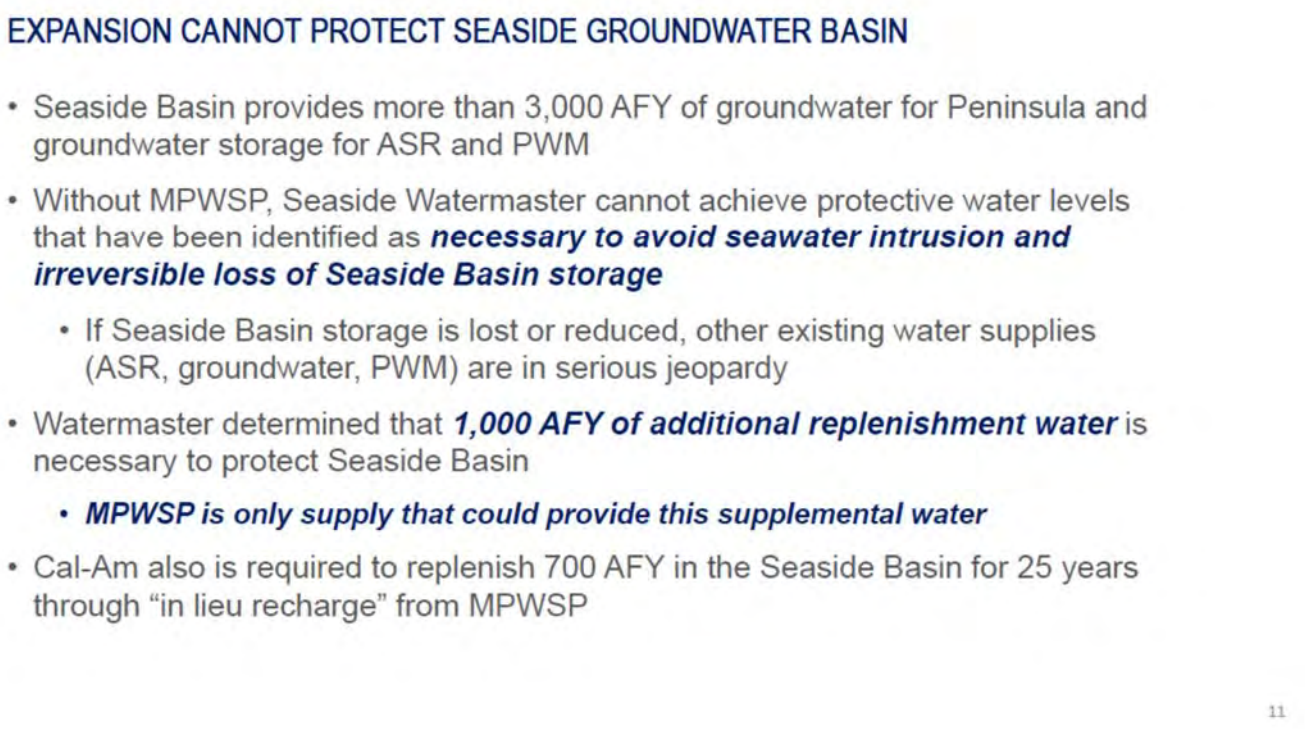
- PWM, PWM Expansion and RUWAP (MCWD's recycled water project, to be implemented in the future) will all have the flexibility to take treated water in variable amounts through the course of the year because that water must repose in the groundwater aquifers for at least six months before withdrawal.

- Cal-Am is suggesting, incorrectly, that banked storage must work on the same "use it or lose it" seasonal supply basis as surface flow.

- Moreover, Hazen's chart appears to incorporate amounts of recycled water which CSIP *could* claim, but which it is not currently using.

- As the MPWMD noted the chart fails to account for significant new information as outlined in its comments."[49]

Cal-Am Presentation Materials (Page 11)



MCWD Response:

EXPANSION PROVIDES FAR MORE WATER THAN REQUIRED FOR PAYBACK OF CAL-AM'S SEASIDE GROUNDWATER BASIN REPLENISHMENT OBLIGATIONS

Cal-Am ***misleadingly*** suggests that without its desalination project the Seaside Groundwater Basin will be vulnerable to increased seawater intrusion. But, as the Staff Report correctly observed, both the desalination project and PWM Expansion will meet the project's 2nd and 3rd primary objectives, which are to:

- 2. Develop water supplies to enable Cal-Am to reduce pumping from the Seaside Groundwater Basin from approximately 4,000 to 1,474 AFY, consistent with the adjudication of the groundwater basin, with natural yield, and with the improvement of groundwater quality; and

- 3. Provide water supplies to allow Cal-Am to meet its obligation to pay back the Seaside Groundwater Basin by approximately 700 AFY over 25 years as established by the Seaside Groundwater Basin Watermaster.[50]

Furthermore, the Staff Report prudently discounted the significance of the Watermaster's new assertion, made on August 12, 2020, that 1,000 AFY of additional recharge would be required "to provide protective groundwater elevations in the Basin," because this measure was considered in 2009 and 2013 but the Watermaster "took no action to implement the associated infrastructure that would be needed or to fund the approximately $6,000,000 per year needed to purchase that amount of desalinated water," concluding that "any such new demand for water appears to be speculative."[51]

- The MPWMD reached the conclusion that this is merely an alarm tactic, based in part on past technical analysis by HydroMetrics WRI.[52]

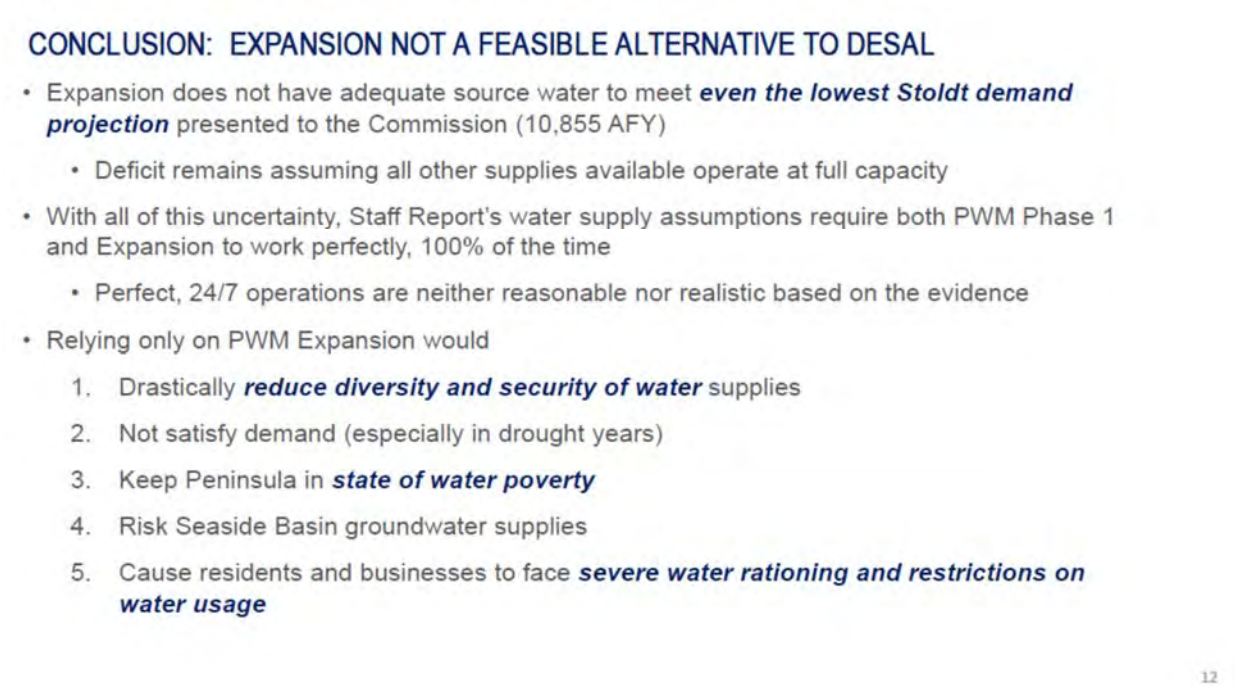
MCWD Response to Cal-Am Presentation Materials Page 11 (Continued):

- Moreover, MPWMD noted that at a 2013 Watermaster Technical Advisory Committee meeting where a presentation was made on the topic of protective water levels, the Cal-Am representative stated that replenishment to meet protective water levels is not the company's responsibility. [53]
- MPWMD further concluded that PWM Expansion at 2,250 AFY could also provide more than enough than the water needed for such a purpose, even allowing for the acknowledged need to repay 700 AFY, and at the same time as unprecedented annual growth in population. [54]
- MPWMD's comments also indicated that the Watermaster's letter oversimplified the issue of sufficient protective water levels, because the levels – and therefore the optimal additional annual replenishment amounts, if any – would be different for inland wells and coastal wells. [55]

Cal-Am's newfound concern for protecting Seaside Basin groundwater is ironic, given its historic overpumping from that resource, which is similar to its chronic, illegal overdrafting of the Carmel River. The further irony is that Cal-Am proposes to protect the Carmel River and the Seaside Basin by illegally exploiting the Salinas Valley Groundwater Basin.

- As WaterDM observed "With the addition of the Pure Water Expansion, Cal-Am will have additional opportunity to inject and store water in the Seaside Groundwater Basin" in addition to ASR injection, which will contribute to operational reliability and help ensure a long-term reliable supply. [56]
- Available excess water for injection from ***the Pure Water Monterey Expansion will enable Cal-Am to store additional water in the Seaside Basin***. The proper management of this storage potential and the water supply from the expansion could provide drought-resilience to the Monterey Peninsula for years to come.[57]
- In addition, increased ASR capacity will contribute to protective water levels in the Seaside Basin. As WaterDM stated, "Based on long-term historical precipitation and streamflow data, which includes drought hydrology, the ASR system is designed to allow an average of 1,920 AF per year to be recovered."[58] Increased ASR storage will also contribute to increasing protective water levels in the Seaside Basin.

Cal-Am Presentation Materials (Page 12)



MCWD Response:

EXPANSION IS FEASIBLE AND WOULD ALLOW CAL-AM TO MEET MONTEREY PENINSULA'S WATER DEMAND UNTIL AT LEAST 2040

- Again, Cal-Am fails to evaluate significant new information relating to water demand in Cal-Am's service area. As the Staff Report explains: "With the currently lower baseline demand described below, the Pure Water Expansion can be expected to provide the necessary amount of water for at least 20 to 25 years without the desalination facility in place."[59]
- As the MPWMD explained, there is no deficit:

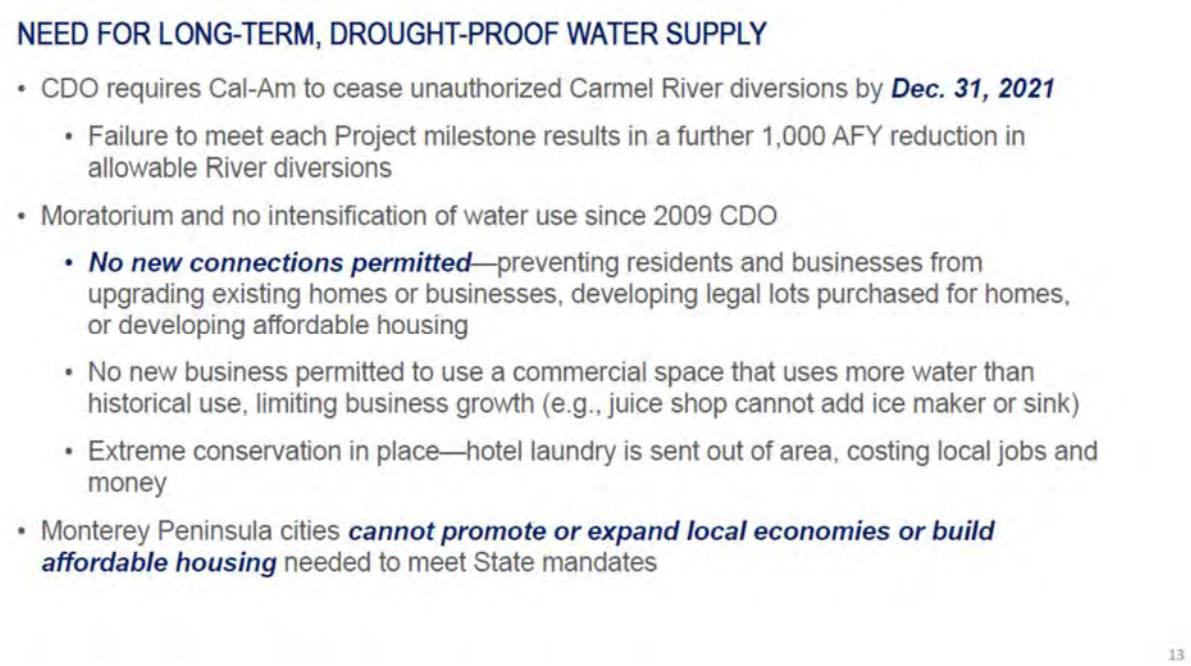
> "With PWM Expansion there is a sufficient supply for 30 years AND that does not factor in other available intermittent supplies available to Cal-Am: 700 AFY becomes available from the Seaside Basin after year 25 of their proposed in-lieu recharge program, every year the 'alternate producers' on the Seaside Basin give up their unpumped water to 'standard producers' such as Cal-Am (approx.. 200-400 AF per year), Cal-Am holds Table 13 water rights from the Carmel River in addition to the water rights in question under the CDO (another 200-400 AF per year in normal to wet years)." [60]

- As WaterDM's initial expert report concluded:

> "With the addition of the Pure Water Monterey Expansion project providing an additional 2,250 acre-feet per year of supply to Cal-Am, the combination of Cal-Am's available and projected water resources total 11,650 acre-feet of reliable supply." This is sufficient supply to meet annual demand in 2040 by more than 1,200 acre-feet.[61]

- Cal-Am will have sufficient water supplies to eliminate its illegal diversion of Carmel River water by January 1, 2022. PWM Expansion is the right sized addition to eliminate the moratorium and for Cal-Am to start paying back the Seaside Basin for its many years of overpumping native groundwater.[62]

Cal-Am Presentation Materials (Page 13)



MCWD Response:

EXPANSION PROVIDES SUFFICIENT RESERVES/BUFFER DURING DROUGHT YEARS AND CAN BE ONLINE YEARS BEFORE DESAL

- As the Staff Report concludes, taking into account growth rates during the past 20 years, including periods of drought and conservation measures: "the total portfolio with the Pure Water Expansion would supply several decades of growth."[63]

- As the Staff Report also explained, "the Cal-Am project appears to have as great or a greater risk of delay than does the Pure Water Expansion."[64]

- As the MPWMD explained, "MPWMD and all community leaders are united in the pursuit of a new, permanent replacement water supply." [65]
    - PWM Expansion has been sized to meet job growth and housing needs, per Association of Monterey Bay Area Governments (AMBAG) growth projections and Regional Housing Needs Allocations (RHNA), for next three decades. [66]
    - Examples cited are misleading – e.g. hotel laundry left because it is too expensive under current water rates. It will not return under rates that are 40-55% higher as a result of the MPWSP. [67]

- WaterDM also concluded that, even without desalination or PWM Expansion, banked storage in the Seaside Basin "provides a valuable and necessary buffer for Cal-Am to use if drought or higher demand than forecasted should occur."[68]

Cal-Am Presentation Materials (Page 14)



MCWD Response:

NEW INFORMATION DEMONSTRATES THE MPWSP IS UNECESSARY AND WOULD RESULT IN SIGNIFICANT AND UNAVOIDABE IMPACTS TO COASTAL RESOURCES; EXPANSION IS THE ENVIRONMENTALLY SUPERIOR ALTERNATIVE

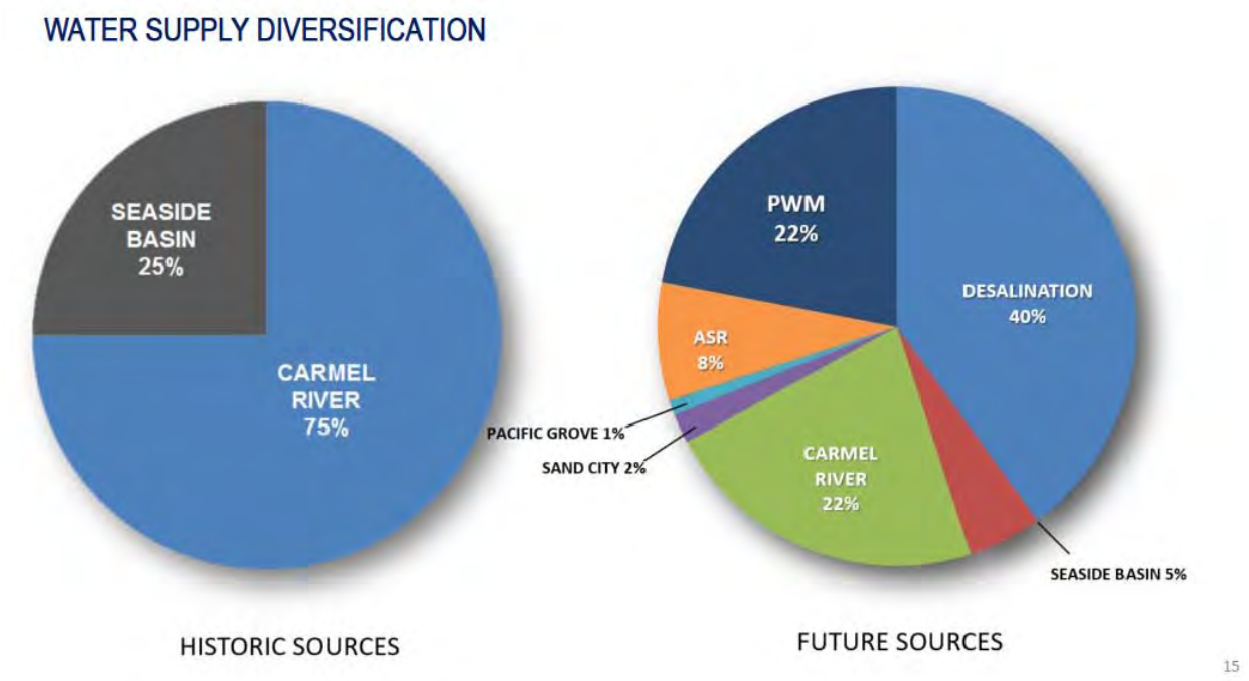
- As the Staff Report explains: PWM Expansion would "result in fewer environmental and economic burdens to the communities of concern within Cal-Am's service area, would avoid environmental burdens to the City of Marina, and appears to have fewer significant hurdles to clear before it could be implemented."[69]

- As the MPWMD explained, "PWM Expansion is the best transitional project for the future. In 30-40 years when new water supply would be needed under PWM Expansion, desalination technology will be so much better, and less expensive, that it could be considered for the next increment of supply needs." [70]

- And as the MPWMD also noted: "If there is a feasible alternative that is less environmentally degrading AND outside the Coastal Zone, why not consider it? PWM Expansion is that alternative." [71]

- The Staff Report correctly observed that the Commission "is not legally required to accept or use the CPUC's water supply and demand numbers or its environmental impact conclusions when conducting its own Coastal Act review. Rather, the Commission has the independent authority and duty to review these issues, based on current evidence, when determining whether denial of the proposed Project will harm the public welfare, whether there is a feasible alternative, and in making other Coastal Act findings."[72]

Cal-Am Presentation Materials (Page 15)

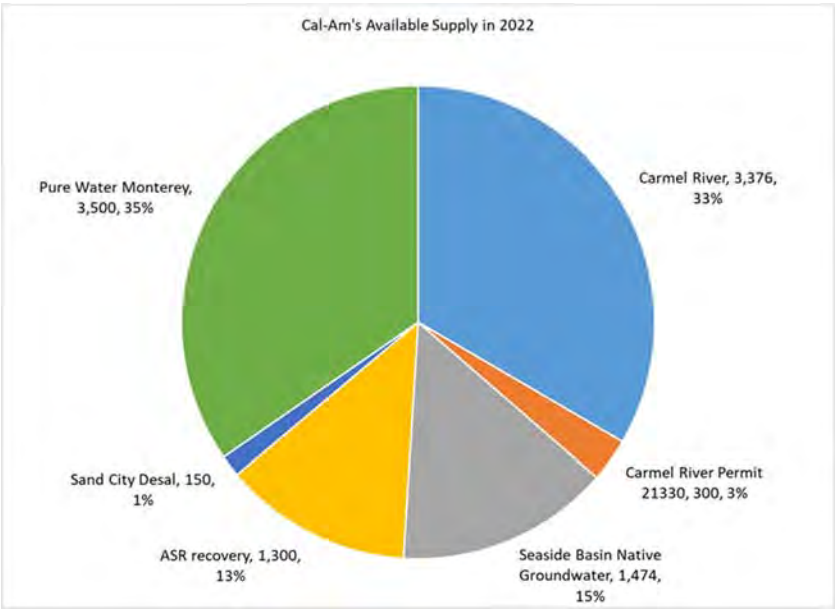


MCWD Response:

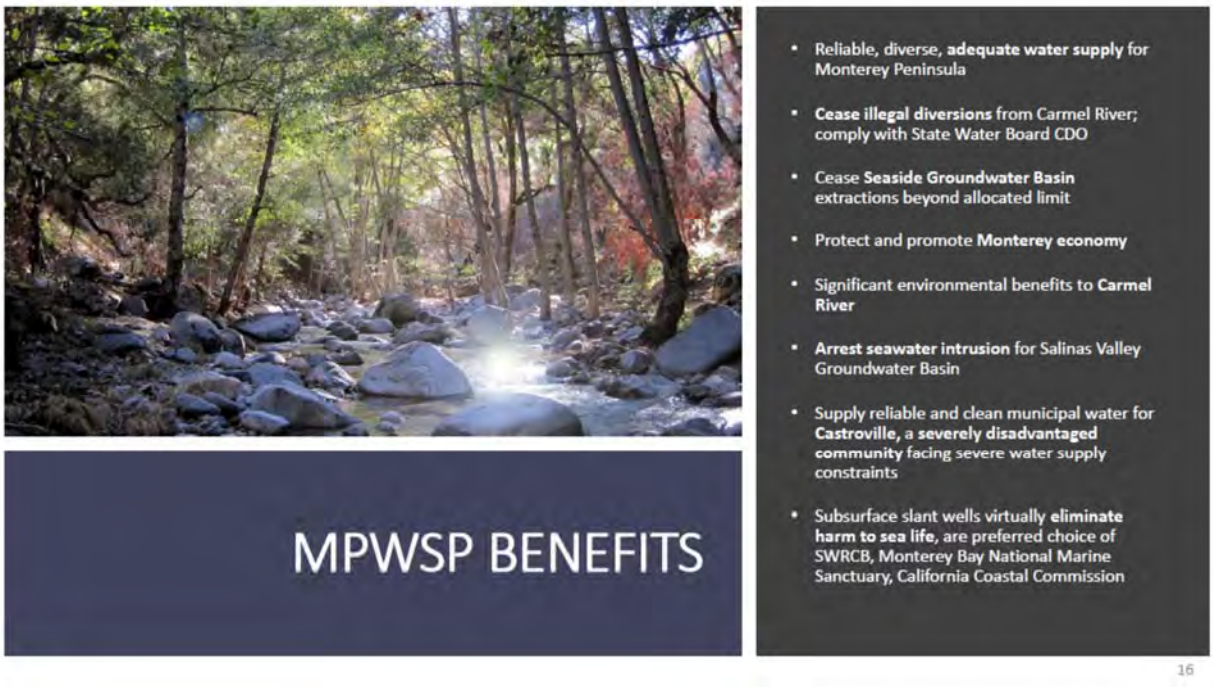
CAL-AM PRESENTLY HAS A DIVERSE, RESILIANT WATER SUPPLY PORTFOLIO

As the Staff Report recognized: "Although Cal-Am's desalination facility would provide more water than would the Pure Water Expansion, either project, when combined with Cal-Am's other available water sources, would provide more than adequate water supplies for current and expected future demands and would allow the water system to conform to the state's design and capacity requirements."[73]

- As WaterDM concluded in analyzing Cal-Am's supply portfolio as of January 2022, "Cal-Am's supply sources are already diverse – without desalination."[74]



Cal-Am Presentation Materials (Page 16)

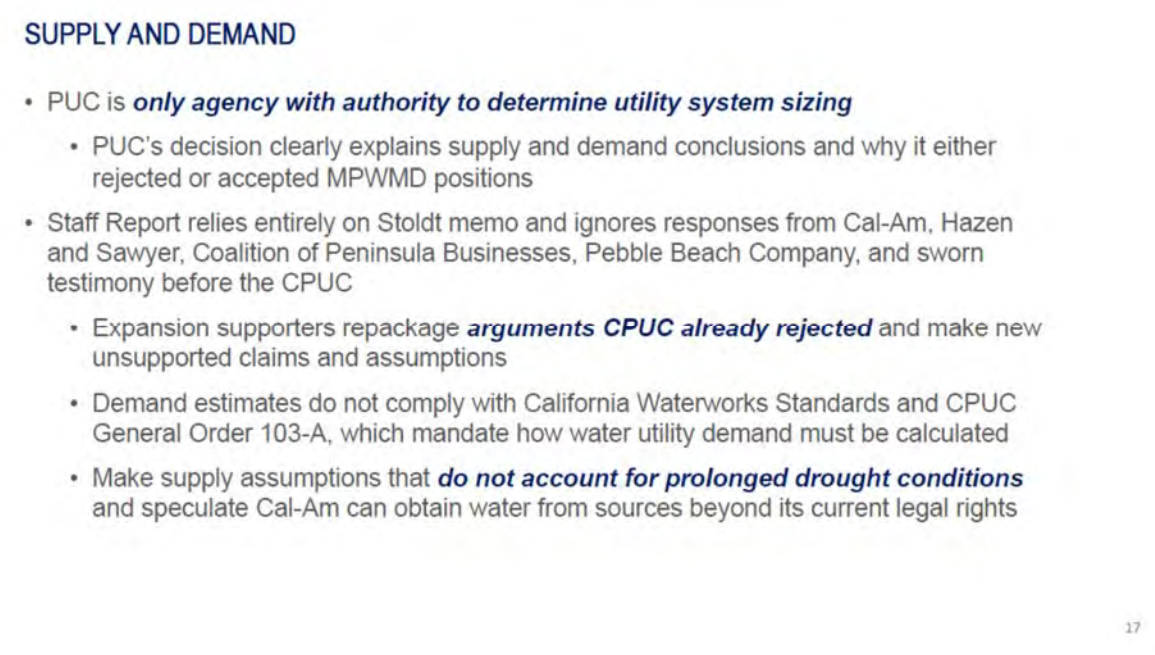


MCWD Response:

As the Staff Report explains: "The Pure Water Expansion would [] result in fewer environmental and economic burdens to the communities of concern within Cal-Am's service area, would avoid environmental burdens to the City of Marina, and appears to have fewer significant hurdles to clear before it could be implemented."[75]

- As the MPWMD explained, "The first six of eight "benefits" are also met by PWM Expansion." [76]
- With respect to item seven on this page, the Monterey Peninsula has 3-times the number of disadvantaged community members than Castroville, per State of California
- Seaside and City of Marina, communities of color and highly disadvantaged have 7.99 times the number of residents as Castroville They are not in Cal Am's service district, they are in MCWD's and will receive NO benefits from the project
- Department of Water Resources data, shows Cal-Am is expecting to significantly subsidize water delivered to Castroville to reward them for their support. [77]
- With respect to item eight on this page, PWM Expansion obviates the need for slant wells or desalination, in general. [78]
- Castroville has 3 wells fully functioning with sufficient supply to meet all their demand. One of the three wells is approaching 400 parts per million, still well within drinking water standards, and has received approval and grant funds to drill a new deep will when needed. The Castroville area is not facing serious water shortages. There is time to deal with their issues and they are most properly mitigated and addressed via the SVBGSA GSP as the participants in that group are the ones directly responsible for any seawater intrusion issues experienced by Castroville.

Cal-Am Presentation Materials (Page 17)



MCWD Response:

COMMISION IS REQUIRED TO EVALUATE SIGNIFICANT NEW INFORMATION RELATING TO SUPPLY AND DEMAND UNDER CEQA AND THE COASTAL ACT

As the Staff Report correctly observed, the Commission "is not legally required to accept or use the CPUC's water supply and demand numbers or its environmental impact conclusions when conducting its own Coastal Act review. Rather, the Commission has the independent authority and duty to review these issues, based on current evidence, when determining whether denial of the proposed Project will harm the public welfare, whether there is a feasible alternative, and in making other Coastal Act findings."[79]

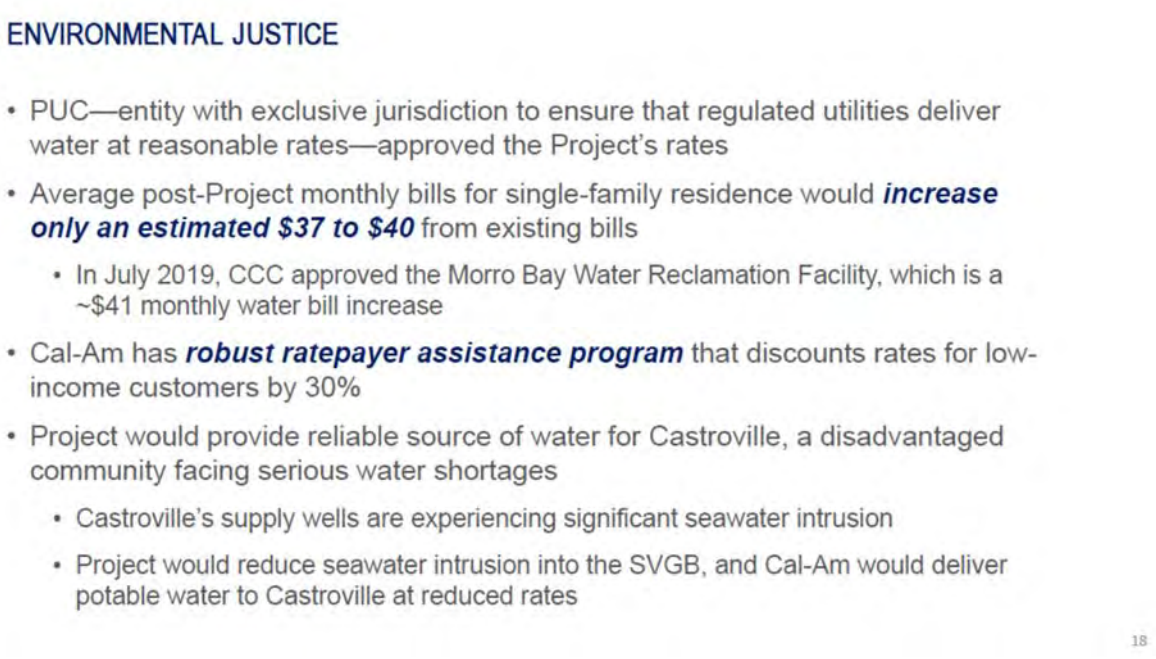
Further, as the Staff Report explains: "Cal-Am's recent testimony to the CPUC shows that it expects demand in 2020 through 2022 to remain at the low end of use – about 9,789 acre-feet per year – which results in the high demand during 2008 and 2009 of around 14,000 acre-feet being replaced by upcoming years of about 4,000 acre-feet less demand."[80]

- As the MPWMD explained, "all MPWMD planning analyses are 100% consistent with national and California waterworks standards and CPUC Orders."[81]

- WaterDM also concluded that "With or without desalination or the Expansion, Cal-Am is currently complying and can continue to comply with California Waterworks Standards and CPUC General Order 103-A."[82]

    - Further, "Cal-Am's faulty premises and errors are addressed in detail in WaterDM's April expert report (pp. 37 – 41). WaterDM's analysis adhered to all applicable codes and industry standards and practices."[83]

Cal-Am Presentation Materials (Page 18)

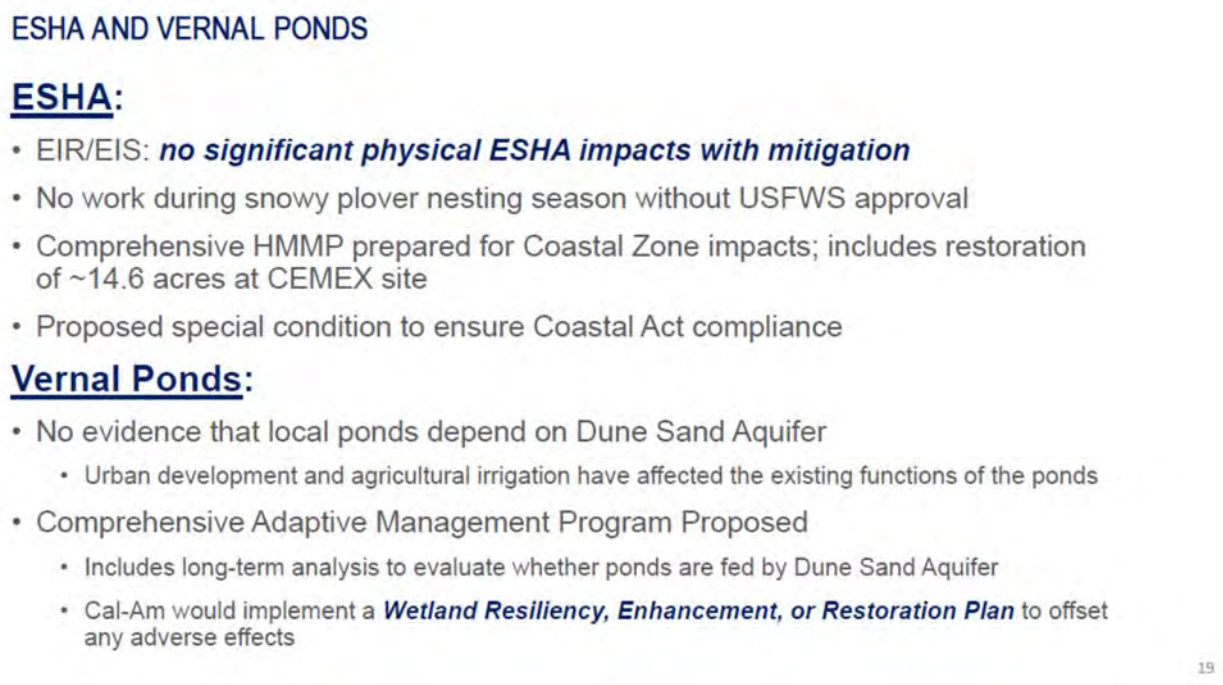


MCWD Response:

APPROVAL OF THE PROJECT IS NOT IN THE PUBLIC INTEREST AND WOULD CONTINUE DISCRIMINATORY LAND USE PRACTICES

- Cal-Am misleading suggests the project would result in an average of $37 increase in water bills.
  - Cal-Am's revised aspirational filing, because there is no certainty the Company will receive full State Revolving Fund loan funding it anticipates, Advice Letter 1220-A on 9/10/19, indicates a $37 - $40 impact on a base bill of approximately $67, still a 55% increase.[84]
  - And because it does not include any of the surcharges that are imposed on the rate payers as a result of all of Cal-Am's illegal actions Cal-Am's own filing, Advice Letter 1220 on 12/31/18, indicates a $55-$60 impact on a base bill of approximately $71, a 77% increase.[85]
- Cal-Am's alleged robust ratepayer assistance does not reach many renters, among other flaws.[86]
- While the project provides water to the Castroville at extremely low rates, it is at the expense of the other disadvantaged communities such as Marina and Seaside.
  - Total of Marina and Seaside residents is 53,745 or 7.99 times as many as Castroville.
  - 33% of Marinas residents have income below 200% of the federal poverty level
  - The Monterey Peninsula has 3-times the number of disadvantaged community members than Castroville, per State of California Department of Water Resources data.[87]
- CPUC listed the purposes of the project—providing water to Castroville was not one of them.[88]
- Project is designed to draw seawater into the SVGB and will destroy MCWD's ability to use the current groundwater basin to provide reasonably price water to Marina and others and will make it hard to build affordable housing in the areas that will need them the most
- As the Staff Report explains: "There is a long history of government institutions allowing unwanted industrial development to be concentrated in underserved communities of color ... ***Approving yet another would perpetuate this discriminatory land use practice in Marina***."[89]
- While slant wells have expected life of 25 years, the CPUC's approval does not expire – so this Commission's decision will have a legacy decision will affect Marina for 60 plus years, if not perpetuate discriminatory land use practices in Marina for generations to come.

Cal-Am Presentation Materials (Page 19)



MCWD Response regarding ESHA:

PROJECT DOES NOT MEET 30260 REQUIREMENTS FOR MITIGATION OF ESHA IMPACTS TO THE GREATEST EXTENT POSSIBLE

- The Project will result in significant and unavoidable impacts to ESHA. As Staff Report explains: "The Final EIR/EIS includes a number of mitigation measures meant to avoid or reduce some of these known or potential impacts to ESHA ... However, they would not result in mitigation 'to the greatest extent possible,' as required by the LCP."[90]
- Therefore, the Commission cannot make the required Section 30260 that the project is mitigated to the greatest extent feasible.
- Requiring USFWS approval to conduct work during snowy plover nesting season is not mitigation and will not result is less than significant impacts, or mitigation to the fullest extent feasible. Cal-Am's test well was constructed during snowy plover nesting season with USFWS approval.

- Cal-Am proposed HMMP is not consistent with Coastal Act standards, as it:
  - Does not explain why they claim only 2.18 acres of impact when staff has stated all along it is over 35 acres[91]
  - Did not use the proper standard for what is a temporary impact.[92]
  - Did not consider the need for buffers.[93]
  - Uses land for the mitigation that is already scheduled for restoration under the CEMEX agreement- double dipping. [94]
  - Proposes to use ag run off water that has silt in it that creates the wrong type of soil and is loaded with invasive seeds and pesticides - so restoration will fail in long run. [95]
  - Does not address work on liner requires work in critical habitat during the breeding and nesting time for Western Snowy Plover. [96]

MCWD Response to Coastal Wetlands and Vernal Pools - Page 19 (Continued):

PROJECTS IMPACTS TO COASTAL WETLANDS AND VERNAL POOLS HAVE NOT BEEN ADEQUATELY EVALUATED AND CANNOT BE MITIGATED

- The best available evidence shows the existing wetland and vernal pond areas in the project area are hydrologically connected to the Dune Sand Aquifer. As the Staff Report notes:

  The GDE review described data collected … during Cal-Am's approximately two-year pump test … ***identified a relatively immediate groundwater drawdown/response of about one foot. The review also notes that the groundwater underlying these areas has variable salinity levels …, suggesting it has sources other than … precipitation. It also notes that the overlying habitat includes vegetative species that have adapted to this range of salinity variation.*** [97]

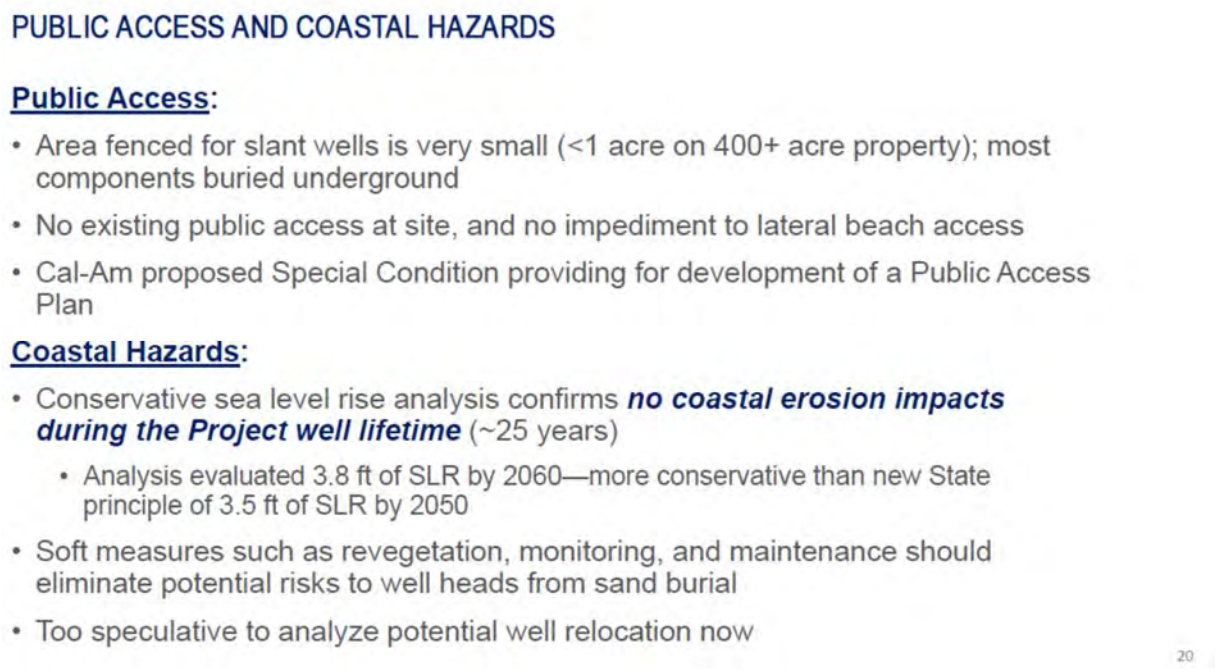
- The Commission Staff and expert hydrologists have concluded that wetland and vernal pond areas in the Project area will likely experience significant water levels declines and that brackish wetlands and vernal pools are not the result of rain or ag runoff. [98]

- Proposed adaptive management cannot work because there is no way to "manage" impacts to vernal ponds if the groundwater is removed. **Nor is there a baseline to evaluate or enforce potential mitigation as required by Coastal Act and CEQA**. As Staff Report explains:

  "… importantly, it would be difficult to monitor the actual effects the expected drawdown would have on these wetland and vernal pond areas, in part due to the complex interactions among changing groundwater elevations, different amounts of precipitation and other water sources, the presence of different species with different *responses to those changes,* ***as well as the lack of adequate reference sites or baseline data for many of these areas****. It would likewise be difficult to provide adequate mitigation for any adverse effects, in part due to the potential extent of the effects – which could cover up to several dozen acres of wetlands and vernal ponds – and also due to the difficulty in identifying sites where creating or restoring wetland or vernal ponds could be successful and would not result in the conversion of other sensitive habitats*."[99]

- Cal-Am's refusal to provide or fund the acquisition of the required information and modeling is an independent ground for denial under Coastal Commission.

Cal-Am Presentation Materials (Page 20)


PUBLIC ACCESS AND COASTAL HAZARDS

Public Access:

- Area fenced for slant wells is very small (<1 acre on 400+ acre property); most components buried underground
- No existing public access at site, and no impediment to lateral beach access
- Cal-Am proposed Special Condition providing for development of a Public Access Plan

Coastal Hazards:

- Conservative sea level rise analysis confirms ***no coastal erosion impacts during the Project well lifetime*** (~25 years)
  - Analysis evaluated 3.8 ft of SLR by 2060—more conservative than new State principle of 3.5 ft of SLR by 2050
- Soft measures such as revegetation, monitoring, and maintenance should eliminate potential risks to well heads from sand burial
- Too speculative to analyze potential well relocation now

20

MCWD Response:

PROJECT'S IMPACTS TO PUBLIC ACCESS ARE NOT MITIGATED; CAL-AM'S PROPOSED MITIGATION FOR COASTAL HAZARDS RESULTS IN ADDITIONAL IMPACTS TO ESHA THAT HAVE NOT BEEN EVALUATED OR MITIGATED

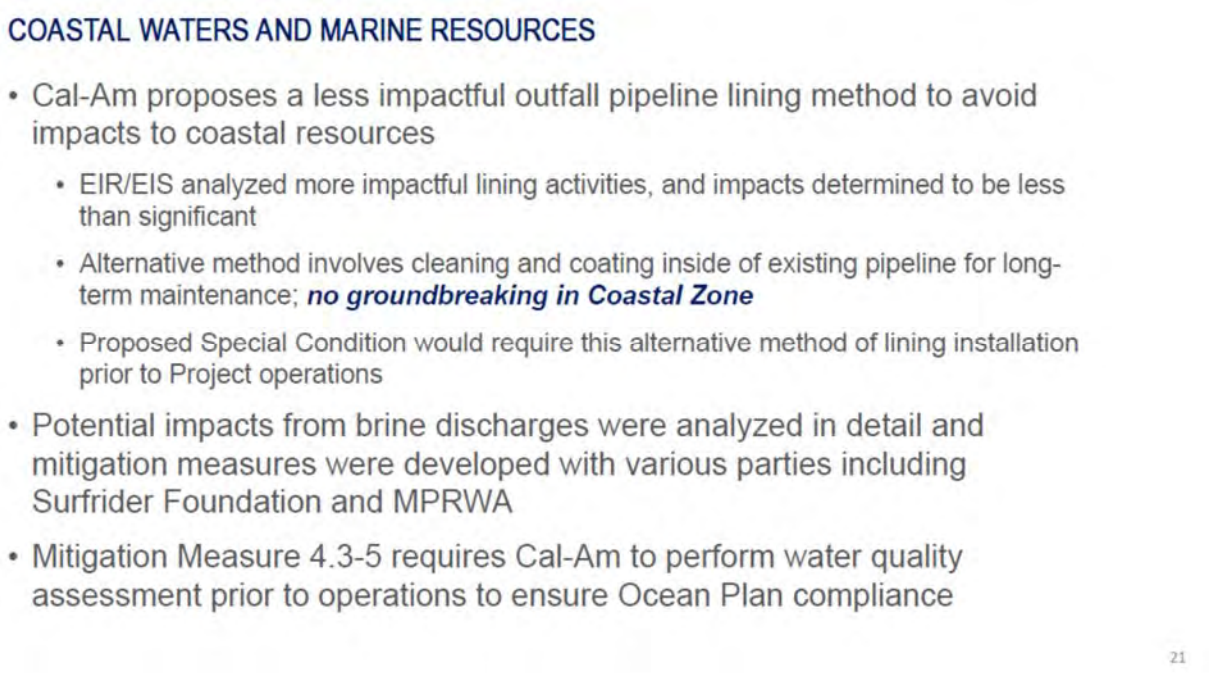
Public Access

- Cal-Am's attempts to minimize the project's public access impacts fail. As the Staff Report explains, the project "would result in temporary adverse impacts to public access and recreation during construction. It would also result in relatively modest, but by no means insignificant, ***long-term loss of public access and recreation opportunities.***"[100]
- Access in project area currently does not exist because of sand mining operations. But CEMEX settlement specifically intended for public access, which will not now take place in fenced areas.
- Wells and fencing destroy the beauty of the site for the public walking along the shoreline

Coastal Hazards

- Cal-Am's impermissibly attempts to defer analysis of relocating slant wells due to sea-level rise as will be required during the indefinite life of the project. As the Staff Report accurately explains: "the currently proposed locations are near the most inland extent of Cal-Am's easement and could not be moved out of the hazard zone unless Cal-Am was able to obtain additional legal interest for areas further inland. The terms of the above-referenced CEMEX Settlement may prevent Cal-Am from obtaining additional legal interest on the CEMEX lands… "[101]
- Cal-Am's proposed "soft measure" are entirely unrealistic. Revegetating and contouring the dunes cannot avoid the long-term effects of sea-level rise and dune recession.
- In reality, it is much more likely Cal-Am will have to use "hard measures" to avoid impacts related to coastal hazards, which will indisputably cause additional ESHA impacts that must be addressed before the project is approved under the Coastal Act.

Cal-Am Presentation Materials (Page 21)



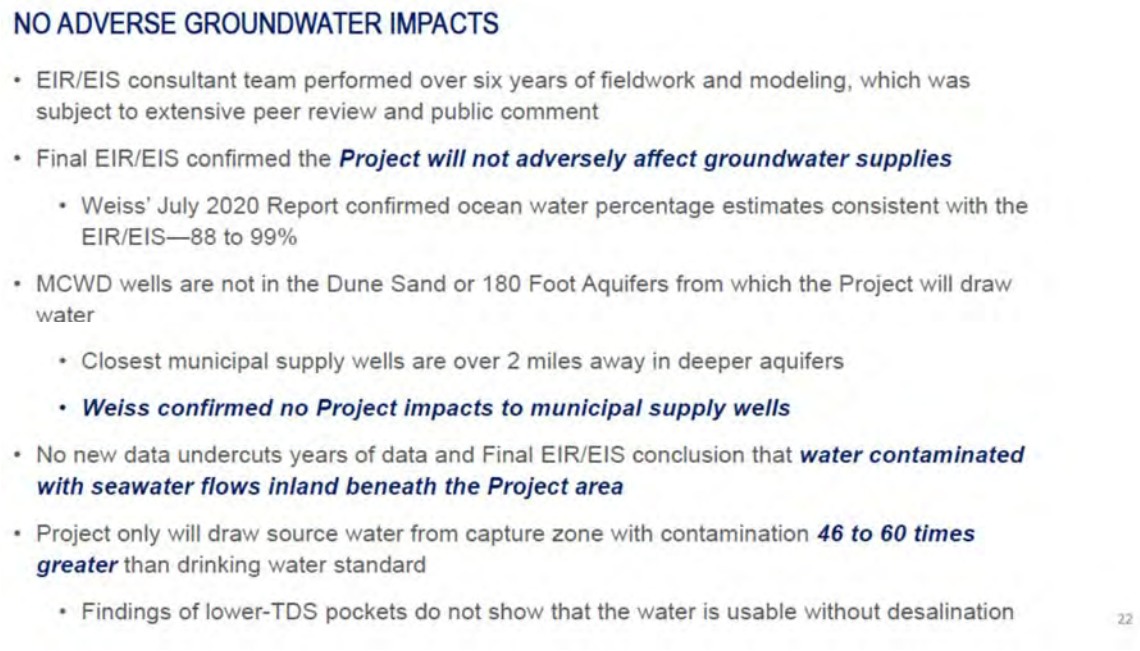
MCWD Response:

WITHOUT THIS INFORMATION REGARDING OUTFALL IMPROVEMENTS MANDATED BY CPUC –IT IS IMPOSSIBLE TO MAKE REQUIRED 30233 FINDINGS

- Cal-Am failed to provide the required information to evaluate. As Staff Report explains:

  One necessary Project component that Cal-Am did not include in its CDP application and that it has not yet fully described is an approximately two-mile long liner that must be installed within the existing ocean outfall pipeline to prevent the desalination facility discharge from corroding the outfall line ***… installation work would likely require heavy equipment on the beach and foredune area, excavation of some amount of beach and dune habitat,*** *installation of temporary fencing … and other activities* ***that would result in noise, disturbance, and occupancy of this critical habitat area during a critical time period for the species.*** *Such activities would not conform to Coastal Act Section 30240 (if the work is done in the Commission's retained jurisdiction) or LCP provisions that mirror that Section (for any work in the City's permitting jurisdiction) because they would be non-resource- dependent activity that would occur in ESHA.*[102]
- To avoid this fatal flaw, Cal-Am now suggests it has a possible new method of installation that no one has enough information about to be able to analyze or comment on. [103]
  - Cal-Am has not applied for a CDP, which is required even if this proposal works.
  - In addition, Placement of moorings requires attachment to ocean floor and is considered "fill" under section 30233. [104]
- No complete analysis of the impacts or potential mitigation has been done because there has never been a full description of the project. This is a classic case of piecemealing to avoid full project review of impacts and alternatives.
- Settlement with Surfrider Foundation addresses discharge water quality standards - not impacts outfall improvements. No analysis of impacts to marine life was ever conducted.

Cal-Am Presentation Materials (Page 22)



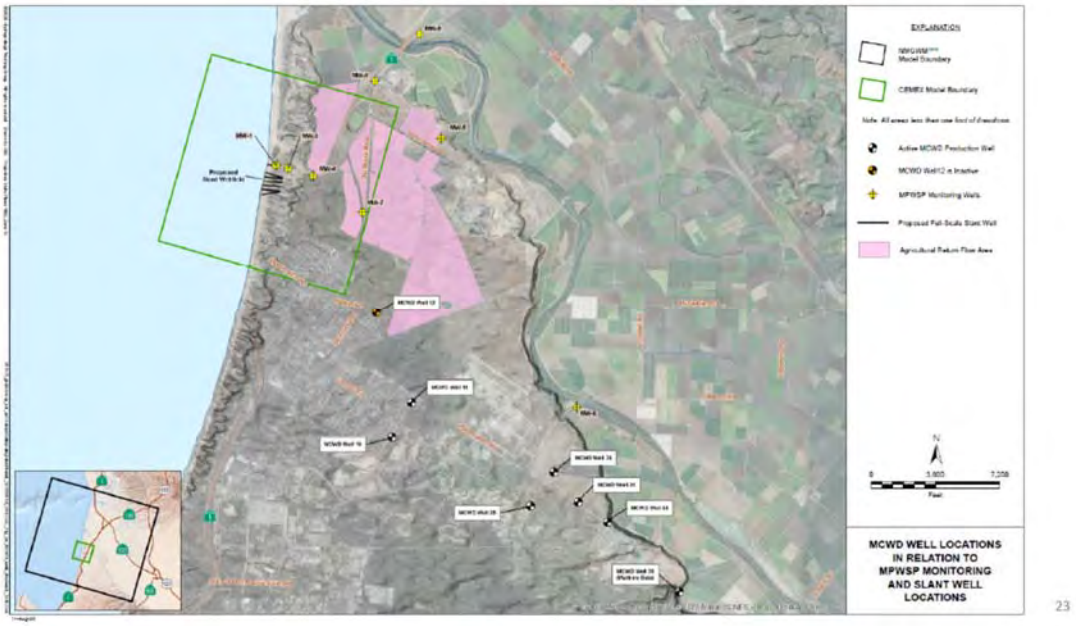
MCWD Response:

STAFF REPORT CORRECTLY CONCLUDES PROJECT'S IMPACTS TO GROUNDWATER HAVE NOT BEEN ADEQUATELY MODELED OR MITIGATED

- Cal-Am's claim that the project will not adversely affect groundwater ignores the Coastal Commission's independent expert's conclusions that the EIR/'s modeling was flawed and "***is not appropriate for calculating the expected effects of differences in the groundwater gradient on how the proposed project would affect the rate or volume of seawater intrusion into the aquifer or on how much fresh water the wells would extract.***" [105]
- Cal-Am falsely claims Commission's independent expert confirmed the EIR's conclusions.
  - As the Staff Report explains: "***The Commission's independent hydrogeologic review also recommended additional modeling be done to better identify how much water Cal-Am would need to return to the Basin under different conditions***."[106] Weiss expressly stated "Due to a variety of known and unknown limitations, the results should not be considered as definitive representations of past, current, or future groundwater flow." [107]
- Cal-Am's arguments that no new data shows groundwater gradients have changed is also false and in direct conflict the Commission's independent expert. [108]
- Due to lack of funding and time, Weiss did not evaluate Stanford's AEM data or water quality data collected at Fort Ord that show significant quantities of fresh water exist in the Upper 180-Foot Aquifer, which will be drawn into the slant wells as gradients decline.[109]
  - As MCWD'S experts explained, the existence of this fresh groundwater in the Upper 180-Foot Aquifer was not considered in the Weiss Report and must be evaluated to provide a meaningful understanding of the project's impacts and OWP.[110]
- The Staff Report correctly concludes that the current evidence does not support a finding that the Project is consistent with Coastal Act Section 30231's groundwater protection provision:

  "***additional modeling and analysis is needed to identify the extent of Cal-Am's likely or potential effects on possible depletion of groundwater supplies, including the effects of the expected depletion on nearby wetlands and vernal ponds***."[111]

Cal-Am Presentation Materials (Page 23)



MCWD Response:

- Cal-Am incorrectly claims that the project's capture zone is located in a coastal area of the SVGB ***already intruded with seawater*** that is not usable for human consumption or irrigation without treatment.
- As explained by MCWD's experts, the Weiss Report shows that the project's capture zone is substantially larger than what was disclosed in the FEIR.
    - Importantly, the likely capture zones identified by Weiss show that the project will impact groundwater conditions over many square miles and extract significant quantities of fresh groundwater from the basin.
    - The impact of decreasing landward gradients on the size of capture zones is illustrated on Figures on the next page sowing the difference of what the EIR predicted and what the Weiss analysis conservatively shows.

- The additional modeling and analysis necessary to allow the Commission to meaningfully consider and mitigate the project's groundwater impacts must include address the following as explained by Marina Coast's expert and others:

    (1) the importance of fresh water recharge from Dune Sand Aquifer in protecting and maintaining water quality in the Upper 180-Foot Aquifer south of the Salinas River;

    (2) the importance of this recharge to the Salinas Valley Groundwater Basin (SVGB);

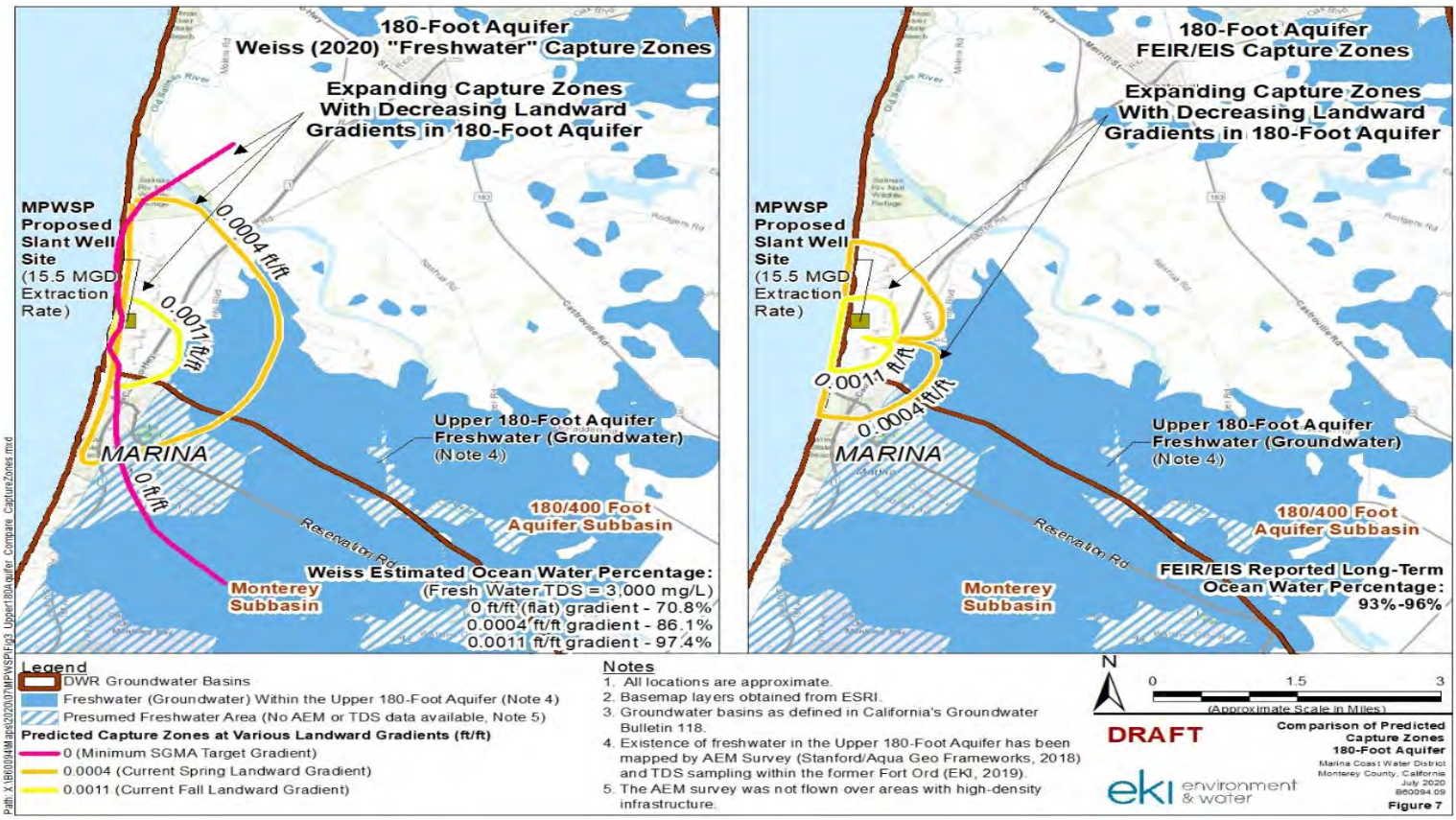
    (3) water quality information from Airborne Electromagnetics (AEM) Studies and groundwater sampling at Fort Ord;

    (4) resistivity data from geophysical logs obtained at Monitoring Well MW-7;

    (5) recharge (mounding) of salt water from CEMEX operations; and,

    (6) pumping of shallow groundwater from the Dune Sand Aquifer (DSA) in the vicinity of Monitoring Well MW-4S which depresses local water levels.[112]

- In sum, additional investigation and modeling recommended in the Weiss Scope of Work and Marina Coast Water Districts' experts' comments on the Scope of Work must be completed before the public can make informed comments and before the Commission can make an informed decision on the project's impacts to groundwater and GDEs.


180-Foot Aquifer
Weiss (2020) "Freshwater" Capture Zones
Expanding Capture Zones
With Decreasing Landward
Gradients in 180-Foot Aquifer
MPWSP
Proposed
Slant Well
Site
(15.5 MGD
Extraction
Rate)
0.0004 ft/ft
0.0011 ft/ft
0 ft/ft
MARINA
Upper 180-Foot Aquifer
Freshwater (Groundwater)
(Note 4)
180/400 Foot
Aquifer Subbasin
Reservation Rd
Monterey
Subbasin
Weiss Estimated Ocean Water Percentage:
(Fresh Water TDS = 3,000 mg/L)
0 ft/ft (flat) gradient - 70.8%
0.0004 ft/ft gradient - 86.1%
0.0011 ft/ft gradient - 97.4%
180-Foot Aquifer
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Subbasin
FEIR/EIS Reported Long-Term
Ocean Water Percentage:
93%-96%
Legend
DWR Groundwater Basins
Freshwater (Groundwater) Within the Upper 180-Foot Aquifer (Note 4)
Presumed Freshwater Area (No AEM or TDS data available, Note 5)
Predicted Capture Zones at Various Landward Gradients (ft/ft)
0 (Minimum SGMA Target Gradient)
0.0004 (Current Spring Landward Gradient)
0.0011 (Current Fall Landward Gradient)
Notes
1. All locations are approximate.
2. Basemap layers obtained from ESRI.
3. Groundwater basins as defined in California's Groundwater Bulletin 118.
4. Existence of freshwater in the Upper 180-Foot Aquifer has been mapped by AEM Survey (Stanford/Aqua Geo Frameworks, 2018) and TDS sampling within the former Fort Ord (EKI, 2019).
5. The AEM survey was not flown over areas with high-density infrastructure.
N
0
1.5
3
(Approximate Scale in Miles)
DRAFT
Comparison of Predicted
Capture Zones
180-Foot Aquifer
Marina Coast Water District
Monterey County, California
July 2020
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Figure 7
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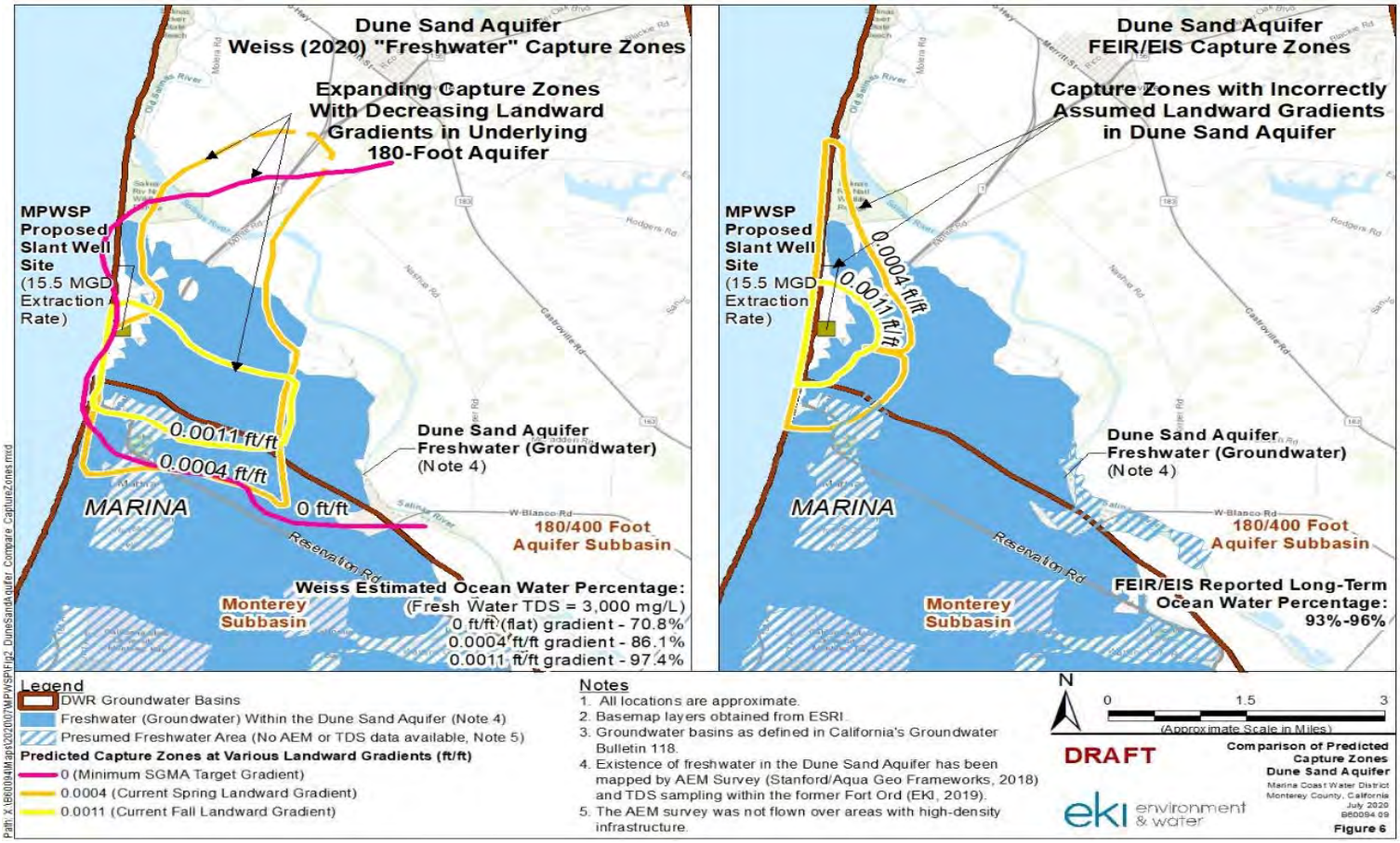
Dune Sand Aquifer
Weiss (2020) "Freshwater" Capture Zones
Expanding Capture Zones
With Decreasing Landward
Gradients in Underlying
180-Foot Aquifer
MPWSP
Proposed
Slant Well
Site
(15.5 MGD
Extraction
Rate)
0.0011 ft/ft
0.0004 ft/ft
0 ft/ft
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Dune Sand Aquifer
FEIR/EIS Capture Zones
Capture Zones with Incorrectly
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N
0
1.5
3
(Approximate Scale in Miles)
DRAFT
Comparison of Predicted
Capture Zones
Dune Sand Aquifer
Marina Coast Water District
Monterey County, California
July 2020
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Figure 6
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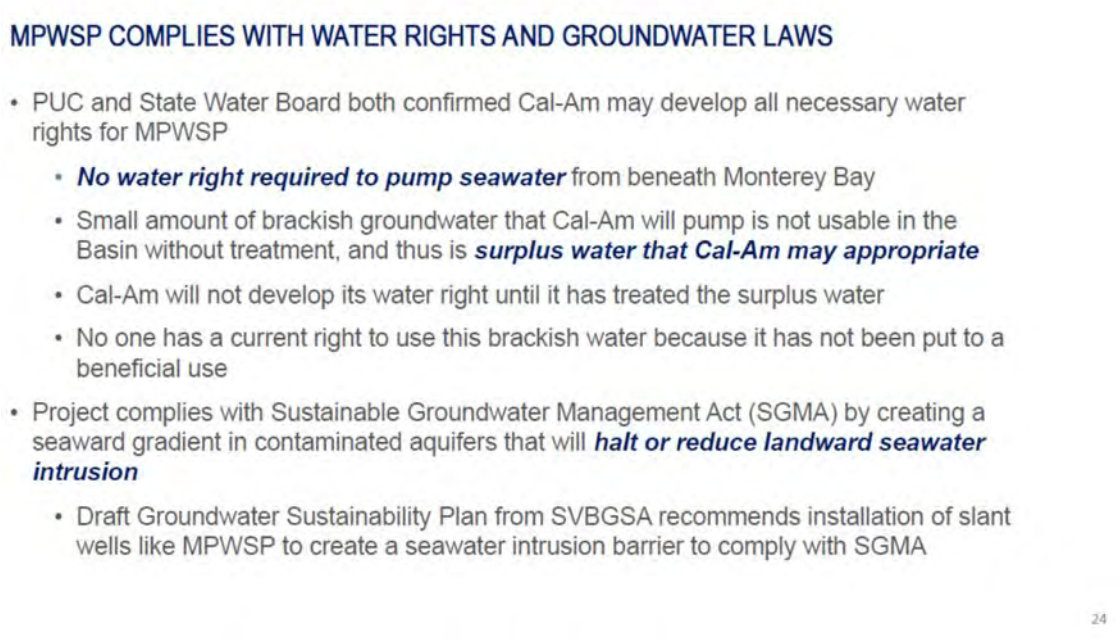
Cal-Am Presentation Materials (Page 24)



MCWD Response:

PROJECT IS NOT FEASIBLE AND CANNOT OBTAIN WATER RIGHTS

- This slide is a gross misrepresentation. In fact, the CPUC expressly confirmed in denying Marina Coast and the City of Marina's request for rehearing on the project that it did not adjudicate water rights and that the issue would be resolved elsewhere in the future:

> In the instant proceeding, we did not adjudicate water rights. Rather, we looked at the water rights in terms of project feasibility. We sought and received the input of the SWRCB as to whether or not it was reasonably foreseeable that Cal-Am had a path forward to perfect future water rights. [Citation.] The SWRCB confirmed attaining such water rights was possible and the issue will likely be resolved in a future body of competent jurisdiction as facts develop. [113]

- It is undisputed that Cal-Am has no existing overlying, appropriative or prescriptive groundwater right or claim of right to pump groundwater from the SVGB. It is also undisputed that the SVGB is in a state of overdraft, and therefore there is no surplus water available for or accessible to a new appropriator. These issues are now being litigated in the Monterey Superior Court.[114]
- Cal-Am also falsely claims that its project complies with SGMA stating the SVBGSA recommends installation slant wells like the MPWSP to create a seawater barrier. As MCWD's experts explain, Cal-Am mispresents the Plan's recommendations and the MPWSP slant wells are in the wrong location and aquifers to create such a barrier.
- As the Staff Report explains: "… there are also uncertainties about how Cal-Am would operate beyond the 20 to 25-year operating life of its wells, and ***whether it will be able to successfully obtain the appropriative water rights it needs to extract groundwater from the Basin. The Commission's independent hydrogeologic review also recommended additional modeling be done to better identify how much water Cal-Am would need to return to the Basin under different conditions***."[115]

End Note References Citing Factual Support in the Record

[1] Staff Report, p. 109-114.
[2] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[3] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt; see also contracts that are included in record.
[4] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[5] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[6] Staff Report, p. 120; 131-132.
[7] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[8] WaterDM Second Supplemental Expert Report and Recommendations of Peter Mayer, P.E. Regarding Water Supply and Demand in the California American Water Company's Monterey Main System, Sept. 11, 2020.
[9] Advice Letters 1238, 1238-A of the California American Water Company to the California Public Utilities Commission, requesting recovery in rates of $50,311,750 for completed pump and pipeline.
[10] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[11] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[12] Staff Report, p. 111.
[13] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
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[16] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[17] Staff Report, p. 110; see also August 20, 2020 letter from Monterey One Water to Tom Luster re: Response to Requests for Clarification regarding Latham & Watkins, LLP letter dated August 13 regarding Monterey Peninsula Water Supply Project CDP Application No. 9-19-0918 and Appeal No. A-3-MRA-19-0034
[18] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[19] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[20] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[21] 2015 City of Salinas agreement with M1W included in record.
[22] 2015 City of Salinas agreement with M1W included in record.
[23] 2015 City of Salinas agreement with M1W included in record.
[24] 2015 Amended and Restated Water Recycling Agreement included in record
[25] Staff Report, p. 110, see also pp. 111, 115, 141.
[26] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.

[27] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[28] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
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[30] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[31] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[32] Staff Report, pp. 21, 119-121; see also WaterDM Second Supplemental Expert Report and Recommendations of Peter Mayer, P.E. Regarding Water Supply and Demand in the California American Water Company's Monterey Main System, Sept. 11, 2020.
[33] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
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[36] Advice Letters 1238, 1238-A of the California American Water Company to the California Public Utilities Commission, requesting recovery in rates of $50,311,750 for completed pump and pipeline.
[37] Staff Report, p. 127.
[38] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[39] WaterDM Second Supplemental Expert Report and Recommendations of Peter Mayer, P.E. Regarding Water Supply and Demand in the California American Water Company's Monterey Main System, Sept. 11, 2020.
[40] Staff Report, p. 110.
[41] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[42] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[43] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[44] Source Water Operational Plan Technical Memorandum. Prepared by Bob Holden, PE, and Alison Imamura, PE, Monterey One Water, April 11, 2020; see also Expert Report and Recommendations of Peter Mayer, P.E. Regarding Water Supply and Demand in the California American Water Company's Monterey Main System, April 21, 2020, pp. 35-36.
[45] Staff Report, p. 111.
[46] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[47] WaterDM Second Supplemental Expert Report and Recommendations of Peter Mayer, P.E. Regarding Water Supply and Demand in the California American Water Company's Monterey Main System, Sept. 11, 2020.
[48] Staff Report, pp. 136-137.
[49] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[50] Staff Report, p. 133.
[51] Staff Report, p. 120.
[52] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.

[53] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[54] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[55] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[56] Expert Report and Recommendations of Peter Mayer, P.E. Regarding Water Supply and Demand in the California American Water Company's Monterey Main System, April 21, 2020, p. 35.
[57] Expert Report and Recommendations of Peter Mayer, P.E. Regarding Water Supply and Demand in the California American Water Company's Monterey Main System, April 21, 2020, p. 45; see also Supplemental Expert Report and Recommendations of Peter Mayer, P.E. Regarding Water Supply and Demand in the California American Water Company's Monterey Main System, July 1, 2020, pp. 13-14 and Figure 1.
[58] Second Supplemental Expert Report and Recommendations of Peter Mayer, P.E. Regarding Water Supply and Demand in the California American Water Company's Monterey Main System, September 11, 2020.
[59] Staff Report, p. 115.
[60] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[61] Expert Report and Recommendations of Peter Mayer, P.E. Regarding Water Supply and Demand in the California American Water Company's Monterey Main System, April 21, 2020, p. 36; see also pp. 31-32, Fig. 7 and Table 6.
[62] See Staff Report, p. 120.
[63] Staff Report, p. 125-126.
[64] Staff Report, p. 140.
[65] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[66] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[67] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[68] WaterDM Supplemental Expert Report and Recommendations of Peter Mayer, P.E. Regarding Water Supply and Demand in the California American Water Company's Monterey Main System, July 1, 2020, p.10, see also p. 11 and Table 1.
[69] Staff Report, p. 3.
[70] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[71] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[72] Staff Report, p. 11.
[73] Staff Report, p. 115.
[74] WaterDM Second Supplemental Expert Report and Recommendations of Peter Mayer, P.E. Regarding Water Supply and Demand in the California American Water Company's Monterey Main System, Sept. 11, 2020, p. 9.
[75] Staff Report, p. 3.
[76] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[77] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[78] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[79] Staff Report, p. 11.
[80] Staff Report, p. 127.

[81] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.
[82] WaterDM Second Supplemental Expert Report and Recommendations of Peter Mayer, P.E. Regarding Water Supply and Demand in the California American Water Company's Monterey Main System, Sept. 11, 2020, pp. 8-9.
[83] WaterDM Second Supplemental Expert Report and Recommendations of Peter Mayer, P.E. Regarding Water Supply and Demand in the California American Water Company's Monterey Main System, Sept. 11, 2020, p. 8.
[84] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.; CPUC Advice letter Advice Letter 1220-A on 9/10/19.
[85] CPUC Advice Letter 1220 on 12/31/18,
[86] Staff Report, pp. 93-95.
[87] MPWMD Assessment of California American Water's 25-Page Presentation, undated, sent to Coastal Commission on September 8, 2020 by Dave Stoldt.; CPUC Advice letter Advice Letter 1220-A on 9/10/19.
[88] Staff Report, p. 18-19.
[89] Staff Report, p. 101.
[90] Staff Report, p. 45.
[91] Staff Report, p. 37-45.
[92] Staff Report, p. 46.
[93] Staff Report, p. 40.
[94] Staff Report, p. 46.
[95] Staff Report, p. 47.
[96] Staff Report, pp. 44-45.
[97] Staff Report, p. 51; see also WRA Environmental Consultants, *Biological Resource and Groundwater Dependency Analysis of Marina Vernal Ponds*, prepared for City of Marina, July 30, 2020
[98] Staff Report, p. 51; see also WRA Environmental Consultants, *Biological Resource and Groundwater Dependency Analysis of Marina Vernal Ponds*, prepared for City of Marina, July 30, 2020; EKI Environment & Water, Inc., *Comments Regarding Weiss Associates 10 July 2020 report entitled Independent Evaluation, Modification and use of the North Marina Groundwater Model to Estimate Potential Aquifer Impacts* (August 14, 2020).
[99] Staff Report, p. 53.
[100] Staff Report, p. 81.
[101] Staff Report, p. 61.
[102] Staff Report, p. 44.
[103] Staff Report, p. 45.
[104] Staff Report, pp. 43 and 66.
[105] Weiss Associates, Independent Hydrogeological Review of Recent Data and Studies to California American Water's Proposed Monterey Peninsula Water Supply Project, dated November 1, 2019, emphasis added.
[106] Staff Report, p. 7; see also pp. 68, 70, 72 and 73.
[107] Weiss Associates, Independent Evaluation, *Modification and use of the North Marina Groundwater Model to Estimate Potential Aquifer Impacts*, dated July 10, 2020, pp. 2-1 and 2-2.
[108] Weiss Associates, Independent Evaluation, *Modification and use of the North Marina Groundwater Model to Estimate Potential Aquifer Impacts*, dated July 10, 2020, pp. 4-10 and 4-11.
[109] See Stanford/Aqua Geo Frameworks, 2018. Interpretation of Hydrostratigraphy and Water Quality from AEM Data Collected in the Northern Salinas Valley, CA, Ian Gottschalk, Rosemary Knight, Stanford University, Stanford, CA; Ted Asch, Jared Abraham, Jim Cannia, Aqua Geo Frameworks, Mitchell, NE, dated 15 March 2018; Attachment 44, EKI Environment & Water, Inc., *Comments Regarding Weiss Associates 10 July 2020 report entitled Independent Evaluation, Modification and use of the North Marina Groundwater Model to Estimate Potential Aquifer Impacts* (August 14, 2020) p. 3-4, and Figure 1 [depicting the location of this fresh groundwater relative to the 180-Foot Aquifer capture zone predicted under flat gradient conditions].)

[110] See Attachment 44, EKI Environment & Water, Inc., *Comments Regarding Weiss Associates 10 July 2020 report entitled Independent Evaluation, Modification and use of the North Marina Groundwater Model to Estimate Potential Aquifer Impacts* (August 14, 2020) p. 3-4, and Figure 1 [depicting the location of this fresh groundwater relative to the 180-Foot Aquifer capture zone predicted under flat gradient conditions].)
[111] Staff Report, p. 73.
[112] See EKI Environment & Water, Inc., *Comments Regarding Proposed Scope of Work to Address Area Aquifer Impacts Related to California American Water's Proposed Monterey Peninsula Water Supply Project*, Prepared by Weiss Associates on behalf of California Coastal Commission, 11 March 2020 Public Review Draft (April 1, 2020); (ii) Hopkins Groundwater Consultants, Inc., *Comments Regarding Public Review Draft – Proposed Scope of Work to Address Area Aquifer Impacts Related to California American Water's Proposed Monterey Peninsula Water Supply Project, Dated March 11, 2020* (April 9, 2020); (iii) GeoHydros, LLC, *Comments Regarding Proposed Scope of Work to Address Area Aquifer Impacts Related to California American Water's Proposed Monterey Peninsula Water Supply Project, prepared by Weiss Associates for the California Coastal Commission and dated March 11, 2020* (April 9, 2020): (iv) EKI Environment & Water, Inc., *Comments Regarding 6 April 2020 Hydrogeologic Working Group Response to Weiss Associates Public Review Draft Proposed Scope of Work for the Monterey Peninsula Water Supply Project, dated 11 March 2020* (April 19, 2020); and (v) Hopkins Groundwater Consultants, Inc., *Comments Regarding SWRCB and Hydrogeologic Work Group Letters Concerning the Public Review Draft – Proposed Scope of Work to Address Area Aquifer Impacts Related to California American Water's Proposed Monterey Peninsula Water Supply Project, Dated March 11, 2020* (April 20, 2020); (vi) EKI Environment & Water, Inc., *Comments Regarding Weiss Associates 10 July 2020 report entitled Independent Evaluation, Modification and use of the North Marina Groundwater Model to Estimate Potential Aquifer Impacts* (August 14, 2020); (vii) Hopkins Groundwater Consultants, Inc., *Comments Regarding Weiss Associates Report – Independent Evaluation, Modification, and use of the North Marina Groundwater Model to Estimate Potential Aquifer Impacts Associated with the Proposed Monterey Peninsula Water Supply Project, Dated July 10, 2020* (August 13, 2020); and (viii) Hopkins Groundwater Consultants, Inc. *Response to Comments For Consideration by City of Marina Planning Commission Regarding CALAM Monterey Peninsula Water Supply Project*, February 14, 2019.
[113] CPUC D.18-09-017, Appendix B.2.
[114] See MCWD's Cross-Complaint (Attachment 48 to MCWD's Response to Cal-Am's June 2020 Letter to the Coastal Commission, August 14, 2020).
[115] Staff Report, p. 7; see also MCWD's Cross-Complaint (Attachment 48 to MCWD's Response to Cal-Am's June 2020 Letter to the Coastal Commission, August 14, 2020).

ERRATA PLEASE USE THIS Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Bruce Delgado <bdelgado62@gmail.com>

Sat 9/12/2020 12:30 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CCC, The email I sent you at 457pm earlier today had an important and inaccurate error from an earlier draft. This version is the corrected version. Could you please you this instead? thank you. Bruce Delgado

Dear Chair Padilla, All Coastal Commissioners, Tom Luster, and Jack Ainsworth,

Thank you for all your hard work and accepting our comments on this complex issue which fortunately has a simple and sure solution: support the people and Monterey Bay's coastal environment and we'll all be on the right side of history with your Sept. 17 decision.

Monterey Bay Desalination Project Promotes Economic Racism

By Seaside Mayor Ian Oglesby and Marina Mayor Bruce Delgado

As two Mayors of color and whose cities would be the most adversely impacted resource-wise, economically or both, we oppose a desalination project that would impose environmental injustice and economic racism on the people of Seaside and Marina. The desalination plant being forced on the Monterey Peninsula by California American Water (Cal-Am) will be voted on Thursday, September 17 by the California Coastal Commission.

The Monterey Peninsula does not want or need this oversized, overpriced groundwater desalination plant. We have a far more cost-effective solution for our future water needs in expanding our new recycled water project – Pure Water Monterey (PWM). Initially Cal-Am's desalination plant was sold as a way to meet the State's Cease and Decease Order (CDO) to reduce our reliance on the Carmel River. But with PWM now operating and our community's heroic job of conserving water we have solved that problem. We are on track to meet the State's Cease and Desist Order by December 2021 without desalination. And expanding our Pure Water Monterey recycled project would give us all the water we need for decades of growth.

Marina and Seaside are predominantly minority and working-class communities on the Monterey Peninsula, struggling to survive in these challenging times. Many of Seaside and Marina's residents live below the poverty line. We are proud of our diversity (in Marina 52 languages/dialects spoken by our familie) and ashamed some of our state agency representatives seem to look beyond which is the environmentally just side of this history and show most deference to power and money that would trample our community values and needs.

Cal-Am's groundwater desalination plant would cause great financial and environmental harm to our communities. Its $1.2 billion price tag dwarfs the alternative $200 million cost for expanding our existing Pure Water Monterey recycled water plant. This is outrageous given Cal-Am customers already have the highest water costs in the nation.

Our concern is that aggressive political lobbying by the profit seeking Cal-Am could lead to this desal project's approval and devastation for our communities.

Environmentally the plant would be a massive energy hog and worsen climate change. It would emit 8,000 metric tons of CO2, making it the largest emitter of greenhouse gases on the Central Coast. The desalination project's extraction wells, electrical supply buildings, and access roads, would dominate over 30 acres of Marina's beautiful coastal sand dunes, which provide environmentally sensitive habitat to several species. Perimeter fences would prohibit access to our community's beaches.

CalAm's groundwater extraction wells would remove the freshwater above the 400-foot aquifer that provides drinking water for Marina. Seawater would replace the groundwater and increase the risk of seawater intrusion into the 400-foot aquifer.

We agree with the Coastal Commission Staff Recommendation that this project should be denied, in part because there is a better solution to our water supply shortage that is affordable, socially just and environmentally responsible.

But this is where money and greed come in. Cal-Am cannot profit from expanding the Pure Water Monterey recycled water project, and stands to make over $100 million in profit from the desalination plant.

Cal-Am has employed an aggressive lobbying strategy and in a playbook reminiscent of the British Empire, tried to divide and conquer our region by promising subsidized desalinated water to some at the expense of others. Meanwhile they continue to repeat the lie that the desalination plant is the only solution to our future water needs.

We urge the Newsom Administration to see through this smokescreen and stand up for environmental and economic justice. We are honored to stand with over 25 local elected officials, Assembly member Mark Stone, and Senator Bill Monning to oppose this desalination project.

Now we need the California Coastal Commission to say yes to recycled water and conservation and no to a greedy company bent on profit over people and our environ

Thank you for all you do and we look forward to your Sept. 17, 2020, decision.

Mayors Bruce Delgado and Ian Oglesby

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Mayor Bruce Delgado
cell: (831) 277-7690
email: bdelgado62@gmail.com

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Mayor Bruce Delgado
cell: (831) 277-7690
email: bdelgado62@gmail.com

Appeal No. A-3-MRA-19-0034 (California American Water Company, et. al., Monterey Co.): Deny CalAm Desalination Project Permit

Laura Hoover <laura_c_hoover@yahoo.com>

Fri 9/11/2020 11:54 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear California Coastal Commissioners, Executive Director John Ainsworth, and Staff,

I am a Marina resident, and I am so grateful for our wild and beautiful beaches which stretch for miles. The snowy plover needs open space to survive, and Marina offers one of the last bastions of protected habitat.

I understand that Cal Am desperately wants this desalination project because they would build it (as opposed to a public agency) and profit from the construction at the expense of local Marina residents and without regard for the welfare of our community. The proposed project and slant wells would cause serious harm to our environment and our community.

Please come visit and see for yourself what a special place we (and the snowy plovers) call home. Thank you for your help with protecting our beautiful beaches and community.

Please deny this harmful project. Thank you!

Sincerely,
Laura Hoover

September 2020 Agenda Item undefined 3a - Appeal No. A-3-MRA-19-0034 (California American Water Company, et. al., Monterey Co.)

Therese Kollerer <therese.c4justwater@gmail.com>

Fri 9/11/2020 11:54 PM

To: Padilla, Stephen@Coastal <Stephen.Padilla@coastal.ca.gov>; Brownsey, Donne@Coastal <donne.brownsey@coastal.ca.gov>; Aminzadeh, Sara@Coastal <sara.aminzadeh@coastal.ca.gov>; Hart, Caryl@Coastal <caryl.hart@coastal.ca.gov>; Escalante, Linda@Coastal <linda.escalante@coastal.ca.gov>; Bochco, Dayna@Coastal <dayna.bochco@coastal.ca.gov>; Groom, Carole@Coastal <carole.groom@coastal.ca.gov>; Howell, Erik@Coastal <erik.howell@coastal.ca.gov>; Rice, Katie@Coastal <katie.rice@coastal.ca.gov>; Uranga, Roberto@Coastal <roberto.uranga@coastal.ca.gov>; Wilson, Mike@Coastal <mike.wilson@coastal.ca.gov>; Turnbull-Sanders, Effie@Coastal <effie.turnbull-sanders@coastal.ca.gov>; Ainsworth, John@Coastal <John.Ainsworth@coastal.ca.gov>; Luster, Tom@Coastal <Tom.Luster@coastal.ca.gov>; Dettmer, Alison@Coastal <Alison.Dettmer@coastal.ca.gov>
Cc: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Citizens for Just Water
13809 Sherman Blvd.
Marina, California 93933

California Coastal Commission
455 Market St Suite 300
San Francisco, CA 94105

Dear Chair Padilla and Coastal Commissioners, John Ainsworth,Tom Luster, Alison Dettmer, and Staff:

Our grassroots organization holds mostly residents of Marina and Ord Communities, members of the Marina Coast Water District (MCWD).

As we have communicated with the Commission on several occasions, and at many locations up and down the state over the last few years, we are against the placement of 6 additional slant wells at the Cemex dunes and beach, and against the construction and operation of an inland desalination facility where the water would be treated.

This project has many flaws, most addressed in the CCC Staff Report, including:

-Damage to the coastal dunes and ESHA.

-Taking of large volumes of groundwater by Cal-Am, for which it has no water rights, beyond the 500 AFY that the Cemex easement may offer it. Unknown ability of CalAm to ever get "appropriative rights" once it has been allowed to start pumping from multiple slant wells.

-Initial and ongoing upheaval to Marina, a disadvantaged community, and one which gets no benefits - not a single drop of desalinated water- only harm, from having this unwelcome project possibly forced upon it.

-Already having caused significant direct harm to Marina and MCWD due to the many resources spent fending off Cal-Am. The City of Marina has already spent at least $3.5 Million...money and focus that could have been utilized for many other civic investments, such as infrastructure maintenance, a new fire truck, the Senior Center, etc.

-IMMEASURABLE negative impacts caused by the interruption of the plan to hand over the Cemex property for recreational and conservation purposes in perpetuity, resulting from the 2017 agreement between the Coastal Commission, State Lands Commission and Cemex to wind down sandmining operations on this 400 acre site.

How could we ever know what might have been, in terms of a glorious handover of this property, to be healed from the scars of sandmining and reopened as a restored and natural beach environment, accessible to the public, if it is allowed to go straight from one industrial use to another?

The Staff Report calls out the fact that this project "involves the most significant environmental justice concerns the Commission has considered since it adopted an Environmental Justice Policy in 2019."

pages 8-9:

"Environmental Justice Staff also conducted an in-depth environmental justice analysis and identified several communities of concern that would be affected by Cal-Am's proposed Project – Marina, Seaside, Sand City and Castroville. Overall, the analysis showed that there would be greater and more serious environmental justice issues arising from Cal-Am's Project than from the alternative Pure Water Expansion. Cal-Am's proposed Project would be sited in part within the community of Marina, which is not in Cal-Am's service area but would be burdened with the adverse coastal resource impacts as discussed above and receive none of the Project benefits. Marina is already disproportionately affected by several other industrial uses, including a regional landfill, regional composting facility, regional sewage plant, a municipal airport, a contaminated site listed on the U.S. EPA's national priorities list, and the CEMEX sand mining facility, now scheduled to close. Additionally, water from Cal-Am's desalination facility is expected to cost two to three times as much as the recycled water from the Pure Water Expansion. ....

Water from CalAm's proposed Project could significantly raise water rates for low-income ratepayers in Seaside and other low-income ratepayers throughout the service area, who worry that the cost of water could eventually push them out of their moderately priced coastal communities.."

We deeply appreciate the staff's efforts to do a comprehensive Environmental Justice assessment. We agree with the conclusion that Expansion of Pure Water Monterey is a more environmentally just solution than the coastal slant well desal project.

Water needs in the Monterey region will continue to be a challenge, as is true in much of California, and the world. We believe that whatever solutions are pursued are best approached as a regional solution, as opposed to one for-profit company setting up a solution that benefits part of the region at a cost paid by another. The feasible alternative, Pure Water Monterey, is a regional solution, and we believe warrants Cal-Am's support as an additional water supply.

Thank you, as always, for your efforts to do right by the people of California and the beautiful coastline we are so fortunate to have and cherish.

Sincerely,

Therese Kollerer

Citizens for Just Water

--

Therese Kollerer
Citizens for Just Water

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Eessa Vanderspek <evanderspek@csumb.edu>

Fri 9/11/2020 11:52 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:



My name is Eessa Vanderspek. I have been a Marina resident for the past few years after moving here to attend CSU Monterey Bay.

In my "Water Law" class we learned about the many different methods that cities in the United States do to get their water. I was proud to be a part of Marina and the sustainable methods that are being studied to reuse water as a water source. This method has seen a rise in cities across California, including Berkley and Orange County. It saddens me to hear about a CalAm desalination plant that is being considered despite our community's efforts in reaching sustainable water collection practices. A CalAm desalination plant in this area would not benefit Marina citizens since we would not receive a single drop of the water collected. It would also harm our own groundwater in the process with salt water intrusion and destroy habitat for a wide array of endemic native species, including the snowy plover, leggless lizard,and the Smith's Blue Butterfly.

According to the Orange County website: "Reused water is water used more than once or recycled. It happens daily on rivers and other bodies of water. If you live in a community downstream of another, chances are you are reusing its water, and likewise, communities downstream of you are most likely reusing your water. Scientifically-proven advances in water technology have allowed OCWD to reuse water for many different purposes, including industrial, irrigation and drinking."

Our city has already come up with a plan for sustainable water collection and usage to preserve our natural landscape and benefit our community. CalAm has had since 1995

to come up with a sustainable water source from the Carmel River. Do not let their procrastination and misuse of time cause irreversible damage to our home.

Please deny this slant well project!

Thank you,

Eessa Vanderspek
Marina resident

I appose the desal project - Michele Altman

Michele Altman <michelealtman1221@gmail.com>

Fri 9/11/2020 11:44 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

To whom it may concern:

Michele Altman

– Cal Am's Desal project is not in the public interest
– Pure Water Monterey Expansion is the feasible and environmentally preferable alternative
– It will give us a new water supply much sooner than desal
– Our current water supply from Pure Water Monterey – Phase 1 (3,500 acre-feet) will allow us to stop illegal withdrawals from the Carmel River by December 2021.
– Our current water supply will restore the Carmel River and protect the Steelhead. The environmental issues facing the Carmel River have been resolved by Pure Water Monterey without the need for Cal Am's desal or the PWM Expansion.
– There is no Carmel River crisis
– We don't need Cal Am's oversized, over priced desal project to solve our problems
– The Expansion of Pure Water Monterey will provide a long-term sustainable water supply for decades of growth. It will support affordable housing and economic recovery and avoid environmental damage and environmental injustice to Marina.
– No Affordable housing without affordable water. Cal Am's desal would double our water bills.
– Cal Am is the only obstacle to the expansion of Pure Water Monterey.
– Desal damages the environment, costs too much and creates environmental injustice
– Desal harms the coastal habitat and Marina's beautiful dunes
– Desal has no legal source water, it would draw groundwater from an overdrafted groundwater basin NOT under the ocean
– PWM Expansion source water is primarily the 8,000 acre-feet of excess wastewater that is now discharged into the Bay. It is contractually secure and drought proof
– Orange County has used this same system for decades
– Cal Am has had 25 years to solve or water supply problem
– Our public agencies have solved it in the last 6 years. Now all the water we need for decades is available, but Cal Am is blocking it



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CalAm Desalination Project

Selai Lesu <selai154@gmail.com>

Fri 9/11/2020 11:42 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

To whom it may concern:

I am a Pacific Islander (from Fiji) and a residence of Marina. I am writing to say I oppose the CalAm desalination Project!!

SIERRA CLUB
FOUNDED 1892

VENTANA CHAPTER
FOUNDED 1963

California Coastal Commission
455 Market Street, Suite 300
San Francisco, CA 94105

Re: Appeal No. A-3-MRA-19-0034; Deny California American Desalination Project Permit

September 9, 2020

Dear Commission Chair Steve Padilla and Commission Board,

The Sierra Club has long had a position that projects which impact the environment should be either denied or if not, then their impacts should be reduced to minimize those impacts. It has also had the position that when such projects are approved they should not be systematically placed only in communities of color and disadvantaged communities. All must share the pain associated with these projects.

For too long our society has engaged in systemic racial prejudice that manifests itself in many ways, one of which is to place these unwanted facilities in disadvantaged communities. This has the effect of sparing the financially well off, mostly white communities, from having to bear the effects of these projects. A prime example of this is the City of Marina which has had to bear the brunt of almost all of these projects that benefit the Monterey Peninsula- a landfill, a wastewater treatment facility, a regional composting facility, an anaerobic digester facility and a sand mining operation that provides sand, gravel and cement for regional development. Marina also suffers from the adverse effects of leftover munitions and toxins from Fort Ord, a long established military installation that closed in 1994. The residents, the City of Marina, the State Lands Commission and the California Coastal Commission (CCC) finally got together and worked hard to phase out closure of the Cemex sand mining plant.

The signed Cemex Settlement agreement will now return those beaches and sensitive habitats to the people for use as public access, low impact recreation and environmental protection. This was finally going to be a place where the residents of Marina and the Ord communities could go freely to relax and enjoy the open spaces and coastal vistas within walking distance. It is a historical truth that coastal communities have displaced persons of color and predominantly reflect wealthy, white populations.

Marina formally adopted the Western Snowy Plover as their City shorebird because it symbolizes the environment and the need for protected places to be able to exist. * If the Cal Am desalination project is allowed to be built, this pristine and rare ecosystem will be lost. Public access will be impacted, recreational opportunity diminished and the beauty and potential views of restful open space and solitude will be lost for future generations. The six well head cement pads will not be visible from the beach, but they sit just over the first dune ridge. The size of each well pad will be between 5,250-6,025 sq feet with fencing installed around each, running parallel to the beach. Walking from the main Cemex site to the beach will be met with this eyesore of industrial development, interrupting and marring the beauty of this natural place. Marina did not ask for this CalAm development nor approve any part of it, yet this is what Marina is expected to accept.

In the current climate of our country, environmental injustice has taken on a more timely and critical priority, as we have finally taken steps to recognize the racial injustices that continue to be perpetrated upon those who cannot speak for themselves. We applaud the CCC staff report for espousing a firm position on this issue of environmental justice. Sierra Club urges all Commissioners to exercise your right to support the community of Marina by your vote. Marina is 66% non-white or mixed race with 33% of the residents with income below 200% of the federal poverty level. The project can only be approved under Section 30260 which means that you must determine whether the project is in the public interest. The only beneficiaries from this project will be Cal Am's stockholders, certainly not the people of Marina or the other disadvantaged communities on the Peninsula. With the additional Covid-19 crisis, many in Marina are struggling to maintain and keep their own homes or pay their rents in the midst of job loss, reduced household incomes, health issues without insurance and more.

You now have the ability to right the wrongs of the past, or to continue to do what has always been the practice of allowing the rich and powerful to place unwanted industrial facilities in disadvantaged communities of color. We urge you to deny this ill advised project.

Thank you for consideration of our request.

Sincerely,

Joel Weinstein
Chapter Chair

Kathy Biala
Chapter Coastal Chair

* Our comments on the Western snowy plover will be submitted under separate cover by wildlife biologist Scott Cashen

SIERRA CLUB
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FOUNDED 1963

California Coastal Commission
455 Market Street, Suite 300
San Francisco, CA 94105

Re: Appeal No. A-3-MRA-19-0034; Deny California American Desalination Project Permit

September 9, 2020

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For too long our society has engaged in systemic racial prejudice that manifests itself in many ways, one of which is to place these unwanted facilities in disadvantaged communities. This has the effect of sparing the financially well off, mostly white communities, from having to bear the effects of these projects. A prime example of this is the City of Marina which has had to bear the brunt of almost all of these projects that benefit the Monterey Peninsula- a landfill, a wastewater treatment facility, a regional composting facility, an anaerobic digester facility and a sand mining operation that provides sand, gravel and cement for regional development. Marina also suffers from the adverse effects of leftover munitions and toxins from Fort Ord, a long established military installation that closed in 1994. The residents, the City of Marina, the State Lands Commission and the California Coastal Commission (CCC) finally got together and worked hard to phase out closure of the Cemex sand mining plant.

The signed Cemex Settlement agreement will now return those beaches and sensitive habitats to the people for use as public access, low impact recreation and environmental protection. This was finally going to be a place where the residents of Marina and the Ord communities could go freely to relax and enjoy the open spaces and coastal vistas within walking distance. It is a historical truth that coastal communities have displaced persons of color and predominantly reflect wealthy, white populations.

Marina formally adopted the Western Snowy Plover as their City shorebird because it symbolizes the environment and the need for protected places to be able to exist. * If the Cal Am desalination project is allowed to be built, this pristine and rare ecosystem will be lost. Public access will be impacted, recreational opportunity diminished and the beauty and potential views of restful open space and solitude will be lost for future generations. The six well head cement pads will not be visible from the beach, but they sit just over the first dune ridge. The size of each well pad will be between 5,250-6,025 sq feet with fencing installed around each, running parallel to the beach. Walking from the main Cemex site to the beach will be met with this eyesore of industrial development, interrupting and marring the beauty of this natural place. Marina did not ask for this CalAm development nor approve any part of it, yet this is what Marina is expected to accept.

In the current climate of our country, environmental injustice has taken on a more timely and critical priority, as we have finally taken steps to recognize the racial injustices that continue to be perpetrated upon those who cannot speak for themselves. We applaud the CCC staff report for espousing a firm position on this issue of environmental justice. Sierra Club urges all Commissioners to exercise your right to support the community of Marina by your vote. Marina is 66% non-white or mixed race with 33% of the residents with income below 200% of the federal poverty level. The project can only be approved under Section 30260 which means that you must determine whether the project is in the public interest. The only beneficiaries from this project will be Cal Am's stockholders, certainly not the people of Marina or the other disadvantaged communities on the Peninsula. With the additional Covid-19 crisis, many in Marina are struggling to maintain and keep their own homes or pay their rents in the midst of job loss, reduced household incomes, health issues without insurance and more.

You now have the ability to right the wrongs of the past, or to continue to do what has always been the practice of allowing the rich and powerful to place unwanted industrial facilities in disadvantaged communities of color. We urge you to deny this ill advised project.

Thank you for consideration of our request.

Sincerely,

Joel Weinstein
Chapter Chair

Kathy Biala
Chapter Coastal Chair

* Our comments on the Western snowy plover will be submitted under separate cover by wildlife biologist Scott Cashen

Deny Cal-Am's Desal Project - Items Th3a/Th4a

tisa roland <tisathetiger@yahoo.com>

Fri 9/11/2020 11:38 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

I am writing to you to support the rejection of the desal plant on Monterey Bay. We need to live within the limits of the natural resources of our area. It is unrealistic to think that there are technological solutions to every human-created problem.

Thank you.

T. Roland
309 San Benancio Road
Salinas, CA 93908

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Catherine Crockett <cm_crockett@sbcglobal.net>

Fri 9/11/2020 11:29 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear Chair Dayna Bochco and Coastal Commissioners:

I write in support of the Coastal Commission Staff recommendation to deny California American (Cal Am) a permit to construct and operate a desalination facility. As a resident of Seaside, I am concerned about the prospect of increased water rates imposed on our lower-middle income population. A 2019 report by the Monterey Peninsula Water Management District found that costs associated with Cal Am's desalination project could nearly double the average residential ratepayer's water bill by 2023. While Cal Am seeks to supply Castroville customers with water at inexpensive rates, it would be at the expense of Marina, whose residents will bear the brunt of environmental and economic hardships under the conditions of Cal Am's water supply project. Furthermore, the impacts of increased water rates would impact significantly more ratepayers in the financially disadvantaged city of Seaside than in Castroville.

To allow Cal Am to move forward with a project laden with adverse environmental justice impacts and the potential to exact serious damage to our coastal environment seems imprudent when a viable and more cost-efficient alternative exists. According to the Coastal Commission Staff's analysis, the Pure Water Expansion water recycling and aquifer storage/recovery project provides adequate water supplies, with fewer environmental and economic burdens on our disadvantaged communities.

Please vote to deny Cal Am's permit on September 17th at the Coastal Commission Special Meeting.

Sincerely,

Catherine Crockett
Seaside, CA 93955

Deny Cal Am's Desal

Phil Wellman <phil@wellmanad.com>
Fri 9/11/2020 11:20 PM
To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

September 11, 2020

CA Coastal Commissioners,

CAL EPA needs to update their information on our local situation with the Carmel River.
No new water supply is needed to stop illegal withdrawals from the Carmel River. The Peninsula's current water supply, now expanded by Pure Water Monterey – Phase 1, will restore the River and protect Steelhead and other species. Neither Cal Am's desal, nor the PWM Expansion are needed to accomplish this.

The numbers below from Cal Am and the Monterey Peninsula Water District (MPWMD) show that the water from the Pure Water Monterey project now in operation is sufficient to stop illegal withdrawals from the Carmel River by December 2021. I'm sure Cal Am will not be pointing this out.

Due to the community's conservation efforts, Cal Am's Carmel River withdrawals have dropped to a five year average of 6,314 AF. Its legal river draw of 3,376 AF plus the 3,500 AF from Pure Water Monterey, now in operation, will put Cal Am well within its legal draw from the River by December 2021 without any new water supply.

3,376 AF	Cal Am's Legal Carmel River Entitlement
+3,500 AF	Pure Water Monterey – Phase 1 now in operation
6,876 AF	
-6,314 AF	Cal Am's Average Diversion from Carmel River last 5 years
562 AF	Surplus as of December 2021

We are approaching balance with our current demand of 9,825 acre-feet and our available supply. But a new water supply is needed for growth and to legally lift the SWRCB CDO and the CPUC moratorium, NOT to restore the River and its ecosystem. Pure Water Monterey – Phase 1 will do that.

It should be pointed out that Cal Am played no part in solving this decades long problem on the Carmel River. It contributed nothing and will not profit from this solution. The problem has been solved by our public agencies, Monterey One Water and the Monterey Peninsula Water Management District and the Marina

Coast Water District, along with the amazing conservation efforts of our community.

Phil Wellman
Carmel

Deny Cal Am's Desal

Phil Wellman <phil@wellmanad.com>

Fri 9/11/2020 11:20 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

September 11, 2020

CA Coastal Commissioners,

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Coast Water District, along with the amazing conservation efforts of our community.

Phil Wellman
Carmel

Appeal No. A-3-MRA-19-0034; Deny Cal Am Desalination Project Permit

Noreen Erwin <noreenanmarina@comcast.net>

Fri 9/11/2020 11:18 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commission, Executive Director John Ainsworth & staff:

My name is Noreen Mary Erwin and I am a resident of Marina, CA. I have lived in Marina for over 20 years and have been a resident of the Monterey Peninsula all of my life.

Please deny this harmful project.

Sincerely,
Noreen Mary Erwin
3030 Kennedy CT.
Marina, CA 93933

Please deny the Cal-Am Desal Project permit

Kyle W-M <25kylworc@gmail.com>

Fri 9/11/2020 11:13 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear commissioners,

As a monterey resident I'm urging you to NOT approve California American Water's permit to install a de-sal water plant near mariana.

While de-sal sounds good, it has both short term and long term downsides that significantly outweigh the benefits compared to alternatives like the Pure Water Monterey Expansion. The biggest issue with de-sal is the cost, both in construction and energy consumption, which will get passed down to all customers like myself as well as low income communities & businesses. Alternatives like Pure Water Monterey are much better because they can fulfill Monterey area water needs without the high cost & while being more environmentally friendly because they recycle the excess wastewater without using the vast amounts of energy de-sal requires. Pure Water Monterey then is much more cost effective & gets us to a stable water supply much quicker than Cal Am's proposal. Especially in this time we need to be looking at solutions that keep costs down and prioritize community & economic recovery. Pure Water Monterey does that, desal does not. Finally the Coastal Commission staff report also recommended denying the permits.

Thank you,
- Kyle Worcester-Moore

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Steve Moore <geekyseabeast@gmail.com>

Fri 9/11/2020 11:10 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>; Materials <materials@coastal.ca.gov>

Dear Chair Padilla and Coastal Commissioners,

As a current resident of Monterey, CA, and a former long-time resident of Marina, CA, I am deeply concerned about Cal-Am's plans to develop a desal plant in Marina to supply additional water to the Monterey Peninsula. I have read your staff report about Cal-Am's permit application (#9-19-0198) and related appeal (#A-3-MRA-19-0034) to construct and operate a slant well field near the existing CEMEX sand plant in Marina. I appreciate the staff's thorough and objective analysis of the situation, and I strongly agree with the staff recommendation that the Cal-Am permit application be **denied**.

Cal-Am has been illegally withdrawing water from the Carmel River for many years. The State Water Resources Control Board has issued a Cease-and-Desist order (CDO) requiring an alternative water source by Dec 31, 2021, which is less than 16 months from now.

Cal-Am has proposed a new desal plant to be located in Marina, with slant wells and some associated piping located within the Coastal Zone, as a way of addressing this need for additional water. As documented in the staff report, Cal-Am's proposed desal plant is neither necessary nor realistic and is most likely inconsistent with Coastal Act and Local ESHA policies.

There is a feasible (and preferable) alternative that can meet projected water needs. As detailed in the staff report, modest expansion of the existing Pure Water Monterey wastewater recycling facility (from a capacity of 3,500 AFY to 5,750 AFY) would provide enough water for current and anticipated water needs for at least the next 30 years, and it would do so with much lower costs (both short-term and long-term), lower environmental impacts, greater security in the face of future droughts, fewer social justice issues, and fewer technical and legal hurdles than Cal-Am's proposed desal plant. Moreover, the expansion is relatively straightforward and could be implemented by the Dec 31, 2021 CDO deadline. In contrast, the Cal-Am proposal faces numerous and substantial technical, legal, and social obstacles that will undoubtedly prevent the desal plant from coming online and delivering the required water by Dec 31, 2021.

In addition, it appears that the coastal environmental impacts of the proposed desal plant, including potential adverse impacts to coastal wetlands (e.g. vernal pools), impacts to sensitive coastal dune species and habitats, and fill that would be placed in coastal ocean waters are inconsistent with Coastal Act and Local ESHA policies, particularly given the existence of a viable alternative that does not have such adverse impacts.

Therefore, I respectfully urge you to follow the carefully considered recommendation of the staff report and decline Cal-Am's appeal regarding application (No. 9-19-0918)

Sincerely,
Steven W. Moore
600 Martin Street
Monterey, CA 93940

Deny Cal Am's Desal Project

Melissa Kelly <melissamegankelly@gmail.com>

Fri 9/11/2020 11:09 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

To Whom it May Concern:

My name is Melissa Kelly. I am a resident of Seaside, California. I run a non-profit organization in Monterey County and work/volunteer for several other non-profits in the area. I love the Monterey County community & dedicate my career to preserving our beautiful home.

It is in the public's best interest to deny Cal Am's Desal project. It is obvious Cal-Am is not looking out for the best interest of our community. If they were, they would be fully in support of the Pure Water Monterey Expansion which has already been proven to be a feasible and environmentally preferable alternative by the California Coastal Commission Staff. The fact that Cal-Am is still fighting to build the desal plant should be alarming to everyone.

Based on the California Coastal Commission Staff Report, there are numerous social and environmental issues with the desal plant. Issues range from doubling residents water bills, harming local coastal habitats & sand dunes, and no legal water source with the likelihood of lawsuits. The report concludes that the desal plant does not align with the Coastal Act and LCP policies and is not in the best interest of the public.

The Expansion of Pure Water Monterey will provide long-term sustainable water supply for decades while avoiding environmental damage and social injustices to the community. The environmental issues facing the Carmel River can be resolved and the river can be restored by the Pure Water Monterey Expansion. The only problem with the Pure Water Monterey Expansion is that Cal-Am has tried to stop them every chance possible.

Cal-Am has made a mess of our water supply including draining the Carmel River. They have had 25 years to resolve it & they are just now getting starting on a desal plant one year before the deadline. Cal-Am is irresponsible & should not be given the opportunity to make a mess out of the beautiful dunes of Marina. Cal-Am's motives are questionable and they cannot be trusted. The Passing of Measure J was the community's statement.

Thanks to our public agencies, the water shortage issue has been solved in the last 6 years. All the water we need for decades is available. What has Cal-Am solved in the last six years? Or the last 25 years?

Support the community by denying Cal-Am the desal plant. The facts are in and it is the next logical step. We don't need Cal-Am's oversized, overpriced desal project to solve our problems.

Thank you for your time.

Sincerely,

Melissa Kely

Denial of proposed CalAm Project

Demetrio Pruneda <dvptoro@yahoo.com>

Fri 9/11/2020 11:04 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>; Materials <materials@coastal.ca.gov>; Gary Karnes <gary.karnes@comcast.net>; Karen Araujo <karaujo93901@gmail.com>

To whom it may concern

Hi,

Our names are Demetrio and Sally Pruneda. We are retired teachers and community activists in Monterey County. We have been actively involved in the protection of our water and environment in Monterey County for 20 years.

We are advising you to stop your proposed water project in Monterey County.

The Coastal Commission finds your proposed development is inconsistent with various applicable policies of the certified LCP and Coastal Act, and is denied on that basis. As an additional and independent basis for denial, the Commission denies the proposed Project under CEQA in order to avoid the environment effects that Cal-Am's Project would have within the coastal zone, including the effects to environmentally sensitive habitat and the other impacts described in this report.

Sincerely,

Demetrio\Sally Pruneda

<img src="http://img21.imageshack.us/img21/310/2upload.png">

Ref: Appeal No. A-3-MRA-19-0034 (California American Water Company, et. al., Monterey Co.) and Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.)

Alastair Rodd <arodd_ht@yahoo.com>

Fri 9/11/2020 10:48 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear California Coastal Commission Members:

I am a 20-year Marina resident and I write requesting that you collectively **reject** the Appeal and Application to construct and operate a slant well field, associated water transmission pipelines and related infrastructure within the coastal zone to support a proposed desalination facility located inland of the coastal zone.

In support of my request, I cite the following reasons:

1. Marina residents fought hard to end the industrial exploitation of coastal resources by the CEMEX sand-mining facility. We do not want to see one industrial development replaced by another. That land can be better used as a coastal habitat and for public access (which is one area the Coastal Commission is expected to protect).

2. Linked to the above, the City of Marina residents, representing the 8th most racially diverse town of its size in the United States, are tired of being treated as the dumping ground for our wealthier, whiter neighboring towns on the Peninsula. We are treated as a dormitory community that supplies the cheap labor for Monterey's tourist industry; we were selected as the site to receive the Monterey Peninsula's waste; we receive the Peninsula's sewage waste; we will *not* accept to be the industrial site for the Peninsula's water needs. If CalAm wants to defile the coast, there are plenty of locations between the Carmel River, Pebble Beach coastline, and through to Seaside that could host an industrial complex of this size - why try and force this on Marina. In this era of social justice, we I would expect the Coastal Commission to put on their "anti-racist" glasses and protect the rights of the less privileged and minorities of Marina.

3. The water to be supplied by the desalination plant will supply the Monterey Peninsula, not the residents of Marina. Why? Because we already have our own water supply. If the Commission approves this application, research by experts at Stanford University shows that it would tap into Marina groundwater aquifers and as the water is pumped from the targeted aquifers it will lead to increased seawater intrusion and further contaminate the groundwater supply. Is that environmental justice? Directly linked to this, in 1996, the City of Marina sought to protect the groundwater aquifer and entered into a legally binding agreement with CEMEX that prohibited exporting any of the extracted groundwater to users outside the Basin. Cal Am's planned use of the CEMEX property directly violates both the limitations of groundwater extraction, and the absolute prohibition on exported extracting groundwater to users outside the Basin. As tenants, Cal Am has deliberately broken this agreement and forced the City of Marina into spending over $3 million on law suits, money that could have been used to support our youth, our elderly, provide support in the time of Covid-19. Is that environmental justice?

4. CalAm, already charging one of the highest water rates in the whole of the United States, intends to actually increase the price of water charged to its customers on the Peninsula when the desalination plant becomes operational. CalAm has offered lower prices to the community of Castroville, but not to the community of Seaside, another community of color. Castroville aquifers are no longer usable because years of over-pumping the Salinas valley Groundwater Basin to benefit the agricultural industry has led to saltwater intrusion - the very factor Marina has fought to avoid. Pitting one poor community against another poor community while the wealthy profit. Is that environmental justice?

4. Finally, there is a viable alternative to the proposed application cited above in the form of Pure Water Monterey Expansion. I cite the **Commission staff's own report (P3)**: " Pure Water Expansion would result in fewer environmental and economic burdens to the communities of concern within Cal-Am's service area, would avoid environmental burdens to the City of Marina, and appears to have fewer significant hurdles to clear before it could be implemented."

Based on these reasons, I ask once again that you, the Coastal Commission, reject the appeal and the new application based on the fact that it violates a plethora of environmental justice factors and there is a viable alternative with significantly less environmental or social justice impact.

Yours Sincerely

Alastair Rodd
3258 Estrella del Mar Way
Marina CA

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

M. SO <sonomacountycool@gmail.com>

Fri 9/11/2020 10:45 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:



Greetings! My name is Maggie Stader; I am a brand new resident of Marina. I relocated here just two weeks ago; following a whim that brewed from the depths of my soul - a calling to be near the ocean and to be a steward to this land. I am a young student, artist, and yogi who wants to speak for Mother Earth in order to protect our life here in the habitable zone. I am completing my transfer degree requirements from Santa Rosa Junior College and am hoping to become a CSUMB student in Fall 2021. I am looking forward to making Marina and Monterey County my home and becoming part of the community here.

Upon learning about the proposed CalAm slant well project from the Citizens for Just Water at the Marina Farmer's Market - I was truly shocked that this harmful project was being considered. We are so lucky to be living in a habitable zone, on a life giving planet - at the shores of the Monterey Bay National Marine Sanctuary - how can we not be tasked with the honor and responsibility to protect it all? Now is an important time to slow down - consider our impact and role on this coast and on this planet. Hastiness can only spell further destruction and future problems to our survival. I urge you to make a choice to defend the oceans and the shores; to stand and protect the animals who cannot speak but to peep their songs in the dune; hoping to survive another generation.

The value this land holds as a refuge, a natural wonder, and a place to keep safe for citizens and visitors simply cannot be numbered. Please let's stand together and think of a new path forward in love and stewardship.

Please deny this harmful project. Thank you.

Namaste,

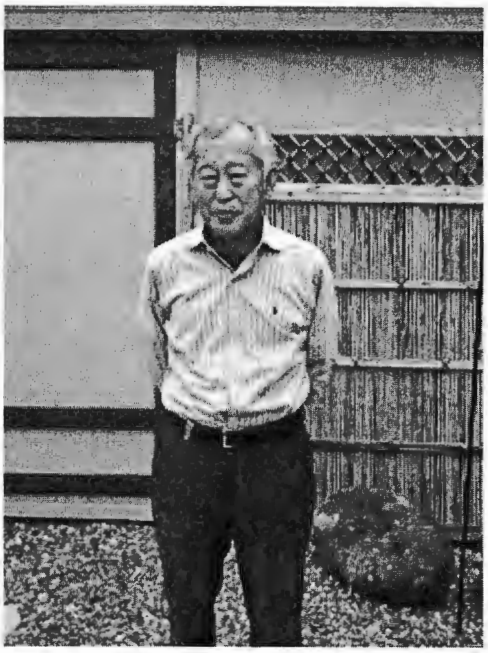
Maggie A. Stader
Marina, CA 93933

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

Katherine Biala <kybiala@icloud.com>

Fri 9/11/2020 10:06 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>



Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

My name is Kyung Ho Min. I know many Koreans who live in Marina because I am a small business owner here. I speak Korean and my English is not my first language, but I want you to know that I do not want CalAm to come to Marina. They will steal our water and make our water bad so that they can take over Marina later. Right now our water rates are low but we cannot pay for expensive water in the future.

We want our beautiful beaches to not be harmed by CalAm. Marina wants what everyone else wants but CalAm will destroy our happy future!

Do not approve this CalAm project, please.

Sincerely,
Mr. Kyung Ho Min

Public Comment on September 2020 Agenda Item undefined 3a - Appeal No. A-3-MRA-19-0034 (California American Water Company, et. al., Monterey Co.)

Donna Burych <dburych@comcast.net>

Fri 9/11/2020 10:05 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>
Cc: Donna <dburych@comcast.net>; madiaelegans@yahoo.com <madiaelegans@yahoo.com>

Dear Commissioners:

The Monterey Bay Chapter of the California Native Plant Society supports the Coastal Commission Staff Report recommending the denial of California American Water's Coastal Development Permit for its desalination project. Protection and restoration of the dune ecosystem and its special status plants that would be impacted by construction and operation of this project have long been a focus of the Chapter. We concur with the Staff Report that the mitigations fall short of what is needed to adequately compensate for the project's disturbance.

An additional concern is new evidence of possible impact to area vernal pools and native plants associated with them. We concur with the Staff Report that further analysis of this potential groundwater impact is needed before approval of the permit can be considered.

Sincerely,
Donna Burych, Conservation Chair

MONTEREY COUNTY

BOARD OF SUPERVISORS

MARY L. ADAMS, SUPERVISOR – FIFTH DISTRICT
1200 Aguajito Road, Suite #1, Monterey, CA 93940
E-mail: District5@co.monterey.ca.us
Phone: (831) 647-7755

September 11, 2020

Via e-mail: CalAmMonterey@coastal.ca.gov

Hon. Steve Padilla, Chair and Commissioners
California Coastal Commission
45 Fremont, Suite 2000
San Francisco, CA 94105-2219
Attn: Tom Luster

Re: Application No. 9-19-0918, Appeal No. A-3-MRA-19-0034 (California American Water Co., Marina)

Dear Chair Padilla and Commissioners:

In the face of the raging fires and the devasating impact of COVID-19, your focus on the other critical issue facing Monterey County is so appreciated. We have many challenges in our state right now which makes the work you are doing even more important. And the outcome of your deliberations today will have as severe an impact on the residents of our county as these other incredible problems are having.

Access to safe and affordable water is the most important issue facing our community. New water supplies are needed if we want to be able to thrive. Workforce housing, economic development, business expansion and human commodity rely on a sustainable and affordable source of water.

The primary reason for this desalination project, however, is to end Cal-Am's illegal diversions on the Carmel River and to reduce pumping in the Seaside Groundwater Basin as mandated in its adjudication decision. I take the State Water Resources Control Board Cease and Desist Order very seriously, as it would have dramatic consequences for our residents and our economy. Without a replacement water supply, the health of the Carmel River and the species that depend on it will continue to be endangered, and the Seaside Groundwater Basin could be at risk of seawater intrusion.

While the desalination project has been planned mostly for Cal-Am's service area, it would impact the neighboring Marina community. Implementation of a desalination project should not be done to their detriment. I appreciate the Coastal Commission's environmental justice analysis and the consideration for communities of concern in Marina, Seaside and Castroville.

As the District 5 Monterey County Supervisor, residents in my district will carry most of the costly burden of this project, so I am especially vested in the outcome of your decision. The CCC staff's reasoning in recommending denial of the appeal and application reflects the concerns I have expressed about the project for quite some time.

The environmental justice analysis addresses one of my primary concerns about the project – the cost and its impact to Cal-Am's ratepayers. In addition to the communities of concern included in the staff report, within my supervisorial district, I am concerned about the cost to seniors and the many people on fixed incomes who would be greatly burdened by the increased cost of water as a result of the proposed project.

Monterey County, Marina Coast Water District and California American Water lost a true opportunity some years ago with the failed Regional Desal project. The public mistrust about this current project is an ongoing reminder of those unfortunate decisions. I firmly believe that desalination will be needed in our future, even with Pure Water Monterey expansion. A thoughtful regional approach, towards a project serving a larger area that includes the Monterey Peninsula and Seaside Basin, along with the City of Marina and other urbanized areas in the Salinas Valley Basin that face loss of their water supplies due to seawater intrusion, is needed for a prudent long range solution in Monterey County. Such a regional approach, led by public agencies, would also reduce the significant costs that Cal-Am's project would impose on the ratepayers in my district and throughout our county.

As recommended, the Pure Water Monterey Expansion can serve as a bridge to meet the near term requirements of the CDO until a regional desalination project can be developed, as opposed to this unbearably expensive Cal-Am project.

Thank you for your consideration of these comments and for the incredible amount of time, thought, and diligence you give all projects that come before you.

Sincerely,

Mary L. Adams
Board of Supervisors
Fifth District

DENY Cal Am Desal Project-Items Th3a/Th4a

Tom Ward <tomaward@yahoo.com>

Fri 9/11/2020 10:03 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>; Materials <materials@coastal.ca.gov>

Dear CA Coastal Commissioners and staff:

My name is Thomas Ward and my wife, Leslie Ward and I are retired residents of Pebble Beach and long suffering Cal Am customers.
Please support the Coastal Commission staff's recommendation to DENY Cal-Am's permit for the very costly desal plant and instead decide that expansion of Pure Water Monterey is a feasible, cost effective and environmentally superior solution to our water needs for the next 20-30 years.
We can't afford Cal Am's desal plant!

Thomas Ward
Pebble Beach, CA 93953

Dear CA Coastal Commissioners, Executive Director John Ainsworth and Staff:

Last fall we collected over 1200 signed short but powerful statements of why we oppose the proposed CalAm desal plant. Since then, we have gathered even more. Citizens for Just Water started collecting signatures at the Women's March Monterey Bay in January. After the COVID19 induced Shelter In Place orders were eased, we donned our facemasks and collected 150 more signed statements at, "Everyone's Harvest, Farmers' Market, Marina."



Our 1400+ gathered petitions, from Marina and nearby communities

Here is the statement:

I AM AGAINST THE CAL AM DESALINATION PROJECT PROPOSED IN MARINA BECAUSE:

1) CalAm's project steals groundwater from Marina's aquifers and sends it to the Peninsula!
2) CalAm's project creates salt water contamination and damages our sole source of drinking water in a critically overdrafted basin!
3) CalAm's project damages rare & endangered species on Marina's sensitive dune habitats.
4) CalAms project plans to build pipes and structures on the same Cemex site already designated by the CA Coastal Commission for beach access, conservation and low-cost recreation when the sandmining stops in 2020.
5) CalAm's project ignores a feasible recycled water project, the Pure Water Monterey Expansion, that can provide the Peninsula with all the water they need without adverse effects to the Marina community.
6) Marina is a small, working class city with high diversity who would receive zero benefits but suffer all the harm and risks in order to benefit another district!
7) CalAm's project is unfair, unnecessary and uninvited! Please deny the permit to CalAm!

Following are a sample set of signatures from those who signed since the November 14, 2019 Costal Commission hearing in Half Moon Bay:

I am against the CalAm desalination project proposed in Marina because:

1) CalAm's project steals groundwater from Marina's aquifers and sends it to the Peninsula!
2) CalAm's project creates salt water contamination and damages our sole source of drinking water in a critically overdrafted basin!
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7) CalAm's project is unfair, unnecessary and uninvited! **Please deny the permit to CalAm!**

Date: 5/30/2020 Signature:

Name Olivia Wooley Initials: OMW Phone #[redacted]

Email [redacted] City Marina Zip: 93933

[ ] I want to volunteer [ ] I want to save the date ~~November 14th, 9:00 am~~ Zoom September 17, 2020

[ ] ~~I will need a ride to Half Moon Bay for the meeting~~

I am against the CalAm desalination project proposed in Marina because:

1) **CalAm's project steals groundwater from Marina's aquifers and sends it to the Peninsula!**
2) **CalAm's project creates salt water contamination and damages our sole source of drinking water in a critically overdrafted basin!**
3) **CalAm's project damages rare & endangered species on Marina's sensitive dune habitats.**
4) **CalAm's project plans to build pipes and structures on the same Cemex site already designated by the CA Coastal Commission for beach access, conservation and low-cost recreation when the sandmining stops in 2020.**
5) **CalAm's project ignores a feasible recycled water project, the Pure Water Monterey Expansion, that can provide the Peninsula with all the water they need without adverse effects to the Marina community!**
6) **Marina is a small, working class city with high diversity who would receive zero benefits but suffer all the harm and risks in order to benefit another district!**
7) **CalAm's project is unfair, unnecessary and uninvited! Please deny the permit to CalAm!**

Date 5/9/20 Signature

Name [redacted] Initials: [redacted] Phone #[redacted]

Email [redacted] City MARINA Zip: 93933

[✓] I want to volunteer [ ] I want to save the date ~~November 14th, 9:00 am~~ Zoom

[ ] ~~I will need a ride to Half Moon Bay for the meeting~~ ~~August 12 - 14, 2020~~ September 17, 2020

No email Loves to help can help at Farmers' Market

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Name A Sarah Grunebaum Date 1/19/20 Phone # [redacted]

Address [redacted] City Castroville Zip: 9[redacted]

Email [redacted] Signature [signature]

[ ] I am planning to attend the CCC meeting in Scott's Valley on March 11, 12 or 13 (exact date TBD).

[ ] I am interested in reserving a spot in a free bus to attend the CCC meeting.

[ ] I will drive my own car to the CCC meeting. [ ] I will have space for _____ passengers.

[✓] I will not be able to attend the CCC meeting in Scott's Valley on March 11, 12 or 13, 2020.

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7) CalAm's project is unfair, unnecessary and uninvited! **Please deny the permit to CalAm!**

Name Karen Smith Araujo Date 1/18/20 Phone # [redacted]

Address [redacted] City Salinas Zip: 93902

Email [redacted] Signature [signature]

[ ] I am planning to attend the CCC meeting in Scott's Valley on March 11, 12 or 13 (exact date TBD).

[ ] I am interested in reserving a spot in a free bus to attend the CCC meeting.

[ ] I will drive my own car to the CCC meeting. [ ] I will have space for _____ passengers.

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7) CalAm's project is unfair, unnecessary and uninvited! **Please deny the permit to CalAm!**

Name Wesley Sims Date 2/9/20 Phone # [redacted]

Address [redacted] City Marina Zip: 93933

Email [redacted] Signature [signature]

[__] I am planning to attend the CCC meeting in Scott's Valley on March 11, 12 or 13 (exact date TBD).

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6) Marina is a small, working class city with high diversity who would receive zero benefits but suffer all the harm and risks in order to benefit another district!
7) CalAm's project is unfair, unnecessary and uninvited! **Please deny the permit to CalAm!**

Name Pamela Tavares Date 3/5/20 Phone # [redacted]

Address [redacted] City Marina Zip: 93933

Email [redacted] Signature [signature]

Spanish & English

Estoy en contra del proyecto de desalinización de CalAm propuesto en Marina porque:

1) El proyecto de CalAm roba agua subterránea de los acuíferos de Marina y lo envía a la península.
2) El proyecto de CalAm cree contaminación de agua salada y daña nuestra única fuente de agua potable en una cuenca con sobregiro crítico.
3) El proyecto de CalAm daña especies raros y en peligro de extinción en los hábitats sensibles de dunas de Marina.
4) El proyecto de CalAm planea construir pipas y estructuras en el mismo sitio de Cemex ya designado para acceso a la playa, conservación, y recreación de bajo costo por la Comisión Costal CA cuando se detiene la extracción de arena en 2020.
5) El proyecto CalAm ignora un proyecto factible de agua reciclada, la Expansión Agua Pura Monterey, que pueda proporcionar toda el agua necesaria sin efectos adversos para la comunidad de Marina.
6) Marina es una pequeña ciudad de clase trabajadora con alta diversidad que no recibiría ningún beneficio, pero sufriría todo el daño para beneficiar a otro condado.
7) El proyecto de CalAm es injusto, innecesario, y sin invitación. **¡Por favor, niegue el permiso a CalAm!**

Nombre [redacted] Fecha 2/24/20 Teléfono [redacted]

Dirección [redacted] Ciudad Marina CA Código postal 93933

Correo electrónico [redacted] Firma [redacted]

___ Estoy planeando asistir a la reunión del CCC en Scott's Valley el 11 -13 de marzo (fecha exacta desconocida)
___ Estoy interesado en reservar un lugar en un autobus gratuito para asistir a la reunión del CCC.
___ Conduciré mi propio automóvil a la reunion del CCC. ___ Tendré espacio para _____ pasajeros.
___ No podré asistir a la reunion del CCC en Scott's Valley el 11, 12 o 13 de marzo de 2020.

Please hear our voices, follow your staff's recommendation, and deny CalAm's desal project!

Sincerely,
Audra Walton
Marina, California
Activist since 2016 for sustainable and equitable water resources

September 2020 Agenda Item undefined 3a - Appeal No. A-3-MRA-19-0034 (California American Water Company, et. al., Monterey Co.)

Therese Kollerer <therese.c4justwater@gmail.com>

Fri 9/11/2020 4:54 PM

To: Padilla, Stephen@Coastal <Stephen.Padilla@coastal.ca.gov>; Brownsey, Donne@Coastal <donne.brownsey@coastal.ca.gov>; Aminzadeh, Sara@Coastal <sara.aminzadeh@coastal.ca.gov>; Hart, Caryl@Coastal <caryl.hart@coastal.ca.gov>; Escalante, Linda@Coastal <linda.escalante@coastal.ca.gov>; Bochco, Dayna@Coastal <dayna.bochco@coastal.ca.gov>; Groom, Carole@Coastal <carole.groom@coastal.ca.gov>; Howell, Erik@Coastal <erik.howell@coastal.ca.gov>; Rice, Katie@Coastal <katie.rice@coastal.ca.gov>; Uranga, Roberto@Coastal <roberto.uranga@coastal.ca.gov>; Wilson, Mike@Coastal <mike.wilson@coastal.ca.gov>; Turnbull-Sanders, Effie@Coastal <effie.turnbull-sanders@coastal.ca.gov>; Ainsworth, John@Coastal <John.Ainsworth@coastal.ca.gov>; Luster, Tom@Coastal <Tom.Luster@coastal.ca.gov>; Dettmer, Alison@Coastal <Alison.Dettmer@coastal.ca.gov>
Cc: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Citizens for Just Water
13809 Sherman Blvd.
Marina, California 93933

California Coastal Commission
455 Market St Suite 300
San Francisco, CA 94105

Dear Chair Padilla and Coastal Commissioners, John Ainsworth,Tom Luster, Alison Dettmer, and Staff:

Our grassroots organization holds mostly residents of Marina and Ord Communities, members of the Marina Coast Water District (MCWD).

As we have communicated with the Commission on several occasions, and at many locations up and down the state over the last few years, we are against the placement of 6 additional slant wells at the Cemex dunes and beach, and against the construction and operation of an inland desalination facility where the water would be treated.

This project has many flaws, most addressed in the CCC Staff Report, including:

-Damage to the coastal dunes and ESHA.

-Taking of large volumes of groundwater by Cal-Am, for which it has no water rights, beyond the 500 AFY that the Cemex easement may offer it. Unknown ability of CalAm to ever get "appropriative rights" once it has been allowed to start pumping from multiple slant wells.

-Initial and ongoing upheaval to Marina, a disadvantaged community, and one which gets no benefits - not a single drop of desalinated water- only harm, from having this unwelcome project possibly forced upon it.

-Already having caused significant direct harm to Marina and MCWD due to the many resources spent fending off Cal-Am. The City of Marina has already spent at least $3.5 Million...money and focus that could have been utilized for many other civic investments, such as infrastructure maintenance, a new fire truck, the Senior Center, etc.

-IMMEASURABLE negative impacts caused by the interruption of the plan to hand over the Cemex property for recreational and conservation purposes in perpetuity, resulting from the 2017 agreement between the Coastal Commission, State Lands Commission and Cemex to wind down sandmining operations on this 400 acre site.

Photo Collages - Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Liesbeth Visscher <liesbethvisscher@yahoo.com>

Fri 9/11/2020 4:14 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>
Cc: Bochco, Dayna@Coastal <dayna.bochco@coastal.ca.gov>; Padilla, Stephen@Coastal <Stephen.Padilla@coastal.ca.gov>; Turnbull-Sanders, Effie@Coastal <effie.turnbull-sanders@coastal.ca.gov>; Brownsey, Donne@Coastal <donne.brownsey@coastal.ca.gov>; Groom, Carole@Coastal <carole.groom@coastal.ca.gov>; Howell, Erik@Coastal <erik.howell@coastal.ca.gov>; Aminzadeh, Sara@Coastal <sara.aminzadeh@coastal.ca.gov>; Uranga, Roberto@Coastal <roberto.uranga@coastal.ca.gov>; Wilson, Mike@Coastal <mike.wilson@coastal.ca.gov>; Hart, Caryl@Coastal <caryl.hart@coastal.ca.gov>; Escalante, Linda@Coastal <linda.escalante@coastal.ca.gov>; Rice, Katie@Coastal <katie.rice@coastal.ca.gov>; Ainsworth, John@Coastal <John.Ainsworth@coastal.ca.gov>; Luster, Tom@Coastal <Tom.Luster@coastal.ca.gov>; Dettmer, Alison@Coastal <Alison.Dettmer@coastal.ca.gov>

2 attachments (8 MB)

30x20 Collage people with Snowy Plover Signs - 200811 96 dpi.jpg; 30x20 Collage Marina Businesses 200831 96 dpi.jpg;

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

Since we cannot attend meetings in person, we have taken many photos of residents and business owners in Marina to try to show you that they are all asking to deny CalAm's harmful project.

I am sending you two photo collages that might not be shown correctly in the PDFs of the email messages that have been sent by Marina residents. This is only a small collection of the photos that we have taken of people with the Snowy Plover "Stop CalAm" poster. This poster is being displayed in many windows of businesses and homes in Marina and the Fort Ord Communities.

Thank you for your time,
Liesbeth Visscher,
Citizens for Just Water volunteer,
Resident of Marina, CA


STOP CAL-AM! Save the Snowy Plovers and our WATER!


STOP CAL-AM! Save the Snowy Plovers and our WATER!


Spirit SMOKE SHOP
WEDDING GOWNS
BLANKETS
CLEANERS
HELP!
Stop CalAm
Marina
Businesses
are asking to
stop
CalAm!
Stop CalAm
Giúp tôi
도움말
Ayuda
帮助
ヘルプ
HELP!
CA Coastal Commission Zoom Meeting
September 17, 2020
JUST WATER for updates visit citizensforjustwater.org
Lee's Garden
RESTAURANT
NEW TOKYO
JAPANESE RESTAURANT
HELP!
Stop CalAm
HELP

Monterey Peninsula Water Supply Project, Appeal No. A-3-MRA-19-0034 and Application No. 9-19-0918

Cornell, Wendy <WCornell@sflaw.com>

Fri 9/11/2020 9:06 PM

To: Luster, Tom@Coastal <Tom.Luster@coastal.ca.gov>; CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>
Cc: Spaulding, Skip <SSpaulding@sflaw.com>

7 attachments (17 MB)

Sept 11 2020 Letter to Coastal Commission.pdf; Marina Exh 1 - WRA Review of Cal-Am HMMP.pdf; Marina Exh 2 - 2020-04-13 GDE Tech Memo.pdf; Marina Exh 3 - WRA_Marina Report_30July20.pdf; Marina Exh 4 - 2020-08-13 Review of Weiss 2020 Rpt.pdf; Marina Exh 5 - Final 2020 Monterey Water and Demand Peer Review.pdf; Marina Exh 6 - 2020-08-23 Response to GSS Comments; 2020-08-22 Comments on SVBGSA GDE-ISW Memo.pdf;

Dear Mr. Luster, Chair Padilla and Honorable Commissioners:

A the request of Paul P. Spaulding, III, I am sending the attached letter and Exhibits 1 through 6 thereto.

Very truly yours,

Wendy Cornell
Assistant to Arthur J. Shartsis, Charles R. Rice, Larisa Meisenheimer,
Felicia Draper and Daniel Poniatowski
Shartsis Friese LLP
SF One Maritime Plaza, 18th Floor | San Francisco, CA 94111
415-421-6500 Phone | 415-421-2922 Fax
[wcornell@sflaw.com]*wcornell@sflaw.com*

SHARTSIS FRIESE LLP
One Maritime Plaza • Eighteenth Floor
San Francisco, California 94111-3598

Paul P. "Skip" Spaulding, III
SSpaulding@sflaw.com
(415) 773-7203
Fax: (415) 421-2922

- September 17, 2020 Meeting, Agenda Item ## Th3a and Th4a
- City of Marina
- Appeal No. A-3-MRA-19-0034 and App. No. 9-19-0918
- In support of Staff Recommendation

September 11, 2020

Via Overnight Mail and Email (Tom.Luster@coastal.ca.gov and CalAmMonterey@coastal.ca.gov)

Chair Stephen Padilla and Honorable Commissioners
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105

Re: Monterey Peninsula Water Supply Project
Appeal No. A-3-MRA-19-0034 and Application No. 9-19-0918
Commission Sept. 17, 2020 Meeting, Agenda Nos. Th3a and Th4a

Dear Chair Padilla and Honorable Commissioners:

On behalf of the City of Marina ("City" or "Marina"), we submit this comment letter regarding the two Coastal Development Permits ("CDPs") -- one appealed to the Commission from a CDP denial by the City of Marina and one constituting an original consolidated CDP application -- being sought by California-American Water Company ("CalAm") for the Monterey Peninsula Water Supply Project ("Project" or "MPWSP"). As explained in further detail below, the City urges the Coastal Commission to deny both Coastal Development Permits.[1]

I. Introduction

The City strongly supports the recommendation of Coastal Commission Staff, in its August 25, 2020 Staff Report ("Staff Report"), that the Commission deny both the "appealed"

[1] The City of Marina bases this comment letter not only on the specific materials cited herein, but also on all of its comment letters, reports and other materials it has submitted to the Coastal Commission during the pendency of these CDP appeal and original proceedings, as well as on the complete administrative record developed in the underlying City of Marina proceedings relating to CalAm's application for a CDP for the Project from the City.

and "consolidated" CDPs sought by CalAm for the Project. The Staff has continued to recommend denial consistent with its original October 28, 2019 Staff Report ("2019 Staff Report"). Although ten months have passed since the original staff report was issued and further information has been submitted to and developed by Staff, the CDP analyses and conclusions of Staff remain completely appropriate and are fully supported by the comprehensive administrative record that has been developed over the last 18 months.

As you know, the MPWSP is a large industrial desalination project that would be constructed in, through and around the City. Although CalAm characterizes the Project as an ocean desalination plant that would "draw seawater from beneath the ocean floor," it is actually a "groundwater basin" desalination project that would extract approximately 17,300 acre feet per year ("afy") of groundwater from the Salinas Valley Groundwater Basin ("Basin") and export almost all of it after treatment to the affluent Monterey Peninsula communities to the south. The City is completely dependent on the Basin's clean, local and affordable water source, which provides 100% of its drinking water.

On March 7, 2019, the City of Marina Planning Commission denied a Coastal Development Permit for the Project for most of the same reasons articulated for permit denial in the Staff Report. The Project is remarkable for the range of very serious environmental, economic and social problems it will cause. Moreover, it is fatally inconsistent with a wide range of Marina Local Coastal Program ("LCP") and Coastal Act policies and cannot be approved. Although CalAm continues to vigorously promote the Project, it has become clear that this Project is the wrong project at the wrong time in the wrong place. Not only is the Project based on inflated water demand projections, an outdated groundwater model and an unsustainable economic foundation, but it would cause irreparable adverse impacts to coastal ecosystems, disadvantaged communities and precious groundwater resources.

The Commission, as recommended by its Staff, should deny the appealed and consolidated CDPs for the Project for the following reasons, among others:

- **Critically Incomplete Project Application:** CalAm has failed to apply for a CDP for one major component of the Project within the coastal zone -- the installation of a new protective liner within the Project outfall -- which prevents the Commission from evaluating all of the Project's coastal impacts and makes the Project application incomplete. The Final EIR adopted by the CPUC directed CalAm to "include the land segment outfall lining and associated activities in [its] CDP application." However, CalAm has refused to do so, claiming that this should be the responsibility of Monterey One Water. The result is that the Commission's evaluation of the Project's impacts in the coastal zone has been segmented, in violation of legal requirements and the directives in the Final EIR. The CDP applications must be denied for this reason alone. (*See* Section II herein.)

- **ESHA Impacts**: The Project's well field, pipeline and other components in the coastal zone would cause adverse impacts to at least 35 acres of valuable ESHA, including permanent impacts to potentially several dozen acres of Flandrian dune and coastal habitat ESHA on the City's coastline. CalAm contends that its new Habitat Mitigation and Monitoring

Plan ("HMMP") supposedly fully and effectively mitigates for these Project impacts, but the City's expert Dr. Mike Josselyn (WRA Environmental) has prepared an analysis reflecting that the HMMP is wholly deficient. *See* **Exhibit 1** herein. The Staff Report agrees that the HMMP does not conform with Commission requirements. CalAm asserts that it somehow has acquired the right to develop its Project on the CEMEX Property, but in fact the CEMEX Settlement Agreement on which it relies requires the Project to obtain all CDPs before any project can be built. Moreover, since the CEMEX site must be reclaimed by CEMEX after its active sand mining shuts down in four months, the attempt by CalAm to mitigate on this same site is not allowable for multiple reasons. (*See* Section III(A) herein.)

- **Coastal Hazards:** The Commission is rightly concerned about the coastal hazards threatening the Project slant well facilities. According to the Staff Report, "[t]he Bay shoreline near Cal-Am's proposed well field has exhibited the highest annual erosion rates in the state, due in part to relatively high levels of wave energy and the easily erodible sand that makes up most of the Bay shoreline." Staff Report, at 55. The erosion is exacerbated by the fact that CEMEX sand mining operations have removed more than 100,000 cubic yards of sand annually, "thereby exacerbating the ongoing natural erosive processes." *Id.* at 56. Since CalAm's slant wells apparently will need to be replaced in 20-25 years due to their limited life and in light of the new state sea level rise assumptions, it is likely that the slant wells will need to be replaced and moved in only 20-25 years, for a project with a 60-year life. However, since CalAm does not have, and is barred by the CEMEX Settlement Agreement from obtaining, any easement landward of the current well locations, it will not be able to move the wells. For all of these reasons, the Project is not feasible over the long-term, particularly in comparison to the expansion of the Pure Water Monterey project. (*See* Section III(B) herein.)

- **Wetlands And Vernal Pond Impacts:** There are seven sets of wetlands, vernal ponds and other groundwater-dependent ecosystems ("GDEs") totaling about 25 acres located in and near the City that are sustained by groundwater in the Dune Sand Aquifer, which is the uppermost Basin aquifer where the Project's slant wells would be constructed. These valuable coastal ecosystems are managed by a comprehensive management plan that was prepared (with assistance from the Commission) and adopted in 1994 by the City. Two recent reports -- one hydrological and one biological -- demonstrate that these ponds are groundwater dependent and could be dramatically affected by the Project's slant well extraction activities that cause groundwater drawdown. The Commission has a duty to protect these sensitive coastal and public trust resources. These anticipated adverse GDE impacts are yet another threat by the Project to Marina's sensitive coastal ecosystems. The reports prepared for Marina on this topic are enclosed herewith as **Exhibit 2, Exhibit 3 and Exhibit 6**. (*See* Section III(C) herein.)

- **Coastal Water/Marine Resource Impacts:** Marina's LCP and the Coastal Act require protection of marine resources, ocean water quality and biological productivity when considering issuance of a CDP. In this case, as the Staff Report finds, the Project proposes to place "fill" for structures in coastal waters (potentially including a diffuser retrofit, buoy installation and outfall clamp replacement). Such fill is allowed *only* if the three-part "override" test in Coastal Act Section 30233 is met. The City agrees with Staff that "the Project does not

conform to Section 30233 because there is a feasible and less environmentally damaging alternative project that will not require fill in coastal waters and because not all mitigation has been identified and imposed." Staff Report, at 66. (*See* Section III(D) herein.)

- **Groundwater Depletion Impacts:** One important Coastal Act policy is "preventing depletion of ground water supplies." Coastal Act § 30231. The State Water Resources Control Board, in its Resolution No. 2015-0033 approving the Ocean Plan desalination amendment, stated that a facility with subsurface wells with the potential to "exacerbate saltwater intrusion into freshwater aquifers or alter groundwater flow" to such aquifers and wells "is unlikely to be approved." Recent studies of the Basin, including those by a Stanford University research team using state-of-the-art Airborne Electromagnetic ("AEM") imaging, disclose that the Project is likely to deplete and contaminate this water supply. The July 10, 2020 Report prepared by the Coastal Commission's independent hydrogeology consultant (Weiss Associates) confirms these potential risks and demonstrates that as little as 72% of the extracted groundwater qualifies as "seawater." The City's hydrogeology consultant (Formation Environmental) has analyzed and confirmed these findings in an August 13, 2020 Technical Memorandum enclosed herewith as **Exhibit 4**. (*See* Section III(E) herein.)

- **Public Access Impacts:** One critical set of Coastal Act and Marina LCP policies protect public access and recreation. This is particularly important in this location because, only three years ago, as a result of coordinated enforcement actions by the Coastal Commission, the City of Marina and the State Lands Commission, the agencies successfully ended the CEMEX sand mining operations on a portion of this site that had caused decades of environmental depredations to this coastal habitat. This settlement requires that the property owner end its mining operations by December 2020, fully reclaim and restore the site, and then convey it to a governmental or non-profit organization with an easement in perpetuity for conservation and public recreation purposes. The huge permanent 35-acre easement area for the wellfield facilities poses major public access issues at a critical access point. (*See* Section III(F) herein.)

- **Environmental Justice Impacts**: The City of Marina is a diverse, working-class community. It qualifies as a community of color and a low-income community under various federal, state and local laws and programs. The Project would have wide-ranging and disproportionate impacts on the social, economic, cultural and environmental values of this community of concern. As the Staff Report concludes: "The proposed Project also results in adverse coastal resource effects within the community of Marina that is already disproportionately burdened by many other industrial uses and would receive none of the project benefits. There is a long history of government institutions allowing unwanted industrial development to be concentrated in underserved communities of color without their consent. Approving yet another would perpetuate this discriminatory land use practice in Marina." Staff Report, at 101.

The City of Seaside, immediately adjacent to Marina, is also a community protected by environmental justice principles, and because is it within CalAm's service area, is expected to suffer crippling water rate increases that some residents fear will force them to sell their homes.

CalAm unpersuasively argues that these impacts are addressed by CalAm's ratepayer assistance program, which does not affect Marina and is only of marginal assistance for low-income Seaside residents. (*See* Section IV herein.)

- **Water Supply and Demand:** It is undisputed that the water demand in CalAm's service area has averaged only about 9,800 afy over the last five years, yet CalAm predicates its Project on the need to obtain a total of 14,000 afy of water for its customers. Since CalAm's service area population is not expected to grow substantially in the next 20 years, CalAm has been relegated to phantom arguments about an expected "tourism rebound," a Pebble Beach buildout and a demand surge after removal of water conservation restrictions (directly contrary to new State laws which impose permanent future water use restrictions) to justify these unsupported projections. Moreover, CalAm has unfairly attacked the Monterey Peninsula Water Management District ("MPWMD") for making its own expert water demand/supply projections (which demonstrate that an expansion of the Pure Water Monterey project would meet CalAm customer water demands for decades), when in fact MPWMD is required by law to make these projections on an annual basis. Regardless, the demand numbers do not justify a large desalination project. As the City's water demand/supply expert explains, in a report dated April 2020, due to the very high fixed Project costs and the likely outcome that it will run far below capacity, the cost to CalAm's ratepayers will be astronomical. (*See* **Exhibit 5** and Section V(B) herein.)

- **Feasible Alternative Water Solution (PWM Expansion):** The Pure Water Monterey Expansion Project ("PWM Expansion") is a feasible alternative to CalAm's Project. A recent analysis by MPWMD reflects that the PWM Expansion would provide sufficient water for this service area for at least 20 years and likely considerably longer. The PWM Expansion would produce water at approximately one-third of the cost of expensive desalination water, would have virtually no environmental impacts, and can be on-line more quickly than the Project. Since any approval of CalAm's Project would require an "override" of Coastal Act and Marina LCP policies and such an override requires a finding that no other feasible project is present, the availability of the feasible PWM Expansion prevents any Section 30260 "override." (*See* Section V(B) herein.)

- **Coastal Act Override:** Coastal Act Section 30260 allows an override of Coastal Act requirements only if three major criteria are met. In this case, as the Staff Report concludes, none of the criteria can be met. In addition to the existence of the feasible alternative described above, the public welfare would not be harmed (but rather would be promoted) by denial of the Project CDPs. Further, as the Marina Planning Commission found in its denial decision and the Staff Report determines, the third criteria requiring that the adverse impacts have been "mitigated to the maximum extent feasible" has not been met. (*See* Section V herein.)

- **Public Trust Duties:** The Commission has an independent affirmative and fiduciary duty, under the public trust doctrine, to protect public trust resources for the benefit of all Californians and future generations. This duty encompasses the preservation of public trust resources in their natural state. In particular, in connection with these CDP applications, the

Commission must protect the terrestrial and special dune habitat, the vernal ponds and wetlands, and (under recent law) the groundwater that is interconnected with surface water features. By denying the CDPs, the Commission would be meeting its obligations under the public trust doctrine.

- **No Water Rights:** It is undisputed that the Project lacks any current water rights to the groundwater that it intends to extract through the slant wells in the coastal zone. The Subbasin in which it hopes to extract groundwater is one of only 21 basins in California that has been designated as "critically overdrafted." CalAm has no overlying rights, appropriative rights or prescriptive rights for its plan to pump 15.5 million gallons of groundwater per day. Rather, it hopes to use an untested and risky "salvaged water" theory that no court has ever authorized and it has no real chance of success. This is a "showstopper" issue that makes the Project infeasible and compels the denial of any CDP for it. Moreover, CalAm is prevented by the Annexation Agreement applicable to the CEMEX property from extracting more than 500 afy of groundwater (a tiny fraction of the 17,300 afy it plans to extract) and cannot export this groundwater outside of the Basin. The City of Marina has filed litigation on this subject, which is currently pending.

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II. The Project's CDP Applications Are Fatally Flawed And Incomplete Because They Do Not Include The Extensive Coastal Zone Impacts Of The Project's Outfall Liner And Other Outfall Related Work.

CalAm plans to use the existing outfall for Monterey One Water's facility to convey the brine wastewater from the desalination plant to Monterey Bay. However, the corrosive characteristics of the brine require CalAm to install a protective lining in the land segment of the outfall. In the Final EIR, Mitigation Measure 4.13-5b details the installation of this protective liner. Final EIR, at 4.13-27 to 4:13-30. The failure of CalAm to submit an application for this integral portion of the Project to Marina (the local coastal agency) or to the Commission has resulted in prohibited segmentation of the Project and, at a practical level, prevents the Commission from evaluating the entire coastal zone impacts of the Project.

The Final EIR certified by the CPUC requires that CalAm "include the land segment outfall lining and associated activities in [its] CDP application." Errata to March 2018 Final EIR/EIS at E-8 (Sept. 2018). However, CalAm has failed to do so. As a result, CalAm has not provided either the Commission or the City of Marina with the information necessary to grant a CDP. Indeed, the Staff Report notes that CalAm "did not include this aspect of the work needed for this Project in its CDP application" and "there is not a complete final description of the work at this point." Staff Report, at 18.

CalAm has tried to "finesse" its failure to comply with the Final EIR's requirement by representing that it "plans to have the work done by the agency that operates the treatment facility." 2019 Staff Report, at 4. As a result, Monterey One Water ("M1W") "will be responsible for obtaining a CDP and other relevant permits for that work." *Id.* at 4, 45. However, the Final EIR states the opposite and establishes that CalAm is responsible for lining the land segment of the outfall under an agreement with M1W. Final EIR, at 4-13-29. CalAm's failure to include the outfall liner in its CDP application is a fundamental deficiency that justifies the denial of CalAm's CDP applications.

In its June 30, 2020 Letter (page 5 of Attachment A), CalAm incorrectly asserts that "the M1W outfall work is a wholly separate project that may be separately conditioned when M1W applies for a CDP for that work." However, to the contrary and as the Final EIR makes clear, the outfall is an integral part of the Project and legally cannot be segmented from it. This is especially true because, since the Commission is considering the possibility of a Section 30260 "override," it is essential that it have all of the Project's coastal zone impacts before it.

It is evident that the outfall liner work will have very significant ESHA impacts. Mitigation Measure 4.13-5b requires "the phased installation of a protective liner system along the entire approximately 13,000-foot-long land segment of the outfall." *Id.* at 4.13-27–4.13-28. CalAm identified ten access locations where it plans to dig excavation pits directly above the outfall pipe to install the liner in segments. *Id.* at 4.13-29. These excavation pits will be up to 12 feet by 25 feet, and CalAm plans to store the excavated soil by "stockpil[ing] [it] within the existing outfall right-of-way." *Id.* at 4.13-29. Notably, some of this excavation and construction will occur in ESHA. Indeed, the Final EIR identifies Access Point 10 as located within the coastal dune ecosystem, most of which is ESHA. See Figure 4.13-1, Final EIR, at 4.13-29.

The Final EIR states that the excavation pits for the outfall liner "would be located in areas with similar types of biological resources as the Source Water Pipeline." Final EIR, at 4.13-35. Accordingly, installation work for the outfall liner, like construction of the Source Water Pipeline, would adversely impact the "threatened" western snowy plover, whose critical habitat includes the beaches from Moss Landing south to Monterey. *Id.* at 4.6-72. In particular, the Final EIR recognizes that western snowy plovers have "a high potential to nest along the beach and foredunes," and they "may use the beach and dunes within all subsurface slant well and Source Water Pipeline work areas for wintering, roosting, and foraging." *Id.* at 4.6-54.

Both the Final EIR and the Staff Report recognize that construction noise or activity would impact western snowy plover. The Final EIR notes that such activity would have significant impacts "during western snowy plover breeding season . . . by causing temporary flight of breeding birds and potentially permanent effects from nest abandonment or failure." Final EIR at 4.6-142. However, installation of the outfall liner must occur during the March through September breeding season, because CalAm can install the liner "only during the irrigation season (April through September), when flows in the outfall would be minimal." *Id.* at 4.13-29. Accordingly, as the Staff Report correctly concludes, the significant disturbances from installing the outfall liner will impact a "critical habitat area" for the western snowy plover "during a critical time period for the species." Staff Report, at 44.

In addition to western snowy plover, installation of the outfall liner would potentially impact Monterey spineflower and "a number of other special-status plants" as well as the habitats of the Smith's blue butterfly and other species. Final EIR at 4.6-142–4.6-143. The installation of the outfall liner would likewise impact environmentally sensitive coastal dunes and ESHA. Staff Report, at 44.

As outlined in the preceding paragraphs, CalAm's construction activities in ESHA would not conform to Coastal Act Section 30240 or the corresponding LCP provisions because those

activities are not resource-dependent activity. Therefore, anticipated impacts from the installation of the outfall liner require the Coastal Commission to deny CalAm's CDP applications.

Finally, in Attachment C to its June 20 Letter, CalAm proposes what it calls a "Special Condition" that "prior to commencement of Project operation," it "shall demonstrate that a Coastal Development Permit or Amendment has been obtained authorizing Project-related construction on the Monterey One Outfall." In short, CalAm proposes to obtain a CDP 3-4 years from now before it actually starts operating the Project. This is not a condition designed safeguard the affected coastal ecosystems and species, and it does not promote comprehensive protection of coastal zone resources. Rather, it impermissibly attempts to authorize CalAm to wait years before even applying for the outfall liner CDP. The Commission should reject this proposed condition.

III. The Requested Coastal Development Permits Are Not In Conformance With The Requirements And Policies of the Coastal Act Or Marina's Local Coastal Program.

The first level of analysis for a coastal development permit is to determine whether the proposed facilities and activities in the coastal zone are in conformance with the policies and requirements of the applicable Local Coastal Program ("LCP") and Coastal Act policies. The CDPs requested by CalAm implicate both the Marina LCP (for the appealed permit) and the Coastal Act (for both permits). In the sections below, we will demonstrate that the permits requested by CalAm for the Project are fatally inconsistent with the ESHA, coastal hazards, wetland protection, coastal waters/marine impacts, groundwater depletion, and public access policies and requirements contained in Marina's LCP and the Coastal Act.

A. Environmentally Sensitive Habitat Areas (ESHA) -- Terrestrial

As the City has demonstrated in prior comments and in expert reports by WRA Environmental Consultants ("WRA"), the Project's proposed facilities in the coastal zone are not in conformance with Marina's Local Coastal Program policies or applicable Coastal Act policies. As discussed herein, the Project will have widespread and permanent impacts on ESHA that are not allowed under the Coastal Act. CalAm's proposed Habitat Mitigation and Monitoring Plan is woefully inadequate to address these impacts.

1. The Project Would Have Total Impacts On At Least 35 Acres Of ESHA, Which Is Not Allowable Because the Project Is Not "Resource Dependent."

In its February 7, 2019 Report that is part of the administrative record for the City Planning Commission CDP denial, WRA summarized the extremely high biological value of the terrestrial ESHA that would be impacted by the Project:

> *The Project is proposed within a unique and very significant coastal dune habitat known as Flandrian dunes.* The Coastal Commission considers

> this habitat as ESHA and the City categorizes it as Primary Habitat with equivalent protections to ESHA. Flandrian dunes are a unique habitat bordering Monterey Bay. This habitat has developed on large sand dunes that shift over time by wind and wave action.
>
> *The presence of over 30 special status species including seven plants and four animal species listed as threatened or endangered within the Flandrian dune habitat and their complex linkages justify considering the entire coastal dune habitat as an Ecosystem ESHA.* Compensatory mitigation for individual species is largely inadequate when considering how to restore an entire ecosystem. Rather, mitigation for such ecosystem-level ESHAs must consider the foundational aspects of the habitat as well as the interactions between species.

In its Staff Report, the Commission emphasized the biological importance and unique nature of this habitat:

> *The CEMEX site consists primarily of central foredune habitat, which is one of the most important, vulnerable, and geographically constrained environmentally sensitive habitat types in California.* The California Natural Diversity Database ("CNDDB") classifies it as "critically imperiled, this [thus] qualifying it as ESHA. Dunes form only under certain conditions where adequate sand supply and appropriate wind energy and direction allow. . . The habitat values in dune areas are therefore best understood in terms of the overall complex of dunes of which they are a part, and the Commission has typically found coastal dune habitat to be ESHA even when it is disturbed, due to its rarity, its important ecosystem functions, and its support of sensitive species.

Staff Report, at 34-35 (emphasis added).

The Staff Report carefully analyzed the anticipated Project impacts on ESHA, both for the appealed permit and the consolidated permit. It concluded that the Project's anticipated impacts to terrestrial ESHA would be up to several dozen acres within the City of Marina's jurisdiction, including a minimum of 7 acres of permanent impacts within the well field area and potentially multiples of this amount of permanent impact acreage in the pipeline routes. There would be up to 24 acres of additional ESHA impacts in the consolidated permit areas, with an unknown amount consisting of permanent impacts. Staff Report, at 31.

The Staff Report also identified an additional adverse impact to ESHA resulting from "the need for Cal-Am to protect or relocate its well sites due to the effects of sea level rise and coastal erosion." Staff Report at 39. Since the slant wells apparently will need to be replaced after 20-25 years and given the latest sea level rise expectations, the wells will likely need to be replaced and moved before the Project even reaches half of its 60-year life. However, this presents a fundamental problem since CalAm does not hold easement rights further landward from the current locations, and (as discussed herein) will not be able to obtain such rights. On this point, the Staff Report states: "Those areas inland of the currently proposed well sites are

also within the area slated for restoration under the above-referenced CEMEX Settlement and are outside of Cal-Am's 30-acre easement, so relocation would require Cal-Am to obtain additional legal interest to any sites further inland -- which is something it is not clear Cal-Am will be able to do -- and would likely interfere with restoration efforts expected in those areas as part of the CEMEX Settlement." *Id.*

Both the Coastal Act and the Marina LCP provide that only uses dependent on the resources in ESHA can be sited in ESHA. The City's LCP Land Use Policy provides: "Primary habitat areas shall be protected and preserved against any significant disruption of habitat values and only uses dependent on those resources shall be allowed within those areas." Similarly, Coastal Act Section 30240(a) provides that ESHA "shall be protected against any significant disruption of habitat values, and only uses dependent on those resources shall be allowed within those areas."

It is undisputed that the Project components sited in ESHA are not "resource dependent" within the meaning of these provisions because they do not depend on or need to consume this habitat for their proper functioning. Accordingly, these twin ESHA prohibitions completely bar the siting of any Project components in this ESHA and require denial of the Project in this location. Given these legal bars, the only route for the Project to be constructed in ESHA would be if it qualified for, and was granted, an override under Section 30260. As demonstrated below, the Project fails to meet any of these override criteria and therefore cannot be built in this ESHA.

In its June 30, 2020 Letter, CalAm attempts to bat away these arguments through incorrect legal statements and misplaced arguments. First, CalAm argues that the California Public Utilities Commission already found, in its Final EIR, that the impacts to ESHA are not significant and CalAm implies that, as a result, no extensive mitigation is required. However, CalAm has made a fundamental error. Both the City (in exercising its local coastal jurisdiction) and the Coastal Commission are responsible agencies who, as part of their interpretation and application of the Coastal Act, have full and complete control over determining the amount and extent of adverse impacts to ESHA and over the appropriate avoidance, minimization or mitigation measures for these impacts. Indeed, the Final EIR recognizes this authority.

Second, CalAm apparently asserts, as it has before, that it has a right to develop its Project on the CEMEX Property because this right was supposedly enshrined in the 2017 CEMEX Settlement Agreement. However, this argument has no factual basis. The CEMEX Settlement only recognized the real property easement rights established as of the date of the settlement. The Agreement clearly stated that "[n]othing in this Agreement guarantees or conveys any Right to development on the Site" and requires that any proposed development must receive a coastal development permit under the Coastal Act and/or the City of Marina Local Coastal Development Plan. CEMEX Consent Settlement Agreement and Cease and Desist Order CCC-17-CD-02, at § 2.1. CalAm's further contention that the City of Marina somehow "waived" an argument that "Cal-Am lacks a property right to use the CEMEX site" for certain purposes (June 30, 2020 letter at 2, fn. 2) is not accurate for the same reasons. Moreover, as

explained elsewhere herein, CalAm has improperly attempted to expand the scope of the easement it claims after the date of the CEMEX settlement.

2. CalAm's New Habitat Mitigation And Monitoring Plan Is Woefully Deficient And Fails To Qualify As A Plan That The Commission Can Or Should Adopt.

For two years, CalAm refused to provide either the City of Marina (during its consideration of the coastal development permit within its jurisdiction) or the Coastal Commission (in the current proceeding) with a Habitat Mitigation and Monitoring Plan ("HMMP") that specifically details mitigation for ESHA impacts. At the City level, CalAm took the spurious position that Marina was not entitled to receive a mitigation plan. In its denial decision, the Planning Commission concluded that "[t]his refusal is unjustified and contrary to law, and leads to our determination that this Ecosystem ESHA will not be protected in conformance with the LCP and Coastal Act." Finding 4-6.

The 2019 Staff Report agreed with the City's position on mitigation:

> *Under the LCP, the City may require mitigation above and beyond what is identified in a CEQA document in order to comply with the LCP and the Coastal Act, and it may require that mitigation be identified earlier than what is required through CEQA.* Although the City could have required that Cal-Am provide its proposed mitigation and HMMP "prior to issuance" of a CDP, it chose instead to deny the application. *Because the City was within its authority to request that Cal-Am identify mitigation measures with more specificity to ensure the project would comply with the LCP, this contention raises no substantial issue.*

2019 Staff Report, at 22 (emphasis added).

A similar scenario played out at the Coastal Commission level. By letter dated August 22, 2019, the Commission notified CalAm that its application for a coastal development permit was incomplete. In the notice, the Commission requested a mitigation plan to address ESHA impacts that includes "the proposed locations, types, and size of the mitigation area(s), proposed performance standards and monitoring methods, proposed legal protections for the mitigation, and proposed contingency plans in the event of the mitigation area(s) not meeting performance standards." In response to the Commission's notice, CalAm submitted only a short memorandum that it called a "mitigation strategy overview."

The 2019 Staff Report appropriately found that "this Mitigation Strategy document is not consistent with Commission guidance and past approvals as to what is required to provide adequate mitigation." 2019 Staff Report, at 46. It observed that CalAm primarily uses an "in-lieu fee approach" inconsistent with ESHA mitigation requirements. The mitigation strategy also addresses only the CEMEX site, which does not encompass areas within the Commission's consolidated permit jurisdiction. As WRA noted in a critique, the strategy is actually habitat preservation (not restoration), which is insufficient because under the CEMEX settlement these

CEMEX areas are "already slated for preservation." Finally, contrary to the Commission analysis that impacts occur to up to 35 acres of ESHA, the mitigation strategy incorrectly identifies only 2.2 acres of permanent impacts. *Id.*

In June 2020, CalAm finally submitted a proposed Habitat Mitigation and Monitoring Plan ("HMMP") to the Commission. Unfortunately, although it provides more detail than the earlier "mitigation strategy overview," the HMMP essentially consists of the same flawed mitigation approach and it is completely inadequate to satisfy legally mandated mitigation requirements.

The City requested that Dr. Mike Josselyn of WRA evaluate the HMMP and he prepared a July 29, 2020 Report that was provided to Commission Staff and is enclosed herewith as **Exhibit 1**. Dr. Josselyn reached the following conclusions, among others:

- The amount of proposed habitat replacement is manifestly insufficient. CalAm contends that there are only 2.2 acres of permanent impacts and about 19 acres of temporary impacts. However, the so-called "temporary impacts" are in fact permanent impacts under Coastal Commission standards. Thus, for the impacts within City of Marina jurisdiction alone, the required mitigation should be at least 51 acres. And this does not take into account the additional permanent impacts identified by the Commission within its own original jurisdiction, which were substantial.

- There is no assurance that the proposed restoration in HMMP will occur or will be consistent with an overall management plan for the CEMEX property because of mitigation timing issues.

- No Long Term Management Plan ("LTMP") or endowment is proposed as required by the City's Local Coastal Program. As a result, "the costs associated with long-term management actions are unknown and cannot be determined for the endowment…[and] LTMP is needed in order to determine if the endowment is sufficient to provide for success of the mitigation area for the duration of the operation of the slant wells."

- The California Department of Fish and Wildlife ("CDFW") has not found that the Project's impacts on State protected species meet the requirements for issuance of an Incidental Take Permit ("ITP"). In its comments on the ITP application, CDFW "found that the calculation of temporary and permanent impacts were not consistent for the species" and concluded that "it is not clear if the proposed compensation for Project impacts is commensurate with the level of take for each species listed in the ITP application."

The WRA Report also repeats, as stated in earlier reports, that "mitigation for such ecosystem-level ESHAs must consider the foundational aspects of the habitat as well as the interactions between species. Due to the difficulty of restoring these types of ecosystem ESHAs,

avoidance of these sensitive habitats must be given the highest priority when evaluating projects." For this Project, no avoidance of sensitive dune ecosystems and species habitat of any type has been undertaken. Rather, CalAm has insisted that it wants the slant wells and associated facilities in this location. However, CalAm's hopes and positions cannot override the important mitigation requirements of the Coastal Act.

The Staff Report also determines that the HMMP is deficient and "proposes a number of measures that are not consistent with past Commission-approved mitigation plans." Staff Report, at 46. The deficiencies identified by Staff include, but are not limited to: (1) the failure to properly characterize many of what CalAm calls "temporary" impacts as "permanent impacts;" (2) insufficient mitigation ratios and amounts; (3) inapplicable site restoration standards; (4) failure to use full quantitative monitoring methods; and (5) the use of "relatively lenient" performance criteria. *Id.* The Staff Report adds: "Importantly, the HMMP proposes that most of the restoration activities take place within the CEMEX North Mitigation Area, which is already expected to benefit from preservation pursuant to the aforementioned [CEMEX] Settlement Agreement." *Id.*

Since the Staff Report recognizes that the Project does not meet the two other Section 30260 "override" tests, it does not undertake to identify conditions that might address these nonconformities. Rather, the Report states: "thus, there is no need to determine whether the project's ESHA impacts could, pursuant to the third test of that section, be mitigated to the maximum extent feasible." *Id.* at 47.

In short, the Project is anticipated to have wide-ranging permanent adverse impacts to dozens of acres of valuable Ecosystem ESHA within the City of Marina's coastal jurisdiction and within the Commission's independent jurisdiction for which there is no mitigation plan that meets the "fully mitigated" (Marina LCP) or "maximum mitigation" (Coastal Act Section 30260) standards required by law. Accordingly, the requested Coastal Development Permits must be denied.

B. Coastal Hazards

The City requests that the Commission deny the CDPs on the basis that the Project is not sited to prevent coastal hazards. Instead, during its 60-year life, the Project would be subjected to these hazards, which are expected to become even more severe due to sea level rise and climate change. As a result, the Project is inconsistent with the requirements in the Coastal Act and in Marina's LCP.

As the Staff Report correctly states, pursuant to Coastal Act Section 30253 and Marina's LCP, new development must be sited to avoid and minimize risks associated with coastal and geologic hazards, such as from wave erosion, wind erosion, tsunami inundation, and shaking from earthquakes, for the entire duration of the development's life. Staff Report, at 55. However, the Project is not sited in compliance with these requirements. Coastal Commission Staff explain that "*[t]he Bay shoreline near Cal-Am's proposed well field has exhibited the highest annual erosion rates in the state*, due in part to relatively high levels of wave energy and

the easily erodible sand that makes up most of the Bay shoreline. The area has experienced, and will likely continue to experience, storm-driven erosion that results in losses of as much as 100 feet of beach during a single event." *Id.* at 55-56 (emphasis added). The erosion is exacerbated by the fact that CEMEX sand mining operations have removed more than 100,000 cubic yards of sand annually. *Id.*, at 56.

Commission Staff previously requested that CalAm provide an updated assessment using current Commission guidance of expected sea level rise and erosion rates. 2019 Staff Report, at 51. In particular, the Commission was concerned about wind erosion rates that had not been fully addressed. *Id.*, at 51-53. After considering the information produced, Coastal Commission Staff determined that the Project slant wells would be subjected to wind erosion risks beginning in 2040, and that due to expected dune recession, "active burial of the well heads by dune sand could start by 2040." *Id.*, at 52. The Project is expected to be in operation until 2080. *Id.*, at 53.

Consequently, CalAm would either need to remove and relocate the wells inland, or it would need to install protective measures to prevent burial. The first option is legally infeasible because CalAm cannot obtain an additional legal interest on the CEMEX lands. *Specifically, Sections 6.2(A) and (B) and 23.2 of the CEMEX Settlement Agreement bar CalAm from acquiring any new easement or other interest in the CEMEX property after June 15, 2017.* The only property interest that CalAm recorded prior to this date is a Memorandum of Option Agreement (but not the option agreement itself). This option is limited to two identified areas of 33.58 and 2.421 acres respectively. CalAm was not granted an easement until May 2018, and this easement purported (improperly) to modify and expand the easement area to 35.935 acres and 3.53 acres respectively. Thus, this easement fails to conform to the rights of record and is partially or fully invalid.

However, even more importantly, these CEMEX Settlement terms preclude CalAm from obtaining any future easement rights on the CEMEX property to move slant well facilities expected to be impacted or destroyed by coastal erosion or sea level rise during the Project lifetime. CalAm also cannot install protective measures because they would involve new impacts to ESHA and other coastal resources, which CalAm has already demonstrated it cannot mitigate to the maximum extent feasible as required under the Coastal Act.

This issue of coastal hazards was also a top concern for the City when it was evaluating the CDP. Although it is well understood that the effects of sea level rise and coastal erosion will be greater than previously assumed, CalAm refused to provide the City with current information using the updated Coastal Commission guidance to determine the realistic impacts of sea level rise on the Project facilities. Resolution, Findings 4-24 to 4-28. Now that more information is known about the significant impacts on the Project due to erosion and sea level rise, it is obvious that the CDPs must be denied because they are inconsistent with the Coastal Act and Marina's LCP.

C. Wetlands and Vernal Pond ESHA

Wetlands, vernal ponds and other groundwater-dependent ecosystems ("GDEs") are located in and near the City of Marina that are sustained by groundwater in the Dune Sand Aquifer, which is the uppermost aquifer where the Project's slant wells would be constructed. There are seven sets of ponds totaling about 25 acres that are managed by a comprehensive management plan that was prepared (with assistance from the Commission) and then adopted by the City in 1994. These vernal pond features have been extensively studied in the last year and have been determined to constitute special coastal ecosystems that are believed to be dependent on groundwater in the Dune Sand Aquifer. We will briefly summarize two reports, enclosed with this letter, that analyze these features.

On April 13, 2020, Formation Environmental prepared a Technical Memorandum regarding the GDEs that arose from its work in preparing the Groundwater Sustainability Plan for the Marina Groundwater Sustainability Agency. This Memorandum is enclosed herewith as **Exhibit 2**. The Memorandum summarizes the potential GDEs that were identified during the GSP preparation process and then confirms that they qualify as groundwater dependent based on different lines of data. Formation then analyzed whether these GDEs could be adversely affected by groundwater withdrawals by the proposed slant wells on the CEMEX Property in the coastal zone. The Memorandum concludes that there is a correlation between groundwater levels and biomass productivity in these areas (which is a key indicator of biological health) and finds that they constitute GDEs.

On July 30, 2020, WRA prepared a report entitled "Biological Resource and Groundwater Dependency Analysis of Marina Vernal Ponds," which is enclosed as **Exhibit 3** to this letter. WRA performed an assessment of biological resources at six of the seven identified Marina ponds. WRA updated earlier findings regarding the biological resources at the ponds and evaluated water salinity and water table characteristics at each of the six pond complexes. WRA concluded that there are a variety of sensitive biological communities at the ponds and many sensitive species that occur or are expected to be present. In a critical finding, WRA concluded that "all six ponds are reliant upon groundwater and should therefore be considered groundwater-dependent ecosystems." *Id.* at 31. Moreover, given the vegetation present, "all six ponds could therefore be adversely affected by future activities that cause groundwater drawdown." *Id.*

In August 2020, two consultants submitted to the Coastal Commission written critiques of Formation Environmental's April 13, 2020 report regarding the assessment and protection of these GDEs. In a report and a letter dated August 23 and August 22, 2020 respectively, enclosed collectively herewith as **Exhibit 6**, Formation responded to these critiques. In brief, this report and letter collectively find that: (1) Formation followed an appropriate "systematic evaluation" to determine if a potential GDE should be considered groundwater dependent; (2) the Formation analysis properly relied on "the available data to assess, based on the available guidance and best available and accepted science" to make its GDE determinations; (3) a GDE is not disqualified as a GDE if it receives some surface as "most GDEs are dependent on a combination of surface and groundwater;" (4) the extrapolations made by the CalAm report

D. Protection Of Coastal Waters And Marine Resources

1. Coastal Act Section 30233 Mandates Stringent Protections

Coastal Act Section 30233 affords stringent protections to open coastal waters by only allowing "[t]he diking, filling, or dredging of open coastal waters" for specific enumerated uses. Cal. Pub. Res. Code § 30233(a). Further, Section 30233 only permits those activities if (1) "there is no feasible less environmentally damaging alternative," and (2) "feasible mitigation measures have been provided to minimize adverse environmental effects." *Id.* The Coastal Act defines "[f]easible" as "capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technological factors." *Sierra Club v. California Coastal Com.*, 19 Cal. App. 4th 547, 555–56 (1993) (quoting Coastal Act § 30108) (internal quotation marks omitted).

Here, mitigation measures for the Project's brine effluent discharge would require "fill" activity in Monterey Bay's coastal waters. Although the Project arguably may fall under one of Section 30233's enumerated uses (a new coastal-dependent industrial facility),[2] CalAm's CDP application fails to meet Section 30233's two remaining requirements. First, the PWM Expansion provides a "feasible less environmentally damaging alternative" to the Project and its fill activity. Cal. Pub. Res. Code § 30233(a). Second, CalAm's CDP application's failure to identify the full extent of the Project's water quality impacts precludes the Coastal Commission from finding that CalAm's application provides "feasible mitigation measures . . . to minimize adverse environmental effects." *Id.*

2. Violations Of These Protections

Brine effluent is a byproduct of the Project's desalination process. CalAm plans to dispose of this brine effluent through the same outfall that Monterey One Water uses to discharge treated wastewater from its wastewater treatment facility. Staff Report, at 64. The existing outfall extends roughly 11,000 feet offshore in Monterey Bay and ends with a 1,100-foot diffuser with over 100 ports. *Id.*; Final EIR, at 4.13-23–4.13-24. Untreated, the brine effluent has the potential to impact water quality, so CalAm plans to blend it with treated wastewater from MRWPCA's wastewater treatment facility before discharging the mixture into the ocean. Staff Report, at 64. While the wastewater treatment facility discharges "about 17 mgd in the winter," that rate drops to "close to zero gallons" during the growing season when growers use the recycled water for irrigation. *Id.* In contrast, the desalination facility's output would be more consistent, generating about 9 mgd of brine effluent all year. Final EIR, at 5.5-60.

Because of the variation in discharges from the wastewater treatment facility, the Project's brine effluent would represent anywhere from not quite half to 100% of the total effluent conveyed through the outfall. Staff Report, at 64; Table 4.3-9, Final EIR, at 4.3-71.

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[2] The City believes, for the reasons set forth in Section V(A) herein, that the Project is not a "coastal-dependent" facility.

These discharges threaten to violate the Ocean Plan's requirement "that discharges into ocean waters from seawater desalination facilities not exceed two parts per thousand over natural background salinity levels as measured no further than 100 meters from the discharge points," particularly when the brine effluent is undiluted. Staff Report, at 64; Final EIR at 4.3-68; *see also* State Water Res. Control Bd., California Ocean Plan, Chapters III.M.3 (2019) ("Ocean Plan").

The Ocean Plan outlines discharge concentration standards and monitoring and reporting requirements for desalination facilities. *See* Ocean Plan at Chapters II, III.M.3–III.M.4. To comply with these provisions, the Final EIR sets forth two mitigation measures that require CalAm "to monitor, report and reduce the water quality impact associated with potential exceedances of the Ocean Plan water quality objective to a less-than-significant level." Final EIR, at 4.13-23. These mitigation measures specifically require CalAm to construct additional monitoring infrastructure. They will also likely require CalAm to make structural changes to the diffuser. Both of these involve the placement of structures in coastal waters in violation of Coastal Act Section 30233.

First, the Ocean Plan provides monitoring and reporting requirements for new desalination facilities. *Id.* at 4.3-92 (citing Ocean Plan at Chapter III.M.4). Desalination facilities must also "submit a Monitoring and Reporting Plan to the RWQCB for approval." *Id.* CalAm's monitoring program requires installing "water quality monitoring equipment at a minimum of four locations" in Monterey Bay. *Id.* at 4.3-94. Specifically, CalAm plans to "install several monitoring buoys offshore" before it "starts discharging its effluent." Staff Report, at 65. These buoys "would include a seafloor anchor, a package of sensors, floats, and other equipment." *Id.* at 65. And CalAm would also install a telemetry buoy with additional equipment. *Id.* Accordingly, Mitigation Measure 4.3-4 requires fill activity in Monterey Bay.

Second, the Ocean Plan sets forth general water quality requirements as well as specific salinity requirements for desalination facilities. *See* Ocean Plan at Chapters II, III.M.3. Mitigation Measure 4.3-5 requires CalAm to gather data to determine whether the Project's brine effluent discharges will meet the water quality objectives "for the full range of regulated water quality constituents specified in the Ocean Plan and NPDES water quality requirements." Final EIR, at 4.3-105. If the data shows that the Project's brine effluent discharges will not meet those standards, CalAm must employ "additional design features, engineering solutions, and/or operational measures to reduce the concentration of water quality constituents." *Id.* at 4.3-105–4.3-106. The Final EIR also identifies possible additional design features and operational measures with retrofitting the existing diffuser with inclined jets being both "[t]he most effective strategy," and the "most likely to be implemented." *Id.* at 4.3-106. Retrofitting the existing outfall diffuser requires installing inclined nozzles on the diffuser's check valves and/or replacing the diffuser's end gate opening with a check valve. *Id.* at 4.3-109.

In sum, both Mitigation Measure 4.3-4 and Mitigation Measure 4.3-5 require fill activity in coastal waters. CalAm may argue that fill activity under Mitigation Measure 4.3-5 is only speculative because CalAm must conduct monitoring before determining that additional water

quality mitigation efforts are necessary. However, CalAm's failure to submit complete data regarding the Project's potential water quality impacts prevents the Coastal Commission and other agencies from conclusively determining whether modifications to the existing diffuser will be necessary to comply with water quality standards. Based on these data gaps, the Final EIR "conservatively concluded that Ocean Plan water quality objectives could potentially be exceeded during operations for some operational discharge scenarios, resulting in a significant impact." Final EIR, at 4.13-103.

The Coastal Commission should likewise assume that the Project's brine effluent discharges could exceed water quality standards and that CalAm will have to employ one or more of the designs or operational features identified in Mitigation Measure 4.3-5. Furthermore, the Final EIR found that discharges may result in cyanide and ammonia levels exceeding or coming close to exceeding water quality standards, which would also trigger Mitigation Measure 4.3-5. *Id.* at 4.3-100. Because the Final EIR notes that the most likely mitigation option is retrofitting the diffuser, the Coastal Commission should presume that the Final EIR's mitigation measures will require fill activity in coastal waters by installing monitoring buoys and retrofitting the diffuser.

The Staff Report appropriately concludes: "Any of these Project aspects -- a potential diffuser retrofit, the proposed buoy installation, or the WEKO clamp replacement -- would involve placing fill in coastal waters in the form of new of modified structures." Staff Report, at 66. However, pursuant to Section 30233, such fill is only allowable if it meets the "override" tests that (1) there is no feasible less damaging alternative, (2) feasible mitigation measures have been provided to minimize adverse environmental effects, and (3) the project qualifies as a certain type of facility. The Report concludes: "For the reasons described in those Findings [regarding the Section 30260 override], the Project does not conform to Section 30233 because there is a less feasible and less environmentally damaging alternative project that will not require fill in coastal waters and because not all mitigation has been identified and imposed." *Id.* at 66.

The City of Marina agrees with Staff that: (1) the Project does not conform to Coastal Section 30233 because the PWM Expansion is a feasible and less environmentally damaging alternative Project that will not require fill activity in coastal waters, and (2) that the mitigation test has not been met. Accordingly, the Coastal Commission must deny CalAm's CDP applications based on its failure to meet the 30233 override criteria.

E. Depletion And Contamination of Groundwater Resources

The City of Marina believes that it is critically important to preserve and protect the clean and affordable groundwater that supplies 100% of its drinking water. Since CalAm is proposing to extract groundwater underneath the City of Marina rather than seawater from underneath the ocean, and because the Subbasin within which the slant wells would extract groundwater has been designated as one of only 21 "critically overdrafted" basins in California, the Project's massive groundwater extractions are very controversial. Since state-of-the-art hydrogeologic studies demonstrate that the Project is expected to cause severe adverse impacts on the amount and quality of groundwater in the Basin, it is evident that the Project's impacts on groundwater

will be inconsistent with Marina's LCP and the Coastal Act and that the CDPs therefore should not be approved by the Commission.

Coastal Act Section 30231 states that coastal development must not deplete groundwater supplies. *See* Staff Report, at 68; *see also* Coastal Act § 30200 (protection of marine environment and water quality). These goals are incorporated into Marina's LCP. In addition, State Board Resolution 2015-0033 (¶ 29), which adopts the Desalination Amendments to the California Ocean Plan, warns of the "potentially significant impacts to hydrology and water quality" occurring from desalination plant subsurface intakes, including the potential to cause or exacerbate saltwater intrusion or alter groundwater flow to freshwater aquifers and wells. It concludes that "a proposed facility that with [sic] apparent potential to result in such impacts is unlikely to be approved." Here, the Project threatens groundwater supplies in violation of Section 30231 and is contrary to the Desalination Amendment directives. Therefore, the City agrees with Staff's conclusion that "current evidence does not support a finding that Cal-Am's proposed Project is consistent with the groundwater protection provision of Coastal Act Section 30231."

The 2019 Staff Report concluded that there was not enough evidence to support a finding that the Project is consistent with Section 30231, that the Project would likely result in greater adverse effects on groundwater resources than were previously determined; and that additional groundwater modeling is needed to identify the extent to which the Project may deplete groundwater supplies. 2019 Staff Report Addendum, at 5, 9. Critically, the Coastal Commission determined that the Project "could adversely affect more of these 'nonseawater' supplies than had been previously identified, resulting in an inability to find that the project conforms to the provision of Coastal Act Section 30231 requiring that development prevent the depletion of groundwater supplies." *Id.*, at 7.

In addition to the impacts discussed above, there are additional groundwater impact issues. As the City has previously explained in comment letters, the EIR's analysis of groundwater impacts is deficient. The Project plans to pump 15.5 million gallons of groundwater every day from the "critically overdrafted" 180/400 Foot Aquifer Subbasin. Experts predict that such pumping will have huge adverse impacts, which have not been properly assessed in the EIR, on Basin groundwater. Prior to the EIR's certification, a groundbreaking report by the Stanford University Center for Groundwater Evaluation and Management research team revealed dramatic and important new information regarding actual Basin conditions, including the presence and distribution of higher quality groundwater, gaps in the aquitards (the ground layers between aquifers), the existence of a freshwater/seawater wedge retarding seawater intrusion near the site of Project slant wells, the water volumes of the aquifers, and other current Basin conditions. The report demonstrated that the actual Basin conditions are significantly different than assumed in the simplistic and outdated model used for the Final EIR. It also revealed that Project groundwater impacts would be much more severe and widespread than previously disclosed.

In 2020, Coastal Commission Staff requested further analysis from its consultant Weiss Associates of certain specified groundwater issues. Weiss issued a report entitled "*Independent Evaluation, Modification, and Use of the North Marina Groundwater Model to Estimate Potential Aquifer Impacts Associated With The Monterey Peninsula Water Supply Project*" dated July 10, 2020 ("Weiss Report"). Based on the Commission's direction, Weiss undertook a limited review of the defined groundwater issues (time did not permit the full review that Weiss thought was necessary).

At the City's request, Formation Environmental prepared a Technical Memorandum dated August 13, 2020 which reviewed the Weiss Report ("Formation Review"). A true and correct copy of the Formation Review is enclosed herewith as **Exhibit 4**. Among other findings, Formation Environmental emphasizes that the Weiss Report indicates that the amount of fresh water captured by the Project's slant wells will be several times greater than had previously been predicted in the Final EIR for the Project. Formation Review, at 5. This finding "raises concerns about … potential impacts that were not previously evaluated," including the following:

- "Potential . . . increased and more rapid depletion of drinking water resources in the DSA [Dune Sand Aquifer] and the 180-Foot Aquifer and the potential for increased seawater intrusion into the nearshore area;"
- Potential conflicts with SGMA "caused by the increased capture and depletion of freshwater resources;"
- "Increased groundwater impacts related to operation of the Project that were not considered or evaluated in the EIR (more freshwater capture and more drawdown at GDEs);" and
- Project changes needed because of the increased replacement water volumes required to be delivered to the Castroville District. *Id.* at 5-6.

Based on the Weiss Report calculations, Formation concluded that the Project would be expected to extract about 1.5 *billion* gallons of *fresh water* each year from this "critically overdrafted" Subbasin, which is a "4-fold to 7-fold increase in the estimated volume of fresh water" compared to what was calculated in the Final EIR. *Id.* at 12. In fact, based on the limitations in the approach Weiss used, Formation believes that the actual amount of extracted fresh water may be even greater. Formation concludes: "The evaluation conducted by Weiss indicates the Project will result in potentially significant impacts to freshwater resources, water rights holders and beneficial groundwater users and uses, and could interfere with sustainable groundwater management." *Id.* at 12-13.

One very important economic issue arising from the latest Weiss Associates report is the finding that it is possible that as much as 30% of the groundwater extracted by the Project could be usable groundwater. In addition to greatly depleting this usable groundwater, this very high percentage of groundwater would require CalAm, under its Return Water Settlement Agreement, to provide Castroville with much more return water at very low rates, driving up the cost to

CalAm's ratepayers for subsidizing this water. The Staff Report (at page 72) explains this economic concern, which is of particular import to CalAm's low-income ratepayers:

> If one or two wet years result in Cal-Am's return water requirements increasing from the expected 700 acre-feet per year to a possible 2,100 acre-feet per year, this would represent a need to subsidize about a third of Cal-Am's total water production of 6,250 acre-feet per year. That subsidy, which could range from about $3,000 to $5,000 per acre-foot, would substantially increase the costs for Cal-Am to produce and distribute each unit of water it provides.

These findings in the Weiss Report, as summarized by Formation, corroborate the findings of many other experts, based on new data and analyses in the last few years, that the Project's impacts on these groundwater resources will be much greater and broader in scope than predicted in the Final EIR. The Project will cause very severe groundwater supply depletion in this critically overdrafted Subbasin in contravention of Coastal Act Section 30231 and will make the already very high cost of desalinated water substantially higher. The Project is not consistent with Section 30231 and therefore cannot be approved.

F. Public Access And Recreation

The Coastal Act and the City's LCP have numerous provisions in place to protect public access to the coast and recreation at beaches. *See* Coastal Act §§ 30210, 30211, 30212(a), 30214, 30221; LCP Policies 1, 2, and 3. These policies ensure that the public is able to access the shoreline. The Project, however, would have short and potentially long-term adverse effects that are contrary to these public access and recreation policies. Staff Report, at 81. Therefore, Marina supports the Coastal Commission Staff's recommendation to deny the CDPs.

For example, during construction, there may be temporary traffic closures or detours near the beach to allow for the installation of the slant wells and the Project's source water pipeline. Staff Report, at 80. To install the modified diffuser components for the existing wastewater outfall, boats and divers would be active in the coastal waters and this could impact fishing or other uses. *Id.* Cumulatively, these construction activities will inhibit public access and recreational opportunities and are contrary to the Coastal Act and the City LCP policies.

Furthermore, due to the installation of the required outfall liner and the proposed clamp replacement, there may also be heavy equipment on the beach, placement of barriers and protective work zones around the installation, and other measures that would prevent lateral access along the shoreline for a period during the summer. As discussed in further detail in these comments, the outfall liner was not included in CalAm's CDP application. *See* Section II herein. Therefore, the full extent of its construction impacts and possible need for mitigation measures is not yet known and constitutes an independent reason to deny the CDPs.

During operation, there may also be impacts to public access and recreation because the Project is located on the CEMEX site, which includes an active sand mining operation that does not currently provide vertical access to the shoreline. City Resolution, Finding 2-1. By

December 2020, under the completed agency enforcement actions and approved settlement agreement, the CEMEX facility will stop operating and the site will thereafter be reclaimed and dedicated to conservation and public recreational use(s).

Unfortunately, CalAm has not provided documentation to assure that public access would be preserved and what, if any, lands CalAm intends to take out from public use, based on the permanent and access easements that CalAm claims on the CEMEX site. City Resolution, Finding 2-1. With respect to these easements, their size has inexplicably enlarged over time. A 2014 Memorandum of Option Agreement provided an easement size of approximately 33.5 acres for the permanent easement and approximately 2.4 acres for the access easement. Four years later, in May 2018, CalAm entered into an Easement comprised of a permanent easement of 36 acres and an access easement of 3.5 acres. The Coastal Commission should require that CalAm account for this discrepancy and explain how it is supposedly entitled to a larger and different easement than was noticed of record as of the effective date of the CEMEX Settlement Agreement.

Although Coastal Commission Staff found it difficult to predict how the Project would impact public access and recreation due to the lack of information (Staff Report, at 81), enough is actually known about the Project's impacts on public access and recreation to conclude that it is contrary to the Coastal Act and the LCP's policies. In fact, the easements stretch across the entire dunes to the water's edge, blocking both vertical and lateral access to the shore. Without any enforceable assurances from CalAm that public access will be protected, activities from construction, fencing, maintenance, and operation could occur anywhere within this 40-acre total area.

Such activities would directly conflict with the City's plans for the area once the CEMEX site is dedicated to conservation and public recreational use(s) pursuant to the CEMEX settlement agreement. In fact, the City has worked with a landscape architect to develop a conceptual plan that would include a parking lot, educational center, boardwalk system, beach platform, and picnic area that is wheelchair and otherwise accessible to the public in this area. This area is particularly special because the City has only two flat access points to the water and this area is one of those access points. Therefore, losing access to this area due to the Project's construction and operation activities within the easement area is contrary to the Coastal Act, the City's LCP policies, and the City's plans for this area. The Project is not in conformance with Coastal Act and Marina LCP public access requirements and must be denied on this basis.

IV. Environmental Justice Considerations Mandate Denial Of These Coastal Development Permits.

The Commission Staff's environmental justice concerns form an important part of its recommendation that the Commission deny the CDPs for CalAm's Project. At the outset, Commission Staff recognizes that "[t]he Project also involves the most significant environmental justice concerns the Commission has considered since it adopted an Environmental Justice Policy in 2019." Staff Report, at 2.

The 2019 Environmental Justice Policy was carefully developed by the Commission and addresses both procedural and substantive environmental justice issues. Among other provisions, the policy states:

- **Equity**: "Equity is at the heart of the Coastal Act."
- **Equitable Access**: "The Commission will use its legal authority to ensure equitable access to clean, healthy, and accessible coastal environments for communities that have been disproportionately overburdened by pollution or with natural resources that have been subjected to permanent damage for the benefit of wealthier communities."
- **Climate Change**: "Low-income communities are more vulnerable to climate-driven water quality and supply issues that can result from seawater intrusion, contamination from extreme storm events, and drought. The Commission will take this reality into consideration when analyzing the effectiveness and the impacts of sea level rise adaptation and mitigation measures as well as implementation of those measures."
- **Avoid Disproportionate Effects**: The Commission's intent "will be to ensure that low-income communities and communities of color, and other disadvantaged communities are not disproportionately affected by water contamination or overuse, or diminished environmental services such as those provided by healthy ecosystems, fully-functioning wetlands, and clean waters and lands in the coastal zone."

These and other portions of the Environmental Justice Policy are directly implicated by the extensive coastal and other impacts that would be caused by the Project. The City commends Commission Staff for their thorough investigation of environmental justice issues, particularly for the Marina, Seaside and Castroville communities of concern. The City also appreciates the Commission's decision which allowed remote testimony from Marina City Hall for the November 14, 2019 hearing as a procedural recognition of the time and travel difficulties for members of these communities.

The Staff Report undertakes a robust analysis of environmental justice issues posed by the Project. Staff Report, at 86-101. The Report carefully identifies the pertinent communities of concern, assesses the socioeconomic and demographic characteristics of these affected communities, and then addresses their substantive environmental justice concerns. The Staff Report divides the communities of concern into two categories, which we will address in turn.

The first category of affected communities of concern are those that are within CalAm's Monterey District service area, which includes Seaside and Sand City. The Report notes that this service area "currently pay among the highest water rates in the country" and that, based on a MPWMD report, if the Project is implemented and other expected rate increases are imposed, an average residential ratepayer's water bill could nearly double by 2023. *Id.* at 93. The Report

concludes: "The Commission believes that the project will exacerbate the disproportionate burdens on low-income ratepayers as a result of rising rates from the construction and operation of the proposed Project." *Id.* at 95.

Some of the underserved Seaside residents interviewed by the Commission stated that they were concerned that the economic hardship caused by the rate increases "would eventually push them out of this currently affordable coastal community." *Id.* at 95. The Commission appropriately recognized that "[a]lthough coastal access is typically viewed through the lens of providing and protecting recreational infrastructure and other amenities for the public to visit and enjoy, viewing it through the environmental justice lens illustrates that an affordable cost of living is a fundamental part of coastal access for nearby residents." *Id.*

The second community of concern is the disadvantaged residents of the City of Marina, where most of the Project's impacts would occur. According to the Staff Report, 66% of the population of Marina are persons of color, and 33% of the City's population has income below the 200% federal poverty level threshold. *Id.* at 88-89. Further, as the Staff Report observes, "The city [Marina] has a disproportionate amount of nearby industrial development including a regional landfill, regional composting facility and regional sewage plant, all of which serve areas outside Marina. Nearby Fort Ord is a contaminated site listed on the U.S. EPA's national priorities list." *Id.* at 89. Moreover, "Marina also has a thriving culture of committed public engagement, and many residents care deeply about the future of their town." *Id.* at 90.

The Staff Report also takes a close look at the relative environmental justice Project benefits to the disadvantaged community of Castroville, which under the Return Water Settlement Agreement would receive an amount of "return water." Although the Staff found that Castroville would receive the benefit of affordable water, these benefits were more than offset by the Project detriments to other similarly disadvantaged communities. The Staff Report explained this finding as follows:

> Castroville residents would therefore be afforded a discounted rate on the desalinated water. But other Cal-Am ratepayers, many of whom are similarly disadvantaged, would absorb that cost. Those higher rates would disproportionately burden low-income ratepayers in Cal-Am's service area, including Seaside. The discount to Castroville would also not offset impacts to the underserved communities of Marina, Seaside, and others throughout the service area. Although Castroville has 3,742 individuals with income below 200 percent of the federal poverty level, the number of individuals with income below the same poverty guideline in Marina and the CalAm service area is 27,525, or approximately 7 times greater (see Table 2). Similarly, while Castroville has a larger proportion of people of color living in its jurisdiction, a greater number of people of color live throughout the service area and Marina combined (see Table 1). In other words, the benefits of this project going to one community of concern would come at the expense of the other underserved communities.

Staff Report, at 97-98.

Based on this extensive analysis, the Staff Report appropriately reached the following conclusions relating to environmental justice:

> For the reasons described above, the Commission finds that although the proposed Project would benefit one underserved community, Castroville, it will disproportionately burden a greater number of residents within communities of concern in Seaside and elsewhere within Cal-Am's service area by increasing potable water costs significantly more than the identified alternative water supply project. *The proposed Project also results in adverse coastal resource effects within the community of Marina that is already disproportionately burdened by many other industrial uses and would receive none of the project benefits. There is a long history of government institutions allowing unwanted industrial development to be concentrated in underserved communities of color without their consent. Approving yet another would perpetuate this discriminatory land use practice in Marina.*
>
> As addressed in Section II.O [of] this report, the Commission finds that the Pure Water Expansion Project is a feasible alternative to the proposed Project with fewer environmental justice impacts than Cal-Am's Project. It would provide adequate current and future water supplies to meet the area's water needs in a more affordable manner and would also eliminate adverse coastal impacts and reduce environmental justice concerns consistent with the Commission's Environmental Justice Policy and Coastal Act Sections 30604(h) and 30107.3.

Staff Report, at 101.

As a result of these and many other adverse project impacts on these communities of concern discussed herein, the City agrees with the Coastal Commission Staff recommendation that the "appealed" and "consolidated" coastal development permits sought by CalAm should be denied.

V. The Project Fails To Qualify For An "Override" Under Coastal Act Section 30260.

Coastal Act Section 30260 authorizes a local coastal agency or the Coastal Commission to authorize certain types of industrial facilities that are inconsistent with Coastal Act policies if they can meet four stringent criteria. Specifically, Section 30260 provides that "new or expanded coastal-dependent industrial facilities" can be permitted if the following tests are met:

> (1) alternative locations are infeasible or more environmentally damaging; (2) to do otherwise would adversely affect the public welfare; and (3) adverse environmental effects are mitigated to the maximum extent feasible.

Thus, to qualify for a Section 30260 approval, which essentially overrides inconsistencies with LCP and Coastal Act policies, a project must satisfy each of four tests:

- That the Project qualifies as a "coastal-dependent industrial facility;"
- That alternative locations are infeasible or more environmentally damaging;
- That failure to authorize the Project at the CEMEX site "would adversely affect the public welfare;" and
- That adverse environmental effects are "mitigated to the maximum extent feasible."

The Marina Planning Commission, in its March 7, 2019 decision denying the CDP for the Project, found that the Project fails to meet any of these four tests. The 2019 Coastal Commission Staff Report agreed that the Project does not qualify for a permit under the Section 30260 "override" provisions. The Staff Report disagreed with Marina and found that the Project qualifies as a "coastal-dependent industrial facility," but agreed with Marina that the Project does not meet any of the three alternatives, public welfare, or maximum mitigation tests. 2019 Staff Report, at 101-105. We will examine each issue below.

A. Not A Coastal-Dependent Industrial Facility

The City agrees that the Project as a whole qualifies as an "industrial facility," but as the Planning Commission Resolution reflects, the City believes that it is not a "coastal-dependent" facility. The Coastal Act and the City's LCP do not define the term "coastal-dependent industrial facility." The only helpful legal guidance on point is provided in Coastal Act Section 30101, which defines the broader term of "coastal-dependent development or use" as "any development or use which *requires* a site on, or adjacent to, the sea to be able to function at all." (Emphasis added.)

The Planning Commission explained its reasoning as follows:

> The proposed Project does not qualify as a "coastal dependent industrial facility." Although it was originally envisioned as a facility that would draw seawater from beneath the ocean floor, the location of the proposed slant wells was moved landward during the time that the application was pending at the CPUC. At the present time, the slant wells are proposed to be drilled into two groundwater aquifers within the Salinas Valley Groundwater Basin (the Dune Sand Aquifer and the 180-foot Aquifer) that are located beneath Marina land and it appears that no or only a tiny fractions of the screened portions of the wells are seaward of the mean high water mark. Rather than being dependent on the extraction of seawater from beneath the ocean floor, these wells are designed to extract brackish groundwater contained within this groundwater basin that would be desalinated for drinking water purposes.

As the Planning Commission further explained, the Project does not have an open ocean intake which requires it to be located right on the ocean, its slant wells do not extend under the

ocean, and the seawater intrusion maps developed by the County reflect that brackish water extends inland as much as five miles from the coastline. In these circumstances, where the Project is only planning to process brackish groundwater, it is not a facility "which requires a site on, or adjacent to, the sea to be able to function at all." Rather, as the Planning Commission found, "[g]iven all of these undisputed facts, this Project could function in any of the many locations within the Basin in which saline intrusion has occurred." *Id.*, Finding 5-3.

The Staff Report analysis on this point is unpersuasive. The Report states that the proposed well field is located to "extract primarily seawater from beneath the seafloor and the shoreline of Monterey Bay" and that the source water pipeline must be here to transport the water from these slant wells. Staff Report, at 149. To the contrary, as Planning Commission Finding 5-1 explains, the undisputed facts reflect that the slant wells do not go beneath the seafloor and they do not need "seawater" to operate. Rather, they are designed to process brackish water and in fact will be significantly cheaper to operate if the salt content is lower. The source water wells could be located away from the coastline within the dozens of square miles of saline groundwater within the seawater intrusion zone, thereby avoiding all coastal impacts. Since the wells would be in another location, the source water pipeline would not be needed within the coastal zone either.

For all of these reasons, the Project is not eligible for a Section 30260 override because it does not qualify as a "coastal-dependent industrial facility."

B. A Feasible And Less Environmentally Damaging Alternative Is Available

A Section 30260 "override" can only be granted if "alternative locations are infeasible or more environmentally damaging." Similarly, Coastal Act Section 30233 (which authorizes an "override" when fill is occurring in ocean waters if three criteria are met) provides that it is only allowed "where there is no feasible less environmentally damaging alternative."

The Staff Report includes a very detailed analysis of the feasible and viable alternative of the expansion of the Pure Water Monterey Project ("PWM Expansion"). As the Staff Report recognizes, the Commission "now has an independent obligation to consider alternatives to the project based on current information." Staff Report, at 107. To do so, the Report takes a close look at the original PWM project and the proposed PWM Expansion and undertakes a comprehensive comparison of the proposed Project and the PWM Expansion in the areas of feasibility, water supply and demand, project objectives, adverse environmental impacts, and areas of uncertainty. *Id.* at 109-46.

The Staff Report concludes that both the PWM Expansion and CalAm Project are feasible, with the PWM Expansion having clear and significant advantages in ratepayer costs (only one-third the price for water), almost no environmental impacts, and no environmental justice impacts. *Id.* at 109-15. In terms of water supply and demand, the Report determines that "[a]lthough Cal-Am's desalination facility would provide more water than would the Pure Water Expansion, *either project, when combined with Cal-Am's other available water sources, would provide more than adequate water supplies for the current and expected future demands* and

would allow the water system to conform to the state's design and capacity requirements." *Id.* at 115 (emphasis added). The Report also essentially concludes that both projects would meet the EIR Project objectives and criteria. *Id.* at 133-40.

The Report concludes that the PWM Expansion has far fewer adverse environmental impacts than CalAm's Project. It states: "the Cal-Am Project would have significant adverse effects on several coastal resources, including environmentally sensitive habitat areas and endangered or threatened species.... Its effects on marine life and ocean water quality have not yet been determined. The Pure Water Expansion would have few, if any, adverse effects on coastal resources, as it would be located entirely outside of the coastal zone and would be constructed largely on an existing industrial site. It would also be greenhouse gas neutral, as it would use electricity generated from landfill gasses." *Id.* at 140. Both projects were found to have various uncertainties. *Id.* at 141-45.

The Staff Report concludes, based on this extensive 40-page analysis, as follows:

> Staff believes, after weighing the evidence in the record at this time, that the Pure Water Expansion is a feasible alternative to Cal-Am's Project, will allow Cal-Am to cease its illegal water withdrawals from the Carmel River and meet the region's water needs, and is the preferable, least environmentally damaging alternative. The Pure Water Expansion would also result in fewer environmental and economic burdens to the communities of concern within Cal-Am's service area, would avoid environmental burdens to the City of Marina, and appears to have fewer significant hurdles to clear before it could be implemented. ... *Staff recommends finding that the Project is inconsistent with relevant Coastal Act and LCP policies and that the Commission may not approve the project despite those inconsistencies because the PWM Expansion is a feasible, less damaging alternative that will adequately provide water and protect the public welfare.*

Staff Report, at 3-4 (emphasis added).

The City agrees completely with these findings, which are supported by myriad documents in the Commission record developed over the last 18 months. The City wants to emphasize that the PWM Expansion also is correctly sized for the anticipated demand of CalAm's Monterey District for at least the next 24 years and likely many years beyond that. In September 2019, the General Manager of the Monterey Peninsula Water Management District issued a new report analyzing the latest water supply and water demand figures for this service area. The Report found that the PWM Expansion, combined with the other assured water supply sources other than the CalAm desalination project, would meet all anticipated future water demand until at least 2043 and under almost all scenarios for decades thereafter. This significant new information, prepared by the agency with the expertise to make this determination, demonstrates that this is a feasible alternative with significantly fewer environmental impacts than CalAm's Project.

The City of Marina asked a well-known water demand and supply expert, Dr. Lon House of Energy and Water Consulting, to provide a peer review of a water demand/supply report prepared by the Monterey Peninsula Water Management District ("MPWMD") in September 2019 and then updated in December 2019 and March 6, 2020, and to respond to a report prepared by a CalAm consultant that criticized the MPWMD report. Dr. House's Report dated April 2020 is enclosed herewith as **Exhibit 5**.

At the outset, Dr. House observed that MPWMD is the agency charged by the California Legislature with making these water supply/demand determinations. Its enabling legislation requires it to file annual reports on present and future water demand and supply in this district. Water Code Appendix § 118-350(b). He then examined the MPWMD demand and supply projections and found them to be reasonable and accurate and consistent with his own calculations. He concluded that "the expansion of the Pure Water Monterey project will meet area water demands through 2050 and at lower water rate impacts than the MPWSP." *Id.* at 13.

Dr. House also addressed a key issue that is often lost in water supply/demand debates: the interrelationship of water price and water demand. *Id.* at 10-12. He first observes: "MPWSP desal water is very expensive, running 22 times as much as the most expensive current supply (Carmel River) and 3 times as much as PWM Expansion water." He then notes that the MPWSP is composed primarily of fixed costs, estimated at over $30 million per year, that will need to be recovered no matter how much water it produces. If, as expected, the desalination plant is running far below capacity, the price of the water will become increasingly expensive due to the fixed costs, such that if only 1,500 afy of water is produced in a year, CalAm ratepayers will need to pay the equivalent of over $21,000 per acre foot, which is more than three times the already very expensive cost of about $6,000 per acre foot if full capacity is reached. These astronomical costs will hit low income customers particularly hard.

Dr. House concluded as follows: "The MPWSP is simply too expensive water. Adding a capital project that costs an additional $30M annually regardless of whether it operates or not and costs about $1,255 per af when it does operate presents an unacceptable burden on the area, particularly when there are less expensive options available that will meet area water demands." *Id.* at 13.

C. Public Welfare Balance Compels Denial

The Staff Report undertakes a robust and balanced evaluation of the public welfare implications of the Project. The Report acknowledges CalAm's need for a new water supply and explained the requirements of the Cease and Desist Order first issued by the State Water Resources Control Board in 1995.

However, the Report also carefully examines key countervailing public welfare concerns, including the end of CEMEX sand mining, the availability of the feasible PWM Expansion, the significant environmental justice issues summarized in great detail by the Report, and the avoidance of groundwater resource impacts. *Id.* at 151-152. For all of these reasons, the Report, concludes that "denying the proposed project would not adversely affect the public welfare."

On the contrary, denying the project "is likely to lead to implementation of a project alternative that would benefit the public welfare." The project therefore does not meet the second test of Section 30260. Staff Report, at 152-53

We will briefly address and provide a little more context in each of these areas. At the outset, it is important to note that the "public welfare" determination is fairly unique to Coastal Act determinations. The Final EIR for the Project and the CPUC permit decision did not make any determination regarding whether and how the Project would affect the "public welfare." Rather, it is up to the local coastal agency and the Coastal Commission to make this determination in the coastal development permit context.

The Marina Planning Commission, in its denial decision, made the following analysis of the individual components of the public welfare impacts of the Project on the City:

> (1) the City will bear the primary burden of the construction and operation of the Project, but will not receive any desalinated water that the Project produces; (2) the Project threatens the integrity of the groundwater basin on which the City is 100% dependent upon for its drinking water; (3) the Project would permanently destroy important ecosystem ESHA on which many species depend; (4) the Project threatens to completely undermine the decades-long efforts by the City to end the destructive sand mining operations on the CEMEX site in favor of conservation and recreation, and would be replaced by yet another environmentally impactful use; (5) the Project would greatly impair the business environment and social fabric of the Marina community; and (6) the Project would have other impacts on public access and coastal resources discussed above.

The Settlement Agreement that will end the CEMEX sand mining by December 2020 is a very important factor in both the Staff Report denial recommendation and Marina Planning Commission CDP denial for the Project. Marina was involved for decades in efforts to end the sand mining activities on the CEMEX site, which was an environmentally destructive use of these resources. In 2017, after combined enforcement actions by the Coastal Commission, the City and the State Lands Commission, a comprehensive settlement agreement was entered into with RMC Pacific Minerals, doing business as CEMEX, to end this use.

The environmental justice impacts of the Project, addressed in great detail in the Staff Report (pages 68-76), also provide a compelling reason for finding that denying the requested permits would not adversely affect the public welfare, but in fact would promote it. The Marina Planning Commission made the following public welfare findings in this context:

> The Planning Commission finds that adverse environmental justice impacts on Marina would also be significant. The City is a unique community, with a working-class ethnic population, many of whom do not read or speak English. It is a "disadvantaged community" under federal and state definitions, with a census track that is one of the most burdened in the State. The Planning Commission

also finds that the Project would impose an unfair and disproportionate burden on Marina.

Due to its illegal extraction/diversion of water from both the Seaside Basin and Carmel River, CalAm has been ordered to reduce (Seaside Basin) or eliminate (Carmel River) its water use from these sources. However, it is important not to substitute the adverse impacts of this historic unlawful activity with a Project that causes a new set of environmental depredations on another community (Marina). The Monterey area needs a regional water solution that does not impose major social, cultural, economic and environmental impacts on certain communities for the benefit of others, and this is an overriding imperative for the entire region.

For all of these reasons, the City continues to fully support the determination in the Staff Report that the Project does not meet the "public welfare" prong of the Section 30260 "override" test, therefore compelling denial of an override for these requested CDPs.

D. No Mitigation To The Maximum Extent Feasible

The third of the stringent Section 30260 "override" tests is that the adverse environmental effects of the Project must be "mitigated to the maximum extent feasible." Under the City's LCP, these impacts must be "fully mitigated." Although the Staff Report states that there is no need to reach this third test because the first two Section 30260 tests are not met, the Staff Report concludes that "the Commission finds that the project does not meet the third test of Section 30260." Staff Report, at 153.

The Staff Report bases this determination on (1) the Project's ESHA impacts ("the Project's adverse effects on ESHA could be fairly extensive – up to about 35 acres of terrestrial ESHA – yet Cal-Am's currently proposed mitigation strategy would result in a net loss of ESHA"); (2) the Project's inconsistencies with the City LCP's coastal hazards provisions; (3) the outfall liner impacts which have not yet been fully evaluated; and (4) the Project's impacts and necessary mitigation measures on groundwater resources.

As explained above, in June 2020, CalAm submitted an HMMP to Coastal Commission Staff which it believes is appropriate to mitigate the Project impacts to the coastal ecosystems. However, as the City's coastal consultant, Dr. Mike Josselyn, determined in his expert report enclosed as **Exhibit 1** herein, this HMMP is woefully deficient in multiple respects and fails to meet the "maximum mitigation" standard required for a Coastal Act Section 30260 override determination. Accordingly, this key override test is not met.

In sum, the City strongly agrees with the findings in the Staff Report which demonstrate that the Project's adverse impacts have not been mitigated to the "maximum mitigation" and "fully mitigated" standards required by Section 30260.

VI. New Information of Substantial Importance Exists.

The Coastal Commission is a responsible agency pursuant to CEQA. CEQA Guidelines § 15096. Therefore, it must analyze the previously prepared EIR, which was prepared by the CPUC and MBNMS, and reach its own conclusions on the EIR's adequacy and whether it should approve the project. *Id.* at § 15096(a). Additionally, if the Coastal Commission were to approve the Project then it is required to consider alternatives and mitigation measures that would mitigate or avoid the direct or indirect effects of the Project. CEQA Guidelines § 15096(g)(1). Indeed, the Coastal Commission is *prohibited* from approving a project if it "finds any feasible alternative or feasible mitigation measures within its powers that would substantially lessen or avoid any significant effect the project would have on the environment." CEQA Guidelines §15096(g)(2); *see also RiverWatch v. Olivenhain Municipal Water Dist.,* 170 Cal. App. 4th 1186, 1207 (2009) ("if a responsible agency approves all or part of a project without first considering an EIR that has been or is being prepared by the lead agency and without making required findings, the responsible agency has not complied with CEQA and its approval must be set aside"). But the Coastal Commission is also within its power to deny the Project "in order to avoid direct or indirect environmental effects of that part of the project which the Responsible Agency would be called on to carry out or approve." CEQA Guidelines §15042.

Here, Coastal Commission Staff recommends that the Commission *disapprove* the CDPs and the City of Marina supports this conclusion. If the Commission denies the Project, then the Coastal Commission will not be called upon to consider new information that has come to light since the Final EIR was certified. With a denial, the Coastal Commission also will not be required to consider alternatives or mitigation measures within its powers which are feasible and would substantially lessen or avoid any significant effect of the Project, adopt findings for those impacts within the scope of its jurisdiction, or adopt a reporting or monitoring program and/or a statement of overriding consideration. CEQA Guidelines §§ 15043, 15093, 15096; Pub. Res. Code § 21081.6.

However, if the Coastal Commission *rejects* staff's recommendation and decides to *approve* the Project (which it should not), it is required to conduct subsequent or supplemental environmental review before it approves the CDPs. This is because new information of substantial importance exists. In particular, the CEQA Guidelines explain that a subsequent or supplemental EIR must be prepared if, based on substantial evidence in light of the whole record, one or more of the following events occur:

> (1) Substantial changes are proposed in the project which will require major revisions of the previous EIR due to the involvement of new significant effects or a substantial increase in the severity of previously identified effects;
>
> (2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or

> (3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the negative declaration was adopted, shows any of the following:
>
> > (A) The project will have one or more significant effects not discussed in the previous EIR or negative declaration;
> >
> > (B) Significant effects previously examined will be substantially more severe than shown in the previous EIR;
> >
> > (C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
> >
> > (D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

CEQA Guidelines § 15162.

Here, substantial evidence shows that the Project may have one or more significant effects not discussed in the CPUC's Final EIR and that a feasible alternative exists that would substantially reduce one or more significant effects on the environment; therefore, at least two of the triggering conditions in Section 15162 have occurred. CEQA Guidelines § 15162 ("no subsequent EIR shall be prepared for that project unless the lead agency determines, on the basis of substantial evidence in the light of the whole record, one of more of the following [triggering actions has occurred]"); § 15164 ("The [agency's] explanation [to not prepare a subsequent EIR pursuant to Section 15162] must be supported by substantial evidence."). In such situations, case law makes clear that the requirement to perform subsequent or supplemental review is mandatory: "[i]f qualified new information thereafter develops, a supplemental or subsequent EIR must be prepared in connection with the next discretionary approval, if any." *Fort Mojave Indian Tribe v. Department of Health Services,* 38 Cal. App. 4th 1574 (1995).

To be specific, there is new information of substantial importance regarding (1) the feasibility of the PWM Expansion project, (2) impacts to the groundwater basin, and (3) Project impacts to Marina's vernal pools and coastal wetlands. CEQA Guidelines §§ 15162, 15163. First, new information demonstrates that the PWM Expansion is a feasible alternative to CalAm's Project. A recent analysis by the Monterey Peninsula Water Management District reflects that the PWM Expansion is not only feasible but also the superior project. It would provide sufficient water for this service area for the next two decades, it would produce water at one-third of the cost of expensive desalinated water, it would have virtually no environmental impacts, and it can be on-line before CalAm's Project. In light of this new information of

substantial importance, the Coastal Commission should find that the PWM Expansion project would need to be evaluated in a subsequent or supplemental EIR.

Second, significant new information has emerged about the Project's impacts to Basin groundwater. Indeed, the Coastal Commission's independent review of groundwater impacts found that the Project would likely result in greater adverse effects on groundwater resources than were previously determined. 2019 Staff Report Addendum, at 5, 9. This constitutes significant new information that must be analyzed in a subsequent or supplemental EIR.

Third, as described in detail in Section III(C) herein, the Project is expected to have extensive impacts on Marina's nearby protected vernal ponds and wetlands.

Also, there is new information about the landward groundwater gradients that will dominate regional groundwater flow throughout the life of the Project. To be clear, recent data apparently shows that the hydraulic gradient has switched from landward to seaward and, with this switch, significant groundwater impacts likely would result. However, the CPUC disregarded this significant new information about the landward groundwater gradient and the resulting impacts. Here, to the contrary, the Coastal Commission should conclude that subsequent or supplemental review is necessary to analyze the new information relating to groundwater impacts. CEQA Guidelines § 15162.

In short, the Coastal Commission should find that there is significant new information that has developed since the CPUC certified the Final EIR. As a result, if the Coastal Commission decides to approve the CDPs (and it should not), then it must prepare a subsequent or supplemental EIR to evaluate the PWM Expansion project as a feasible alternative, the Project's impacts to groundwater, and the Project's impacts on these coastal wetlands. Further, subsequent or supplemental review must occur before any approval. Failing to do so will amount to an abuse of discretion for failure to proceed in a manner required by CEQA. Pub. Res. Code Sections 21168, 21168.5.

VII. The Project Would Interfere With The Coastal Commission's Affirmative Public Trust Duty To Protect The Coast.

The public trust doctrine creates an affirmative and ongoing fiduciary duty in all California public agencies, including the Coastal Commission, to protect and preserve public trust resources for the benefit of all Californians and future generations. *National Audubon Society v. Superior Court*, 33 Cal. 3d 419, 446 (1983) ("The state has an affirmative duty to take the public trust into account in the planning and allocation of water resources, and to protect public trust uses whenever feasible."); *see also Marks v. Whitney*, 6 Cal. 3d 251 (1971) (public trust protects environmental and recreational values).

The doctrine is well suited to accommodate changing public needs. It has evolved to include "not just navigation, commerce, and fishing, but also the public right to hunt, bathe or swim." *San Francisco Baykeeper, Inc. v. State Lands Commission,* 242 Cal. App. 4th 202, 233 (2015) (internal quotation and citations omitted). As the Court in *San Francisco Baykeeper*

consisting of wetlands and vernal ponds -- connected to and supported by the Dune Sand Aquifer could be impacted by the Project's operations. As discussed in the Draft GSP, Chapter 3.2.6.1.2, nearby potential GDEs include "riverine wetlands and riparian habitat along the banks of the Salinas River, and palustrine and emergent wetland areas that are seasonally flooded in depressions south in the City of Marina. Furthermore, despite the GDEs sometimes seasonal nature, they are considered coastal wetlands and they provide habitat and cover for migratory waterfowl and a number of animals, including the endangered black legless lizard." *Id.*

The hydrological conditions in the Dune Sand Aquifer, and possibly the 180-Foot Aquifer, are akin to those in the *Environmental Law Foundation* case. Thus, the court's holding (that the public trust doctrine applied to the groundwater that was hydrologically connected to surface water) is directly applicable here. As such, the Coastal Commission is under a duty to protect the resources sustained by the interconnected groundwater that the Project will likely adversely impact. *San Francisco Baykeeper, Inc.*, 242 Cal. App. 4th at 233; *see also National Audubon Society*, 33 Cal. 3d at 446. The public trust would be best served by denying the CDPs.

VIII. The Project Is Fatally Flawed Because It Lacks Any Current Water Rights And Has No Reasonable Or Accepted Path Forward To Obtain Such Rights.

It is undisputed that the Project lacks any current water rights to extract groundwater from the Basin. CalAm has no overlying water rights, no existing appropriative rights, and no existing prescriptive groundwater rights for the Project in the Basin. Indeed, it has no accepted future path forward to obtain any *overlying* water rights because it will not be using the water on land it owns within the Basin. It also is barred from establishing future *appropriative* water rights in "surplus water" because it is undisputed that this basin is "critically overdrafted." Finally, since the Sustainable Groundwater Management Act ("SGMA") bars appropriators from obtaining *prescriptive* water rights in high priority basins after January 1, 2015, CalAm missed the deadline for establishing future prescriptive rights in the Basin.

CalAm also does not have any recognized permit path forward to obtain such water rights. Instead, CalAm apparently plans to assert at a later time that it is creating "salvaged water" or "developed water," which is "surplus" to the water currently in the Basin and which, therefore, supposedly will be available. That claim is based on CalAm's unsupported belief that any groundwater in which the Total Dissolved Solids ("TDS") exceed 500 milligrams per liter ("mg/l") is "waste" because it supposedly is not available for "beneficial uses" by Basin users. CalAm cannot identify even one case in which water rights have been established on a salvaged/developed water theory involving brackish groundwater.

There are also many other fatal flaws in CalAm's assertion. First, this analysis ignores the State Water Resources Control Board's Resolution No. 88-63, which states that *all* groundwater in the State (regardless of its TDS concentration) is presumptively considered suitable or potentially suitable for the drinking water beneficial use and it establishes a 3,000 mg/l threshold of TDS for determining suitability. The groundwater that CalAm hopes to extract is thus suitable or potentially suitable for this beneficial use and cannot constitute "waste." Moreover, the State Board does not classify brackish groundwater as "waste." Rather, "waste" is

defined as "sewage and any and all other waste substances [...], associated with human habitation, or of human or animal origin, or from any producing, manufacturing, or processing operation, including waste placed within containers of whatever nature prior to, and for the purposes of, disposal." Cal. Water Code § 13050(d). Brackish groundwater is not "waste."

Even if CalAm could articulate a recognizable legal theory to obtain a water right (which it cannot), its attempt to establish the right will be barred because it cannot meet its burden to prove that the Project "will not harm or cause injury to any other legal user" of the groundwater. This "no injury" rule has been a bedrock principle of California surface water and groundwater law since the 1800s. A landmark California Supreme Court case applied the "no injury" rule to exports from groundwater basins. *Allen v. Cal. Water and Tel. Co.*, 29 Cal. 2d 466 (1946). In short, CalAm's future ability to establish a future water supply is completely speculative and almost certain not to be established because of the lack of current water rights, the overdrafted state of the Basin, the lack of any recognized basis for the supposed future right, the dramatic impact of SGMA, and the multitude of state water rights legal requirements that will prevent establishment.

Finally, the groundwater withdrawal and export restrictions that apply to the CEMEX property where the slant wells would be drilled bar the Project's proposed groundwater extractions and export. In 1996, the owner of the CEMEX property entered into an Annexation Agreement and Groundwater Mitigation Framework for Marina Area Lands that limits future groundwater extractions from the CEMEX property to 500 afy and bans any export of the groundwater to users outside the Basin. These restrictions are binding on all successors and assigns. The Project's proposed extractions of 17,300 afy and its export of almost all of the produced water clearly violate these restrictions. The City of Marina has filed litigation addressing this issue in Monterey County Superior Court, and this litigation is currently pending.

IX. Conclusion

For all of the reasons set forth above, the City of Marina fully supports the recommendation of Coastal Commission Staff, in its August 25, 2020 Staff Report, that the Commission deny the appealed and consolidated coastal development permits sought by CalAm for the Project. Although a considerable amount of new information has been developed by or submitted to Commission Staff over the ten months since the November 2019 hearing in this matter, this information fully supports and does not change the key underlying Coastal Act and Marina LCP considerations that led to the original Staff denial recommendation.

The Project continues to be fatally inconsistent with Coastal Act and City of Marina LCP policies regarding ESHA protection, coastal hazards, wetland protections, groundwater depletion, public access and marine resource protection. It violates many of the basic principles

of the Coastal Commission's new Environmental Justice Policy. It fails to meet any of the stringent tests to receive an override under Coastal Act Sections 30260 and 30233. In sum, the Coastal Commission must deny these Coastal Development Permits.

Very truly yours,

Paul P. "Skip" Spaulding, III

PPS:vak
Enclosures

Exhibits
1. WRA HMMP Report 7/29/20
2. Formation Environmental Technical Memo (GDEs) 4/13/20
3. WRA Biological Resource Report 7/30/20
4. Formation Environmental Report (Groundwater Impacts) 8/13/20
5. Dr. Lon House Report Water Demand and Supply Report April 2020
6. Formation Environmental Report and Letter (GDEs) 8/23/20 and 8/22/20

cc: Layne P. Long, City Manager
Members of the Marina City Council
Robert Wellington, Marina City Attorney
Deborah Mall, Assistant Marina City Attorney
Robert Rathie, Assistant Marina City Attorney
Tom Luster, Coastal Commission

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MARINA EXHIBIT 1

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ENVIRONMENTAL CONSULTANTS

ANALYSIS OF CAL-AM HABITAT MITIGATION AND MONITORING PLAN
Monterey Peninsula Water Supply Project
Appeal to Coastal Commission on City of Marina LCP Denial
A-3-MRA-19-0034

Prepared for

City of Marina
211 Hillcrest Avenue
Marina, CA 93933

July 29, 2020

Purpose

The purpose of this report is to provide the City of Marina (City) with a technical review of the Habitat Mitigation and Monitoring Plan as submitted to the Coastal Commission in June 2020 for the Monterey Peninsula Water Supply Project (MPWSP or Project).

Background

The MPWSP is a desalination project proposed by Cal-Am that involves the installation of slant wells and ancillary infrastructure within Primary and Secondary Habitat constituting Environmentally Sensitive Habitat Areas (ESHA) within the jurisdiction of the City of Marina's LCP. The City of Marina Planning Commission denied a Coastal Development Permit (CDP) for the Cal Am Project, finding that the Project was inconsistent with the applicable coastal land use plans and Coastal Act requirements. The City's denial was based on a number of findings, including the lack of sufficient mitigation to meet the City's policy that industrial projects within Primary and Secondary Habitat, if allowed, be "fully mitigated". Cal-Am subsequently appealed the City's decision to the California Coastal Commission. The CCC staff prepared a report (Staff Report) on October 28, 2019 that recommended denial of the CDPs for the proposed Project facilities within the coastal zone. A public hearing was held by the CCC on November 14, 2019, but no action was taken by the Commission.

The proposed Project, as described in the Staff Report, has significant impacts to Environmentally Sensitive Habitat Areas, is inconsistent with the Coastal Hazards provision of the City of Marina's LCP, and there is an alternative to the proposed project that is feasible and less damaging. The Staff Report found that the Project did not qualify for approval under Section 30260 of the Coastal Act under the two of three tests because there is a feasible and less damaging alternative to the Project using the Pure Water Monterey Expansion water supply project and because denial of the Project would not harm public welfare and in fact, would result in excessive burdens to City of

Marina citizens and some ratepayer communities, many of whom are communities of color and low income.

The Staff Report determined that the third test, where the proposed project's impacts were mitigated to the maximum extent feasible, was not met; however, the staff deferred any detailed review on this requirement Section 30260 because the project failed the first two tests. The City of Marina denied Cal-Am's application due, in part, to the refusal of the applicant to provide a Habitat Mitigation and Monitoring Plan (HMMP) and a Long Term Management Plan (LTMP). The Commission Staff Report found that the City was within its authority to require such documentation and that mitigation required under the Coastal Act can be significantly more than under CEQA. The Coastal Commission cannot make a determination under (1) Section 30260, or (2) for the appeal of the City CDP decision under the "fully mitigated" standard specified in the City's Local Coastal Program (LCP), without an HMMP that contains the information that the Coastal Commission's incomplete notice requested from Cal Am.

The Staff Report found that the "mitigation strategy" document as submitted by Cal-Am with its application was not consistent "with Commission guidance and past approvals" as to what is required to provide adequate mitigation. The Staff Report found a number of inconsistencies, including reliance on an "in-lieu fee approach"; the strategy only dealt with impacts at the CEMEX site; the areas proposed for mitigation are currently undisturbed and functioning dune habitat; the proposal would result in a net loss of habitat acreage; and permanent and temporary impacts could total up to 35 acres.

Significance of Flandrian Dune Habitat and Need for Robust Mitigation Plan

The Project is proposed within a unique and very significant coastal dune habitat known as Flandrian dunes. The Coastal Commission considers this habitat as ESHA and the City categorizes it as Primary Habitat with equivalent protections to ESHA. Flandrian dunes are a unique habitat bordering Monterey Bay. This habitat has developed on large sand dunes that shift over time by wind and wave action. It once covered extensive areas of the coastline in Monterey Bay south of the Salinas River. Sand mining, development, and recreational use have severely impacted these coastal dunes. In addition, the encroachment of non-native (exotic) species planted for erosion control, such as iceplant and Holland dune grass, have severely affected its diversity.

The presence of over 30 special status species, including seven plants and four animal species listed as threatened or endangered, at this location within the Flandrian dune habitat and their complex linkages justify considering the entire coastal dune habitat as an Ecosystem ESHA (WRA 2019). Compensatory mitigation for individual species is largely inadequate when considering how to restore an entire ecosystem. Rather, mitigation for such ecosystem-level ESHAs must consider the foundational aspects of the habitat as well as the interactions between species. Due to the difficulty of restoring these types of ecosystem-level ESHAs, avoidance of these sensitive habitats must be given the highest priority when evaluating projects. If impacts are unavoidable, measures that minimize impacts to the habitat are preferred. Only after such consideration will compensatory mitigation that replaces lost habitat be evaluated. A robust HMMP is necessary for the Coastal Commission to accomplish each step of this mitigation analytical framework.

The applicable Coastal Commission LCP update guide (2013) states that Natural Resource Components of LCPs should include "requirements for ensuring complete and detailed restoration and monitoring plans for projects involving habitat mitigation and restoration" (CCC 2013). It is also typical for the Coastal Commission to require preparation of HMMPs, Restoration Plans, or comparable documents during its review of a project, particularly for controversial projects or projects involving impacts to federal and/or state listed species. It is critically important for the Coastal Act permitting agency to have the necessary biological foundation to be able to evaluate the adequacy of the mitigation action.

Given the importance of Flandrian Dune habitat in the region, a specific restoration and/or creation plan must be provided that takes degraded or non-ESHA habitat and restores it to the quality that is required to assure that the ecosystem processes that occur within this habitat are replaced and fully mitigated. These Coastal Act requirements are more stringent than a CEQA level mitigation to reduce the Project's impacts to less than significant levels.

Another reason why habitat replacement is necessary is that the area where the permanent impacts for the well sites and access road are occurring was designated in the CEMEX settlement agreements (which settled the combined enforcement actions of the Coastal Commission, the City, and the State Lands Commission) as an area where the CEMEX Reclamation Plan would restore native dune habitat. In other words, in the absence of the Applicant's Project, the three public agencies have already been assured that this area would be dune habitat in the future. The net loss of habitat, if Applicant's Project is allowed, must be replaced in kind elsewhere. There are, in addition, indirect impacts associated with the Project in that the proposed Reclamation Plan will need to be revised to allow for stabilization of dunes in the areas surrounding the wells and the roads. Given the natural forces that shape the dunes and create conditions suitable for specific plant and animal species, these indirect effects also need to be mitigated.

Under both the Coastal Commission and City LCP requirements, a Long Term Mitigation and Monitoring Plan (LTMP) must also be prepared and submitted. Given the known threats to dune habitats in the region from invasive plants, actions are needed to manage these habitats over the long term to assure their viability.

WRA Review

WRA performed a Technical Review of the MPWSP project and its impact on Primary and Secondary Habitat for the City on February 7, 2018 and prepared comments to the Coastal Commission dated October 17, 2019. The reviews found numerous inadequacies in the application materials and the complete failure of the Project to meet the standards for adequate mitigation as required by the City and the CCC. Among other findings, WRA determined that the total "fully mitigated" habitat area within the City's LCP jurisdiction that needed to be replaced was 50.72 acres (Table 1). Cal-Am did not provide a HMMP or LTMP to the City (in early 2019) or the CCC (in fall 2019) that met the standards of either agency.

Table 1. Primary and Secondary Habitat Recommended Habitat Replacement Ratios (WRA 2019)

Resource	Area of Impact (acres)	FEIS/FEIR Mitigation Ratio / Area (acres)	Recommended Fully Mitigated Habitat Replacement Ratio / Area (acres)
Primary habitat – permanent impacts	2.21 acres	2:1 ratio 4.42 acres	3:1 ratio 6.63 acres
Primary habitat – temporary impacts	6.45 acres	1:1 ratio 6.45 acres*	3:1 ratio 19.35 acres
Secondary habitat – temporary impacts	12.37 acres	1:1 ratio 12.37 acres *	2:1 ratio 24.74 acres
Total	21.03 acres	23.24 acres	50.72 acres

*Temporary impacts proposed to be restored in place

In June 2020, the MPWSP submitted an HMMP to the California Coastal Commission. WRA has reviewed that HMMP and provides the following comments to the City and Commission staff:

Lack of Overall Management Plan for Restoration

The proposed project will occur on property that is subject to protection under a Consent Settlement Agreement and Cease and Desist Order (Agreement) and related agreements signed in June 2017. The parties to the Agreement (CEMEX, City of Marina, and Coastal Commission) determined that the property, including the area proposed under the HMMP, will be sold at a reduced price to an entity approved by the Coastal Commission that will commit to holding and managing the site for conservation purposes and other allowable uses. At this time, there is no indication that funding and management of the property will not occur as anticipated in the Agreement.

If the property is purchased by the State, any activities proposed in this HMMP would be subject to approval by the State and the land subject to lease to MPWSP should it be permitted to undertake mitigation on the property. In addition, it is expected that once a government or non-profit entity has acquired the property, a restoration and management plan will be prepared to identify the types of restoration actions needed and where they may occur. The management plan will likely include other measures for the protection of habitat, phasing of restoration actions, public access, and research and educational actions. A recent management plan prepared for Salinas River State Beach provides an example of the issues that need to be planned before major actions are undertaken[1].

The proposed MPWSP HMMP here has been prepared in a vacuum and there is no certainty that the MPWSP proposal will be consistent with restoration goals of the entity that will be purchasing the land until such a management plan is prepared. As a result, there is no assurance that the

[1] Central Coast Wetlands Group and Coastal Conservation and Research. 2020. Salinas River State Beach: Dune Restoration and Management Plan. 53 pages

restoration actions as proposed would occur as described until an overall management plan is prepared.

Funding for Purchase of Restoration Area

The HMMP provides three options for completion depending upon the timing of the property transfer. Under the first option, Cal-Am would develop, implement, and fund the HMMP prior to the transfer of the property[2]. Under the second option it would fund implementation of the HMMP to be undertaken by another entity. Under the third, Cal-Am would fund an endowment equal to the cost to implement the HMMP and long term mitigation and Cal-Am also states that it would "contribute to the purchase of the CEMEX site". Cal Am should be responsible for funding (or reimbursing the purchaser) for the land acquisition to meet the mitigation requirements under all options, if mitigation is approved within this area. Funds should be sufficient for any buffer areas or additional lands as needed to fully mitigate project impacts (see below).

Fully Mitigated Requires Restoration of Slant Well Site at End of Project Life

The Coastal Commission Staff Report noted that the previously submitted "mitigation strategy" by MPWSP would result in a net loss of habitat. While restoration of coastal dunes through invasive plant removal and replanting is a needed restoration action, the permanent loss of important Flandrian dune habitat at the project site is not replaced. Restoration of the area of the slant wells should be included in the HMMP when the wells are no longer being used or the project life has ended. All areas around the slant wells will be reclaimed by CEMEX so the slant well pads and access roads should be returned to a natural state consistent with the surrounding area. The HMMP should include a restoration plan for the slant wells consistent with the reclamation plan and Cal-Am should be responsible for its implementation.

Amount of Mitigation Required is Understated

The HMMP is focused on mitigation for permanent impacts of approximately 2.2 acres. It describes the actions that MPWSP will take to mitigate that impact at 3:1 through removal of invasive plant species, revegetation with native species, and compliance with performance standards within five years. WRA found that within the City of Marina, there were also impacts that Cal-Am characterizes as "temporary" to Primary Habitat (6.45 acres) and to Secondary Habitat (12.37 acres). The total impacts within the City of Marina LCP jurisdiction are 21.03 acres (Table 1). The Staff Report found up to 35 acres of permanent and temporary impacts; however, no detail was provided.

The proposed MPWSP HMMP concurs on the amount of permanent impacts to Primary Habitat; however, it describes temporary impacts as 6.26 acres to Primary Habitat and 4.46 acres to Secondary Habitat for a total of 15.31 acres due to additional avoidance measures during the design phase. The City has not been provided with these drawings for verification and this should be done as part of the evaluation of the HMMP proposal.

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[2] Under the Agreement, CEMEX cannot provide any party use of the property until it is transferred unless specifically approved by the Executive Director of the Coastal Commission (Section 6.2B).

MPWSP states that all restoration in areas of temporary impact "will be concurrent with Project construction"; however, it does not provide a time table to verify that they would qualify under CCC precedents in regard to restoration within one year of impact[3]. The MPWSP application states that temporary impacts would occur to Primary Habitat on the CEMEX property over a 17-month period, plus additional time for testing. Temporary impacts to Secondary Habitat along the TAMC ROW would occur over a 15-month period[4]. Pipeline installation would occur in segments, with excavation and backfilling occurring within one year; however, seeding or other revegetation activities would not likely occur until the entire pipeline is installed and tested to ensure proper function.

Thus, the time between initial disturbance and restoration to pre-project conditions in both primary and secondary habitat areas could well be longer than one year[5]. Therefore, the temporary impacts must be considered permanent impacts and are subject to the 3:1 mitigation ratios. In that case, the amount of mitigation described under the HMMP would not meet the standards normally required by the Commission and the HMMP as submitted does not provide any detail on the other areas that would be restored Ito meet this mitigation requirement.

The schedule for the implementation of the HMMP will be delayed to some period after the construction according to Table 7-1. It should be concurrent with the project implementation or additional mitigation should be required due to the time delay in implementation.

Issues Affecting Likelihood Of Success

Ice plant cover is extensive adjacent to the areas where Cal-Am is proposing removal, especially in the western portion of the proposed mitigation area. Other projects have found that re-invasion from surrounding populations can affect the ability to meet long term performance standards.[6] Given that these areas may be reinvaded by invasive species due to the surrounding conditions, the City's "fully mitigated" standard will not be met. A buffer area for removal of invasive plants of 100 meters around the restoration site is necessary to assure long term success of the mitigation and to achieve full ecological function.

The HMMP discusses the agricultural runoff to the mitigation site as a cause of the degradation of this area. The HMMP does not confirm that this runoff has ceased and, if not, it will continue

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[3] In their denial of the Foothill Transportation Corridor project (CC-018-07), the Commission wrote that it has generally considered "temporary" impacts that result in destruction of vegetation or alteration of the soil, especially those lasting one year or more, to be equivalent to permanent impacts. Such areas require restoration and hence the loss of habitat function may be considerably longer than the "temporary impact." In addition, there will be uncertainty regarding the success of the restoration. For those reasons, a mitigation ratio greater than 1:1 is generally appropriate.

[4] An easement agreement proposed with the TAMC states the temporary construction easement is expected to require up to the full 100 foot width for construction activities for a two year period, not 15 months as stated in the application.

[5] In CC-0003-19 (UPRR), the Commission staff wrote "While all ESHA impacts are defined as temporary by UPRR, the Commission has historically considered wetland and ESHA disturbances up to a year to warrant mitigation and be treated, for mitigation purposes, similar to permanent impacts."

[6] Tidal Influence. 2009. Newport Beach Dunes Restoration Project. Dune Vegetation Monitoring Report

to adversely affect the site. The excess water will promote invasive species. No plan is provided to address continued agricultural drainage to this area and its effect on the ability of the site to meet the performance standards. If the agricultural runoff cannot be diverted from this area, the proposed mitigation will not be successful and therefore, not feasible.

Proposed Optional Mitigation within Existing Reclamation Plan

The HMMP proposes to undertake an additional 1.825 acre iceplant removal area. However, this area is within the Reclamation Plan to be implemented by CEMEX. A revegetation plan prepared by LSA for the Reclamation Plan already proposes to remove ice plant and revegetate with native species. Cal-Am states that its proposed work is not required but it is offering it as part of the HMMP but includes this area within its summary on mitigation provided (Table 3.4). However to qualify as an additional mitigation, this work would need to be done in areas outside of the Reclamation Plan.

No Long Term Management Plan Or Endowment Provided

Monitoring is only proposed for 5 years pending meeting the performance standards. No Long Term Maintenance Plan (LTMP) as required by the City (beyond the 5 year monitoring program) is included in the document. As a result, the costs associated with long-term management actions are unknown and cannot be determined for the endowment. A LTMP is needed in order to determine if the endowment is sufficient to provide for success of the mitigation area for the duration of the operation of the slant wells. It is well known that iceplant can recolonize dune habitats and overtake native habitats (NPS 2015)[7]. Maintenance actions to control ice plant within the mitigation areas will be necessary and need to be continued for the life of the proposed Project to assure that the impacts to dune habitat are fully mitigated. Once these costs have been determined, the financial instrument(s) to assure that the funds are available to the entity responsible for the mitigation sites are available in perpetuity. A process of accounting should be provided so that should the endowment not be sufficient to assure long-term success, Cal-Am will retain responsibililty for additional funding to the endowment.

Contingency measures should identify additional areas for restoration should the performance standards not be met after a certain period of time due to factors that cannot be remediated.

Lack of Approval of HMMP from Resource Agencies

The City and the Commission should receive confirmation from the US Fish and Wildlife Service and the California Department of Fish and Game that the HMMP is acceptable to them. The Biological Opinion issued by the Service stated that no Habitat Mitigation and Monitoring Plan had been submitted by the applicant but was required prior to construction and subject to Service approval. No action has been finalized as of yet by the California Department of Fish and Game

[7] National Park Service. 2015. Coastal Dune Habitat Restoration Projects: Why is Dune Restoration Important? Last updated February 28, 2015. (Available online: https://www.nps.gov/pore/learn/management/planning_dunerestoration_importance.htm)

as it relates to an Incidental Take Permit (ITP) so the Commission cannot be certain that the Department concurs with the proposed HMMP. In its comments on the ITP application, the Department found that the calculation of temporary and permanent impacts were not consistent for the species and additional information was required. The Department found that the compensatory mitigation proposed may not be sufficient to fully mitigate for the proposed taking. Most notably, the Department concluded that "it is not clear if the proposed compensation for Project impacts is commensurate with the level of take for each species listed in the IPT application." The Commission should confer with the Department on its recommendation prior to final approval.

Sea Level Rise

MPWSP must also address sea level rise as it relates to the longevity of the proposed mitigation area for the duration of the proposed project life. A sea-level rise and shoreline retreat analysis using the Commission's most recent guidance should be done for the mitigation area to assure that the area will be present during the life of the Project slant wells.

MARINA EXHIBIT 2

TECHNICAL MEMORANDUM

ASSESSMENT AND PROTECTION OF GROUNDWATER-DEPENDENT ECOSYSTEMS NEAR THE PROPOSED MONTEREY PENINSULA WATER SUPPLY PROJECT SLANT WELLS, MARINA, CALIFORNIA

PREPARED FOR: Mr. Layne Long and Mr. Brian McMinn, City of Marina

PREPARED BY: Mike Tietze, CHG, George Paul, PhD and Emily Tozzi, M.S., CPSS and Certified Arborist, Formation Environmental, LLC

DATE: April 13, 2020

REGISTERED GEOLOGIST MICHAEL TIETZE No. HG 63 EXP. 04/30/21 CERTIFIED HYDROGEOLOGIST STATE OF CALIFORNIA

1 INTRODUCTION

Formation Environmental, LLC (Formation) has prepared this Technical Memorandum at the request of the City of Marina (City) to describe key information regarding wetlands, vernal ponds and other groundwater-dependent ecosystems (GDEs) in and near the City that are sustained by groundwater in the Dune Sand Aquifer, which is the uppermost aquifer that underlies the area south of the Salinas River and near the coast. Slant wells are proposed to be installed into the Dune Sand Aquifer near the coast as part of the proposed Monterey Peninsula Water Supply Project (MPWSP) and would be pumped to provide raw water for desalination ("makeup water"). This memorandum identifies potential GDEs, summarizes the results of assessments to verify whether they are reliant on shallow groundwater, reviews selected regulatory, planning and legal requirements for the management of GDEs, and examines the potential effect of water extraction from the proposed slant wells on protected GDEs in the area that are in hydraulic communication with the Dune Sand Aquifer.

During preparation of the Groundwater Sustainability Plan (GSP) for the Marina Groundwater Sustainability Agency (MGSA) Area of the 180/400 Foot Aquifer Subbasin (Subbasin), Formation characterized the hydrogeologic setting, water budget and existing beneficial uses of groundwater in the vicinity of the City of Marina (Figure 1). The assessment included evaluation of the aquifer system and its potential interaction with groundwater-connected surface water and GDEs located near the MGSA Area. The MGSA Area includes the proposed location for the MPWSP slant wells. During the assessment, several GDEs and potential GDEs were identified in the area between the coast and the Salinas River in the vicinity of the City which is projected to be affected by drawdown induced by water extraction from the proposed slant wells.

This memorandum presents the methods and results of the investigation to identify and characterize GDEs in the area near the City south of the Salinas River, assess whether they may be impacted by pumping of raw makeup water for the proposed MPWSP, identify important data gaps; and provide

recommendations for future investigation, monitoring, and management. The investigation generally followed steps outlined in the guidance document developed by The Nature Conservancy (TNC) for the identification and evaluation of GDEs (TNC 2018). The following sections are included in this memorandum:

- Section 2 - Describes the procedures used to identify mapped potential GDEs from existing databases and to confirm their connection with groundwater based on local data.
- Section 3 - Presents a characterization of the GDEs, including a description of the associated aquifer system characteristics, and a summary of the GDE's ecological conditions.
- Section 4 - Provides information regarding the potential effect of groundwater withdrawals from the proposed MPWSP slant wells on the GDEs, including hydrologic effects and potential ecological / biological changes.
- Section 5 - Outlines regulations applicable to the management of the GDEs.
- Section 6 - Presents our recommendations for GDE management and proposed procedures to address data gaps.
- Section 7 - Lists the references cited in this memorandum.

2 IDENTIFICATION OF GDES

2.1 IDENTIFICATION OF POTENTIAL GDES

To address the requirements of California Code of Regulations Title 23 (23 CCR) Section 354.16(g), Formation used the best available information to identify potential GDEs near the MGSA Area that could be affected by groundwater extraction and management. We identified these features by using the "NC Dataset Viewer" of the Natural Communities Commonly Associated with Groundwater (NCCAG) database[1] compiled by the California Department of Water Resources (DWR) in collaboration with TNC and the California Department of Fish and Wildlife (CDFW) (DWR 2018; Klausmeyer *et al.* 2018). Figure 2 shows the location of potential GDEs in the area underlain by the Dune San Aquifer within the vicinity of the MGSA Area based on the NCCAG dataset.

The NCCAG dataset was derived by compiling data regarding seeps, springs, wetlands and vegetation communities from a number of sources (CDFW, United States Department of Agriculture [USDA] Forest Service, United States Fish and Wildlife Service [USFWS], California Department of Forestry [CDF], and US Geological Survey [USGS]), and screening them to identify the location and extent of springs, seeps, wetlands, riparian vegetation and other habitats and vegetation communities that are commonly dependent on groundwater. The potential GDEs shown in Figure 2 include both wetland and vegetation

[1] *The Department of Water Resources' Naturol Communities Commonly Associated with Groundwater dataset is available at: https://gis.water.ca.gov/app/NCDatasetViewer/*

GDEs. Based on information in the NC Dataset and the TNC's GDE Pulse[2] website, the potential GDEs mapped near the MGSA Area are described as follows:

- Potential GDEs in the Coastal Zone in and near the City include the following:
    - Potential Wetland GDEs - Palustrine, emergent, scrub shrub and unconsolidated bottom, permanent, seasonally, semi-permanently and permanently flooded wetlands.
    - Potential Vegetation GDEs - Willow (*Salix* spp.) and willow shrub vegetation.
- Potential GDEs located along the Salinas River include the following:
    - Potential Wetland GDEs - Palustrine, scrub shrub, emergent, riverine, tidal and unconsolidated bottom, permanent, seasonally flooded, permanently flooded and fresh-tidal wetlands.
    - Potential Vegetation GDEs - Riparian, flooded and swamp forest, freshwater marsh, wet meadow and low shrub carr.[3]

Several of the potential GDEs identified in the Coastal Zone near the City are identified as "vernal ponds" that are afforded specific protection and management under several land use plans. These vernal ponds consist of wetlands, seasonal ponds and perennial ponds that are believed to be remnants of marshes that occurred within the Salinas River floodplain approximately 12,000 years ago, and were subsequently covered by encroaching coastal sand dunes (The Habitat Group 1994). These ponds are described in the City's planning documents as water pools that expand during the wet season and support marshy wetlands that provide habitat for plants and animals much of the year (City of Marina 2013a). They represent unique coastal ecosystems that are important stopover points for migratory waterfowl and provide habitat to a number of sensitive plant and animal species. The City's Local Coastal Plan, certified by the California Coastal Commission (CCC) on April 20, 1982, guides development within the coastal zone in Marina and recognizes the importance and unique nature of these vernal ponds, which are designated for protection as Environmentally Sensitive Habitat Areas (ESHAs) under the California Coastal Act.

A request for development of a Comprehensive Management Plan (CMP) was initiated in 1990 by the CCC in response to development pressures around the City's vernal pond resources. The City engaged stakeholders in a collaborative effort to prepare the CMP. A Technical Advisory Committee comprised of representatives from the City, Monterey Peninsula Regional Park District (MPRPD), California Department of Fish and Game (CDFG, now CDFW), CCC, Sierra Club, residents, and other interested stakeholders was also established to guide development of the plan. Four meetings were held with the Technical Advisory Committee. A public meeting was held on March 18, 1993, to present preliminary findings on the resources of the ponds and solicit comments from the public on management issues. A second public meeting was held on November 18, 1993, to present the draft plan and solicit comments on the proposed

[2] *The Nature Conservancy tool GDE Pulse is availoble at https://gde.codefornature.org/#/home*

[3] A carr is a waterlogged wooded terrain that represents a succession stage between a marsh and the likely eventual formation of a riparian forest. Carrs are wetlands that are dominated by shrubs rather than trees.

management plan recommendations. The final CMP was adopted on February 15, 1994 (*Coastal/Vernal Ponds Comprehensive Management Plan,* The Habitat Restoration Group 1994). It identifies guidelines for the preservation, management and enhancement of these wetland resources, and identifies specific measures to be conducted at each pond to preserve, protect, and enhance sensitive resources. This includes seven ponds, including two hypersaline vernal (i.e., seasonal) ponds, two freshwater perennial ponds, two freshwater vernal ponds, and one fresh to brackish pond that functions as a perennial pond in most years. Table 1 lists the location and current ownership / management of these vernal ponds.

TABLE 1. VERNAL PONDS IN THE COASTAL ZONE NEAR MARINA

Pond	Location	Current Ownership/Management
Pond 1: Robin Drive Pond	West of Lake Drive	City of Marina
Pond 2: Lokke-Paddon Park	Reservation Road and Seaside Avenue	City of Marina
Pond 3: Marina Landing Pond	Reservation Road and Beach Road	Private/City
Pond 4: Marina Coast Water District Pond	North of Reservation Road West of Hwy 1	Marina Coast Water District
Pond 5: Marina State Beach Pond	South of Reservation Road West of Hwy 1	California Department of Parks and Recreation
Pond 6: Armstrong Ranch Ponds	West of Hwy 1	Private (unincorporated land outside City of Marina Limits)
Pond 7: Lake Drive Pond	West of Lake Drive	City of Marina

Source: City of Marina Local Coastal Program Land Use Plan (City of Marina 2014a)

Ponds 3, 5, and 6 are located closest to the MGSA Area:

- Pond 3 – Marina Landing Pond is south east of the MGSA Area.
- Pond 6 – Armstrong Ranch Complex Ponds is immediately to the east of the MGSA Area.
- Pond 5 – Marina Cost Water District Pond is south of the MGSA Area.

As shown on Figure 2, several additional similar wetland areas are located north of the Armstrong Ranch Complex Ponds, including several within the Salinas River National Wildlife Refuge.

2.2 VERIFICATION OF GROUNDWATER CONNECTION

To verify the connection of the mapped potential GDEs to groundwater, the depth to groundwater mapped in the uppermost aquifer underlying the area was compared to ground surface elevations in the area to assess whether (1) depth to groundwater meets the criteria for a potential groundwater connection; and (2) the spatial distribution of shallow groundwater coincides with locations where GDEs are mapped. To do this, a map of the groundwater table elevation in the Dune Sand Aquifer in April 2018 was prepared based on data from shallow groundwater monitoring wells located in the area and

the groundwater table elevation was subtracted from the ground surface elevation in the USGS Digital Elevation Model for the area. The area of comparison only includes the area where groundwater levels could be reliably interpolated from the available data. The results are presented in Figure 3.

As shown in Figure 3, the locations of the shallowest depth to groundwater coincided with the locations of mapped potential GDEs associated with the Armstrong Ranch Pond Complex. TNC suggests a depth to groundwater criterion of 30 feet to assess the potential groundwater connection of GDEs (TNC 2018); however, for shallow-rooted herbaceous wetland species, shallower depths may be more appropriate. In the area of the Armstrong Ranch Pond Complex, the depth to groundwater was interpreted to be approximately 2 to 5 feet. These ponds are "dry" but still occupied by freshwater marsh species except during portions of the rainy season when there is surface water present. Per TNC guidance, these GDEs should be considered and managed as being groundwater connected unless additional data indicate they will not be harmed by groundwater withdrawal. Hence, they are simply referred to as "GDEs" or "identified GDEs" in the subsequent portions of this document.

The identified GDEs were then further evaluated by assessing the relationship between groundwater levels and summer evapotranspiration (ET) at one of the ponds of the Armstrong Ranch Pond Complex. Vegetation ET is directly proportional to biomass productivity and release of water to the atmosphere through transpiring plants or direct evaporation. In a Mediterranean climate, soil moisture is typically expected to be sparingly available in the summer, and in the absence of irrigation or a surface water source, vigorous plant growth and correspondingly high ET is typically expected to indicate transpiration of groundwater. An analysis of summer (June, July, and August) evapotranspiration from 2010 through 2018 was conducted using data developed by Formation under contract to DWR. The analysis applied the surface energy balance method (Paul *et al.* 2018) to calculate ET on a 30-meter grid using remote sensing data generated by the Landsat Satellite mission and local meteorological data. The results are presented in Figure 4 and show summer ET was significantly higher within the footprint of the pond than in the surrounding area, which is indicates groundwater evapotranspiration. The calculated ET values in the pond varied with depth to groundwater in the nearby monitoring well (MW-4S). ET ranged from approximately 5 to 10 inches from 2010 to 2013, then decreased as groundwater levels fell during subsequent years to approximately 1 to 5 inches in 2014 and 2015, and 1 to 3 inches in 2016. In 2017, ET increased to approximately 3 to 10 inches as groundwater levels recovered. In 2018, ET was approximately 5 to 12 inches.

This analysis (1) demonstrates a distinct correlation between groundwater levels and ET from the wetland, and (2) illustrates its sensitivity to groundwater level declines. The best available data thus strongly support that this wetland is groundwater reliant, and for the purposes of groundwater management, confirm the existence of a GDE at this location. We believe that this wetland is likely representative of the groundwater and ecological features of the other protected vernal ponds in Figure 1, and that this conclusion can and should be extrapolated to those as well, and they should be considered and managed as identified GDEs. The other coastal wetlands near the City occur in similar settings and include perennial ponds with water surface elevations in the range of 0.5 to 5 feet above mean sea level (amsl), which is similar to groundwater table elevations in the Dune Sand Aquifer.

Therefore, the remaining wetland GDEs in the Coastal Zone near the City should also be managed as GDEs.

In addition, groundwater levels in the Dune Sand Aquifer near the Salinas River are relatively shallow, indicating the river is likely in communication with the Dune Sand Aquifer in this area. The following data support this conclusion:

- Measured groundwater elevations in wells within this area range from 6 to 8 feet amsl, which is less than 20 feet below the lowest elevation within the Salinas River (i.e., the thalweg) in this area (MGSA 2020).
- In early 2016, groundwater elevations measured in the shallow cluster monitoring wells (MW-6, MW-8 and MW-9) near the Salinas River showed a rapid and pronounced groundwater elevation increase (up to approximately 7 feet) which was closely correlated with a rise (from 2 to 20 feet) in the Salinas River stage at the Spreckels gaging station (GSS 2019).
- Geophysical data collected in 2017 indicate that groundwater elevations in the Dune Sand Aquifer are close to the river stage elevation and decline away from the river, suggesting that the river is recharging the aquifer in this location, and is therefore interconnected (Gottschalk *et al.* 2018).

Based on the above information, the mapped potential GDEs along the Salinas River are likely to be dependent on shallow groundwater that is hydraulically connected to the regional aquifer system in this area. Shallow groundwater levels near the river are likely maintained by infiltrating river water; however, they would also be affected by groundwater level declines. Thus, these potential GDEs should also be considered and managed as identified GDEs.

3 RESOURCE CHARACTERIZATION

3.1 AQUIFER CHARACTERISTICS

Figure 5 shows the area south of the Salinas River in the vicinity of the City where the GDEs discussed in this memorandum are located is underlain by highly permeable Quaternary dune sands. The Dune Sand Aquifer is contained within these sands and is the predominant unconfined aquifer in the Marina and Fort Ord areas. It is composed of fine- to medium-grained, well sorted, aeolian sand of Pleistocene to Recent age that extends offshore and up to 4 miles inland. At the coast near the MGSA Area, these deposits extend to depths up to 85 to 95 feet beneath the ground surface.

Within much of the Marina and Fort Ord areas, the Dune Sand Aquifer overlies a clay layer known in Fort Ord groundwater investigations as the Fort Ord- Salinas Valley Aquitard (FO-SVA) and known more regionally as part of the Salinas Valley Aquitard (SVA). When underlain by the SVA, the Dune Sand Aquifer is also referred to as the Perched Dune Sand Aquifer (Hopkins Groundwater Consultants 2016), or the A-Aquifer (Ahtna Environmental Inc., 2017). The underlying SVA or other aquitards, where present, are considered to create a perched or semi-perched condition for the Dune Sand Aquifer. Near

the coast and south of the Salinas River, the SVA thins out, bringing the Dune Sand Aquifer and the underlying 180-Foot Aquifer into hydraulic connection. The thinning of the SVA is coincident with a drop in the hydraulic head in the Dune Sand Aquifer. Here the groundwater enters the underlying Upper 180-Foot Aquifer, and flows southeastward, according to the hydraulic gradient (Ahtna Environmental Inc., 2017). The discontinuous nature of the SVA near the MGSA Area was also identified by geophysical investigations in the area (Gottschalk *et al.*, 2018).

As a result of the relatively high permeability of the Dune Sand Aquifer, it supports high recharge rates and has little to no runoff. As such, south of the Salinas River there are no major creeks, streams, or rivers that drain in the vicinity of the City, which relates to the high permeability and high recharge rate of the Dune Sand Aquifer. Groundwater occurs at depth beneath the tall, active dunes at the coast, but as noted in Section 2, can be relatively shallow further inland and beneath hollows and depressions, such as where the coastal wetland GDEs discussed in this memorandum are located. While it has been asserted that the vernal ponds near the City are supplied by the lateral inflow of perched groundwater on low permeability layers in the Quaternary dune sands, these layers have not been confirmed to be present or continuous at all of the pond locations (The Habitat Group 1994; Balance Hydrologics 2012), and the groundwater elevations, pond elevations, and conditions noted above are not consistent with perched aquifers that are isolated from an underlying aquifer system. Rather, the available data indicate that these areas are underlain with a continuous saturated zone that extends through the Dune Sand Aquifer to the GDEs.

Groundwater modeling conducted for the MPWSP indicates that the GDEs discussed in Section 2.0 are located within the area of predicted drawdown influence from pumping of the proposed MPWSP slant wells (ESI 2018). This is further supported by review of the MPWSP monitoring well hydrographs for the five well clusters with wells completed in the Dune Sand Aquifer (MW-4, MW-6, MW-7, MW-8 and MW-9) (Geoscience Support Services, 2019), the Dune Sand Aquifer east of the MGSA Area, where the GDEs are located, is in hydraulic communication with the aquifer interval from which groundwater was extracted during MPWSP test slant well pumping between 2015 and 2018. There were two major shut down events during test slant well pumping that occurred after extended periods of pumping (March 4, 2016, and February 28, 2018) that resulted in groundwater level recovery at many of these wells, indicating they were subject to drawdown influence from the test slant well. Specifically, there were a total of 30 recovery events logged in these hydrographs. There was a distinct and abrupt recovery of several feet in groundwater levels at all five locations in the 180-Foot and 400-Foot Aquifers during both shutdowns, for a total of 20 events. At the same time, there was an abrupt recovery of about 2 feet in the Dune Sand Aquifer wells during two recovery events, a slight recovery during four recovery events, and no observed recovery during four recovery events. Groundwater recovery in shallow wells may also be influenced by changes in regional pumping, recharge events or stage variation in the Salinas River, or recovery signals may be muted by local drawdown. However, the observation of a potential recovery signal in 60 percent of Dune Sand Aquifer wells correlated with a distinct recovery signal in the deeper wells indicates the Dune Sand Aquifer is hydraulically connected with the underlying aquifers at many locations, and that pumping of the test slant well produced attenuated drawdown at these locations.

In the MGSA Area, the Dune Sand Aquifer is seawater intruded; however, high recharge rates have resulted in a large zone of groundwater containing lower concentrations of total dissolved solids (TDS) immediately east of, and extending into the eastern portion of the MGSA Area, and underlying many of the GDEs identified in this memorandum (Gottschalk *et al* 2018). The concentrations of TDS detected in samples from these wells in April 2019 ranged from 896 to 32,600 milligrams per liter (mg/L) in April 2019, with the highest concentrations detected in wells adjacent to the coast (GSS 2019). However, airborne electromagnetic surveys of the Dune Sand Aquifer indicate that the uppermost groundwater TDS concentrations east of the MGSA Area are generally below 3,000 mg/L. As such, the available data indicate that shallow groundwater in the Dune Sand Aquifer can support GDEs with a variety of salt tolerances, as noted below in the Section 3.2.

3.2 BIOLOGICAL RESOURCES

The vernal ponds in the coastal zone near the City study area are an extremely valuable set of coastal ecosystems within the Monterey Bay region. The CMP states the following: "*Seasonal and permanent wetlands are critical habitat for a variety of wildlife species, and the near-coastal proximity of the ponds promotes use by species associated with the bay shoreline and other coastal wetlands*" (The Habitat Group 1994). By virtue of differences in hydrology, water quality, and associated vegetation, each of the seven ponds in the area possesses unique wildlife values and attracts a unique assemblage of species. A summary of the nature of the ponds and the associated biological resources is presented below in Table 2.

TABLE 2. BIOLOGICAL RESOURCES ASSOCIATED WITH VERNAL PONDS IN THE COASTAL ZONE NEAR THE CITY OF MARINA

Pond	Seasonality and Type	Natural Plant Communities	Known or Potential Special Status Wildlife Species	Reported Sensitive Habitat	Reported Special Status Plant Species
Pond 1: Robin Drive Pond	Seasonal Salt Marsh	Open Water, Freshwater Marsh, Coastal Saltwater Marsh, Mixed Grassland, Coyote Brush Scrub, Coastal Dune Scrub	Loggerhead Shrike, Monterey Ornate Shrew	Amphibian Breeding, Avocet and Stilt Nesting	Monterey Ceanothus
Pond 2: Lokke-Paddon Park	Perennial Freshwater Marsh	Open Water, Freshwater Marsh, Arroyo Willow Riparian Forest, Coastal Dune Scrub, Coyote Brush Scrub, Non-Native Grassland, Mixed Grassland	California Red-Legged Frog, Black Legless Lizard, Southwestern Pond Turtle, Merlin, Peregrine Falcon, Loggerhead Shrike, Yellow Warbler, Tricolored Blackbird	Tricolored Blackbird Roosting and Nesting, Diving Bird Foraging, American Coot Nesting, Raptor Foraging, Potential Black Legless Lizard	
Pond 3: Marina Landing Pond	Perennial Freshwater Marsh	Open Water, Coastal Freshwater Marsh, Arroyo Willow Riparian Forest, Mixed Grassland, Coastal Dune Scrub	Merlin, Peregrine Falcon	Diving Bird and Waterfowl Foraging, Waterfowl Nesting	

Pond	Seasonality and Type	Natural Plant Communities	Known or Potential Special Status Wildlife Species	Reported Sensitive Habitat	Reported Special Status Plant Species
Pond 4: Marina Coast Water District Pond	Perennial/ Seasonal Salt Marsh	Open Water, Coastal Saltwater Marsh, Non-native grassland, Mixed Grassland	Smith's Blue Butterfly, Black Legless Lizard, Coast Horned Lizard, Merlin, Peregrine Falcon, Loggerhead Shrike, Monterey Ornate Shrew	Shorebird Foraging, Potential Black Legless Lizard and Smith Blue Butterfly	Branching Beach Aster, Coast Wallflower, Monterey Spineflower
Pond 5: Marina State Beach Pond	Seasonal Brackish Marsh	Coastal Saltwater Marsh, Non-Native Grassland, Coastal Dune Scrub, Coyote Brush Scrub, Rose Scrub	Smith's Blue Butterfly, Western Spadefoot Toad, Coast Horned Lizard, Merlin, Peregrine Falcon, Loggerhead Shrike	Shorebird Foraging, Potential Black Legless Lizard and Smith Blue Butterfly	Branching Beach Aster, Coast Wallflower, Monterey Spineflower, Sand Gilia
Pond 6: Armstrong Ranch Ponds	Seasonal Freshwater Marsh	Wet Meadow/Freshwater Marsh, Non-Native Grassland	Merlin, Peregrine Falcon, California Horned Lark, Loggerhead Shrike, Tricolored Blackbird	Potential Amphibian Breeding	
Pond 7: Lake Drive Pond	Perennial/ Seasonal Freshwater Marsh	Open Water, Wetlands	California Red-Legged Frog, Black Legless Lizard, Coast Horned Lizard, Merlin, Peregrine Falcon,	Diving Bird and Waterfowl Foraging, Waterfowl Nesting	Monterey Ceanothus

Source: Coastal/Vernal Pond Comprehensive Management Plan (The Habitat Group 1994)

The ecological water requirements and thresholds of responses to changes in groundwater levels differ among GDEs. Wetlands such as the vernal ponds present east of the MGSA Area are likely to be more highly groundwater dependent and contain sensitive communities that could be adversely affected by drawdown. Herbaceous wetland vegetation generally has a relatively shallow rooting depth and requires a relatively consistent groundwater depth. The reported rooting depth of Arroyo willow (*Salix lasiolepsis*) is up to approximately 26 inches (USDA, 2020). The ability of such GDEs to adapt or recover from groundwater declines depends largely on the overall water budget and the degree to which the GDE is dependent on groundwater versus surface water inflow. The degree of interaction between wetlands and groundwater can vary greatly and depends on many factors including their position in the landscape, substrate permeability, water table depth, and seasonal fluctuations in water inputs. GDEs develop in response to unique timing, duration, frequency, and chemistry of water inputs. Major changes in wetland hydrology would be expected to significantly affect ecological function. However, minor changes in hydrology may result in little to no change in the ecological function of wetlands, depending on baseline conditions and whether those changes are short- or long-term and offset by seasonal recharge of the aquifer or surface inputs (JJ&A 2018).

The rooting depth of Fremont cottonwood (*Populus fremontii*) is reported to be up to 6.89 feet (Stromberg, 2013), depending on water table declination rates and other parameters,); and the rooting depth of Coastal live oak (*Quercus agrifolia*) is reported to be up to approximately 35 feet (Schenk and Jackson, 2002). Both of these species are reported to be present in the riparian areas along the Salinas River, as is arroyo willow and giant reed (*Arundo donax*). Giant reed is an invastive cane reed believed to be responsible for excess ET in many areas along the Salinas River. Deep-rooted phreatophytes such as cottonwoods and oak trees are not expected to be significantly affected by drawdown which is within the range of natural groundwater level fluctuations or occurs gradually over a period of years. Groundwater level fluctuations within the natural range or a gradual decline in groundwater levels can give riparian and phreatophyte species an opportunity to adapt to changing conditions. In addition, groundwater level fluctuations tend to be muted in riparian zones near streams, such as the Salinas River, due to infiltration from streamflow.

Risk assessment guidelines for GDEs developed by the State of New South Wales in Australia characterize drawdowns that are less than seasonal fluctuations as posing a low risk of adverse impacts (New South Wales Department of Primary Industries [NSWDPI], 2012). Research has shown that root distribution tends to be related to groundwater history; therefore, a rapid decline in water table relative to the condition under which roots developed may strand plant roots so they cannot obtain sufficient moisture (Shafroth, Stromberg and Patten, 2000). Although roots do tend to redistribute with the water table, plants cannot proliferate new roots if the water table decline is too rapid (Richards *et al* unpublished; Stella and Battles, 2010; Stella et al., 2010). A rapid decline in groundwater levels of even as little as approximately 1 foot induced by groundwater pumping was shown to cause leaf death in riparian plains cottonwoods (*Populus deltoides*) and declines of 3 feet caused whole tree stress judged likely to lead to tree mortality (Cooper and Merritt, 2012). A rate of decline of as little as 3 centimeters / day was shown to be fatal to young Fremont cottonwood (*Populus fremontii*) seedlings (Stella and Battles, 2010). Therefore, relatively modest groundwater level declines can also significantly decrease the recruitment of new seedlings even if more mature trees ultimately adapt, potentially resulting in long-term riparian habitat decline or change (TNC, 2018; Amlin and Rood, 2002).

4 SELECTED REGULATORY REQUIREMENTS

4.1 CITY OF MARINA LOCAL COASTAL PROGRAM

The California Coastal Act requires that local governments in the Coastal Zone create and implement Local Coastal Programs (LCPs) to conserve coastal dependent land use. The City has an approved LCP that consists of a Local Coastal Land Use Plan (LCLUP) and a Local Coastal Implementation Plan (LCIP) (City of Marina 2013a, 2013b). Under the California Coastal Act, the City manages coastal development within its jurisdictional boundaries, including addressing the challenges presented by coastal hazards like storms, flooding, and erosion, and the California Coastal Commission (CCC) is the jurisdictional regulatory agency that oversees these issues below the mean high tide line.

The MGSA Area is within the Coastal Zone. The City's Coastal Zone includes Highway 1 and all lands west of Highway 1 within the incorporated limits. In addition, the Coastal Zone includes two other areas:

- Vacant lands west of Del Monte Boulevard between Reservation Road and the City's southern boundary, including coastal dunes, cultivated acreage, and some substantial vernal ponds with associated wetlands; and

- A narrow strip about 2 miles long west of Highway 1 within the Ford Ord boundary, including the coastal bikeway and the Southern Pacific Railroad tracks.

The MGSA Area is comprised of Primary and Secondary Habitat as defined under the City's LCP (City of Marina 2013a), which are considered ESHAs that are designated protected areas within the Coastal Zone of California under the California Coastal Act. Primary Habitat includes:

> *"1. Habitat for all identified plant and animal species which are rare, endangered threatened, or are necessary for the survival of an endangered species.*
>
> *2. Vernal ponds and their associated wetland vegetation.*
>
> *3. All native dune vegetation, where such vegetation is extensive enough to perform the special role of stabilizing Marina's natural sand dune formations.*
>
> *4. Areas otherwise defined as Secondary Habitat that have an especially valuable role in an ecosystem for sensitive plant or animal life, as determined by a qualified biologist approved by the City [Resolution No. 2001-118 (October 16, 2001); approved by the California Coastal Commission on November 14, 2001]."*

The Coastal Act requires that ESHAs *"shall be protected against any significant disruption of habitat values, and only uses dependent on those resources shall be allowed within those areas"* (Public Resources Code, § 30240(a)). Similarly, the Marina LCP limits development in Primary Habitat.

The critical coastal planning issues in Marina include the protection of the entire unique coastal ecosystem, including the wetlands, the beach areas, the Flandrian dunes, and all of the protected species that depend on them. Preserving public access is also of key interest to the City. Since sand mining will cease in December 2020, focus on the future of the dunes and vernal ponds, and on establishing uses that would be compatible with the existing ESHA constraints present in the City's Coastal Zone is a priority. The policies of the LCLUP, as well as the land use designations, address these concerns and resolve them in terms of the mandates of the California Coastal Act for the beach, dunes, and vernal ponds. Policies related to habitat management relevant GDE management are as follows:

- **Vernal Ponds –** To protect and encourage the restoration of the vernal ponds to their original state and allow only those uses adjacent, which will reinforce and conserve the unique habitat qualities of these ponds (Policy 24).
- **Dunes –** To protect the habitat of recognized rare and threatened / endangered species found in the coastal dune area (Policy 25).

The emphasis of the LCLUP is to maximize public access consistent with the environmental sensitivity of the dune habitat and resident rare and threatened / endangered plants and animals. However, direct access to the dune vegetation is limited due to the level of use that the vegetation can withstand.

4.2 CITY OF MARINA GENERAL PLAN

The City's General Plan specifies open space policies to ensure retention of land with significant natural resource values (Policy 2.3.3) and include habitat reserves and other open space for the protection of important habitat and scenic areas (Policy 2.7.1). Habitat reserve and open space include coastal strand and dune areas adjacent to Monterey Bay and wetlands, which provide habitat for rare, threatened wildlife and plant species. Some of the lands designated as "Habitat Reserve and Other Open Space" in the General Plan are as follows and presented in Figure 2-7 of the General Plan:

- Approximately 1,600 acres west of Highway 1 are designated as Habitat Reserve for this purpose (Policy 2.10.2).
- An area of 80 acres on the Armstrong Ranch property between Del Monte Boulevard and Highway 1 is designated as Habitat Reserve due to the presence of vernal ponds (Policy 2.10.4).

The General Plan recognizes that future water demands will require changes in the management of water resources in the area, and water conservation and water reclamation and reuse will constitute major components of future water management efforts. The policies and programs of the General Plan are designed to promote both water conservation and the use of recycled water to protect water quality and to ensure that the demand of future community development does not exceed the capacity to provide water in an environmentally acceptable way (Policy 3.42).

4.3 MONTEREY COUNTY GENERAL PLAN

The Monterey County General Plan applies to land use and resource management decisions in the unincorporated areas east of the MGSA Area where many of the GDEs identified in this memorandum are located. The Plan includes the following goals and policies related to land use, conservation and open space, public water supply and agriculture that are relevant to GDEs:

- Promote appropriate and orderly growth and development while protecting desirable existing land uses [GOAL LU-1].
    - Land uses shall be designated to achieve compatibility with adjacent uses [LU-1.5].
- Encourage the provision of open space lands as part of all types of development including residential, commercial, industrial, and public [GOAL LU-8].
    - Creation of private, nonprofit land trusts and conservation organizations to receive development rights on any lands to be preserved and maintained as open space shall be supported [LU-8.6].
- Conserve listed species, critical habitat, habitat and species protected in area plans; avoid, minimize and mitigate significant impacts to biological resources [GOAL OS-5].

- Conservation of listed species shall be promoted [OS-5.1].
- Conservation of species shall be promoted as provided in the Area Plans [OS-5.2].
- Development shall be carefully planned to provide for the conservation and maintenance of critical habitat [OS-5.3].
- Development shall avoid, minimize, and mitigate impacts to listed species and critical habitat to the extent feasible [OS-5.4].
- Efforts to obtain and preserve natural areas of particular biologic, scientific, or educational interest, and restrict incompatible uses from encroaching upon them, shall be encouraged [OS-5.13].
- The County shall prepare, adopt, and implement a program that allows projects to mitigate the loss of critical habitat [OS-5.17].
- Prior to disturbing any federal or state jurisdictional areas, all applicable federal and state permitting requirements shall be met, including all mitigation measures for development of jurisdictional areas and associated riparian habitats [OS-5.18].
- In order to preserve riparian habitat, conserve the value of streams and rivers as wildlife corridors and reduce sediment and other water quality impacts of new development, the county shall develop and adopt a Stream Setback Ordinance [OS-5.22].

- Ensure that new development is assured a long-term sustainable water supply [GOAL PS-3].
  - Specific criteria for proof of a Long-Term Sustainable Water Supply and an Adequate Water Supply System for new development requiring a discretionary permit shall be developed by ordinance. The following factors shall be used [PS-3.2]:
    - Water quality
    - Production capacity
    - Capability of the water purveyor
    - Source of the water supply and nature of the water rights
    - Cumulative impacts of existing and projected future water demand, and the ability to reverse trends contributing to an overdraft condition
    - 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
    - Projects or best management practices to renew or sustain aquifer functions.
  - Specific criteria shall be developed by ordinance for use in the evaluation and approval of adequacy of all domestic wells [PS-3.3].
  - The County shall request an assessment of impacts on adjacent wells and instream flows for new high-capacity wells where there may be a potential to affect existing adjacent domestic or water system wells adversely or in-stream flows necessary to support riparian vegetation, wetlands, fish, and other aquatic life [PS-3.4].

Similar to the City General Plan, the County General Plan requires that decisions regarding groundwater management, well permitting and projects that may affect groundwater resources should consider effects of those projects and approvals on GDEs and provide mitigation for potential adverse effects. In addition,

the County General Plan prescribes specific policies and goals intended to protect riparian and wetland habitat, including GDEs.

4.4 APPLICABLE CALIFORNIA WATER CODE REGULATIONS AND LAW

The GSP Regulations include specific requirements to identify and consider GDEs (23 CCR § 354.16(g)) when determining whether groundwater conditions are having potential effects on beneficial uses and users. GSAs must also assess whether sustainable management criteria may cause adverse impacts to beneficial uses, which include environmental uses, such as for plants and wildlife.

The regulations specifically require a GSP to identify GDEs "within the basin" (*id.* § 354.16(g)). SGMA requires that all beneficial uses and users, including environmental users of groundwater, be considered in the development and implementation of GSPs (California Water Code (CWC) § 10723.2). It is clear from the regulations that in drafting a GSP, a GSA must assess whether groundwater extraction and management within its jurisdictional boundaries may cause adverse impacts to beneficial uses and users (including GDEs) both within and surrounding its jurisdictional boundaries. Similarly, as in developing sustainable management criteria, undesirable results within and surrounding a GSA must be considered and addressed. As such, the basin characterization information and sustainable management criteria in a GSP are intended to be used by a GSA to inform groundwater management within its jurisdictional boundaries and to coordinate plan implementation in accordance with 23 CCR § 357.4.

4.5 PUBLIC TRUST RESOURCES

A recent California Court of Appeal case held that counties have an obligation to consider public trust resources when granting well construction permits near navigable waters that are groundwater connected (*Envtl. Law Found. v. State Water Res. Control Bd.,* 26 Cal. App. 5th 844 (Ct. App. 2018)). The case arose in 2009 in the context of a lawsuit over Siskiyou County's obligations in administering groundwater well permit and management programs with respect to the Scott River, a navigable waterway tributary to the Klamath River that is hydraulically connected to groundwater resources in the Scott River Groundwater Basin. The court held that when issuing well permits, Siskiyou County is required by the public trust doctrine to consider the potential impairment of public trust resources caused by groundwater extraction, and to protect those resources when feasible. Although the duty to consider the trust is imposed on the State, the court held that the county is also subject to that duty as a subdivision of the State. The court further held that the passage of the Sustainable Groundwater Management Act (SGMA) does not preempt or abrogate this requirement. The case was subsequently appealed to the California Supreme Court, which declined to hear it. Based on the Appeals Court decision in this case, the Public Trust Doctrine imposes an obligation for public agencies to consider how groundwater management affects public trust resources (CDFW 2020). Thus, when groundwater is interconnected with surface water resources protected under the trust, prior to issuing permits or approvals that result in groundwater extraction, any state agency or other subdivision of the State has a duty to consider the potential effect of that extraction on public trust resources, and to protect those resources when feasible. This includes direct effects on the protected resources, or indirect effects through depletion of tributary waters that are not directly protected under the Public Trust Doctrine.

This decision is important and directly applicable to the management of groundwater resources under the City of Marina and the approval of the proposed slant wells for the MPWSP. The Salinas River is a navigable inland waterway subject to the public trust. Based on the available data, the river and associated wetland and riparian vegetation GDEs are likely in hydraulic communication with the Dune Sand Aquifer and could be affected by groundwater withdrawal or drawdown in this aquifer induced by the MPWSP. In addition, the data indicate that the protected vernal pond GDEs identified in the Coastal Zone in and surrounding the City are also hydraulically connected with and dependent on shallow groundwater in the could also be adversely affected by groundwater withdrawals or drawdown. A letter filed with the California Coastal Commission on behalf of the City of Marina on November 8, 2019 by the City's attorneys discusses in detail why these vernal pond wetlands should also be protected under the Public Trust Doctrine (FBM 2019). Thus, given the above information, state and county agencies issuing permits approving the proposed MPWSP slant wells must conduct an analysis of the potential impacts of the proposed groundwater withdrawal on public trust resources, assess the feasibility of protecting these resources, and protect them to the extent required by law.

5 POTENTIAL IMPACTS RESULTING FROM GROUNDWATER EXTRACTION

The proposed extraction of 17,400 acre-feet per year from the proposed slant wells for the MPWSP has the potential to adversely affect GDEs near the MGSA area through drawdown-induced groundwater level decline. The Environmental Impact Report/Environmental Impact Statement for the MPWSP presents the results of groundwater modeling which indicate that pumping from the Dune Sand and 180-Foot Aquifers to supply water for the project is expected to result in drawdown ranging from 1 to 5 feet in the Dune Sand Aquifer in the area between the MPWSP and the Salinas River, and a flow depletion of approximately 400 acre feet per year in the river (ESA, 2018). The CCC employed an independent hydrogeologic expert who concluded that the groundwater model used to derive these estimates is based on a flawed conceptual model that may underestimate the MPWSP's extraction of aquifer water and the interconnection between different aquifer units (Weiss Associates, 2019). It is therefore possible that the drawdown and surface water depletion effects from operation of the proposed slant wells are similarly underestimated.

The ecological water requirements and thresholds of response to changes in groundwater levels differ among GDEs. GDEs develop in response to unique timing, duration, frequency and chemistry of water inputs. The ability of GDEs to adapt or recover from groundwater declines depends largely on the overall water budget, degree to which a GDE is dependent on groundwater, interaction of plant root systems with a changing water table, species present, and the ability of species to adapt to changing conditions and recover from stress. The degree of interaction between wetlands and groundwater also depends on their position in the landscape, the permeability of the substrate, depth to the water table, and seasonal fluctuations in water inputs.

A compilation of studies conducted by TNC in the western United States that examined plant response of 17 herbaceous wetland indicator species (11 common and six rare) to groundwater drawdown indicated gradual loss of indicator species starting with as little as 0.66 feet (0.2 meters) of drawdown, with a median of 2.99 feet (0.91 meters), and complete loss at 6.23 feet (1.9 meters) (Gerla *et al.* 2015). Rhode *et al.*

(2017) reviewed policies adopted for management of GDEs in the United States and globally, and assessed that thresholds for GDE responses to groundwater level decline are often assumed to follow linear, curvilinear, or step-wise functions, but that in reality they are likely habitat specific. A study of the effects of regulatory drawdown thresholds on inundation area and plant community composition in southeast Australia suggested that drawdowns from 0.82 feet (0.25 meters) to 0.98 feet (0.3 meters) represent a threshold where community composition is likely to change (Deane *et al.* 2017). The study setting was a regional unconfined aquifer with shallow groundwater levels and wetlands dependent on groundwater discharge, and included wetlands considered sensitive to even small declines in groundwater level. Thresholds were assigned based on ecological value, with higher functioning wetlands sensitive to changes assigned a threshold of up to 0.82 feet (0.25 meters) of acceptable drawdown over the course of five years; regional triggers were set at 1.64 feet (0.50 meters) over five years. Drawdown in shallow groundwater systems may alter community composition by increasing cover of exotic and upland or terrestrial species and increasing soil salinity from evapotranspiration; drawdown of deeper water systems may result in community change with conditions supporting greater cover of sedge species.

The Armstrong Ranch Pond Complex (Vernal Pond #6 in the CMP) are located approximately 300 to 1,000 feet east of the MGSA Area and include a series of seasonal wetlands with ponded water in the winter and wet herbaceous meadows likely subsisting on shallow groundwater during the dry season (The Habitat Restoration Group 1994). The calculated water evaporation and use by plants (i.e., ET) in the pond is shown in Figure 4 and ranged from approximately 5 to 10 inches from 2010 to 2013, then decreased to approximately 1 to 5 inches in 2014 and 2015, and 1 to 3 inches in 2016. In 2017, ET increased to approximately 3 to 10 inches, and in 2018 ET was approximately 5 to 12 inches. Although the decline in ET from 2014 to 2016 occurred during a period of severe drought, the slant well pumping test was also conducted from April 2015 to February 2018 (GSS, 2019). The hydrograph for well MW-4S indicates that the seasonal fluctuation in groundwater elevations in this area was approximately 2 feet and suggests that pumping-induced drawdown was approximately 1 foot below the normal range of groundwater level fluctuation during the drought period. The lowest groundwater elevations were observed in the summer of 2016 and averaged about 2 feet lower than in the subsequent summers of 2017 and 2018. The ET response associated with this groundwater level decline indicates a period of vegetative stress followed by recovery that coincided with a rise in groundwater levels; however, it is not known whether the species responsible for the recovery were the same species that experienced the distress or if some level of habitat degradation or succession occurred. The correlation between changes in groundwater elevations and GDE responses is a data gap because species compositional changes were not documented during the corresponding timeframe.

Research has shown that root distribution tends to be related to groundwater history; therefore, a rapid decline in water table relative to the condition under which roots developed may strand plant roots so they cannot obtain sufficient moisture (Shafroth, Stromberg and Patten, 2000). Although roots do tend to redistribute with the water table, plants cannot proliferate new roots if the water table decline is too rapid (Richards *et al* unpublished; Stella and Battles, 2010; Stella et al., 2010). A rapid decline in groundwater levels of even as little as approximately 1 foot induced by groundwater pumping was shown to cause leaf death in riparian plains cottonwoods (*Populus deltoides*) and declines of 3 feet caused whole

tree stress judged likely to lead to tree mortality (Cooper and Merritt, 2012). A rate of decline of as little as 3 centimeters / day was shown to be fatal to young Fremont cottonwood (*Populus fremontii*) seedlings (Stella and Battles, 2010). Therefore, relatively modest groundwater level declines can also significantly decrease the recruitment of new seedlings even if more mature trees ultimately adapt, potentially resulting in long-term riparian habitat decline or change (TNC, 2018; Amlin and Rood, 2002). As such, it is possible that pumping for the proposed MPWSP could adversely affect riparian vegetation near the Salinas River, but the extent of drawdown and the potential for adverse effects cannot be assessed at this time.

6 CONCLUSIONS AND RECOMMENDATIONS

During preparation of the GSP for the MGSA Area, a number of potential GDEs were identified in the area south of the Salinas River near the City of Marina. These potential GDEs were evaluated in accordance with guidelines developed by TNC to confirm they should be managed as GDEs under SGMA. Additional evaluations of the response of a representative vernal pond GDE near the MGSA area to groundwater level decline further confirmed the likely groundwater dependence of this GDE and, by extension, similar GDEs in the area. The identified GDEs include protected species and habitats that are managed under several existing management plans and protected under state and federal laws and the Public Trust Doctrine. Evaluation of the available data indicates these GDEs could be adversely affected by groundwater withdrawal from the proposed MPWSP slant wells, if approved and installed.

An analysis of historical ET variability, groundwater levels and drawdown at one of the Armstrong Ranch ponds demonstrates (1) a correlation between groundwater levels and biomass productivity in this GDE, and (2) illustrates its sensitivity to groundwater level declines. Biomass productivity rebounded with groundwater levels; however, it is not known whether the stress induced in the GDE resulted in a change in the vegetation community, habitat degradation, or habitat succession that is not readily reversible. Similarly, the available data indicate that adverse impacts to riparian vegetation can occur in response to even relatively modest groundwater level declines if they are rapid enough or of sufficient amplitude to affect the recruitment of new seedlings. Thus, at this time, it is not possible to determine precisely what level of drawdown imposed on natural groundwater elevation fluctuations would have a significant and unreasonable impact on the GDEs near the MGSA Area as defined under SGMA, or a significant impact under CEQA; however, substantial adverse impacts are possible.

To address this data gap, the GSP for the MGSA Area contains a recommendation that a qualified biologist and a hydrogeologist perform a baseline assessment of the vernal ponds that may be affected by groundwater level declines. The purpose of this baseline assessment will be to characterize these wetlands in terms of (1) their dependence on groundwater, (2) their potential sensitivity to groundwater level declines, and (3) establish baseline conditions for future comparison. Based on the findings of this assessment, a monitoring plan would be developed to assess changes in the vigor and quality of the GDE habitats over time and allow correlation of changes to shallow groundwater elevations. Quantitative approaches, such as the development of habitat suitability index models, state and succession models, or similar assessment tools, would be developed to assess possible future changes in habitat quality, services

and succession. In our experience, remote sensing coupled with photo documentation and on the ground surveys, when warranted, would support an effective monitoring and management strategy.

In addition and to comply with the SGMA regulations, which require that sustainable management criteria be established that will assure sustainable groundwater management ***while*** data gaps are addressed, the GSP for the MGSA Area outlines appropriate monitoring, measurable objectives and minimum thresholds governing the area to assure their protection (*See* 23 CCR §§ 354.24 and 355.4(b)). The GSP for the MGSA Area has been adopted by the City and submitted to the DWR; however, the GSP is currently on hold pending resolution of a lawsuit regarding its implementation. Deferring implementation of sustainable management criteria while data gaps are filled may allow irreversible damage to these protected habitats if the MPWSP project proceeds before this issue is resolved.

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FIGURE 1

Setting of the Marina Groundwater Sustainability Agency (MGSA) Area

Assessment of GDEs near the Proposed MPWSP Makeup Water Slant Wells, Marina, California

Legend

- City of Marina GSA Area
- Communities Dependent on Groundwater
- 180/400 Foot Aquifer Subbasin
- Castroville Seawater Intrusion Project (CSIP) Distribution Area

Sources: ESRI Map Service Imagery, California Department of Water Resources, https://montereycountyopendata-12017-01-13t232948815z-montereyco.opendata.arcgis.com

DATE: DEC. 30, 2019

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FIGURE 2

Potential GDE Locations near the MGSA Area

Assessment of GDEs near the Proposed MPWSP Makeup Water Slant Wells, Marina, California

Groundwater Dependent Ecosystems - Wetlands

Cities

Groundwater Dependent Ecosystem - Vegetation

City of Marina GSA (MGSA) Area

DATE: DEC, 30, 2019

Sources: ESRI Map Service Imagery, https://sgma.water.ca.gov/portal/gsa

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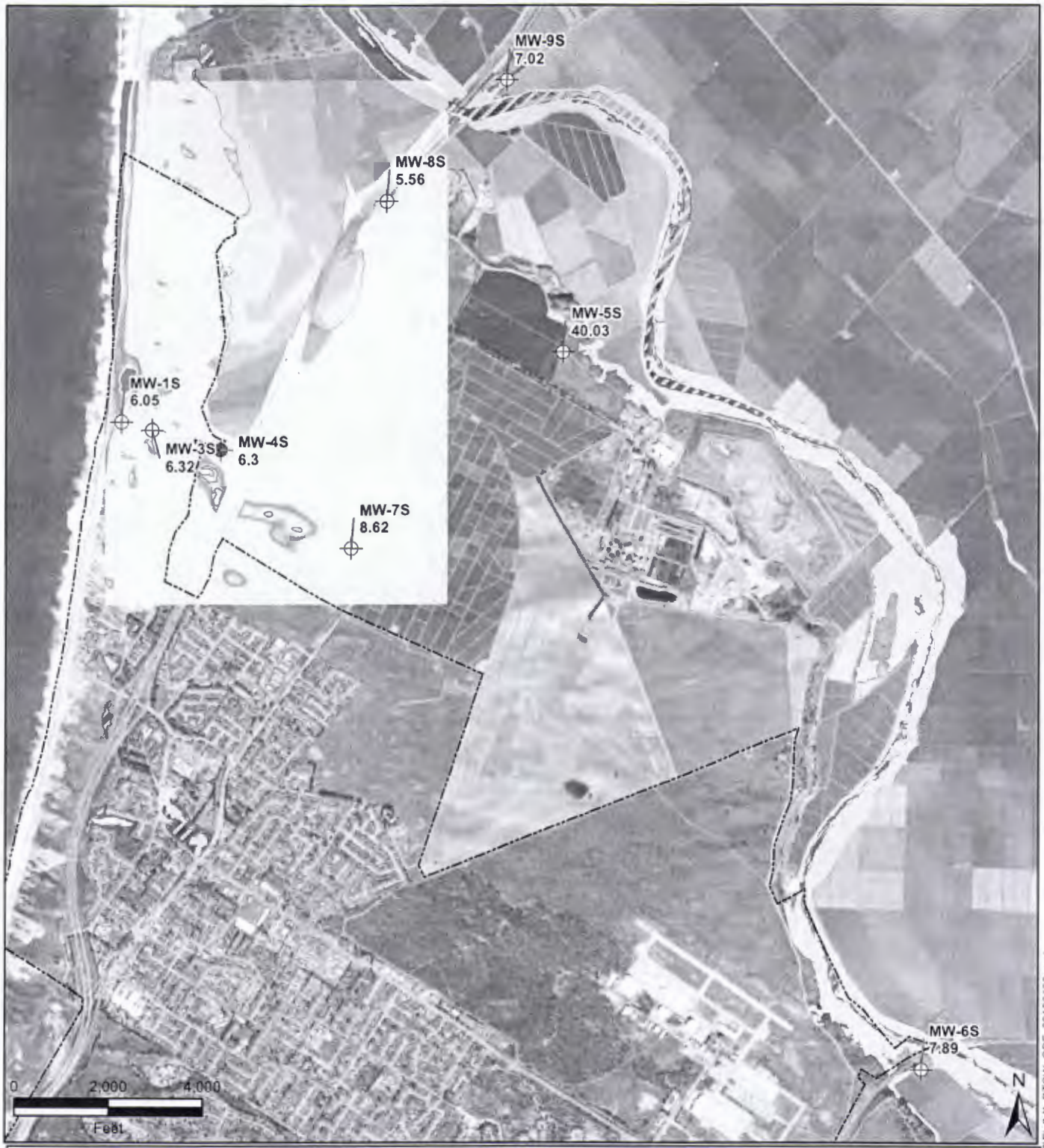

FIGURE 3

LOCAL DUNE SAND AQUIFER WATER DEPTH TO GROUNDWATER MAP, APRIL 2, 2018

Assessment of GDEs near the Proposed MPWSP Makeup Water Slant Wells, Marina, California

Legend

- Compliance Monitoring Well Cluster
- Monitoring Well Cluster
- Groundwater Dependent Ecosystems - Wetlands
- Groundwater Dependent Ecosystem - Vegetation
- Cities

Approximate Depth to Groundwater (ft)

0 ≤2 ≤4 ≤6 ≤8 ≤10 ≤12 ≤14 ≤16 ≤18 ≤20 >20

DATE: AUG, 29, 2019

Sources: ESRI Map Service Imagery, https://sgma.water.ca.gov/portal/gsa

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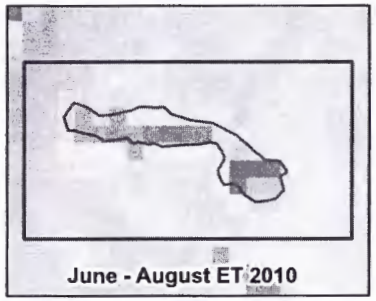

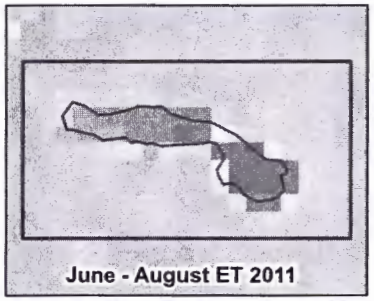

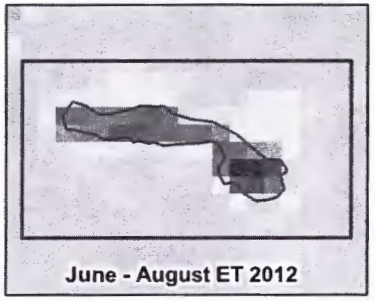

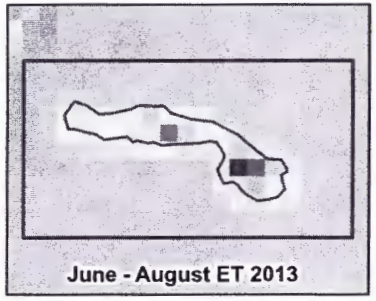

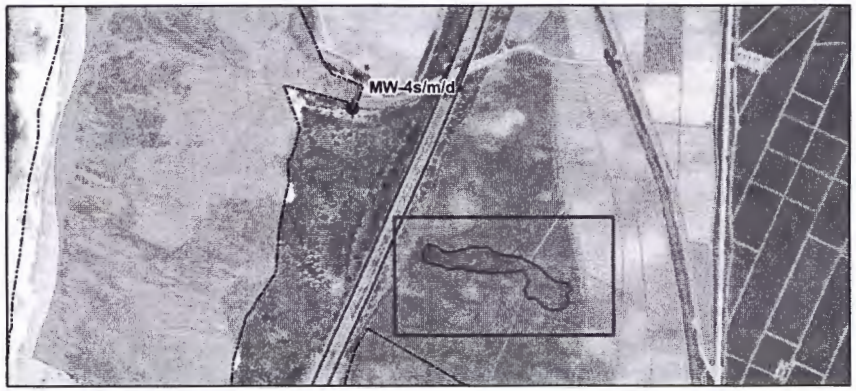

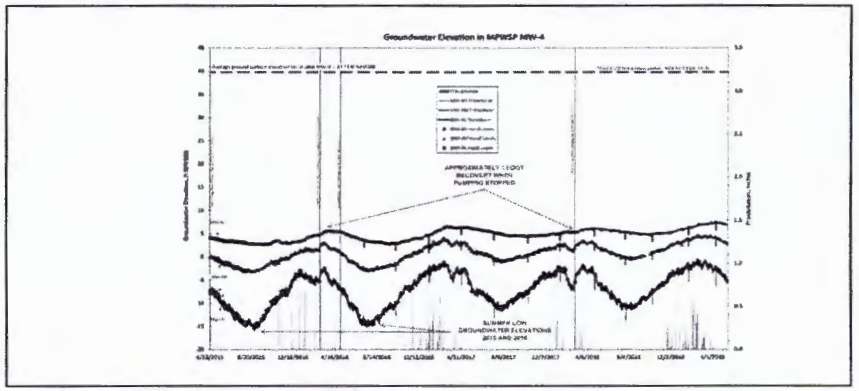

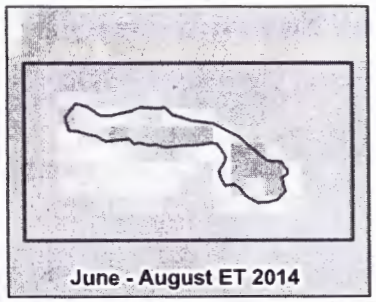

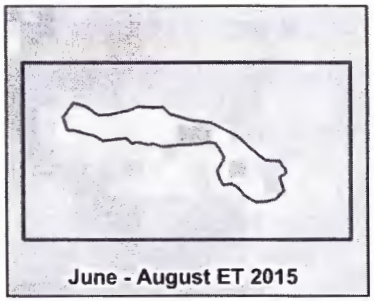

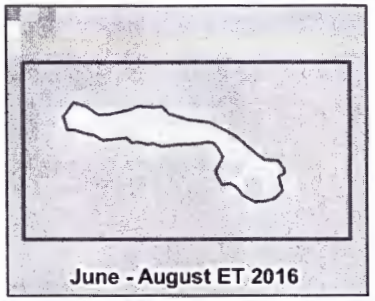

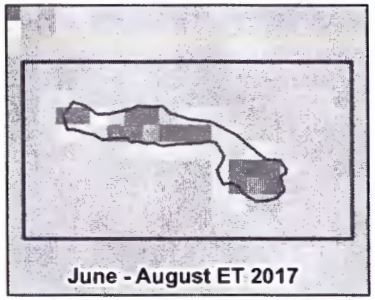

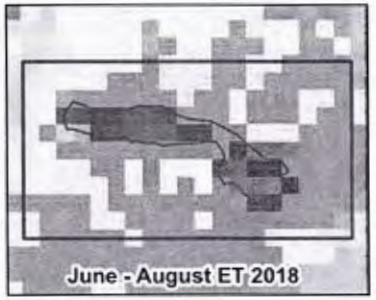

FIGURE 4

Analysis of Evapotranspiration from a GDE at the Armstrong Ranch Vernal Pond Complex

Assessment of GDEs near the Proposed MPWSP Makeup Water Slant Wells, Marina, California

Legend

ET (Inches)
High : >10
Low : 0

MW-4s/m/d
Area of Interest
Wetland
Highway 1
City of Marina
City of Marina GSA (MGSA) Area

Sources: ESRI Map Service Imagery, Geoscience Support Services 2019, Paul et al. 2018, and the NC Dataset https://gis.water.ca.gov/app/NCDatasetViewer/

DATE: DEC. 30, 2019

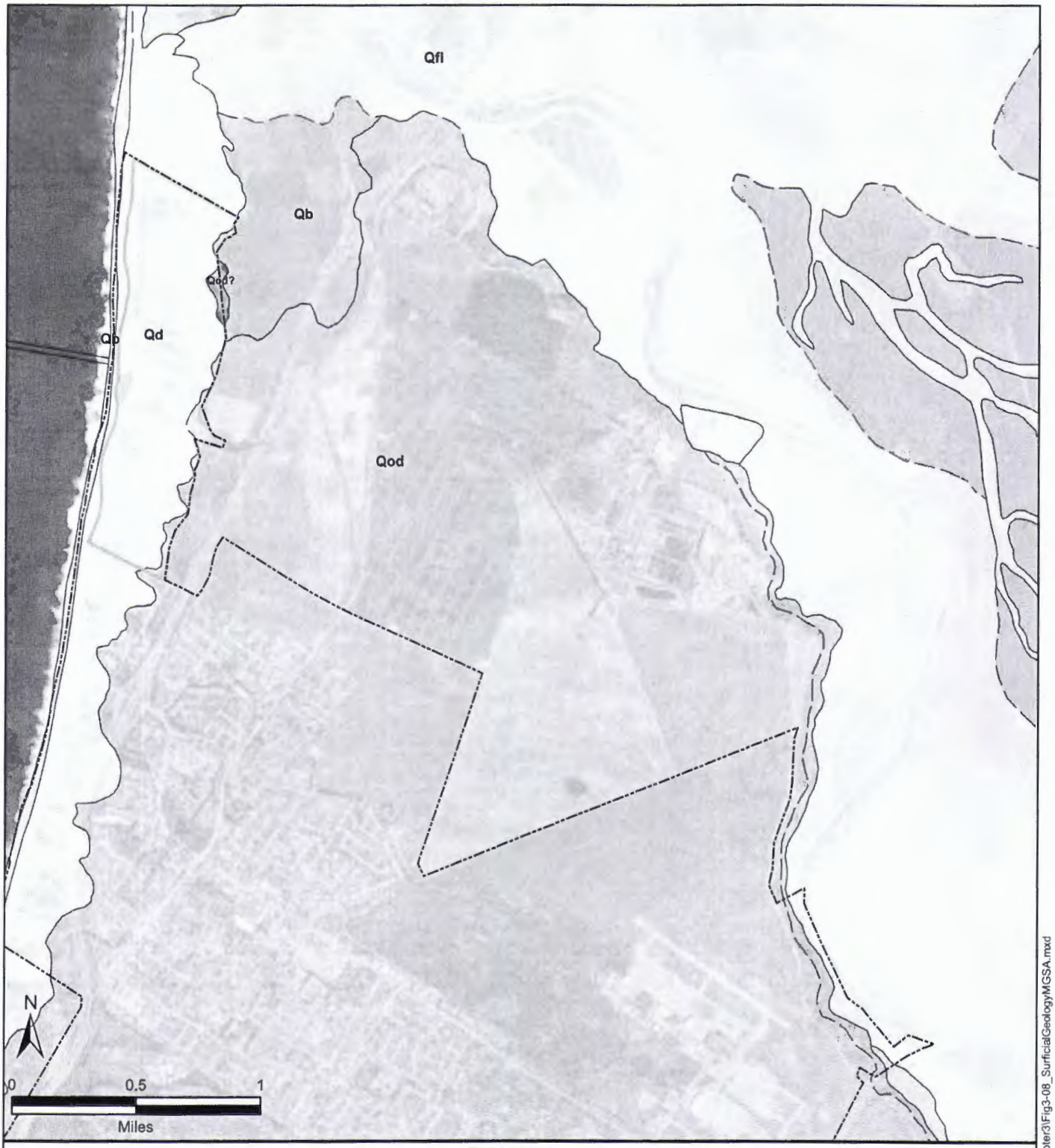

FIGURE 5

Surficial Geology of the MGSA Area

Assessment of GDEs near the Proposed MPWSP Makeup Water Slant Wells, Marina, California

Legend

Geologic Units

Q- Alluviam, lake, playa, and terrance deposits

Qae- quaternary alluvium

Qb - Basin Deposits

Qd - Dune Sand

Qfl - Flood plain deposits

Qod - Older dune sand

City of Marina

City of Marina GSA (MGSA) Area

Sources: ESRI Map Service Imagery, https://sgma.water.ca.gov/portal/gsa, Department of Conservation, California Geological Survey

DATE: DEC. 30, 2019

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MARINA EXHIBIT 3

Biological Resource and Groundwater Dependency Analysis of Marina Vernal Ponds

CITY OF MARINA, MONTEREY COUNTY, CALIFORNIA

Prepared For:

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July 30, 2020

WRA Project #:
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LIST OF ACRONYMS AND ABBREVIATIONS

CCH	Consortium of California Herbaria
CCC	California Coastal Commission
CCR	California Code of Regulations
CDFG	California Department of Fish and Game
CDFW	California Department of Fish and Wildlife
CEQA	California Environmental Quality Act
CESA	California Endangered Species Act
CFGC	California Fish and Game Code
CFR	Code of Federal Regulations
CNDDB	California Natural Diversity Database
CNPS	California Native Plant Society
Corps	U.S. Army Corps of Engineers
CPMP	Coastal Vernal Pond Management Plan
CRLF	California Red-Legged Frog
CWA	Clean Water Act
CVCMP	Coastal/Vernal Pond Comprehensive Management Plan
ESA	Federal Endangered Species Act
ESHA	Environmentally Sensitive Habitat Area
GSA	Groundwater Sustainability Agency
GSP	Groundwater Sustainability Plan
Inventory	CNPS Inventory of Rare and Endangered Plants
LCP	Local Coastal Program
MBTA	Migratory Bird Treaty Act
PPT	Parts Per Thousand
Rank	CNPS Rare Plant Rank
RHA	Rivers and Harbors Act
RWQCB	Regional Water Quality Control Board
SGMA	Sustainable Groundwater Management Act
SWRCB	State Water Resources Control Board
USFWS	U.S. Fish and Wildlife Service
WBWG	Western Bat Working Group
WPT	Western Pond Turtle
WRA	WRA, Inc.

EXECUTIVE SUMMARY

The purpose of this report is to provide an update to The Coastal/Vernal Pond Comprehensive Management Plan (CVCMP), developed in the early 1990s and adopted by the Marina City Council in November 1994, to identify the current hydrologic conditions and biological resources of six ponds within or adjacent to the City of Marina. This report also identifies potential resources, such as sensitive habitat and special-status species that are subject to regulatory constraints to activities that could impact the six ponds. On June 9 and 18, 2020, WRA, Inc. performed an assessment of current hydrologic conditions and biological resources at the six ponds within the City of Marina (Study Area).

WRA observed five aquatic and three upland sensitive biological communities within the Study Area. Six special-status plants were observed within the Study Area, and an additional 26 species have potential to occur within the Study Area. Twelve (12) special-status wildlife species have the potential to occur within the Study Area. In addition, four (4) species not listed in CNDDB were determined to have a moderate potential to occur. Five (5) of the special-status species with potential to occur are birds, which could nest in trees and other vegetation that occurs within the Study Area.

Ponds 2, 3, and 7 now contain pockets of facultative hydrophytic vegetation, not described in the CVCMP, in areas where freshwater runoff from culverts and adjacent paved areas appears to pond against riparian and perennial marsh vegetation. With the exception of increases in the footprint of freshwater seasonal wetland, indicative of urban and road runoff, and riparian willow forest, groundwater-dependent ecosystems within the Study Area remain roughly as described in the CVCMP. The die off of perennial marsh vegetation at two ponds does not appear to be the result of changes in groundwater hydrology, though additional water quality analyses may be needed to confirm.

A high water table was observed within each pond at one or more sample points, and five of the ponds contained open water at the time of the June 2020 site visits, conducted well after the conclusion of the dry season. Willow riparian vegetation, which is dependent upon groundwater, was observed to have either established or increased substantially in footprint at three ponds, and perennial marsh vegetation was generally observed to be in good condition at all six ponds. Despite the recent establishment of pockets of freshwater seasonal wetland, all six ponds assessed in this report are reliant upon groundwater and therefore should be considered groundwater-dependent ecosystems. Perennial marsh vegetation and willow riparian vegetation within all six ponds could be adversely affected by future activities that cause groundwater drawdown.

1.0 INTRODUCTION

On June 9 and 18, 2020, WRA, Inc. (WRA) performed an assessment of biological resources at six ponds located in or adjacent to the City of Marina, Monterey County, California (Figure 1). Location details for each pond are included in Table 1, and depicted in Figure 2. The Study Area consists of wetland habitat associated with each pond and a buffer that extends roughly 50 feet upland from the wetland edge.

The Coastal/Vernal Pond Comprehensive Management Plan ([CVCMP] The Habitat Group 2014) was developed in 1994 to identify guidelines for the preservation, management, and enhancement of Marina's wetland resources (The Habitat Group 2014). The CVCMP identifies the hydrologic conditions, biological resources, and land uses of the seven vernal/coastal ponds within Marina. The CVCMP also identifies specific measures to be conducted at each pond to preserve, protect and enhance sensitive resources. The purpose of this report is to provide an update to the findings of the 1994 CVCMP based on current conditions observed at six of the seven ponds (Pond 6, the Armstrong Ranch Ponds, was not accessible at the time of the site visits). This assessment gathers information necessary to evaluate potential biological resources that could be considered constraints to activities that could influence hydrological influences of each pond.

This report describes the results of the site visits, which assessed the Study Area for the (1) potential to support special-status species; (2) presence of other sensitive biological resources protected by local, state, and federal laws and regulations; and (3) the biological, edaphic, and hydrological indicators of groundwater dependence. Specific findings on the habitat suitability or presence of special-status species or sensitive habitats may require that protocol-level surveys be conducted. This report also contains an evaluation of potential impacts to special-status species and sensitive biological resources that may occur as a result of a possible future development project.

The biological surveys conducted for this analysis do not constitute protocol-level surveys for listed species that may be required for project approval by local, state, or federal agencies. This assessment is based on information available at the time of the study and on site conditions that were observed on the dates of the site visits.

Table 1. Ponds Included in the Study Area; see also Figure 2.

Pond	Location	Current Ownership/Management
Pond 1: Robin Drive Pond	West of Lake Drive	City of Marina
Pond 2: Locke-Paddon Park	Reservation Road and Seaside Avenue	City of Marina
Pond 3a: Marina Landing Pond	Reservation Road and Beach Road, east of Reservation Road	Private/City of Marina
Pond 3b: Marina Landing Pond	Reservation Road and Beach Road, west of Reservation Road	Private/City of Marina
Pond 4: Marina Coast Water District Pond	North of Reservation Road, West of Highway 1	Marina Coast Water District

Pond	Location	Current Ownership/Management
Pond 5: Marina State Beach	South of Reservation Road, West of Highway 1	California Department of Parks and Recreation
Pond 7: Lake Drive Pond	West of Lake Drive	City of Marina

2.0 REGULATORY BACKGROUND

The following sections explain the regulatory context of the biological assessment, including applicable laws and regulations that were applied to the field investigations and analysis of potential project impacts.

2.1 Sensitive Biological Communities

The California Environmental Quality Act (CEQA) provides protections for particular vegetation types defined as sensitive by the California Department of Fish and Game (CDFW), and aquatic communities protected by laws and regulations administered by the U.S Army Corps of Engineers (Corps), State Water Resources Control Board (SWRCB), and Regional Water Quality Control Boards (RWQCB). The laws and regulations that provide protection for these resources are summarized below.

Sensitive Natural Communities: Sensitive natural communities include habitats that fulfill special functions or have special values. Natural communities considered sensitive are those identified in local or regional plans, policies, regulations, or by the CDFW. CDFW ranks sensitive communities as "threatened" or "very threatened" (CDFG 2010, CDFW 2020a) and keeps records of their occurrences in its California Natural Diversity Database (CNDDB; CDFW 2020a). CNDDB vegetation alliances are ranked 1 through 5 based on NatureServe's (2020) methodology, with those alliances ranked globally (G) or statewide (S) as 1 through 3 considered sensitive. Impacts to sensitive natural communities identified in local or regional plans, policies, or regulations or those identified by the CDFW or U.S. Fish and Wildlife Service (USFWS) must be considered and evaluated under CEQA (CCR Title 14, Div. 6, Chap. 3, Appendix G).

Waters of the United States, Including Wetlands: The Corps regulates "Waters of the United States" under Section 404 of the Clean Water Act (CWA). Waters of the United States are defined in the Code of Federal Regulations (CFR) as including the territorial seas, and waters which are currently used, or were used in the past, or may be susceptible to use in interstate or foreign commerce, such as tributaries, lakes and ponds, impoundments of waters of the U.S., and wetlands (33 CFR 328.3). Potential wetland areas, according to the three criteria used to delineate wetlands as defined in the Corps Wetlands Delineation Manual (Environmental Laboratory 1987), are identified by the presence of (1) hydrophytic vegetation, (2) hydric soils, and (3) wetland hydrology. Unvegetated waters including lakes, rivers, and streams may also be subject to Section 404 jurisdiction and are characterized by an ordinary high water mark (OHWM) identified based on field indicators such as the lack of vegetation, sorting of sediments, and other indicators of flowing or standing water. The placement of fill material into Waters of the United States generally requires a permit from the Corps under Section 404 of the CWA.

The Corps also regulates construction in navigable waterways of the U.S. through Section 10 of the Rivers and Harbors Act (RHA) of 1899 (33 USC 403). Section 10 of the RHA requires Corps approval and a permit for excavation or fill, or alteration or modification of the course, location,

condition, or capacity of, any port, roadstead, haven, harbor, canal, lake, harbor or refuge, or enclosure within the limits of any breakwater, or of the channel of any navigable water of the United States. Section 10 requirements apply only to navigable waters themselves, and are not applicable to tributaries, adjacent wetlands, and similar aquatic features not capable of supporting interstate commerce.

Waters of the State, Including Wetlands: The term "Waters of the State" is defined by the Porter-Cologne Act as "any surface water or groundwater, including saline waters, within the boundaries of the state." The SWRCB and nine RWQCBs protect waters within this broad regulatory scope through many different regulatory programs. Waters of the State in the context of a CEQA Biological Resources evaluation include wetlands and other surface waters protected by the *State Wetland Definition and Procedures for Discharges of Dredged or Fill Material to Waters of the State*. The SWRCB and RWQCB issue permits for the discharge of fill material into surface waters through the State Water Quality Certification Program, which fulfills requirements of Section 401 of the CWA and the Porter-Cologne Water Quality Control Act. Projects that require a CWA permit are also required to obtain a Water Quality Certification. If a project does not require a federal permit, but does involve discharge of dredge or fill material into surface waters of the State, the SWRCB and RWQCB may issue a permit in the form of Waste Discharge Requirements.

Sections 1600-1616 of California Fish and Game Code: Streams and lakes, as habitat for fish and wildlife species, are regulated by CDFW under Sections 1600-1616 of California Fish and Game Code (CFGC). Alterations to or work within or adjacent to streambeds or lakes generally require a 1602 Lake and Streambed Alteration Agreement. The term "stream", which includes creeks and rivers, is defined in the California Code of Regulations (CCR) as "a body of water that flows at least periodically or intermittently through a bed or channel having banks and supports fish or other aquatic life [including] watercourses having a surface or subsurface flow that supports or has supported riparian vegetation" (14 CCR 1.72). The term "stream" can include ephemeral streams, dry washes, watercourses with subsurface flows, canals, aqueducts, irrigation ditches, and other means of water conveyance if they support aquatic life, riparian vegetation, or stream-dependent terrestrial wildlife (CDFG 1994). Riparian vegetation has been defined as "vegetation which occurs in and/or adjacent to a stream and is dependent on, and occurs because of, the stream itself" (CDFG 1994). Removal of riparian vegetation also requires a Section 1602 Lake and Streambed Alteration Agreement from CDFW.

Environmentally Sensitive Habitat Areas: The California Coastal Act Section 30107.5 defines Environmentally Sensitive Habitat Areas (ESHAs) as "any area in which plant or animal life or their habitats are either rare or especially valuable because of their special nature or role in an ecosystem and which could be easily disturbed or degraded by human activities and developments." Coastal Act Section 30240 protects ESHAs from "significant disruption of habitat values" limits allowable land uses within ESHAs, and requires adjacent uses to be designed to be compatible with habitat benefits provided by ESHAs. The Coastal Act includes wetlands as ESHAs, but does not specifically define every vegetation community defined as an ESHA. Instead, the California Coastal Commission (CCC) often delegates the responsibility for administering the California Coastal Act to local municipalities through the approval of Local Coastal Programs (LCPs). Many LCPs provide more specific lists of communities that are considered ESHAs.

City of Marina Local Coastal Land Use Plan:

The City of Marina has an approved LCP that consists of a Local Coastal Land Use Plan and a Local Coastal Implementation Plan (City of Marina 2013a, 2013b). Under the California Coastal Act, the City of Marina manages coastal development within its jurisdictional boundaries, including addressing the challenges presented by coastal hazards like storms, flooding, and erosion, and the CCC is the jurisdictional regulatory agency that oversees these issues below the mean high tide line. Primary and Secondary Habitat, as defined under the City's LCP (City of Marina 2013a), are considered ESHAs that are designated protected areas within the Coastal Zone. Primary Habitat includes:

- habitat for all identified plant and animal species which are rare, endangered or threatened, or are necessary for the survival of an endangered species;
- vernal ponds and their associated wetland vegetation; and
- all native dune vegetation, where such vegetation is extensive enough to perform the special role of stabilizing Marina's natural sand dune formations.

Secondary Habitat is defined as other areas that have an especially valuable role in an ecosystem for sensitive plant or animal life, as determined by a qualified biologist approved by the City of Marina.

City of Marina General Plan:

The City of Marina's General Plan (City of Marina 2010) specifies open space policies to ensure retention of land with significant natural resource values (Policy 2.3.3) and include habitat reserves and other open space for the protection of important habitat and scenic areas (Policy 2.7.1). Habitat reserve and open space include coastal strand and dune areas adjacent to Monterey Bay and wetlands, which provide habitat for rare, threatened and endangered wildlife and plant species.

The City of Marina's General Plan recognizes that future water demands will require changes in the management of water resources in the area, and water conservation and water reclamation and reuse will constitute major components of future water management efforts. The policies and programs of the General Plan are designed to promote both water conservation and the use of recycled water to protect water quality and to ensure that the demand of future community development does not exceed the capacity to provide water in an environmentally acceptable way (Policy 3.42).

Ponds 1, 2, 3, and 7 are within the boundaries of the City of Marina.

Monterey County General Plan:

The Monterey County General Plan (County of Monterey 2010) applies to land use and resource management decisions in the unincorporated areas east of the City of Marina. Similar to the City General Plan, the County General Plan contains goals and policies related to the conservation of listed species and critical habitat; and avoidance, minimization, and mitigation of significant impacts to biological resources. The Monterey County General Plan requires that decisions regarding groundwater management, well permitting, and projects that may affect groundwater resources should consider effects of those projects and approvals on groundwater-dependent ecosystems and provide mitigation for potential adverse effects. In addition, the County General Plan prescribes specific policies and goals intended to protect riparian and wetland habitat, such as an assessment of impacts on adjacent wells and instream flows for new high-capacity wells

where there may be a potential to affect existing adjacent domestic or water system wells adversely or in-stream flows necessary to support riparian vegetation, wetlands, fish, and other aquatic life [PS-3.4].

Ponds 4 and 5 fall under the Monterey County General Plan.

Marina Groundwater Sustainability Agency Groundwater Sustainability Plan

The Sustainable Groundwater Management Act (SGMA) requires Groundwater Sustainability Agencies (GSAs) to prepare Groundwater Sustainability Plans (GSPs) to achieve sustainable groundwater conditions in medium and high priority groundwater basins and subbasins designated by the California Department of Water Resources. The City of Marina GSA (MGSA) covers an area north of the urban growth center, in an area with a land use designation of Habitat Preserve and Other Open Space (MGSA 2020). The GSP Regulations include specific requirements to identify and consider Groundwater-Dependent Ecosystems (23 CCR § 354.16(g)) when determining whether groundwater conditions are having potential effects on beneficial uses and users. GSAs must also assess whether sustainable management criteria may cause adverse impacts to beneficial uses, which include environmental uses, such as plants and wildlife (MGSA 2020).

2.2 Special-Status Species

Special-status species include those plants and wildlife species that have been formally listed, are proposed as endangered or threatened, or are candidates for such listing under the federal Endangered Species Act (ESA) or California Endangered Species Act (CESA). These Acts afford protection to both listed and proposed species. In addition, CDFW Species of Special Concern, which are species that face extirpation in California if current population and habitat trends continue, USFWS Birds of Conservation Concern, and CDFW special-status invertebrates are all considered special-status species. Although CDFW Species of Special Concern generally have no special legal status, they are given special consideration under CEQA.

In addition to regulations for special-status species, most birds in the United States, including non-status species, are protected by the Migratory Bird Treaty Act (MBTA) of 1918. Under this legislation, destroying active nests, eggs, and young is illegal. Bat species designated as "High Priority" by the Western Bat Working Group (WBWG) qualify for legal protection under Section 15380(d) of the CEQA Guidelines.

Plant species on the California Native Plant Society (CNPS) Rare and Endangered Plant Inventory (Inventory; CNPS 2020a) with a CNPS Rare Plant Rank (Rank) of 1, 2, or 3 are also considered special-status plant species and must be considered under CEQA. A description of the Ranks is provided below in Table 2.

Table 2. Description of CNPS Ranks and Threat Codes

CNPS Rare Plant Ranks (formerly known as CNPS Lists)	
Rank 1A	Presumed extirpated in California and either rare or extinct elsewhere
Rank 1B	Rare, threatened, or endangered in California and elsewhere
Rank 2A	Presumed extirpated in California, but more common elsewhere
Rank 2B	Rare, threatened, or endangered in California, but more common elsewhere

Rank 3	Plants about which more information is needed - A review list
Rank 4	Plants of limited distribution - A watch list
Threat Ranks	
0.1	Seriously threatened in California
0.2	Moderately threatened in California
0.3	Not very threatened in California

Critical Habitat

Critical habitat is a term defined in the ESA as a specific geographic area that contains features essential for the conservation of a threatened or endangered species and that may require special management and protection. The ESA requires federal agencies to consult with the USFWS to conserve listed species on their lands and to ensure that any activities or projects they fund, authorize, or carry out will not jeopardize the survival of a threatened or endangered species. In consultation for those species with critical habitat, federal agencies must also ensure that their activities or projects do not adversely modify critical habitat to the point that it will no longer aid in the species' recovery. In many cases, this level of protection is similar to that already provided to species by the ESA jeopardy standard. However, areas that are currently unoccupied by the species but which are needed for the species' recovery are protected by the prohibition against adverse modification of critical habitat.

3.0 METHODS

On June 9 and 18, 2020, the Study Area was traversed on foot to determine (1) whichplant communities are present within the Study Area, (2) if existing conditions provided suitable habitat for any special-status plant or wildlife species, (3) if sensitive habitats are present, and (4) if current hydrology has substantially changed since the CVCMP was published in 1994. Ponds 1, 3, and 4 were visited on June 9, 2020, and Ponds 2, 5, and 7 were visited on June 18, 2020. For the purpose of the discussion of results, Pond 3 was subdivided into Pond 3a (east of Reservation Road) and Pond 3b (west of Reservation Road) (Figure 5-3). The Study Area was defined to include wetland habitat associated with each pond, and a buffer from the edge of wetland vegetation extending 50 feet into the upland. However, the site visits focused mainly on wetland habitat, and the buffer was cursorily examined for ability to support special-status plant or wildlife species and general conditions that might affect wetland and water quality. Plant nomenclature follows the Jepson Flora Project (Jepson eFlora 2020), except where noted. For cases in which regulatory agencies, CNPS, or other entities base rarity on older taxonomic treatments, precedence was given to the treatment used by those entities.

3.1 Biological Communities

Prior to the site visit, aerial imagery (Google Earth 2020); the National Wetlands Inventory (NWI; USFWS 2020a); the CVCMP (The Habitat Group 2014); and a recent assessment of groundwater-dependent ecosystems within the City of Marina ([Technical Memorandum]; Formation Environmental 2020) were reviewed to determine if any plant communities and/or aquatic features were present or had the potential to be present in the Study Area. Where possible, biological communities were classified based on existing descriptions from the CVCMP.

If not previously described, wetland communities were classified based on the descriptions used by the NWI. Biological communities were classified as sensitive or non-sensitive as defined by CEQA and other applicable laws and regulations.

3.1.1 Non-sensitive Biological Communities

Non-sensitive biological communities are those communities that are not afforded special protection under CEQA, and other state, federal, and local laws, regulations and ordinances. These communities may, however, provide suitable habitat for some special-status plant or wildlife species and are identified or described in Section 4.1.1 below.

3.1.2 Sensitive Biological Communities

Sensitive biological communities are defined as those communities that are given special protection under CEQA and other applicable federal, state, and local laws, regulations and ordinances. Applicable laws and ordinances are discussed above in Section 2.0.

The Study Area was inspected for streams and riparian vegetation that may be regulated as Waters of the State by RWQCB Section 401 of the CWA and/or by CDFW under Sections 1600-1616 of the CFGC. The Study Area was not formally assessed for the presence of waters of the State or waters of the U.S. including wetlands, and non-wetland waters using the methods described in the *Corps of Engineers Wetlands Delineation Manual* (Environmental Laboratory 1987). Identification of wetlands focused primarily on updating the boundary of wetlands identified in the 1994 CVCMP based on the extent of hydrophytic vegetation and indicators of wetland hydrology.

3.1.3 Groundwater-Dependent Ecosystems

Each pond within the Study Area was assessed for potential changes in hydrology since the CVCMP was published, and for indicators of its potential groundwater-dependent ecosystem status. Prior to site visits, the CVCMP (The Habitat Group 2014) and the Technical Memorandum (Formation Environmental 2020) were evaluated to determine baseline hydrology conditions. During the site visit, hydrology inputs to each pond were assessed, and each pond was classified as predominantly precipitation- or groundwater-dependent, based on observed potential hydrological inputs, plant species composition and general hydrophytic vegetation condition, water salinity, and depth of soil saturation and roots within the soil profile. Additionally, the condition of the buffer around each pond was assessed for potential impacts to wetland and water quality. Four to five photopoints were established at each pond to serve as reference points for any potential future changes to wetland hydrology and/or vegetation.

Salinity

Salinity and temperature readings were taken at each pond location using a handheld YSI unit. Salinity readings were recorded in parts per thousand (PPT) and temperature was recorded in degrees Celsius. The YSI probe was left in water for a minimum of 20 seconds for each reading to ensure accuracy. Four salinity readings were taken at Ponds 2, 3, 3a, 4, and 7. Due to its larger size, five readings were taken at Pond 1 for increased accuracy. No open water was present at Pond 5, however a single salinity reading was taken in the location of an excavated soil pit, where water had pooled. Salinity readings were taken in association with benchmark photo points, providing approximate sample locations (Figure 5).

Water Table

One to two soil pits were dug to a depth of approximately 14 inches at each pond. When more than one wetland habitat type was present, a sample pit was excavated in each wetland habitat type. Pits were preferentially dug in areas with perennial hydrophytic vegetation, and were dug at the upland edge of the wetland habitat whenever possible. The soil profile, including soil matrix color, texture, redoximorphic concentrations, and plant species present were characterized at each pit location. Within the soil pit, depth to saturation, water table, and the depth to the end of the root zone were recorded.

3.2 Special-Status Species

3.2.1 Literature Review

Potential occurrence of special-status species in the Study Area was evaluated by first determining which special-status species occur in the vicinity of the Study Area through a literature and database search. Database searches for known occurrences of special-status species focused on the Marina, Monterey, Moss Landing, Prunedale, Salinas, Seaside, and Spreckels U.S. Geological Survey 7.5-minute quadrangle maps. The following sources were reviewed to determine which special-status plant and wildlife species have been documented to occur in the vicinity of the Study Area:

- CNDDB records (CDFW 2020a)
- USFWS Information for Planning and Consultation database (USFWS 2020b)
- CNPS Inventory records (CNPS 2020a)
- Consortium of California Herbaria records (CCH 2020)
- CDFG publication "California's Wildlife, Volumes I-III" (Zeiner et al. 1990)
- CDFG publication "Amphibians and Reptile Species of Special Concern in California" (Jennings 1994)
- A Field Guide to Western Reptiles and Amphibians (Stebbins 2003)

3.2.2 Site Assessment

A site visit was made to the Study Area to search for suitable habitats for special-status species. Habitat conditions observed at the site were used to evaluate the potential for presence of special-status species based on these searches and the professional expertise of the investigating biologists. The potential for each special-status species to occur in the Study Area was then evaluated according to the following criteria:

- No Potential. Habitat on and adjacent to the site is clearly unsuitable for the species requirements (foraging, breeding, cover, substrate, elevation, hydrology, plant community, site history, disturbance regime).
- Unlikely. Few of the habitat components meeting the species requirements are present, and/or the majority of habitat on and adjacent to the site is unsuitable or of very poor quality. The species is not likely to be found on the site.
- Moderate Potential. Some of the habitat components meeting the species requirements are present, and/or only some of the habitat on or adjacent to the site is unsuitable. The species has a moderate probability of being found on the site.

- High Potential. All of the habitat components meeting the species requirements are present and/or most of the habitat on or adjacent to the site is highly suitable. The species has a high probability of being found on the site.
- Present. Species is observed on the site or has been recorded (i.e. CNDDB, other reports) on the site recently.

The site assessment is intended to identify the presence or absence of suitable habitat for each special-status species known to occur in the vicinity to determine its potential to occur in the Study Area. The site visit does not constitute protocol-level surveys and is not sufficient to conclude the absence of a species. In cases where little information is known about species occurrences and habitat requirements, the species evaluation was based on best professional judgment of WRA biologists with experience working with the species and habitats.

If a special-status species was observed during the site visit, its presence was recorded, and it is discussed below in Section 4.2. For some species, a site assessment visit at the level conducted for this report may not be sufficient to determine presence or absence of a species to the specifications of regulatory agencies. In these cases, a species may be assumed to be present or further protocol-level special-status species surveys may be necessary. Special-status species for which further protocol-level surveys may be necessary are described below in Section 4.2.

4.0 RESULTS

Vernal ponds included within the Study Area are situated within the coastal plain of Monterey Bay, within 1 mile of the Pacific Ocean, and approximately 2 miles east of the Salinas River. The elevation of the ponds ranges between approximately 0 and 5 feet above mean sea level, while the surrounding dune deposits reach elevations over 100 feet above mean sea level. The ponds lay within highly permeable Quaternary sand dune deposits, which contain the Dune Sands Aquifer, the predominant aquifer in the Marina area (The Habitat Group 1994, Formation Environmental 2020). Surrounding land uses vary between ponds, but include paved roads and Highway 1; housing and commercial developments; and managed lands such as the Marina Dunes Preserve, Marina State Beach, and Locke-Paddon Park. Adjacent habitat types to the east include coastal dunes, coastal scrub, and the Pacific Ocean. Adjacent habitat types to the north, south, and west include a matrix of ruderal grassland, ornamental plantings, and developed and landscaped areas.

Recent hydrogeological research performed during preparation of the Groundwater Sustainability Plan for the MGSA, reached the following conclusions regarding the hydrogeological connection of the Marina vernal ponds with the underlying aquifers:

> *Groundwater occurs at depth beneath the tall, active dunes at the coast, but as noted in Section 2, can be relatively shallow further inland and beneath hollows and depressions, such as where the coastal wetland GDEs discussed in this memorandum are located. While it has been asserted that the vernal ponds near the City are supplied by the lateral inflow of perched groundwater on low permeability layers in the Quaternary dune sands, these layers have not been confirmed to be present or continuous at all of the pond locations (The Habitat Group 1994; Balance Hydrologics 2012), and the groundwater elevations, pond elevations, and conditions noted above are not consistent with perched aquifers that are isolated from an underlying aquifer system. Rather, the available data indicate that these areas are underlain with a continuous saturated zone that extends through the Dune Sand Aquifer to the GDEs* (Formation Environmental 2020).

Ponds within the Study Area are believed to be remnants of historic marshes that occurred within the Salinas River floodplain and were subsequently covered by encroaching coastal sand dunes (The Habitat Group 1994). No tidal fluctuation in pond levels has been observed (The Habitat Group 1994). Groundwater in this area is generally shallow, and an assessment conducted by Formation Environmental (2020) interpreted the depth to groundwater near the Armstrong Ranch Pond Complex (Pond 6) to be approximately 2 to 5 feet. In that study, the ponds occurred where groundwater levels were close or intersected the ground surface. The wetlands assessed by WRA occur in a similar setting, and include ponds whose water surface elevations have been measured from 0.5 to 5 feet above mean sea level, similar to the groundwater table elevations in the Dune Sand Aquifer (Formation Environmental 2020).

The ponds experienced some physical modification through the early to mid-20th century by grading and filling (The Habitat Group 1994). In the 1950s through early 1980s, substantial modifications occurred with construction of Highway 1 in 1976, as well as the construction residential subdivisions (The Habitat Group 1994). Hydrologic modifications included paving over dune areas with impervious road and roof surfaces; runoff from some areas was piped and discharged directly to several of the ponds (Ponds 1, 2, 3, and 7; The Habitat Group 1994). Additionally, portions of Ponds 1 and 4 and associated wetlands were filled during this time (The Habitat Group 1994). In 1988, Pond 2 was developed as a Park, and groundwater was discharged into it to raise its summer level to 4.5 feet above mean sea level (The Habitat Group 1994. In 1993, Pond 3 was modified as part of the Marina Landing Shopping Center development (The Habitat Group 1994). A review of recent aerial imagery (Google Earth 2020) shows that the approximate footprint and surrounding land uses of each pond has remained relatively unchanged since 1998 (no aerial imagery was available between 1994 and 1998).

4.1 Biological Communities

Table 3 summarizes the area of each biological community observed in the Study Area. Sensitive aquatic biological communities associated with the ponds include coastal freshwater marsh, coastal saltwater marsh, willow riparian forest, freshwater seasonal wetland, and open water. Sensitive upland biological communities include coastal dune scrub, California blackberry scrub, and rose scrub. Non-sensitive upland biological communities include non-native grassland, non-native vegetation, native landscaping, and coyote brush. Upland biological communities occurred within the 50-foot upland buffer and therefore were not included in mapping efforts and area calculations, which focused on the within pond habitats directly related to pond hydrology. Descriptions for each biological community are included in sections 4.1.1 and 4.1.2. Wetland communities within the Study Area are shown in Figure 5.

Table 3. Summary of Biological Communities in the Study Area

Community Type	Area (Acres) by Pond*						Total Area (Acres)
	1	2	3	4	5	7	
Upland							
Non-Sensitive							
Non-Native Grassland	-	X	X	-	-	-	**N/A**
Non-Native Vegetation	X	X	X	X	X	X	**N/A**
Native Landscaping	-	X	X	-	-	-	**N/A**
Coyote Brush Scrub	X	X	-	-	-	X	**N/A**
Sensitive							
Coastal Dune Scrub	X	-	X	X	X	X	**N/A**
Rose Scrub	-	-	-	-	X	-	**N/A**
California Blackberry Scrub	-	X	-	-	-	-	**N/A**
Aquatic							
Coastal Freshwater Marsh	-	8.17	0.56	-	-	1.61	**10.34**
Coastal Saltwater Marsh	4.58	-	-	0.33	0.38	-	**5.29**
Willow Riparian Forest	0.01	2.60	1.27	-	-	-	**3.88**
Freshwater Seasonal Wetland	-	0.40	0.02	-	-	0.01	**0.43**
Open Water	1.03	1.83	0.32	1.00	-	0.47	**4.65**
Total Area (Acres)	**5.62**	**13**	**2.17**	**1.33**	**0.38**	**2.09**	**24.59**

*Only wetlands, waters, and riparian areas were the focus of mapping activities and area calculations. Biological communities encountered in the upland buffer are characterized as either present ("X") or absent ("-") at each pond, with no calculation of area

4.1.1 Upland Biological Communities

Non-Native Grassland

Non-native grassland is associated with Ponds 2 and 3. Non-native grassland surrounding wetland vegetation is dominated by non-native annual grasses, such as slim oat (*Avena barbata*), ripgut brome (*Bromus diandrus*), and soft chess (*Bromus hordeaceus*), and forbs, such as Canada horseweed (*Erigeron canadensis*), prickly lettuce (*Lactuca serriola*), prostrate knotweed (*Polygonum* aviculare), and common plantain (*Plantago major*). At Pond 2, non-native grassland

occurs in and near the vicinity of the picnic area near the intersection of Reservation Road and Seaside Avenue. Mixed grassland community installed in the upland areas around Pond 3 in 1993 and 1994 appears to have converted to non-native grassland, although some beardless wild rye (*Elymus triticoides*) is still present.

Non-Native Vegetation

Non-native vegetation is present within the upland buffers surrounding each pond. This community consists of woody and herbaceous non-native vegetation that has been planted or naturally established in previously disturbed areas. Canopy species include acacia (*Acacia* sp.), blue gum (*Eucalyptus globulus*), Monterey cypress (*Hesperocyparis macrocarpa*), and Monterey pine (*Pinus radiata*). The understory consists of non-native herbaceous species, such as short-podded mustard (*Hirschfeldia incana*), wild radish (*Raphanus sativus*), and iceplant (*Carpobrotus chilensis*, *C. edulis*). Monotypic iceplant mats were observed at Ponds 1, 3, and 4; these iceplant mats appear to have increased in footprint since 1994 and are beginning to encroach upon coastal dune scrub at Ponds 1 and 4.

Native Landscaping

Areas surrounding Ponds 2 and 3 have been planted with native species. Linear segments along Reservation Road (Pond 2) and Beach Road (Pond 3) have been planted with native scrub species, including coyote brush (*Baccharis pilularis*), mock heather (*Ericameria ericoides*), and coastal bush lupine (*Lupinus arboreus*). The southeastern edge of Pond 2 has been planted with native plants, dominated by coast live oak (*Quercus agrifolia*), California blackberry (*Rubus ursinus*), field sedge (*Carex praegracilis*), and Brewer's rush (*Juncus breweri*). This community appears to have been relatively stable in footprint and species composition since 1994.

Coyote Brush Scrub

Small pockets of upland areas surrounding Ponds 1, 2, and 7 are dominated coyote brush scrub, sometimes co-dominant with California blackberry. This community appears to have been relatively stable since 1994.

Coastal Dune Scrub

This community occurs on the backs of dune slopes surrounding Ponds 4 and 5, and is also associated with portions of Ponds 1, 3, and 7. The vegetation of the coastal dune scrub community is characterized by low-growing shrubs and herbs, including false iceplant (*Conicosia pugioniformis*), sand lettuce (*Dudleya caespitosa*), mock heather, coast buckwheat (*Eriogonum latifolium*) sea cliff buckwheat (*Eriogonum parvifolium*), lizard tail (*Eriophyllum staechadifolium*), and iceplant. Coastal dune scrub within the Study Area is similar in footprint and species composition as described in 1994 (The Habitat Group, although monotypic iceplant mats are expanding in size at Ponds 1 and 4. Areas mapped as coastal dune scrub are considered an ESHA under the Coastal Act, and are also covered by the City of Marina (Ponds 1, 3, and 7) and Monterey County (Ponds 4 and 5) General Plans. This habitat would be considered sensitive under CEQA.

California Blackberry Scrub

Pond 2 contains a small pocket of monotypic California blackberry scrub, as described in 1994 (The Habitat Group). California blackberry (*Rubus ursinus* Shrubland Alliance) is ranked as S3 and is therefore considered sensitive under CEQA.

Rose Scrub

The upland buffer surrounding Pond 5 is dominated by dense California rose (*Rosa californica*) with interspersed coyote brush and California blackberry. Rose scrub (*Rosa californica* Shrubland Alliance) is ranked as S3 and are therefore considered sensitive under CEQA.

4.1.2 Aquatic Biological Communities

Areas mapped as sensitive biological communities below are likely to meet the requirements as a potentially jurisdictional features subject to agency approval under Sections 401 and 404 of the CWA and the Porter-Cologne Water Quality Control Act. Additionally, riparian vegetation may be regulated under Section 1602 of the CFGC.

Coastal Freshwater Marsh

Ponds 2, 3, and 7 contain coastal freshwater marsh around the perimeter of open, unvegetated waters. Coastal freshwater marsh associated with Ponds 2 and 7 remain relatively similar in extent and species composition as described in 1994 (The Habitat Group), and have been successfully established at Pond 3 since that time. The interior of coastal freshwater marsh within the Study Area is dominated by tule (*Schoenoplectus acutus* var. *occidentalis*) and broadleaf cattail (*Typha latifolia*), while the outer edges are dominated by salt marsh baccharis (*Baccharis glutinosa*), Brewer's rush, chairmaker's bulrush (*Schoenoplectus americanus*), and stinging nettle (*Urtica dioica*).

Coastal Saltwater Marsh

Ponds 1, 4, and 5 contain coastal saltwater marsh in roughly the same footprint and with similar species composition as described in 1994 (The Habitat Group). Coastal saltwater marsh occurs along the fringe of open water at Ponds 1 and 4, and throughout the entirety of Pond 5. This community is dominated by herbaceous vegetation and graminoids, including fat hen (*Atriplex prostrata*), saltmarsh bulrush (*Bolboschoenus maritimus* ssp. *paludosus*), alkali heath (*Frankenia salina*), jaumea (*Jaumea carnosa*), Brewer's rush, silver weed cinquefoil (*Potentilla anserina*), and pickleweed (*Salicornia pacifica*). At Pond 5, only the lowest portion of the pond contains dense halophytic vegetation, while the fringe of the feature is dominated by a near monotypic stand of Brewer's rush, interspersed with scattered alkali heath, silver weed cinquefoil, and California blackberry. Within some areas to the north that appear to be receiving increased freshwater runoff (see Section 4.1.3), freshwater herbs and graminoids such as tall cyperus (*Cyperus eragrostis*), curly dock (*Rumex crispus*), and spike rush (*Eleocharis macrostachya*) are beginning to co-dominate with halophytic species.

Less than one acre along the northwestern edge of Pond 1, west of the Robin Drive cul-de-sac, previously mapped as coastal saltwater marsh was reclassified as upland based on the lack of wetland hydrology indicators or hydric soil indicators during the June 2020 site visit. In June of 2020, this area was dominated by field sedge (*Carex praegracilis*), with scattered coyote brush and encroaching ice plant mats.

Willow Riparian Forest

Willow riparian forest was previously only mapped at Pond 2 (The Habitat Group 1994). Willow riparian habitat appears to have increased in footprint at Pond 2. Additionally, the fringes of Ponds 3a and 3b, and a small portion at the eastern end of Pond 1, now contain riparian vegetation dominated by willow. At Pond 1, this biological community consists of a small stand of arroyo willow. Willow riparian forest at Pond 2 is dominated by a dense overstory of arroyo willow (*Salix lasiolepis*) and red willow (*Salix laevigata*), with an understory of California blackberry and stinging nettle. At Pond 3, willow riparian forest is dominated by arroyo willow interspersed with acacia and toyon (*Heteromeles arbutifolia*), with an understory dominated by California blackberry and stinging nettle. These features are dependent upon groundwater associated with each pond.

Freshwater Seasonal Wetland

Freshwater seasonal wetland (NWI Classification PEM: Freshwater Emergent Wetland) was not previously mapped within the Study Area. However, Ponds 2, 3, and 7 now contain pockets of facultative hydrophytic vegetation in areas where freshwater runoff appears to pond against riparian and perennial marsh vegetation. Within the Study Area, seasonal wetlands are dominated by field sedge (*Carex praegracilis*), tall cyperus, western goldenrod (*Euthamia occidentalis*), Italian wild rye (*Festuca perennis*), alkali heath, Mediterranean barley (*Hordeum marinum* ssp. *gussoneanum*), annual beard grass (*Polypogon monspeliensis*), silver weed cinquefoil, California blackberry, and curly dock, with scattered perennial marsh vegetation such as chairmaker's bulrush.

At Pond 2, freshwater seasonal wetland occurs below a culvert at the northern end of the pond, as well as along the southern and eastern fringes of the pond, where runoff from adjacent paved roads ponds against riparian and marsh vegetation. Freshwater seasonal wetland at Pond 3a occurs at the northern end of the pond, where runoff from Reservation Road appears to pond against riparian vegetation, and at the eastern end of the pond, which appears to receive runoff from an ephemeral upland swale to the east. Freshwater seasonal wetland at Pond 7 is associated with runoff from two culverts on the western side of the pond.

Open Water

Areas of Ponds 1, 2, 3, 4, and 7 that were inundated at the time of the site visit and contained less than 5 percent vegetation were classified as open water.

4.1.3 Groundwater-Dependent Ecosystems

Groundwater-dependent ecosystems within the Study Area include coastal freshwater marsh, coastal saltwater marsh, and willow riparian forest. Aside from apparent increases in freshwater hydrology inputs, and an increase in the footprint of willow riparian forest and coastal freshwater marsh, groundwater-dependent vegetation appears to be in relatively similar condition to conditions described in the CVCMP, as outlined in Section 4.1.2 above. Urban and road runoff appears to impact all six ponds degrees, as identified in the CVCMP, and as evidenced by the appearance of the new freshwater seasonal wetland habitat observed at Ponds 2, 3, and 7 during the June 2020 site visits.

In general, vegetation associated with groundwater-dependent ecosystems were in good condition, although large swaths of tule and broadleaf cattail associated coastal freshwater marsh are beginning to die off along the edges of the western and southern sides of Pond 7 and the

southern edges of Pond 2. Areas with perennial freshwater marsh vegetation die off appear to still have perennial wetland hydrology, as indicated by standing water at the time of the June 2020 site visits, so the die off is likely due to causes other than changes in groundwater (though no additional water quality samples were collected). Upland vegetation adjacent to marsh vegetation die offs at Pond 7 also appear to have died off during the 2020 growing season. Furthermore, healthy tule and broadleaf cattail vegetation appears to have been recently driven over with a motorized vehicle in small portions of Pond 7.

Salinity

Salinity and temperature readings, recorded with the YSI probe, are documented below in Table 4. Ponds 1 and 4 had higher salinity readings, ranging from 15.5 to 30.5 ppt. Ponds 2, 3, and 7 had lower salinity readings, ranging from 0.2 to 0.9 ppt, and groundwater sampled at Pond 5 had an intermediate salinity reading of 4.4 ppt. These findings correspond to what was observed in the CVCMP, which characterizes Ponds 1 and 4 as brackish to hypersaline, Pond 2 as fresh, and Ponds 3 and 7 as fresh to brackish (The Habitat Group 1994). Pond 5 did not have any standing water, and was completely vegetated, during the June 2020 site visit; this finding is consistent with what was documented in the CVCMP (The Habitat Group 2014).

Table 4. Salinity and Temperature Readings

Pond	Salinity (PPT)	Temperature (°C)	Classification
1	16.9	24.5	Brackish to Strongly Brackish
	17.5	24.6	
	17	28.8	
	17	26.5	
	15.5	26.4	
Pond 1 Average	16.78	26.16	
2	0.2	15.7	Fresh
	0.2	21.1	
	0.2	20.5	
	0.2	20.3	
Pond 2 Average	0.2	19.4	
3a	0.6	19.7	Fresh to Slightly Brackish
	0.2	19.7	
	0.2	19.9	
	0.2	21.3	
Pond 3a Average	0.3	20.15	
3b	0.9	29.8	Slightly Brackish
	0.9	17	
	0.9	27.5	
	0.9	18.4	
Pond 3b Average	0.9	23.175	
4	28.6	18.9	Strongly Brackish
	30.5	17.3	
	26	18.7	
	29.9	19.5	
Pond 4 Average	28.75	18.6	
5	4.4	17.6	Brackish
Pond 5 Average	4.4	17.6	

Pond	Salinity (PPT)	Temperature (°C)	Classification
7	0.3	23.8	Fresh
	0.3	30.4	
	0.3	30.8	
	0.3	25.4	
Pond 7 Average	0.3	27.6	

Water Table

The locations of soil pits excavated to assess the water table and root zone depth at each pond are depicted in Figure 5. Soil textures in each of the pits predominantly consisted of sand, with some sandy clay and sandy silt, often with inclusions of decomposing organic matter in the upper horizon of the soil profile. Soils in Pit P3-2 also contained inclusion of small pockets of clay below a depth of 2 inches. Table 5 summarizes the wetland habitat, dominant plant species, depth to saturation, depth to water table, and depth of the root zone at each of the soil pits excavated in June of 2020.

In general, perennial marsh (coastal saltwater and coastal freshwater) contained a high water table within 14 inches of the soil surface, indicating groundwater hydrology. However, the edges of wetland vegetation associated with Ponds 1 and 5 did not contain an observable water table (the water table was at a depth greater than 14 inches), despite the presence of perennial marsh vegetation. Depth to the water table for freshwater seasonal wetland ranged from 12.5 to greater than 14 inches.

Table 5. Summary Soil Pit Data

Pond	Pit ID	Habitat Type	Plant Species	Saturation Depth (inches)	Water Table Depth (inches)	Root Zone Depth (inches)
1	P1-1	Coastal saltwater marsh	Salt marsh bulrush, silver weed cinquefoil	8	10	14
	P1-2	Coastal freshwater marsh	Jaumea, alkali heath	>14	>14	>14
2	P2-1	Coastal freshwater marsh	Tall cyperus, silver weed cinquefoil, annual beard grass	5	8	8
	P2-2	Freshwater seasonal wetland	Arroyo willow, salt grass	11	12.5	10.5
3a	P3a-1	Coastal freshwater marsh	Chairmaker's bulrush, alkali heath, curly dock	5	7.5	5

Pond	Pit ID	Habitat Type	Plant Species	Saturation Depth (inches)	Water Table Depth (inches)	Root Zone Depth (inches)
	P3a-2	Freshwater seasonal wetland	Italian wild rye, Mediterranean barley	8	>14	8
3b	P3b-1	Coastal freshwater marsh	Spike rush, Brewer's rush, annual beard grass, chairmaker's bulrush	6	9.5	6
4	P4-1	Coastal saltwater marsh	Brewer's rush, alkali heath, pickleweed	7	8	10
5	P5-1	Coastal saltwater marsh	Brewer's rush, alkali heath	>14	>14	8
	P5-2	Coastal saltwater marsh	Salt grass, salt marsh bulrush, pickleweed	11.5	13.5	7.5
7	P7-1	Coastal freshwater marsh	Watercress (*Nasturtium officinale*), fat hen, chairmaker's bulrush, dotted smartweed (*Persicaria punctata*)	9.5	12	9

4.1.4 Summary Pond Descriptions

The following section summarizes aquatic biological communities and groundwater-dependent ecosystem analyses, briefly described above in Sections 4.1.1 and 4.1.2, in greater detail by pond.

Pond 1

Pond 1 contained open water, with less than 5 percent vegetative cover, at the time of the June 2020 site visit (Figure 5-1). Open water at Pond 1 is surrounded by a fringe of coastal saltwater marsh. The interior of the ring of coastal saltwater marsh at Pond 1 is dominated by pickleweed and perennial graminoids, such as saltmarsh bulrush and tule. The exterior of the ring of coastal salt marsh is dominated by a dense carpet of halophytic forbs, including jaumea and alkali heath. A small stand of arroyo willow occurs in the southeastern corner of Pond 1. Less than one acre along the northwestern edge of Pond 1, west of the Robin Drive cul-de-sac, previously mapped as coastal saltwater marsh was reclassified as upland based on the lack of wetland hydrology indicators or hydric soil indicators during the June 2020 site visit. In June of 2020, this area was

dominated by field sedge (*Carex praegracilis*), with scattered coyote brush and encroaching ice plant mats.

Aquatic vegetation at Pond 1 was generally in good condition at the time of the June 2020 site visit. Salinity measurements at Pond 1 ranged from 15.5 to 17.5 ppt, indicating that salinity at the pond ranges from brackish to strongly brackish. Urban runoff, from paved residential areas and Highway 1, appears to marginally contribute to the hydrology of Pond 1, particularly along the western and southern edges of the pond. Within the interior ring of coastal saltwater marsh vegetation, the water table was observed at a depth of 8 inches; however, within the exterior ring of coastal saltwater marsh vegetation, a high water table was not observed despite the presence of perennial coastal saltwater marsh vegetation. However, the presence of a high water table within the interior ring of coastal saltwater marsh vegetation, along with the presence of open water, several months after the conclusion of the wet season indicates that the hydrology of Pond 1 relies on groundwater; therefore, Pond 1 should be considered a groundwater-dependent ecosystem. Perennial marsh species that dominate coastal saltwater marsh, such as saltmarsh bulrush and tule, and arroyo willow are reliant on a source of year-round water and could be negatively impacted by activities that affect the groundwater table associated with Pond 1.

Pond 2

Pond 2 contained open water, with less than 5 percent vegetative cover, at the time of the June 2020 site visit (Figure 5-2). Open water at Pond 2 is surrounded by coastal freshwater marsh vegetation, dominated by tule and cattail in the interior; and salt marsh baccharis, Brewer's rush, chairmaker's bulrush, and stinging nettle in the exterior. Willow riparian habitat appears to have increased in footprint since the publication of the CVCMP. Willow riparian forest at Pond 2 is dominated by a dense overstory of arroyo and red willow, with an understory of California blackberry and stinging nettle. Freshwater seasonal wetland, not previously described in the CVCMP, occurs below a culvert at the northern end of the pond, as well as along the southern and eastern fringes of the pond, where runoff from adjacent paved roads ponds against riparian and marsh vegetation. Freshwater seasonal wetland surrounding Pond 2 is largely dominated by tall cyperus, annual beard grass, salt grass, and silver weed cinquefoil.

In general, aquatic vegetation associated with Pond 2 was in good condition at the time of the June 2020 site visit, although large swaths of tule and broadleaf cattail associated coastal freshwater marsh are beginning to die off along the southern edges of coastal freshwater marsh vegetation. Areas with perennial freshwater marsh vegetation die off appear to still have perennial wetland hydrology, as indicated by standing water at the time of the June 2020 site visits, so the die off is likely due to causes other than changes in groundwater. Salinity measurements at Pond 2 ranged from 0.2 to 0.6 ppt; therefore Pond 2 can be classified as fresh to slightly brackish. The water table was observed at a depth of 8 inches within coastal freshwater marsh, and at 12.5 inches within the freshwater seasonal wetland habitat. The expansion of willow riparian forest around the edges of Pond 2, high water table within coastal freshwater marsh and freshwater seasonal wetland vegetation, and the presence of open water several months after the conclusion of the wet season all indicate that the hydrology of Pond 2 relies on groundwater; therefore, Pond 2 should be considered a groundwater-dependent ecosystem despite apparent freshwater inputs from culvert runoff. Perennial marsh species that dominate coastal freshwater marsh, such as salt marsh baccharis, chairmaker's bulrush, cattail, and tule, and arroyo and red willow are reliant on a source of year-round water and could be negatively impacted by activities that affect the groundwater table associated with Pond 2.

Pond 3

Pond 3a (Figure 5-3) contained open water, with less than 5 percent vegetative cover, at the time of the June 2020 site visit. Pond 3b (Figure 5-3) also contained standing water at the time of the June 2020 site visit; however, the entirety of the feature contained greater than 5 percent vegetative cover. Both Ponds 3a and 3b contain coastal freshwater marsh vegetation, surrounded by willow riparian forest. Coastal freshwater marsh at Pond 3a is dominated by tule and chairmaker's bulrush; coastal freshwater marsh at Pond 3b is dominated by tule in the interior, and spike rush, Brewer's rush, annual beard grass, and chairmaker's bulrush around the fringes. Willow riparian forest is dominated by arroyo willow interspersed with acacia and toyon (*Heteromeles arbutifolia*), with an understory dominated by California blackberry and stinging nettle. Two small pockets of freshwater seasonal wetland, not described in the CVCMP, were observed at Pond 3a at the northern end of the pond, where runoff from Reservation Road appears to pond against riparian vegetation, and at the eastern end of the pond, which appears to receive runoff from an ephemeral upland swale to the east. Freshwater seasonal wetland was dominated by Italian wild rye, Mediterranean barley, curly dock, tall cyperus, and silver weed cinquefoil.

Aquatic vegetation associated with Ponds 3a and 3b were in good condition at the time of the June 2020 site visit. A deep erosional rill was observed on the eastern edge of Pond 3b in willow riparian forest, associated with runoff from Reservation Road. Both Ponds 3a and 3b appear to receive runoff from Reservation Road and culverts, as well as from an ephemeral upland swale east of Pond 3a. Salinity measurements at Pond 3a ranged from 0.2 to 0.6 ppt, classifying it as fresh to slightly brackish. Pond 3b remained stable at 0.9 ppt, classifying it as slightly brackish. The water table in coastal freshwater marsh vegetation was observed at a depth of 7.5 inches at Pond 3a, and 9.5 inches at Pond 3b. A high water table was not observed in freshwater seasonal wetland vegetation at Pond 3a; however, saturation was observed as a depth of 8 inches. The successful establishment of perennial marsh and willow riparian vegetation since the publication of the CVCMP, high water table within coastal freshwater marsh and freshwater seasonal wetland vegetation, and the presence of open water several months after the conclusion of the wet season all indicate that the hydrology of Ponds 3a and 3b rely on groundwater; therefore, Ponds 3a and 3b should be considered groundwater-dependent ecosystems despite apparent freshwater inputs from runoff. Perennial marsh species that dominate coastal freshwater marsh, such as tule, chairmaker's bulrush, and spike rush, and arroyo willow are reliant on a source of year-round water and could be negatively impacted by activities that affect the groundwater table associated with Pond 3.

Pond 4

Pond 4 contained open water, with less than 5 percent vegetative cover, at the time of the June 2020 site visit (Figure 5-4). Open water at Pond 4 is surrounded by a fringe of coastal saltwater marsh, within roughly the same footprint described in the CVCMP, dominated by alkali heath and pickleweed with stands of dense Brewer's rush.

In general, aquatic vegetation associated with Pond 4 was in good condition at the time of the June 2020 site visit, although monotypic iceplant mats in upland areas are beginning to encroach upon coastal saltwater marsh vegetation. Pond 4 appears to receive minimal urban runoff from surrounding areas, with the exception of a culvert observed at the northern end of the pond. Salinity measurements at Pond 4 ranged from 26 to 30.5 ppm, classifying it as strongly brackish. The water table was observed in coastal saltwater marsh vegetation at a depth of 8 inches. The presence of a high water table within coastal saltwater marsh vegetation, and the presence of open water several months after the conclusion of the wet season, indicate that the hydrology of Pond 4 relies on groundwater; therefore, Pond 4 should be considered a groundwater-dependent

ecosystem. Perennial marsh species that dominate coastal saltwater marsh, such as pickleweed, are reliant on a source of year-round water and could be negatively impacted by activities that affect the groundwater table associated with Pond 4.

Pond 5

Pond 5 contains coastal saltwater marsh in roughly the same footprint and with similar species composition as described in the CVCMP (Figure 5-5). Only the lowest portion of the pond contains dense halophytic vegetation, dominated by alkali heath, pickleweed, and saltmarsh bulrush, while the fringe of the feature is dominated by a near monotypic stand of Brewer's rush, interspersed with scattered alkali heath, silver weed cinquefoil, and California blackberry. Within some areas to the north that appear to be receiving increased freshwater runoff, freshwater herbs and graminoids, such as tall cyperus, curly dock, and spike rush, are beginning to co-dominate with halophytic species.

Aquatic vegetation associated with Pond 5 was in good condition at the time of the June 2020 site visit. A culvert located at the southern end of Pond 5 appears to convey significant seasonal flows to the pond, as evidenced by a wrack line and dense dried algal matting emanating from the culvert into coastal saltwater marsh vegetation. Water appears to flow and pond at the lowest point of the feature, located in the northern portion of the pond, where dense halophytic vegetation occurs. The water table was observed at a depth of 13.5 inches at this portion of Pond 5; groundwater sampled from this soil pit had a salinity of 4.4 ppt, classifying it as brackish. Although Pond 5 appears to receive significant input from culvert runoff, the presence of a high water table several months after the conclusion of the wet season indicates that the hydrology of Pond 5 relies on groundwater to some extent; therefore, Pond 5 should be considered a groundwater-dependent ecosystem. Perennial marsh species that dominate coastal saltwater marsh, such as pickleweed and spike rush, are reliant on a source of year-round water and could be negatively impacted by activities that affect the groundwater table associated with Pond 5. However, seasonal flows from the culvert to the south of the feature may offset any effects of a drawdown of groundwater.

Pond 7

Pond 7 contained open water, with less than 5 percent vegetative cover, at the time of the June 2020 site visit (Figure 5-1). Open water at Pond 7 is surrounded by coastal freshwater marsh vegetation, dominated by tule and cattail in the interior; and chairmaker's bulrush, curly dock, tall cyperus, and dotted smartweed along the outer fringes. Two small pockets of newly-observed freshwater seasonal wetland, dominated by curly dock and annual beard grass, were observed in the northern and southern portions of the pond, apparently sustained by culvert runoff.

Aquatic vegetation at Pond 7 was generally in good condition at the time of the June 2020 site visit, although large swaths of tule and cattails were beginning to die off along the edges of the western and southern sides of the pond. Areas with perennial freshwater marsh vegetation die off appear to still have perennial wetland hydrology, as indicated by standing water at the time of the June 2020 site visits, so the die off is likely due to causes other than changes in groundwater (though no additional water quality samples were collected). Upland vegetation adjacent to marsh vegetation die offs also appear to have died off during the 2020 growing season. Furthermore, healthy tule and broadleaf cattail vegetation appears to have been recently driven over with a motorized vehicle in small portions coastal saltwater marsh.

Salinity measurements at Pond 7 remained stable at 0.3 ppt, indicating that it is a freshwater pond. Urban runoff from culverts appears to contribute to the hydrology of Pond 7 (Figure 5-1).

Within the coastal freshwater marsh habitat, the water table was observed at a depth of 12 inches. The presence of a high water table within coastal freshwater marsh vegetation, along with the presence of open water several months after the conclusion of the wet season, indicates that the hydrology of Pond 7 relies on groundwater; therefore, Pond 7 should be considered a groundwater-dependent ecosystem despite apparent freshwater inputs from culvert runoff. Perennial marsh species that dominate coastal freshwater marsh, such as tule, cattail, and chairmaker's bulrush, are reliant on a source of year-round water and could be negatively impacted by activities that affect the groundwater table associated with Pond 7.

4.2 Special-Status Species

A list of plant and wildlife species observed during the June 2020 site visits is included in Appendix B. A list of special-status species documented to occur in the vicinity of the Study Area is included in Appendix C.

4.2.1 Plants

Based upon a review of the resources and databases given in Section 3.2.1, 74 special-status plant species have been documented in the vicinity of the Study Area (Appendix C). Figure 3 depicts special-status species documented in the CNDDB within a 5-mile radius of the Study Area. The Study Area is unlikely or has no potential to support 42 of these species for the following reasons:

- Hydrologic conditions (*e.g.*, vernal pool, riverine) necessary to support the special-status plant species are not present in the Study Area;
- Edaphic (soil) conditions (*e.g.*, serpentine, clay) necessary to support the special-status plant species are not present in the Study Area;
- Associated vegetation communities (*e.g.*, north coast coniferous forest, closed cone coniferous forest) necessary to support the special-status plant species are not present in the Study Area;
- The Study Area is outside the known elevation range of the special-status plant species, which typically occurs further inland; and
- Historic occurrences of the special-status species are presumed to be extirpated from the vicinity due to habitat conversion and disturbance.

Of the remaining 32 special-status plant species, 19 were identified as having potential to occur within the Study Area in 1994 (The Habitat Group); one of the species identified in 1994 (large-flowered linanthus, *Linanthus grandiflorus*), is no longer considered special-status. The remaining 33 special-status plant species with potential to occur within the Project Area have either been listed as special-status, or have new occurrences documented in the vicinity of the Study Area, since 1994.

All but two special-status plant species, South Coast branching phacelia (*Phacelia ramosissima* var. austrolitoralis) and saline clover (*Trifolium hydrophilum*) are solely associated with coastal dune and coastal dune scrub habitat found in upland areas surrounding Ponds 1, 3, 4, and 5. As the quality of coastal dune within the Study Area with the potential to support special-status plant species is relatively unchanged since 1994, all 32 special-status plant species still have potential to occur within the Study Area. These special-status plant species, and their potential to occur within the Study Area, are summarized in Table 6. Six of these special-status plant species, which have been observed in the vicinity of the Study Area, are described in greater detail below.

Table 6. Special-Status Plant Species with Potential to Occur within the Study Area

Scientific Name	Common Name	Status	Potential Habitat	Potential for Occurrence
Allium hickmanii	Hickman's onion	Rank 1B.2	Coastal dune scrub	Moderate
Arctostaphylos hookeri ssp. *hookeri*	Hooker's manzanita	Rank 1B.2	Coastal dune scrub	Moderate
Arctostaphylos pajaroensis	Pajaro manzanita	Rank 1B.1	Coastal dune scrub	Moderate
Arctostaphylos pumila	sandmat manzanita	Rank 1B.2	Coastal dune scrub	High
Astragalus nuttallii var. *nuttallii*	ocean bluff milk-vetch	Rank 4.2	Coastal dune scrub	Moderate
Astragalus tener var. *titi*	coastal dunes milk-vetch	Federal Endangered, State Endangered, Rank 1B.1	Coastal dune scrub	Moderate
Castilleja ambigua var. *insalutata*	pink Johnny-nip	Rank 1B.1	Coastal dune scrub	Moderate
Castilleja latifolia	Monterey Coast paintbrush	Rank 4.3	Coastal dune scrub	High
Ceanothus rigidus	Monterey ceanothus	Rank 4.2	Coastal dune scrub	**Present**
Chorizanthe minutiflora	Fort Ord spineflower	Rank 1B.2	Coastal dune scrub	Moderate
Chorizanthe pungens var. *pungens*	Monterey spineflower	Federal Threatened, Rank 1B.2	Coastal dune scrub	**Present**
Chorizanthe robusta var. *robusta*	robust spineflower	Federal Endangered, Rank 1B.1	Coastal dune scrub	High
Clarkia lewisii	Lewis' clarkia	Rank 4.3	Coastal dune scrub	Moderate
Cordylanthus rigidus ssp. *littoralis*	seaside bird's-beak	State Endangered, Rank 1B.1	Coastal dune scrub	Moderate
Corethrogyne leucophylla	branching beach aster	Rank 3.2	Coastal dune scrub	**Present**

Scientific Name	Common Name	Status	Potential Habitat	Potential for Occurrence
Delphinium hutchinsoniae	Hutchinson's larkspur	Rank 1B.2	Coastal dune scrub	Moderate
Eriastrum virgatum	virgate eriastrum	Rank 4.3	Coastal dune scrub	Moderate
Ericameria fasciculata	Eastwood's goldenbush	Rank 1B.1	Coastal dune scrub	Moderate
Erysimum ammophilum	sand-loving wallflower	Rank 1B.2	Coastal dune scrub	**Present**
Erysimum menziesii	Menzies' wallflower	Federal Endangered, State Endangered, Rank 1B.1	Coastal dune scrub	Moderate
Gilia tenuiflora ssp. *arenaria*	Monterey gilia	Federal Endangered, State Threatened, Rank 1B.2	Coastal dune scrub	**Present**
Horkelia cuneata var. *sericea*	Kellogg's horkelia	Rank 1B.1	Coastal dune scrub	High
Horkelia marinensis	Point Reyes horkelia	Rank 1B.2	Coastal dune scrub	Moderate
Layia carnosa	beach layia	Federal Endangered, State Endangered, Rank 1B.1	Coastal dune scrub	Moderate
Lupinus tidestromii	Tidestrom's lupine	Federal Endangered, State Endangered, Rank 1B.1	Coastal dune scrub	Moderate
Meconella oregana	Oregon meconella	Rank 1B.1	Coastal dune scrub	Moderate
Mondardella sinuata ssp. *nigrescens*	northern curly-leaved monardella	Rank 1B.2	Coastal dune scrub	Moderate
Phacelia ramosissima var. *austrolitoralis*	south coast branching phacelia	Rank 3.2	Coastal dune scrub, coastal saltwater marsh	**Present***

Scientific Name	Common Name	Status	Potential Habitat	Potential for Occurrence
Plagiobothrys chorisianus var. *chorisianus*	Choris' popcornflower	Rank 1B.2	Coastal dune scrub	Moderate
Plagiobothrys chorisianus var. *hickmanii*	Hickman's popcornflower	Rank 4.2	Coastal dune scrub	Moderate
Stebbinsoseris decipiens	Santa Cruz microseris	Rank 1B.2	Coastal dune scrub	High
Trifolium hydrophilum	saline clover	Rank 1B.2	Coastal freshwater marsh	Moderate

*Assumed present but may require verification from a botanist with taxonomic expertise; see discussion below.

Monterey ceanothus (*Ceanothus rigidus*). Rank 4.2. Present (Pond 7). Monterey ceanothus is an evergreen shrub in the buckhorn family (Rhamnaceae) that blooms from February to June, but is typically identifiable by vegetative structures throughout the year. It typically occurs on sand dunes, coastal strand, and sandy bluff habitats at elevations ranging from 0 to 605 feet (CDFW 2020a, CNPS 2020a). Monterey ceanothus was observed in coastal dune scrub in 2014 (The Habitat Group). This species was not observed during the June 2020 site visit; however, this site visit focused primarily on aquatic habitat. Since coastal dune scrub habitat that could support this species is still present and of similar quality, this species should still be considered present at Ponds 1 and 7, with high potential to occur at Ponds 4 and 5, and moderate potential to occur at Pond 3, in coastal dune scrub habitat.

Monterey spineflower (*Chorizanthe pungens* var. *pungens*). Federal Threatened, Rank 1B.2. Present (Ponds 4, 5). Monterey spineflower is an annual forb in the buckwheat family (Polygonaceae) that blooms from April to August. It typically occurs on sandy terraces and bluffs or in loose sand at elevations ranging from 5 to 985 feet (CDFW 2020a, CNPS 2020a). Monterey spineflower was observed at Ponds 4 and 5 in 1994 (The Habitat Group), and at Pond 4 during the June 9, 2020 site visit. Positively identified Monterey spineflower at Pond 4 in June 2020 had already senesced, and therefore could also have been present but not identified at Pond 5. This species should be considered present at Ponds 4 and 5, with moderate potential to occur at Ponds 1, 3 and 7 in coastal dune scrub habitat.

Branching beach aster (*Corethrogyne leucophylla*). Rank 3.2. Present (Ponds 4, 5). Branching beach aster is a perennial herb in the sunflower family (Asteraceae) that blooms May, July through October, and December. It typically occurs in closed-cone coniferous forest and coastal dunes at elevations ranging from 5 to 195 feet (CNPS 2020a). Branching beach aster was observed at Ponds 4 and 5 in 1994 (The Habitat Group), but was not observed during the June 2020 site visits. However, these site visits occurred outside the bloom period for this species, which may have been present but not identifiable. Branching beach aster should be considered present at Ponds 4 and 5, with moderate potential to occur at Ponds 1, 3, and 7 in coastal dune scrub habitat.

Sand-loving wallflower (Erysimum ammophilum). Rank 1B.2. Present (Ponds 4, 5). Sand-loving wallflower is a perennial herb in the mustard family (Brassicaceae) that blooms from February to June. It typically occurs in maritime chaparral, coastal dunes, and coastal scrub habitat in sandy openings at elevations ranging from 0 to 195 feet (CDFW 2020a, CNPS 2020a). Sand-loving wallflower was observed at Ponds 4 and 5 in 1994 (The Habitat Group), but was not

observed during the June 2020 site visits. However, these site visits occurred at the end of the bloom period for this species, which may have been present but not identifiable. Sand-loving wallflower should be considered present at Ponds 4 and 5, with moderate potential to occur at Ponds 1, 3 and 7 in coastal dune scrub habitat.

Monterey gilia (*Gilia tenuiflora* ssp. *arenaria*). Federal Endangered, State Threatened, Rank 1B.2. Present (Pond 5). Monterey gilia is an annual forb in the phlox family (Polemoniaceae) that blooms from April to June. It typically occurs in maritime chaparral, cismontane woodland, coastal dunes, and coastal scrub habitat in sandy openings in bare wind-sheltered areas, at elevations ranging from 0 to 260 feet (CDFW 2020a, CNPS 2020a). Monterey gilia was observed at Ponds 4 and 5 in 1994 (The Habitat Group), but was not observed during the June 2020 site visits. However, these site visits occurred at the end of the bloom period for this species, which may have been present but not identifiable. Monterey gilia should be considered present at Pond 5, with high potential to occur at Pond 4 and moderate potential to occur at Ponds 1, 3 and 7, in coastal dune scrub habitat.

South Coast branching phacelia (*Phacelia ramosissima* var. *austrolitoralis*). Rank 3.2. Assumed Present (Pond 4). South coast branching phacelia is a perennial herb in the forget-me-not family (Boraginaceae) that blooms March through August. It typically occurs at sandy, sometimes rocky sites in chaparral, coastal dune, coastal scrub, and coastal saltwater marsh habitat at elevations ranging from 15 to 985 feet. This variety is not currently recognized by the Jepson eFlora (2020), but has been designated as rare by the CNPS. Furthermore, characters distinguishing between varieties of *P. ramosissima* do not work most of the time (CNPS 2020a), and South Coast branching phacelia may require positive identification from a botanist with localized and/or taxonomic expertise. *P. ramosissima* was observed at Ponds 4 and 5 in 1994 (The Habitat Group), prior to the inclusion of South Coast branching phacelia in the CNPS Inventory. *P. ramosissima* was also observed during the June 2020 site visit at Pond 4, and high quality suitable habitat for the species was also observed at Pond 5. Therefore, South Coast branching phacelia should be assumed present at Ponds 4 and 5, with high potential to occur in coastal dune scrub and coastal saltwater marsh habitat associated with Ponds 2, 3, and 7.

4.2.2 Wildlife

Forty-three (43) special-status wildlife species have been documented in the CNDDB within the Marina, Monterey, Moss Landing, Prunedale, Salinas, Seaside, and Spreckels U.S. Geological Survey 7.5-minute quadrangle maps (Figure 4). Of these documented species, 12 have potential to be present based on the habitat within each of the ponds. The table below identifies which species have potential to occur in each of the surveyed ponds. In addition, special-status bird species not listed in CNDDB have a moderate potential to occur in the area. No special-status species were directly observed within the Study Area during the site assessment, but those with potential to occur are discussed below.

Table 7. Special-Status Wildlife Species with Potential to Occur within the Study Area

Pond	Special Status Wildlife Species With Potential to Occur
1	Loggerhead Shrike, Monterey Ornate Shrew, Smith's Blue Butterfly California Legless Lizard, Coast Horned Lizard

Pond	Special Status Wildlife Species With Potential to Occur
2	California Red-Legged Frog, Smith's Blue Butterfly, California Legless Lizard, Western Pond Turtle, Peregrine Falcon, Loggerhead Shrike, Yellow Warbler, Tricolored Blackbird, Nuttall's Woodpecker
3a	Peregrine Falcon, Tricolored Blackbird, Western Pond Turtle, Loggerhead Shrike, Monterey Ornate Shrew, Yellow Warbler
3b	Peregrine Falcon, Western Pond Turtle, Loggerhead Shrike, Monterey Ornate Shrew, Yellow Warbler
4	Smith's Blue Butterfly, California Legless Lizard, Coast Horned Lizard, Peregrine Falcon, Loggerhead Shrike, Monterey Ornate Shrew
5	Smith's Blue Butterfly, Western Spadefoot Toad, Coast Horned Lizard, Peregrine Falcon, Loggerhead Shrike, California Legless Lizard
7	Peregrine Falcon, Tricolored Blackbird, Coast Horned Lizard, Loggerhead Shrike

Species with Potential to Occur Within the Study Area

California red-legged frog (*Rana draytonii*), Federal Threatened Species, CDFW Species of Special Concern. The California red-legged frog (CRLF) is dependent on suitable aquatic, estivation, and upland habitat. During periods of wet weather, starting with the first rainfall in late fall, red-legged frogs disperse away from their estivation sites to seek suitable breeding habitat. Aquatic and breeding habitat is characterized by dense, shrubby, riparian vegetation and deep, still or slow-moving water. Breeding occurs between late November and late April. California red-legged frogs estivate (period of inactivity) during the dry months in small mammal burrows, moist leaf litter, incised stream channels, and large cracks in the bottom of dried ponds.

CRLF has potential to occur in Pond 2, due to the availability of still ponded freshwater, dense riparian vegetation including willow and tule stands, and suitable upland habitat along the western edge of Pond 2.

Coast horned lizard (*Phrynosoma blainvillii*), CDFW Species of Special Concern. The coast horned lizard is a medium-sized lizard with a compressed body and short tail. It is solitary and feeds primarily on harvester ants. Activity patterns are strongly influenced by external temperatures and it hibernates during the winter. Suitable habitat for this species is restricted to southern California and northern Baja California, and includes coastal sage scrub, chaparral, grassland, coniferous forest, oak woodland, riparian, and the margins of higher elevation desert

native vegetation. The primary source of food for this species is spiders and insects including termites, small lepidopterans, beetles, and insect larvae insect larvae (Stebbins 2003).

Legless lizard has potential to occur in Ponds 1, 2, 4, 5 and 7. All ponds contain suitable sandy and loose soils, with areas of leaf litter and other cover.

American peregrine falcon (*Falco peregrinus anatum*); Federal Delisted, State Delisted, CDFW Fully Protected, USFWS Bird of Conservation Concern. This large falcon occurs as a generally uncommon resident as well as a winter visitor and migrant throughout much of California. Occupied habitat (both breeding and non-breeding) is highly variable, but this species is typically associated with open areas and/or bodies of water. Nesting typically occurs on the ledges of steep cliffs, or on man-made structures with ledges above sheer faces such as bridges and the tops of buildings (White et. al 2002). The peregrine falcon preys upon a wide variety of animals, mostly birds; on the Pacific coast, waterbirds (e.g., waterfowl, shorebirds and seabirds) are especially favored (White et. al 2002). This species forages over wide areas, even during the breeding season.

American peregrine falcon has the potential to occur in Ponds 2, 3a, 3b, 4, 5, and 7. Associated manmade structures surrounding these ponds have potential to serve as nesting habitat for this species, and surrounding habitat provide suitable foraging for waterfowl and shorebirds to act as prey for this species.

Smith's Blue Butterfly (*Euphilotes enoptes smithi*) Federal Endangered. This species is most commonly associated with coastal dunes and coastal sage scrub plant communities in Monterey and Santa Cruz counties. The hostplants for this species include both coast and sea cliff buckwheat, which are utilized as both larval and adult host plants.

This species has potential to occur in areas surrounding Ponds 1, 2, 4, and 5. The hostplant for this species was observed on the perimeter of each of these ponds.

Tricolored blackbird (*Agelaius tricolor*); State Candidate (Endangered), CDFW Species of Special Concern, USFWS Bird of Conservation Concern. The tricolored blackbird is a locally common resident in the Central Valley and along coastal California. Most tricolored blackbirds reside in the Central Valley March through August, then moving into the Sacramento-San Joaquin Delta and east to Merced County and coastal locations during winter (Meese et al. 2014). This species breeds adjacent to fresh water, preferring emergent wetlands with tall, dense cattails or tules, thickets of willow or blackberry, and/or tall herbs. Flooded agricultural fields with dense vegetation are also used (Shuford and Gardali 2008). This species is highly colonial; nesting habitat must be large enough to support a minimum of 30 pairs, and colonies are commonly substantially larger (up to thousands of pairs). The tricolored blackbird often intermingles with other blackbird species during the non-breeding season. Individuals typically forage up to 5.6 miles (9 kilometers) from their colonies although in most cases only a small part of the area within this range provides suitable foraging (Hamilton and Meese 2006).

Tricolored blackbird has potential to occur in Ponds 2, 3a, and 7. These ponds contained suitable emergent wetland vegetation, including tall cattails and tules, willow thickets and stands of blackberry.

Western pond turtle (*Actinemys marmorata*), CDFW Species of Special Concern. The western pond turtle (WPT) is the only native freshwater turtle in California. This turtle is uncommon to common in suitable aquatic habitat throughout California, west of the Sierra-

Cascade crest and Transverse Ranges. WPT inhabits annual and perennial aquatic habitats, such as coastal lagoons, lakes, ponds, marshes, rivers, and streams from sea level to 5,500 feet in elevation. Pond turtles also occupies man-made habitats such as stock ponds, wastewater storage, percolation ponds, canals, and reservoirs. This species requires low-flowing or stagnant freshwater aquatic habitat with suitable basking structures, including rocks, logs, algal mats, mud banks, and sand. Warm, shallow, nutrient-rich waters are ideal as they support prey items, which include aquatic invertebrates and occasionally fish, carrion, and vegetation. Turtles require suitable aquatic habitat for most of the year; however, WPT often occupies creeks, rivers, and coastal lagoons that become seasonally unsuitable. To escape periods of high water flow, high salinity, or prolonged dry conditions, WPT may move upstream and/or take refuge in vegetated, upland habitat for up to four months (Rathbun et al. 2002). Although upland habitat is utilized for refuging and nesting, this species preferentially utilizes aquatic and riparian corridors for movement and dispersal.

WPT nests from late April through July. This species requires open, dry upland habitat with friable soils for nesting and prefer to nest on unshaded slopes within 15 to 330 feet of suitable aquatic habitat (Rathbun et al. 1992). Females venture from water for several hours in the late afternoon or evening during the nesting season to excavate a nest, lay eggs, and bury the eggs to incubate and protect them. Nests are well-concealed, though native mammals are occasionally able to locate and predate upon eggs. Hatchlings generally emerge in late fall but may overwinter in the nest and emerge in early spring of the following year.

WPT has potential to occur in Ponds 2, 3a, and 3b. Each of these ponds contained suitable freshwater aquatic habitat and upland nesting habitat.

Western spadefoot (*Spea hammondii*), CDFW Species of Special Concern. The western spadefoot ranges throughout the Central Valley and adjacent foothills. Suitable habitat consists of open areas with sandy or gravelly soils, and includes grassland, scrubland, woodland, washes, and alluvial fans. This species spends most of the year underground in burrows and similar refugia, and often constructs its own burrows. Breeding occurs in shallow, temporary pools formed by heavy winter rains; at least four weeks of continuous inundation are required for successful larval metamorphosis.

Western spadefoot has potential to occur in Pond 5. This pond contained gravelly soils, and did not contain open water at the time of the site visit, indicating that it likely retains water only after winter rains and dries during the summer and fall months, preventing the establishment of predators that would preclude breeding by this species.

(Brewster's) Yellow warbler (*Setophaga petechia brewsteri*), CDFW Species of Special Concern, USFWS Bird of Conservation Concern. The yellow warbler is a neotropical migrant bird that is widespread in North America, but has declined throughout much of its California breeding range. The Brewster's (*brewsteri*) subspecies is a summer resident and represents the vast majority of yellow warblers that breed in California. West of the Central Valley, typical yellow warbler breeding habitat consists of dense riparian vegetation along watercourses, including wet meadows, with willow growth especially being favored (Shuford and Gardali 2008). Insects comprise the majority of the diet.

Yellow warbler has potential to occur in Pond 2, 3a, and 3b. These ponds contained suitable dense riparian vegetation, including stands of willow.

Critical Habitat

There is no designated critical habitat within the Study Area. Western snowy plover critical habitat is located approximately 0.15 miles west of Pond 4, and California red-legged frog critical habitat is located approximately 9 miles south of the Study Area.

5.0 SUMMARY

Sensitive aquatic biological communities associated with the Marina vernal ponds include coastal freshwater marsh, coastal saltwater marsh, willow riparian forest, freshwater seasonal wetland, coastal dune scrub, rose scrub, and open water. Sensitive upland biological communities, associated with the buffers around the ponds, include coastal dune scrub, California blackberry scrub, and rose scrub. Non-sensitive upland biological communities, also associated with the buffers around the ponds, include non-native grassland, non-native vegetation, native landscaping, and coyote brush scrub.

Of the 74 statewide special-status plant species known to occur in the vicinity of the Study Area, six were assumed to be present, and an additional 26 were determined to have high or moderate potential to occur, within the Study Area, primarily in upland coastal dune habitat. Of the 43 special-status wildlife species known to occur in the vicinity of the Study Area, 12 have the potential to occur. In addition, four species not listed in CNDDB were determined to have a moderate potential to occur. Five of the special-status species with potential to occur are birds which could nest in trees and other vegetation that occurs within the Study Area.

Ponds 2, 3, and 7 now contain pockets of facultative hydrophytic vegetation, not described in the CVCMP, in areas where freshwater runoff from culverts and adjacent paved areas appears to pond against riparian and perennial marsh vegetation. With the exception of increases in the footprint of freshwater seasonal wetland, indicative of urban and road runoff, and riparian willow forest, groundwater-dependent ecosystems within the Study Area remain roughly as described in 1994 (The Habitat Group). The die off of perennial marsh vegetation at Ponds 2 and 7 does not appear to be related to changes in groundwater hydrology.

A high water table was observed at each pond at one or more sample points, and all ponds excluding Ponds 3b and 5 contained open water at the time of the June 2020 site visits, conducted well after the conclusion of the dry season. Willow riparian vegetation, which is dependent upon groundwater, was observed to have either established or increased substantially in footprint at Ponds 1, 2, and 3, and perennial marsh vegetation, which requires a year-round water source, was generally observed to be in good condition at all six ponds. Despite the recent establishment of pockets of freshwater seasonal wetland, all six ponds assessed in this report are reliant upon groundwater and should therefore be considered groundwater-dependent ecosystems. Perennial marsh vegetation and willow riparian vegetation at all six ponds could therefore be adversely affected by future activities that cause groundwater drawdown.

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Appendix A –

Figures

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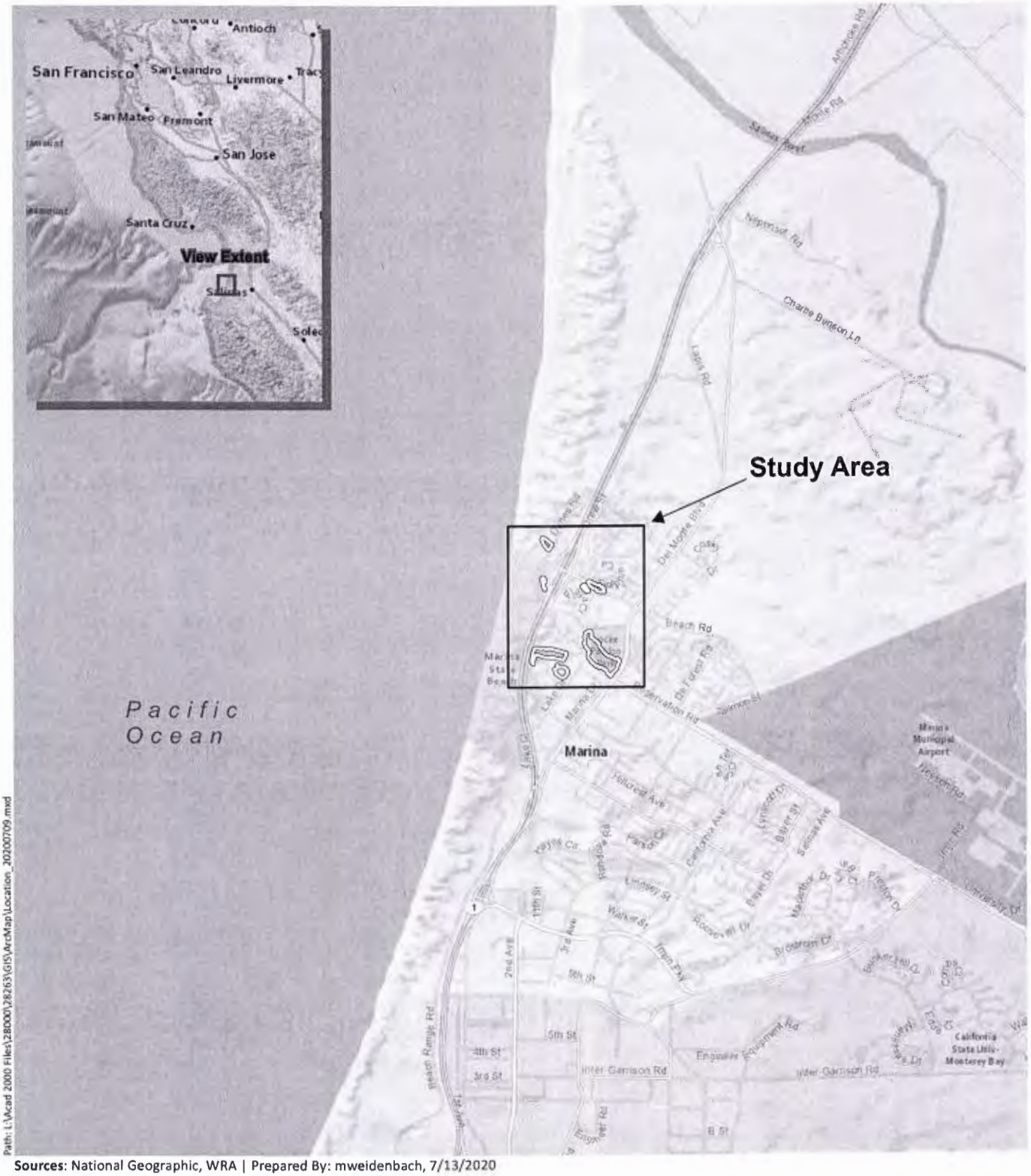

Sources: National Geographic, WRA | Prepared By: mweidenbach, 7/13/2020

Figure 1. Study Area Regional Location Map

Marina Wetland Assessment
Marina, Monterey County, California

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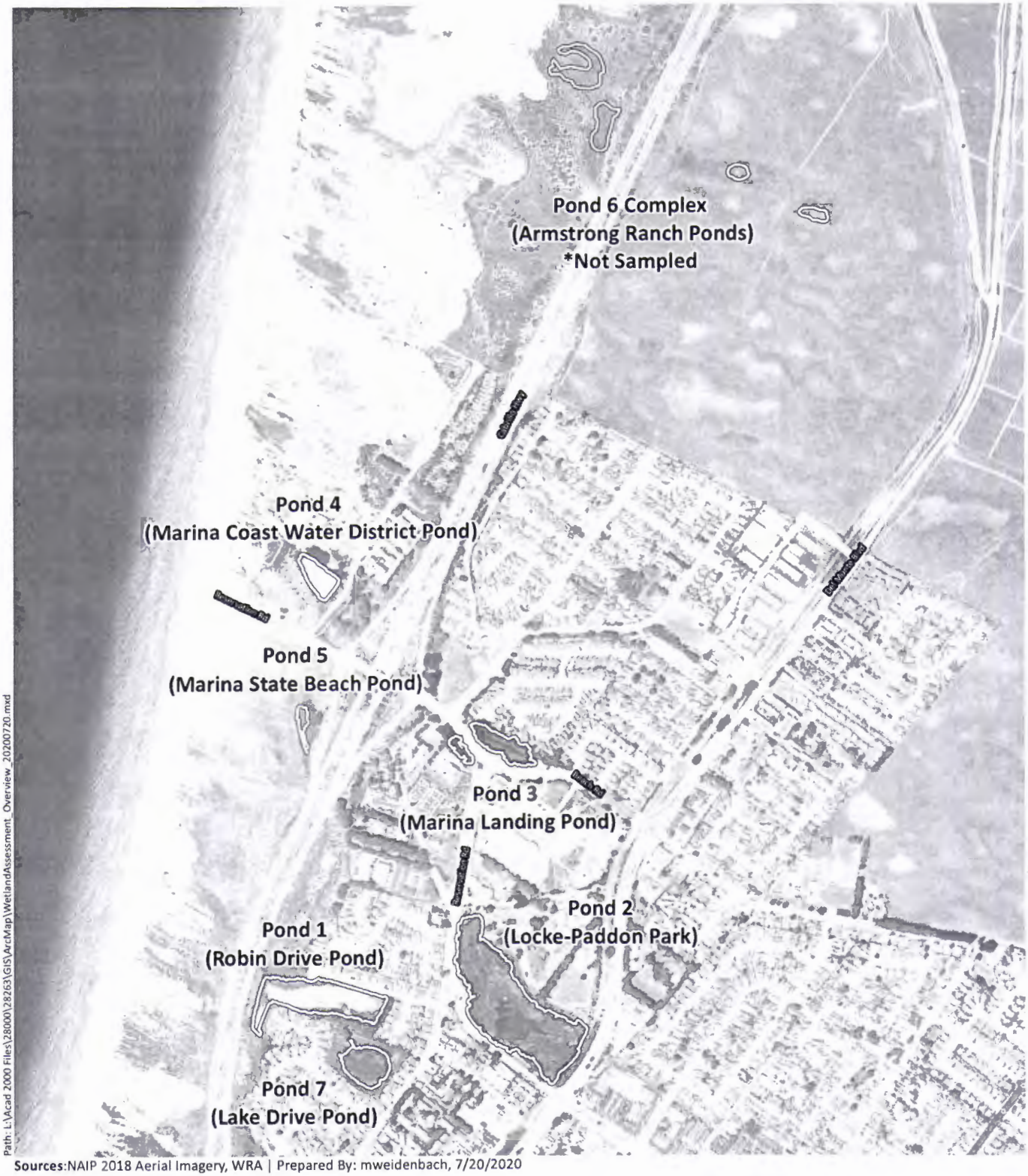

Figure 2. Pond Overview

Marina Wetland Assessment
Marina, Monterey County, California

0 500 1,000 Feet

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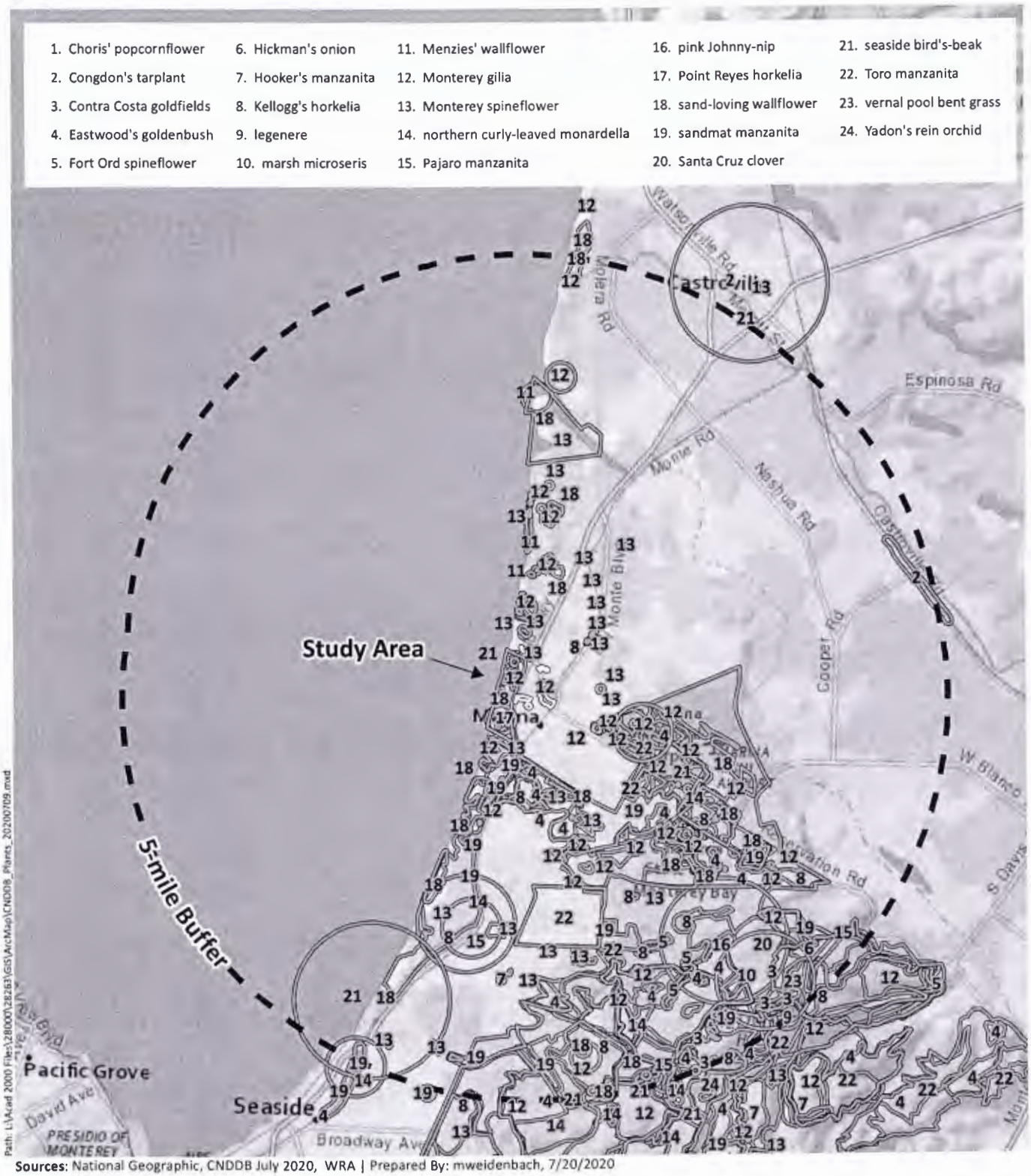

Sources: National Geographic, CNDDB July 2020, WRA | Prepared By: mweidenbach, 7/20/2020

Figure 3. Special-Status Plant Species Documented within 5 Miles of the Study Area

Marina Wetland Assessment
Marina, Monterey County, California

0 1 2 Miles

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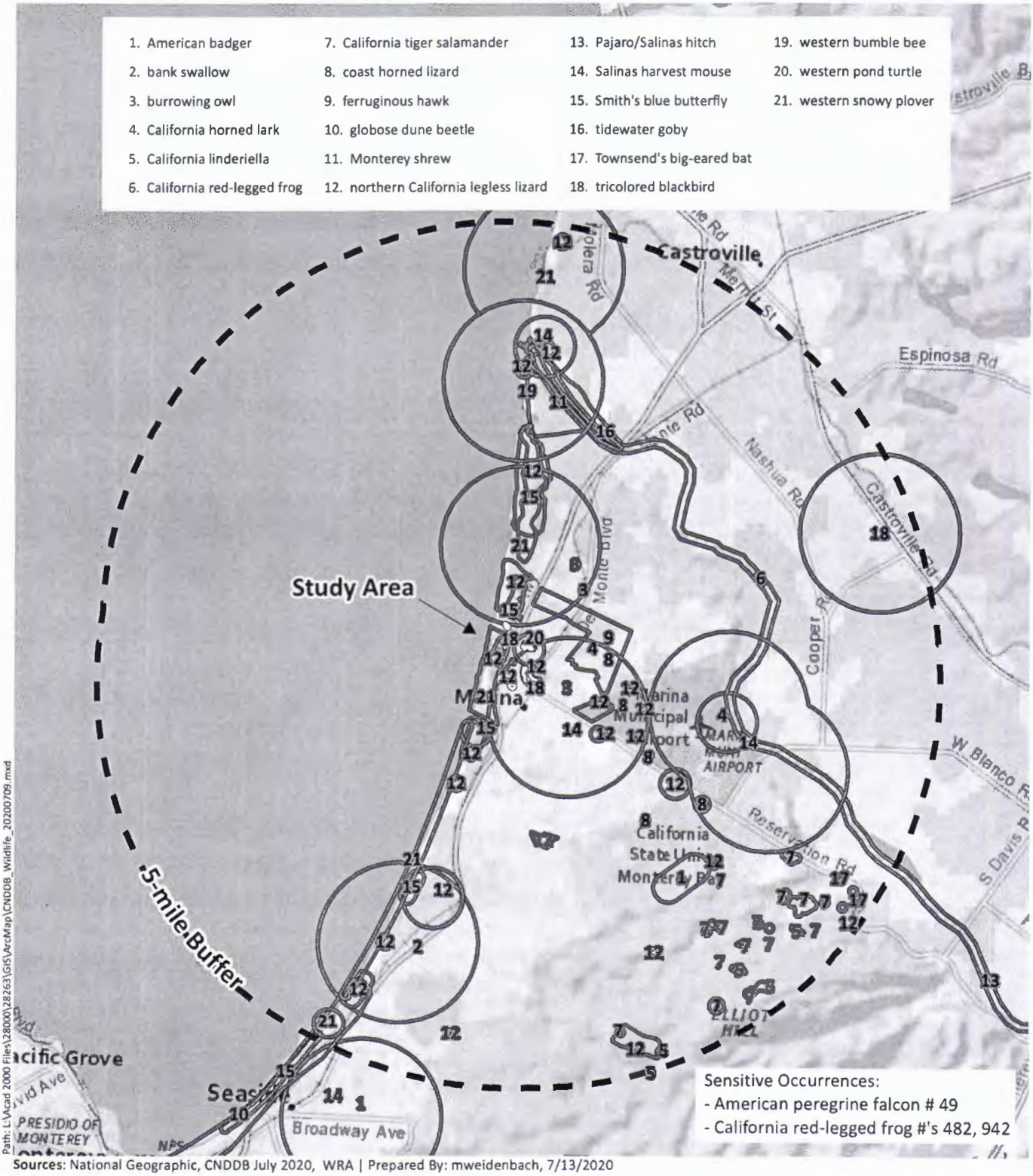

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Sources: National Geographic, CNDDB July 2020, WRA | Prepared By: mweidenbach, 7/13/2020

Figure 4. Special-Status Wildlife Species Documented within 5 Miles of the Study Area

Marina Wetland Assessment
Marina, Monterey County, California

0 1 2 Miles

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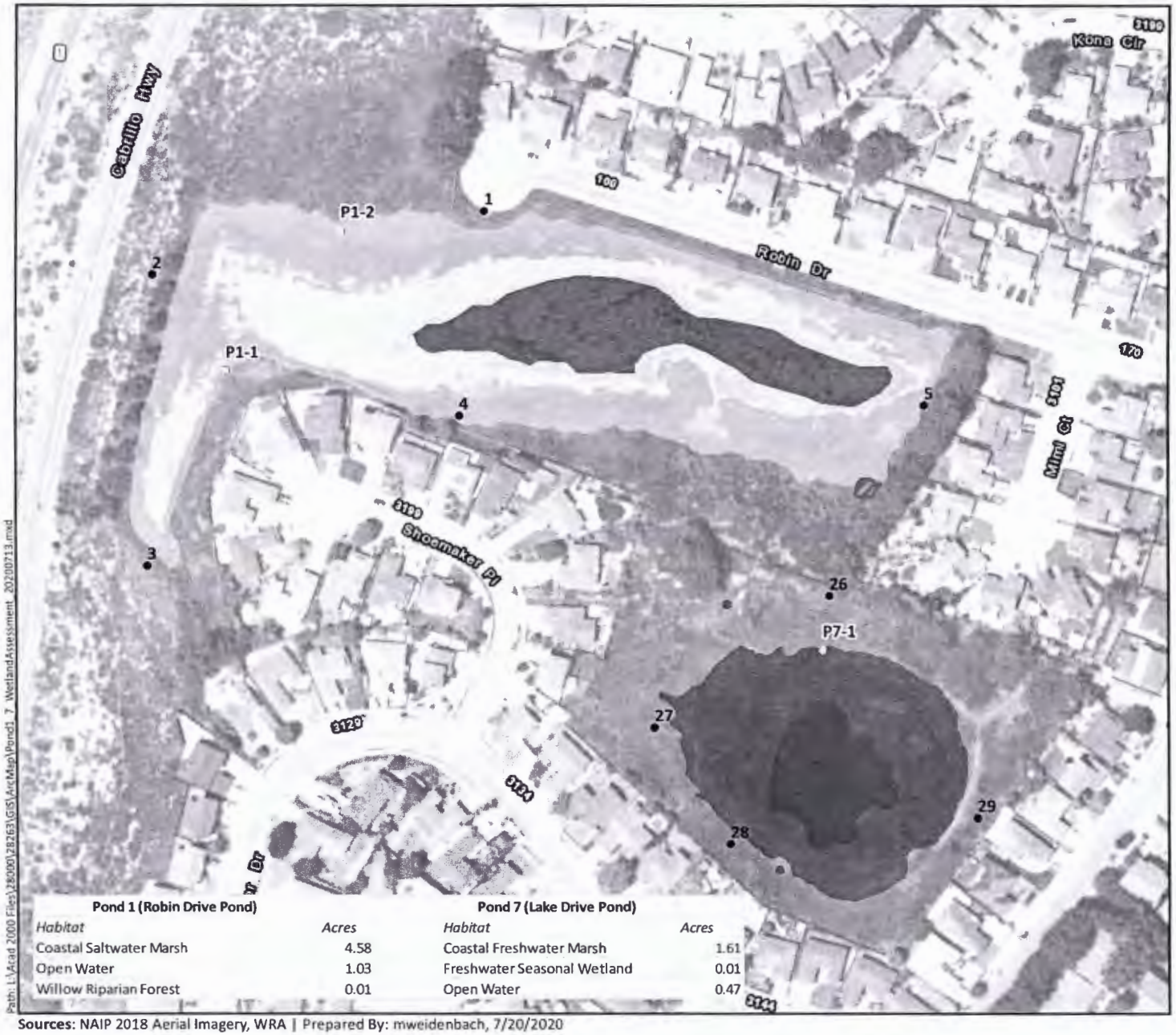
Wetland Habitat Assessment
Pond 1 (Robin Drive Pond) and Pond 7 (Lake Drive Pond)

Figure 5-1

Marina Wetland Assessment
Marina, Monterey County, California



Soil Sample Point

Photo Point

Culvert

Wetlands and Waters

Coastal Freshwater Marsh (10.34 acres)

Coastal Saltwater Marsh (5.30 acres)

Freshwater Seasonal Wetland (0.43 acres)

Open Water (4.65 acres)

Riparian

Willow Riparian Forest (3.88 acres)

N

0 100 200

Feet

Pond 1 (Robin Drive Pond)

Habitat	*Acres*
Coastal Saltwater Marsh	4.58
Open Water	1.03
Willow Riparian Forest	0.01

Pond 7 (Lake Drive Pond)

Habitat	*Acres*
Coastal Freshwater Marsh	1.61
Freshwater Seasonal Wetland	0.01
Open Water	0.47

Sources: NAIP 2018 Aerial Imagery, WRA | Prepared By: mweidenbach, 7/20/2020

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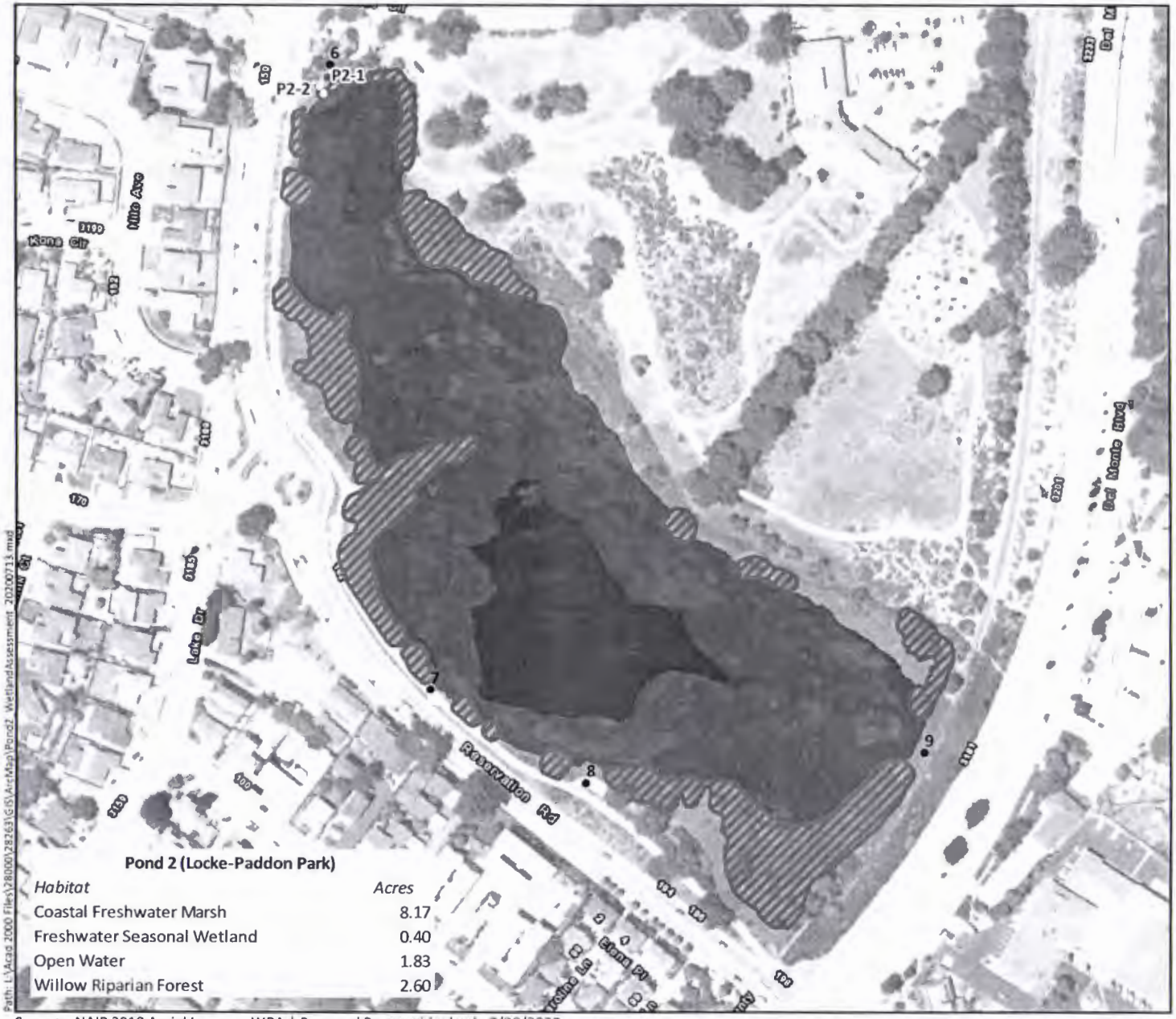
Wetland Habitat Assessment
Pond 2 (Locke-Paddon Park)

Figure 5-2

Marina Wetland Assessment
Marina, Monterey County, California



Pond 2 (Locke-Paddon Park)

Habitat	*Acres*
Coastal Freshwater Marsh	8.17
Freshwater Seasonal Wetland	0.40
Open Water	1.83
Willow Riparian Forest	2.60

- Soil Sample Point
- Photo Point
- Culvert

Wetlands and Waters

- Coastal Freshwater Marsh (10.34 acres)
- Coastal Saltwater Marsh (5.30 acres)
- Freshwater Seasonal Wetland (0.43 acres)
- Open Water (4.65 acres)

Riparian

- Willow Riparian Forest (3.88 acres)

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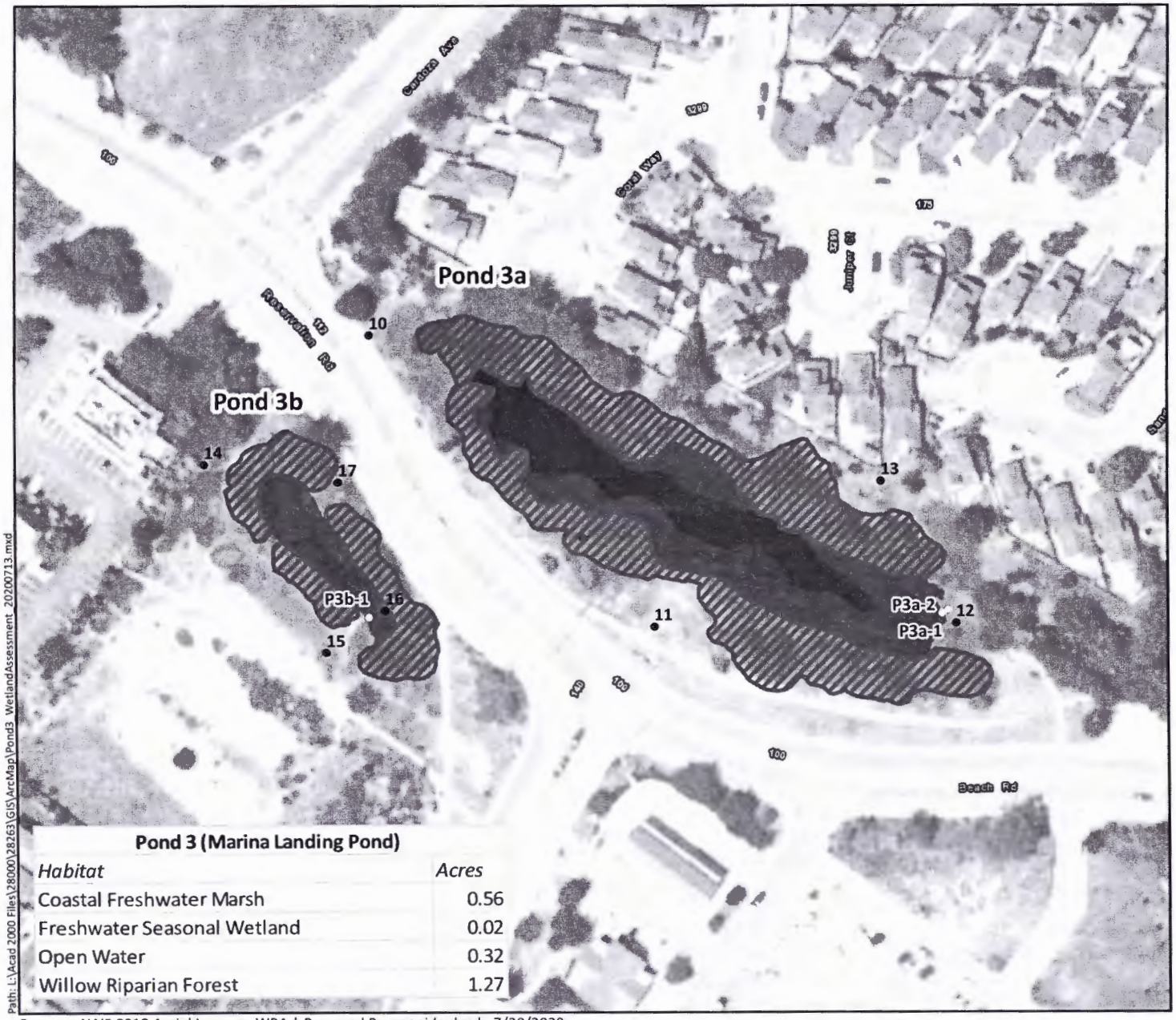
Sources: NAIP 2018 Aerial Imagery, WRA | Prepared By: mweidenbach, 7/20/2020

Wetland Habitat Assessment
Pond 3 (Marina Landing Pond)



Pond 3 (Marina Landing Pond)

Habitat	*Acres*
Coastal Freshwater Marsh	0.56
Freshwater Seasonal Wetland	0.02
Open Water	0.32
Willow Riparian Forest	1.27

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Sources: NAIP 2018 Aerial Imagery, WRA | Prepared By: mweidenbach, 7/20/2020

Figure 5-3

Marina Wetland Assessment
Marina, Monterey County, California

- Soil Sample Point
- Photo Point
- Culvert

Wetlands and Waters

- Coastal Freshwater Marsh (10.34 acres)
- Coastal Saltwater Marsh (5.30 acres)
- Freshwater Seasonal Wetland (0.43 acres)
- Open Water (4.65 acres)

Riparian

- Willow Riparian Forest (3.88 acres)

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Feet

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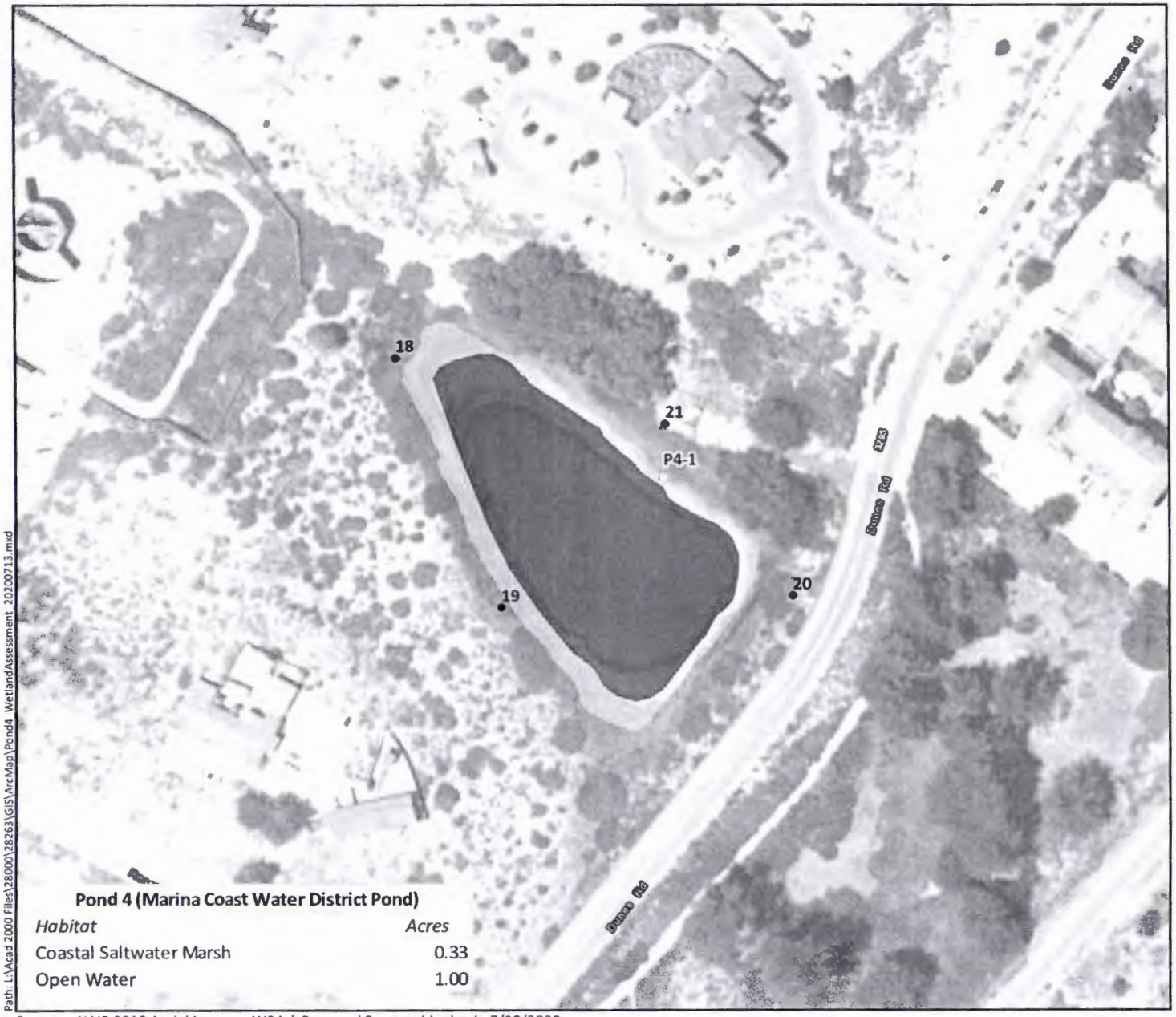
Wetland Habitat Assessment
Pond 4 (Marina Coast Water District Pond)



Pond 4 (Marina Coast Water District Pond)

Habitat	*Acres*
Coastal Saltwater Marsh	0.33
Open Water	1.00

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Sources: NAIP 2018 Aerial Imagery, WRA | Prepared By: mweidenbach, 7/20/2020

Figure 5-4

Marina Wetland Assessment
Marina, Monterey County, California

- Soil Sample Point
- Photo Point
- Culvert

Wetlands and Waters

- Coastal Freshwater Marsh (10.34 acres)
- Coastal Saltwater Marsh (5.30 acres)
- Freshwater Seasonal Wetland (0.43 acres)
- Open Water (4.65 acres)

Riparian

- Willow Riparian Forest (3.88 acres)

N

0 100 200

Feet

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Wetland Habitat Assessment
Pond 5 (Marina State Beach Pond)



Pond 5 (Marina State Beach Pond)	
Habitat	*Acres*
Coastal Saltwater Marsh	0.38

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Sources: NAIP 2018 Aerial Imagery, WRA | Prepared By: mweidenbach, 7/20/2020

Figure 5-5

Marina Wetland Assessment
Marina, Monterey County, California

- Soil Sample Point
- Photo Point
- Culvert

Wetlands and Waters

- Coastal Freshwater Marsh (10.34 acres)
- Coastal Saltwater Marsh (5.30 acres)
- Freshwater Seasonal Wetland (0.43 acres)
- Open Water (4.65 acres)

Riparian

- Willow Riparian Forest (3.88 acres)

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Appendix B –

Observed Plant and Wildlife Species within the Study Area

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Appendix B-1. List of Plant Species Observed within the Study Area. Ponds 1, 3, and 4 were visited on June 9, 2020; Ponds 2, 5, and 7 were visited on June 18, 2020.

Scientific Name	Common Name	Origin	Form	Rarity Status[1]	CAL-IPC Status[2]	Wetland Status[3]	Pond Number					
							1	2	3	4	5	7
Abronia umbellata	Beach sand verbena	native	perennial herb	-	-	-					X	
Acacia sp.	Acacia	non-native	tree	-	-	-			X			
Achillea millefolium	Yarrow	native	perennial herb	-	-	FACU		X		X		
Alisma sp.	Water plantain	-	perennial herb	-	-	-						X
Artemisia californica	Coastal sage brush	native	shrub	-	-	-	X	X		X	X	
Atriplex prostrata	Fat-hen	non-native	annual herb	-	-	FACW	X		X			X
Avena barbata	Slim oat	non-native (invasive)	annual, perennial grass	-	Moderate	-	X	X	X			
Baccharis glutinosa	Salt marsh baccharis	native	perennial herb	-	-	FACW	X	X	X	X		X
Baccharis pilularis	Coyote brush	native	shrub	-	-	-	X	X	X	X	X	X
Bolboschoenus maritimus ssp. *paludosus*	Saltmarsh bulrush	native	perennial grasslike herb	-	-	OBL	X			X	X	X
Bromus diandrus	Ripgut brome	non-native (invasive)	annual grass	-	Moderate	-	X	X	X	X		X
Bromus hordeaceus	Soft chess	non-native (invasive)	annual grass	-	Limited	FACU			X			
Cardionema ramosissimum	Sand mat	native	perennial herb	-	-	-				X		
Carex barbarae	Valley sedge	native	perennial grasslike herb	-	-	FAC		X				
Carex praegracilis	Field sedge	native	perennial grasslike herb	-	-	FACW	X	X		X		

Scientific Name	Common Name	Origin	Form	Rarity Status[1]	CAL-IPC Status[2]	Wetland Status[3]	Pond Number					
							1	2	3	4	5	7
Carpobrotus chilensis	Sea fig	non-native (invasive)	perennial herb	-	Moderate	FACU	X	X	X	X		X
Carpobrotus edulis	Iceplant	non-native (invasive)	perennial herb	-	High	-	X	X	X	X		X
Centaurea melitensis	Tocalote	non-native (invasive)	annual herb	-	Moderate	-		X		X		
Chorizanthe pungens var. *pungens*	Monterey spineflower	native	annual herb	FT, Rank 1B.2	-	-				X		
Cirsium vulgare	Bullthistle	non-native (invasive)	perennial herb	-	Moderate	FACU	X	X				X
Conicosia pugioniformis	False ice plant	non-native (invasive)	perennial herb	-	Limited	-				X		
Conium maculatum	Poison hemlock	non-native (invasive)	perennial herb	-	Moderate	FACW		X	X	X		X
Cotula coronopifolia	Brass buttons	non-native (invasive)	perennial herb	-	Limited	OBL						X
Cyperus eragrostis	Tall cyperus	native	perennial grasslike herb	-	-	FACW		X	X		X	X
Delairea odorata	Cape ivy	non-native (invasive)	perennial herb	-	High	-		X	X			
Distichlis spicata	Salt grass	native	perennial grass	-	-	FAC	X	X	X	X	X	
Dudleya caespitosa	Sand lettuce	native	perennial herb	-	-	-				X		
Echium candicans	Pride of madeira	non-native (invasive)	shrub	-	Limited	-		X				
Ehrharta erecta	Upright veldt grass	non-native (invasive)	perennial grass	-	Moderate	-	X		X			
Eleocharis macrostachya	Spike rush	native	perennial grasslike herb	-	-	OBL			X			
Elymus triticoides	Beardless wild rye	native	perennial grass	-	-	FAC	X	X	X			

Scientific Name	Common Name	Origin	Form	Rarity Status[1]	CAL-IPC Status[2]	Wetland Status[3]	Pond Number					
							1	2	3	4	5	7
Epilobium ciliatum	Slender willow herb	native	perennial herb	-	-	FACW	X		X	X		
Ericameria ericoides	Mock heather	native	shrub	-	-	-						
Erigeron canadensis	Canada horseweed	native	annual herb	-	-	FACU		X				
Eriogonum fasciculatum	California buckwheat	native	shrub	-	-	-			X			
Eriogonum latifolium	Coast buckwheat	native	perennial herb	-	-	-				X	X	
Eriogonum parvifolium	Sea cliff buckwheat	native	shrub	-	-	-		X				
Eriophyllum staechadifolium	Lizard tail	native	perennial herb	-	-	-		X		X		
Erodium cicutarium	Red stemmed filaree	non-native (invasive)	annual herb	-	Limited	-				X		
Eschscholzia californica	California poppy	native	annual, perennial herb	-	-	-			X			
Eucalyptus globulus	Blue gum	non-native (invasive)	tree	-	Limited	-				X		
Euphorbia sp.	Spurge	-	-	-	-	-	X					
Euthamia occidentalis	Western goldenrod	native	perennial herb	-	-	FACW		X			X	
Festuca myuros	Rattail sixweeks grass	non-native (invasive)	annual grass	-	Moderate	FACU		X		X		
Festuca perennis	Italian rye grass	non-native (invasive)	annual, perennial grass	-	Moderate	FAC		X	X			
Foeniculum vulgare	Fennel	non-native (invasive)	perennial herb	-	High	-	X	X				
Frangula californica	California coffeeberry	native	shrub	-	-	-			X			
Frankenia salina	Alkali heath	native	perennial herb	-	-	FACW	X	X	X	X	X	X
Fumaria sp.	Fumitory	-	-	-	-	-						X

Scientific Name	Common Name	Origin	Form	Rarity Status[1]	CAL-IPC Status[2]	Wetland Status[3]	Pond Number					
							1	2	3	4	5	7
Genista monspessulana	French broom	non-native (invasive)	shrub	-	High	-		X				
Geranium dissectum	Wild geranium	non-native (invasive)	annual herb	-	Limited	-						X
Hedera helix	English ivy	non-native (invasive)	vine, shrub	-	High	FACU		X				
Heliotropium curassavicum var. *oculatum*	Seaside heliotrope	native	perennial herb	-	-	FACU	X				X	
Helminthotheca echioides	Bristly ox-tongue	non-native (invasive)	annual, perennial herb	-	Limited	FAC		X				X
Hesperocyparis macrocarpa	Monterey cypress	native	tree	Rank 1B.2	-	-	X	X	X	X	X	X
Heteromeles arbutifolia	Toyon	native	shrub	-	-	-			X			
Heterotheca grandiflora	Telegraph weed	native	annual, perennial herb	-	-	-	X	X	X			
Hirschfeldia incana	Short-podded mustard	non-native (invasive)	perennial herb	-	Moderate	-				X	X	
Holcus lanatus	Common velvetgrass	non-native (invasive)	perennial grass	-	Moderate	FAC		X	X			X
Hordeum marinum ssp. *gussoneanum*	Mediterranean barley	non-native (invasive)	annual grass	-	Moderate	FAC			X			
Hordeum murinum	Foxtail barley	non-native (invasive)	annual grass	-	Moderate	FACU		X				
Hydrocotyle sp.	Pennywort	-	-	-	-	-						X
Jaumea carnosa	Marsh jaumea	native	perennial herb	-	-	OBL	X	X				
Juncus breweri	Brewer's rush	native	perennial grasslike herb	-	-	FACW	X	X	X	X	X	X
Juncus bufonius	Common toad rush	native	annual grasslike herb	-	-	FACW						X

Scientific Name	Common Name	Origin	Form	Rarity Status[1]	CAL-IPC Status[2]	Wetland Status[3]	Pond Number					
							1	2	3	4	5	7
Juncus effusus	Common bog rush	native	perennial grasslike herb	-	-	FACW	X	X	X			
Juncus patens	Common rush	native	perennial grasslike herb	-	-	FACW	X					
Juniperus osteosperma	Utah juniper	native	tree, shrub	-	-	-	X					
Lactuca serriola	Prickly lettuce	non-native	annual herb	-	-	FACU			X			
Lobularia maritima	Sweet alyssum	non-native (invasive)	perennial herb	-	Limited	-		X		X		
Lupinus arboreus	Coastal bush lupine	native	shrub	-	-	-		X	X		X	
Lysimachia arvensis	Scarlet pimpernel	non-native	annual herb	-	-	FAC		X				X
Malva parviflora	Cheeseweed	non-native	annual herb	-	-	-			X			
Medicago polymorpha	Bur clover	non-native (invasive)	annual herb	-	Limited	FACU		X	X			X
Melilotus indicus	Annual yellow sweetclover	non-native	annual herb	-	-	FACU		X	X			
Mimulus sp.	-	-	-	-	-	-		X				
Myoporum laetum	Ngaio tree	non-native (invasive)	tree, shrub	-	Moderate	FACU	X		X			
Nasturtium officinale	Watercress	native	perennial herb (aquatic)	-	-	OBL						X
Persicaria punctata	Dotted smartweed	native	perennial herb	-	-	OBL					X	X
Phacelia ramosissima	Branching phacelia	native	perennial herb	-	-	FACU				X		
Phalaris sp.	-	-	-	-	-	-		X				
Pinus radiata	Monterey pine	native	tree	Rank 1B.1	-	-	X					

Scientific Name	Common Name	Origin	Form	Rarity Status[1]	CAL-IPC Status[2]	Wetland Status[3]	Pond Number					
							1	2	3	4	5	7
Plantago coronopus	Cut leaf plantain	non-native	annual herb	-	-	FAC						X
Plantago major	Common plantain	non-native	perennial herb	-	-	FAC		X				X
Plantago lanceolata	Ribwort	non-native (invasive)	perennial herb	-	Limited	FAC		X				
Poa annua	Annual blue grass	non-native	annual grass	-	-	FAC						X
Polygonum aviculare	Prostrate knotweed	non-native	annual, perennial herb	-	-	FAC		X				X
Polypogon monspeliensis	Annual beard grass	non-native (invasive)	annual grass	-	Limited	FACW	X	X	X	X	X	X
Portulaca oleracea	Common purslane	non-native	annual herb	-	-	FAC		X				
Potentilla anserina	Silver weed cinquefoil	native	perennial herb	-	-	OBL	X	X	X		X	X
Pseudognaphalium luteoalbum	Jersey cudweed	non-native	annual herb	-	-	FAC		X		X		X
Quercus agrifolia	Coast live oak	native	tree	-	-	-		X				
Raphanus sativus	Wild radish	non-native (invasive)	annual, biennial herb	-	Limited	-	X	X	X	X		X
Rosa californica	California wild rose	native	shrub	-	-	FAC				X	X	
Rubus armeniacus	Himalayan blackberry	non-native (invasive)	shrub	-	High	FAC				X		
Rubus ursinus	California blackberry	native	vine, shrub	-	-	FAC		X	X	X	X	X
Rumex crispus	Curly dock	non-native (invasive)	perennial herb	-	Limited	FAC	X	X	X		X	X
Salicornia pacifica	Pickleweed	native	perennial herb	-	-	OBL	X			X	X	
Salix babylonica	Weeping willow	non-native	tree	-	-	FAC		X				
Salix laevigata	Red willow	native	tree	-	-	FACW		X				

Scientific Name	Common Name	Origin	Form	Rarity Status[1]	CAL-IPC Status[2]	Wetland Status[3]	Pond Number					
							1	2	3	4	5	7
Salix lasiolepis	Arroyo willow	native	tree, shrub	-	-	FACW	X	X	X			X
Sambucus nigra ssp. *caerulea*	Blue elderberry	native	shrub	-	-	FAC		X				
Schoenoplectus acutus var. *occidentalis*	Tule	native	perennial grasslike herb	-	-	OBL		X	X			X
Schoenoplectus americanus	Chairmaker's bulrush	native	perennial grasslike herb	-	-	OBL	X	X	X			X
Solanum americanum	White nightshade	native	annual, perennial herb	-	-	FACU					X	
Solanum umbelliferum	Blue witch	native	shrub	-	-	-					X	
Sonchus arvensis	Perennial sow thistle	non-native	perennial herb	-	-	FACU	X	X		X		X
Sonchus oleraceus	Common sow thistle	non-native	annual herb	-	-	UPL		X	X		X	
Stipa miliacea var. *miliacea*	Smilo grass	non-native (invasive)	perennial grass	-	Limited	-	X					
Tetragonia tetragonoides	New Zealand spinach	non-native (invasive)	-	-	Limited	-		X	X	X		
Toxicodendron diversilobum	Poison oak	native	vine, shrub	-	-	FACU				X		
Typha latifolia	Broadleaf cattail	native	perennial herb (aquatic)	-	-	OBL	X	X				X
Urtica dioica	Stinging nettle	native	perennial herb	-	-	FAC		X	X			X
Vicia sativa	Spring vetch	non-native	annual herb, vine	-	-	FACU			X			

All species identified using the *Jepson Flora Project* (Jepson eFlora 2020); nomenclature follows Jepson eFlora. Sp.: "species", intended to indicate that the observer was confident in the identity of the genus but uncertain which species.

[1]Rare Status: The CNPS Inventory of Rare and Endangered Plants (CNPS 2020a)

FE: Federal Endangered
FT: Federal Threatened

SE: State Endangered
ST: State Threatened
SR: State Rare
Rank 1A: Plants presumed extirpated in California and either rare or extinct elsewhere
Rank 1B: Plants rare, threatened, or endangered in California and elsewhere
(*Rank 1B: Rare in native stands only)
Rank 2A: Plants presumed extirpated in California, but more common elsewhere
Rank 2B: Plants rare, threatened, or endangered in California, but more common elsewhere
Rank 3: Plants about which we need more information – a review list
Rank 4: Plants of limited distribution – a watch list

[2]Invasive Status: California Invasive Plant Inventory (Cal-IPC 2020)

High: Severe ecological impacts; high rates of dispersal and establishment; most are widely distributed ecologically.
Moderate: Substantial and apparent ecological impacts; moderate-high rates of dispersal, establishment dependent on disturbance; limited-moderate distribution ecologically
Limited: Minor or not well documented ecological impacts; low-moderate rate of invasiveness; limited distribution ecologically
Assessed: Assessed by Cal-IPC and determined to not be an existing current threat

[3]Wetland Status: National List of Plant Species that Occur in Wetlands, Arid West Region (Lichvar et al. 2016)

OBL: Almost always a hydrophyte, rarely in uplands
FACW: Usually a hydrophyte, but occasionally found in uplands
FAC: Commonly either a hydrophyte or non-hydrophyte
FACU: Occasionally a hydrophyte, but usually found in uplands
UPL: Rarely a hydrophyte, almost always in uplands
NL: Rarely a hydrophyte, almost always in uplands
- : No information

Appendix C –

Special-Special-Status Plant and Wildlife Species Database Search Results for the Study Area

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Attachment B-2. List of Wildlife Species Observed within the Study Area. Ponds 1, 3, and 4 were visited on June 9, 2020; Ponds 2, 5, and 7 were visited on June 18, 2020.

Common Name	Scientific Name	Status	Pond Number					
			1	2	3	4	5	7
Birds								
American crow	*Corvus brachyrhynchos*	No status	X	X			X	X
Anna's hummingbird	*Calypte anna*	No status		X				
Barn swallow	*Hirundo rustica*	No status	X	X	X			
Black-necked stilt	*Himantopus mexicanus*	No status	X					X
Black phoebe	*Sayornis nigricans*	No status	X		X	X		X
Bollocks oriole	*Icterus bullockii*	No status		X				
Brewer's blackbird	*Euphagus cyanocephalus*	No status		X				
California towhee	*Melozone crissalis*	No status		X				
American coot	*Fulica americana*	No status						X
European starling	*Sturnus vulgaris*	No status			X	X		
Gull, sp	*Larinae sp.*	No status	X	X	X	X	X	X
House sparrow	*Passer domesticus*	No status				X		
Killdeer	*Charadrius vociferus*	No status	X					
Mallard	*Anas platyrhynchos*	No status	X	X	X			X
Mourning dove	*Zenaida macroura*	No status		X	X			
Red-tailed hawk	*Buteo jamaicensis*	No status			X			
Red-winged blackbird	*Agelaius phoeniceus*	No status		X	X			
Scrub jay	*Aphelocoma californica*	No status		X				
White-crowned sparrow	*Zonotrichia leucophrys*	No status		X				
Wrentit	*Chamaea fasciata*	BCC						X
Reptiles and Amphibians								
Bullfrog	*Lithobates catesbeianus*	No status			X			
Coast gartersnake	*Thamnophis elegans terrestris*	No status	X					
Lizard, sp	*Lacertilia, sp.*	No status				X		
California tree frog	*Pseudacris cadaverina*	No status		X				X
Western fence lizard	*Sceloporus occidentalis*	No status		X		X	X	
Mammals								
Cat	*Felis catus*	No status		X				
Ground squirrel	*Marmotini*	No status		X		X		
Jack rabbit	*Lepus*	No status				X		
Brush rabbit	*Sylvilagus bachmani*	No status					X	
Raccoon	*Procyon lotor*	No status	X					
Rat, sp	*Rattus*	No status				X		

Common Name	Scientific Name	Status	Pond Number					
			1	2	3	4	5	7
Short-tailed weasel	*Mustela erminea*	No status				X		
Fish								
Mosquito fish	*Gambusia affinis*	No status		X	X			X
Invertebrates								
Western bumble bee	*Bombus occidentalis*	SC				X		
Garden snail	*Cornu aspersum*	No status			X			
Red-swamp crayfish	*Procambarus clarkii*	No status	X		X			
Shoulderband snail, sp	*Helminthoglypta walkeriana*	No status				X		
Silver spotted tiger moth	*Lophocampa argentata*	No status				X		
Spotted cucumber beetle	*Diabrotica undecimpunctata*	No status				X		
Striped green sweat bee	*Agapostemon viriscens*	No status				X		
Yellowfaced bumblebee	*Bombus vosnesenskii*	No status	X					

Key to status codes:

FC	Federal Candidate for Listing
FE	Federal Endangered
BGEPA	Bald and Golden Eagle Protection Act Species
FT	Federal Threatened
SC (E/T)	State Candidate for Listing (Endangered/Threatened)
SE	State Endangered
SFP	State Fully Protected Animal
SR	State Rare
SSC	State Species of Special Concern
ST	State Threatened
Rank 1A	CNPS Rank 1A: Plants presumed extinct in California
Rank 1B	CNPS Rank 1B: Plants rare, threatened or endangered in California and elsewhere
Rank 2A	CNPS Rank 2A: Plants presumed extirpated in California, but more common elsewhere
Rank 2B	CNPS Rank 2B: Plants rare, threatened, or endangered in California, but more common elsewhere
Rank 3	CNPS Rank 3: Plants about which CNPS needs more information (a review list)
Rank 4	CNPS Rank 4: Plants of limited distribution (a watch list)
WBWG	Western Bat Working Group High or Medium-high Priority Species
WL	CDFW Watch List

Appendix C. Special-status Species Known to Occur in the Project Area Vicinity. List compiled from the California Department of Fish and Wildlife Natural Diversity Database (CDFW 2020a), U.S. Fish and Wildlife Service Information for Planning and Conservation Database (USFWS 2020b), U.S. Fish and Wildlife Service Threatened and Endangered Species Lists, and California Native Plant Society Electronic Inventory of Rare and Endangered Plants (CNPS 2020a) for the Marina, Monterey, Seaside, Spreckels, Salinas, Prunedale, and Moss Landing USGS 7.5' quadrangles.

SCIENTIFIC NAME	COMMON NAME	STATUS*
PLANTS		
Agrostis lacuna-vernalis	vernal pool bent grass	Rank 1B.1
Allium hickmanii	Hickman's onion	Rank 1B.2
Allium howellii var. howellii	Howell's onion	Rank 4.3
Arctostaphylos hookeri ssp. *hookeri*	Hooker's manzanita	Rank 1B.2
Arctostaphylos montereyensis	Toro manzanita	Rank 1B.2
Arctostaphylos pajaroensis	Pajaro manzanita	Rank 1B.1
Arctostaphylos pumila	sandmat manzanita	Rank 1B.2
Astragalus nuttallii var. *nuttallii*	ocean bluff milk-vetch	Rank 4.2
Astragalus tener var. *tener*	alkali milk-vetch	Rank 1B.2
Astragalus tener var. *titi*	coastal dunes milk-vetch	FE, SE, Rank 1B.1
Bryoria spiralifera	twisted horsehair lichen	Rank 1B.1
Castilleja ambigua var. *insalutata*	pink Johnny-nip	Rank 1B.1
Castilleja latifolia	Monterey Coast paintbrush	Rank 4.3
Ceanothus gloriosus var. *gloriosus*	Point Reyes ceanothus	Rank 4.3
Ceanothus rigidus	Monterey ceanothus	Rank 4.2
Centromadia parryi ssp. *congdonii*	Congdon's tarplant	Rank 1B.1
Chorizanthe douglasii	Douglas' spineflower	Rank 4.3
Chorizanthe minutiflora	Fort Ord spineflower	Rank 1B.2
Chorizanthe pungens var. *pungens*	Monterey spineflower	FT, Rank 1B.2
Chorizanthe robusta var. *robusta*	robust spineflower	FE, Rank 1B.1
Clarkia jolonensis	Jolon clarkia	Rank 1B.2
Clarkia lewisii	Lewis' clarkia	Rank 4.3

SCIENTIFIC NAME	COMMON NAME	STATUS*
Collinsia multicolor	San Francisco collinsia	Rank 1B.2
Cordylanthus rigidus ssp. *littoralis*	seaside bird's-beak	SE, Rank 1B.1
Corethrogyne leucophylla	branching beach aster	Rank 3.2
Cryptantha rattanii	Rattan's cryptantha	Rank 4.3
Delphinium californicum ssp. *interius*	Hospital Canyon larkspur	Rank 1B.2
Delphinium hutchinsoniae	Hutchinson's larkspur	Rank 1B.2
Delphinium umbraculorum	umbrella larkspur	Rank 1B.3
Eriastrum virgatum	virgate eriastrum	Rank 4.3
Ericameria fasciculata	Eastwood's goldenbush	Rank 1B.1
Eriogonum elegans	elegant wild buckwheat	Rank 4.3
Eriogonum nortonii	Pinnacles buckwheat	Rank 1B.3
Erysimum ammophilum	sand-loving wallflower	Rank 1B.2
Erysimum menziesii	Menzies' wallflower	FE, SE, Rank 1B.1
Fritillaria liliacea	fragrant fritillary	Rank 1B.2
Gilia tenuiflora ssp. *arenaria*	Monterey gilia	FE, ST, Rank 1B.2
Grindelia hirsutula var. *maritima*	San Francisco gumplant	Rank 3.2
Hesperocyparis govenia	Gowen cypress	FT, Rank 1B.2
Hesperocyparis macrocarpa	Monterey cypress	Rank 1B.2**
Holocarpha macradenia	Santa Cruz tarplant	FT, SE, Rank 1B.1
Horkelia cuneata var. *sericea*	Kellogg's horkelia	Rank 1B.1
Horkelia marinensis	Point Reyes horkelia	Rank 1B.2
Iris longipetala	coast iris	Rank 4.2
Lasthenia conjugens	Contra Costa goldfields	FE, Rank 1B.1
Layia carnosa	beach layia	FE, SE, Rank 1B.1
Legenere limosa	legenere	Rank 1B.1
Lomatium parvifolium	small-leaved lomatium	Rank 4.2

SCIENTIFIC NAME	COMMON NAME	STATUS*
Lupinus tidestromii	Tidestrom's lupine	FE, SE, Rank 1B.1
Malacothamnus palmeri var. *involucratus*	Carmel Valley bush-mallow	Rank 1B.2
Malacothamnus palmeri var. *palmeri*	Santa Lucia bush-mallow	Rank 1B.2
Malacothrix saxatilis var. *arachnoidea*	Carmel Valley malacothrix	Rank 1B.2
Meconella oregana	Oregon meconella	Rank 1B.1
Micropus amphibolus	Mt. Diablo cottonweed	Rank 3.2
Microseris paludosa	marsh microseris	Rank 1B.2
Mondardella sinuata ssp. *nigrescens*	northern curly-leaved monardella	Rank 1B.2
Monolopia gracilens	woodland woolythreads	Rank 1B.2
Ophioglossum californicum	California adder's-tongue	Rank 4.2
Phacelia ramosissima var. *austrolitoralis*	south coast branching phacelia	Rank 3.2
Pinus radiata	Monterey pine	Rank 1B.1**
Piperia michaelii	Michael's rein orchid	Rank 4.2
Piperia yadonii	Yadon's rein orchid	FE, Rank 1B.1
Plagiobothrys chorisianus var. *chorisianus*	Choris' popcornflower	Rank 1B.2
Plagiobothrys chorisianus var. *hickmanii*	Hickman's popcornflower	Rank 4.2
Potentilla hickmanii	Hickman's cinquefoil	FE, SE, Rank 1B.1
Ramalina thrausta	angel's hair lichen	Rank 2B.1
Ranunculus lobbii	Lobb's aquatic buttercup	Rank 4.2
Rosa pinetorum	pine rose	Rank 1B.2
Sidalcea malachroides	maple-leaved checkerbloom	Rank 4.2
Stebbinsoseris decipiens	Santa Cruz microseris	Rank 1B.2
Trifolium buckwestiorum	Santa Cruz clover	Rank 1B.1
Trifolium hydrophilum	saline clover	Rank 1B.2
Trifolium polyodon	Pacific Grove clover	SR, Rank 1B.1
Trifolium trichocalyx	Monterey clover	FE, SE, Rank 1B.1

SCIENTIFIC NAME	COMMON NAME	STATUS*
WILDLIFE		
Mammals		
Enhydra lutris nereis	Southern Sea Otter	FT
Corynorhinus townsendii	Townsend's big-eared bat	SSC, WBWG High
Eumetopias jubatus	Steller (=northern) sea-lion	MMPA, FD
Lasiurus cinereus	hoary bat	WBWG Medium
Neotoma macrotis luciana	Monterey dusky-footed woodrat	SSC
Sorex ornatus salarius	Monterey shrew	SSC
Taxidea taxus	American badger	SSC
Corynorhinus townsendii	Townsend's big-eared bat	WBWG High, SSC
Birds		
Gymnogyps californianus	California Condor	FE
Vireo bellii pusillus	Least Bell's Vireo	FE, SE
Brachyramphus marmoratus	Marbled Murrelet	FT, SE
Empidonax traillii extimus	Southwestern Willow Flycatcher	FE, SE
Chamaea fasciata	Wrentit	BCC
Pica nuttalli	Yellow-billed Magpie	BCC
Synthliboramphus scrippsi	Scripps's Murrelet	FT, ST, BCC
Charadrius nivosus nivosus	Western Snowy Plover	FT, SSC, BCC, RP
Agelaius tricolor	tricolored blackbird	ST, SSC, BCC, RP
Asio flammeus	short-eared owl	SSC
Athene cunicularia	burrowing owl	SSC, BCC
Buteo regalis	ferruginous hawk	BCC
Charadrius alexandrinus nivosus	western snowy plover	FT, SSC, BCC, RP
Coturnicops noveboracensis	yellow rail	BCC, SSC
Cypseloides niger	black swift	SSC, BCC

SCIENTIFIC NAME	COMMON NAME	STATUS*
Elanus leucurus	white-tailed kite	CFP
Eremophila alpestris actia	California horned lark	DFG:WL
Falco mexicanus	prairie falcon	BCC
Falco peregrinus anatum	American peregrine falcon	FD, SD, CFP, BCC
Laterallus jamaicensis coturniculus	California black rail	ST, CFP
Pelecanus occidentalis californicus	California brown pelican	FD, SD, CFP
Rallus obsoletus obsoletus	California Ridgway's rail	FE, SE, CFP
Riparia riparia	bank swallow	ST
Baeolophus inornatus	Oak Titmouse	BCC
Picoides nuttallii	Nuttall's Woodpecker	BCC
Sterna antillarum	Least Tern	FE, SE, CFP
Carduelis lawrencei	Lawrence's Goldfinch	BCC
Aechmophorus clarkii	Clark's Grebe	BCC
Rynchops niger	Black Skimmer	BCC, SSC
Haematopus bachmani	Black Oystercatcher	BCC
Selasphorus sasin	Allen's Hummingbird	BCC
Reptiles and Amphibians		
Ambystoma californiense	California tiger salamander	FE/FT, ST, RP
Ambystoma macrodactylum croceum	Santa Cruz long-toed salamander	FE, SE, CFP
Rana boylii	foothill yellow-legged frog	SC, SSC
Rana draytonii	California red-legged frog	FT, SSC, RP
Spea hammondii	western spadefoot	SSC
Taricha torosa	Coast Range newt	SSC
Anniella pulchra	northern California legless lizard	SSC, FS sensitive
Emys marmorata	western pond turtle	SSC
Phrynosoma blainvillii	coast horned lizard	SSC

SCIENTIFIC NAME	COMMON NAME	STATUS*
Thamnophis hammondii	two-striped gartersnake	SSC
Fishes		
Eucyclogobius newberryi	tidewater goby	FE, SSC
Lavinia exilicauda harengus	Pajaro/Salinas hitch	SSC
Oncorhynchus mykiss irideus pop. *9*	steelhead - south-central California coast DPS	FT
Spirinchus thaleichthys	longfin smelt	FC, ST
Invertebrates		
Branchinecta lynchi	Vernal Pool Fairy Shrimp	FT, SSI, RP
Linderiella occidentalis	California linderiella	SSI
Bombus occidentalis	western bumble bee	SC
Danaus plexippus pop. *1*	monarch - California overwintering population	SSI
Euphilotes enoptes smithi	Smith's blue butterfly	FE, SSI

***Key to status codes:**

FC	Federal Candidate for Listing
FE	Federal Endangered
BGEPA	Bald and Golden Eagle Protection Act Species
FT	Federal Threatened
SC (E/T)	State Candidate for Listing (Endangered/Threatened)
SE	State Endangered
SFP	State Fully Protected Animal
SR	State Rare
SSC	State Species of Special Concern
ST	State Threatened
Rank 1A	CNPS Rank 1A: Plants presumed extinct in California
Rank 1B	CNPS Rank 1B: Plants rare, threatened or endangered in California and elsewhere
Rank 2A	CNPS Rank 2A: Plants presumed extirpated in California, but more common elsewhere
Rank 2B	CNPS Rank 2B: Plants rare, threatened, or endangered in California, but more common elsewhere
Rank 3	CNPS Rank 3: Plants about which CNPS needs more information (a review list)
Rank 4	CNPS Rank 4: Plants of limited distribution (a watch list)
WBWG	Western Bat Working Group High or Medium-high Priority Species
WL	CDFW Watch List

**Rare status rank applies to native stands only. All Monterey cypress and Monterey pine observed within the Study Area are planted, and therefore this Rank does not apply.

Appendix D –

Representative Photographs of the Study Area

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Photograph 1. Photopoint 1 at Pond 1, facing south.



Photograph 2. Photopoint 2 at Pond 1, facing east.



Photograph 3. Photopoint 3 at Pond 1, facing north.



Photograph 4. Photopoint 4 at Pond 1, facing north.



Photograph 5. Photopoint 5 at Pond 1, facing west.



Photograph 6. Photopoint 6 at Pond 2, facing south.



Photograph 7. Photopoint 7 at Pond 2, facing east.



Photograph 8. Photopoint 8 at Pond 2, facing north.



Photograph 9. Photopoint 9 at Pond 2, facing northwest.



Photograph 10. Photopoint 10 at Pond 3a, facing east.



Photograph 11. Photopoint 11 at Pond 3a, facing north.



Photograph 12. Photopoint 12 at Pond 3a, facing west.



Photograph 13. Photopoint 13 at Pond 3a, facing south.



Photograph 14. Photopoint 14 at Pond 3b, facing southwest.



Photograph 15. Photopoint 15 at Pond 3b, facing north.



Photograph 16. Photopoint 16 at Pond 3b, facing northwest.



Photograph 17. Photopoint 17 at Pond 3b, facing east.



Photograph 18. Photopoint 18 at Pond 4, facing southwest.



Photograph 19. Photopoint 19 at Pond 4, facing north.



Photograph 20. Photopoint 20 at Pond 4, facing west.



Photograph 21. Photopoint 21 at Pond 4, facing south.



Photograph 22. Photopoint 22 at Pond 5, facing south.



Photograph 23. Photopoint 23 at Pond 5, facing east.



Photograph 24. Photopoint 24 at Pond 5, facing north.



Photograph 25. Photopoint 25 at Pond 5, facing west.



Photograph 26. Photopoint 26 at Pond 7, facing south.



Photograph 27. Photopoint 27 at Pond 7, facing east.



Photograph 28. Photopoint 28 at Pond 7, facing X.



Photograph 29. Photopoint 29 at Pond 7, facing west.

MARINA EXHIBIT 4

TECHNICAL MEMORANDUM

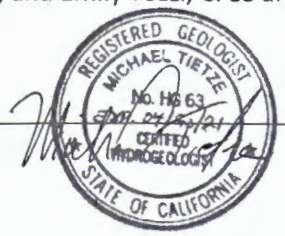
FORMATION ENVIRONMENTAL

REVIEW OF JULY 10, 2020 REPORT PREPARED BY WEISS ASSOCIATES REGARDING GROUNDWATER IMPACTS OF THE MONTEREY PENINSULA WATER SUPPLY PROJECT, MARINA, CALIFORNIA

PREPARED FOR: Layne Long, City Manager, City of Marina

PREPARED BY: Mike Tietze, PG, CHG, CEG, Stephen Carlton, PG, CHG, and Emily Tozzi, CPSS and Certified Arborist, Formation Environmental, LLC

DATE: August 13, 2020



1. INTRODUCTION AND BACKGROUND

At your request, Formation Environmental, LLC (Formation) has reviewed the report titled "*Independent Evaluation, Modification, and Use of the North Marina Groundwater Model to Estimate Potential Aquifer Impacts Associate with the Monterey Peninsula Water Supply Project*," prepared by Weiss Associates (Weiss) on behalf of the California Marine Sanctuary Foundation and the California Coastal Commission (CCC) and dated July 10, 2020 (Weiss 2020 Report). The site location and the locations of nearby monitoring wells referenced in the text below are shown on Figure 1.

In 2019, the California Coastal Commission engaged Weiss Associates to conduct an independent hydrogeologic review of specified groundwater resource issues in connection with the Coastal Commission's decision on whether to grant coastal development permits for the Monterey Peninsula Water Supply Project (MPWSP or Project). The Coastal Commission described the scope of work as follows (CCC 2019): "*To reduce the range of uncertainty and to provide an independent assessment of some key areas of concern, Commission staff contracted with a licensed hydrogeologist to evaluate some of the primary studies and to respond to several key questions about them.*" According to the Coastal Commission:

> "*Other interested parties conducted their own studies or reviewed the above-referenced studies and came to different conclusions about Cal-Am's expected groundwater impacts.*" and "*A key area of concern was whether Cal-Am's groundwater extraction would remove greater volumes of "non-seawater" – that is, fresh or brackish water in the Basin that may be of beneficial use to others – than Cal-Am's models had predicted.*" (CCC 2019)

Pursuant to the Coastal Commission's direction, Weiss reviewed the available data to assess the potential effects of the Project on groundwater resources, taking into account new scientific data,

analyses and other information that was raised by interested parties but that was not considered in the Environmental Impact Report (EIR) for the Project. The results of that review were provided by Weiss in a report dated November 1, 2019 and included several recommendations for improvement of the analysis of groundwater-related impacts by the Project (Weiss 2019 Report). These improvements included refining, recalibrating and converting the existing 2016 version of the North Marina Groundwater Model ($NMGWM^{2016}$) from a steady state into a transient groundwater flow model to support more reliable impact assessment, and conducting investigations to help address several data gaps in the hydrogeologic understanding of the area.

In its 2019 review, Weiss concluded the $NMGWM^{2016}$ is based on a flawed conceptual model that may underestimate the MPWSP's inland hydrologic impacts and extraction of inland aquifer water that is designated as a source of drinking water. Weiss found the model did not consider the effect that existing seaward gradients in the Dune Sand Aquifer (DSA) and foreseeable future gradient changes in the 180-Foot Aquifer would have on (1) the capture zones of the slant makeup water wells proposed for the Project; (2) the distribution of drawdown impacts; and (3) the associated "Ocean Water Percentage" (OWP) of the extracted makeup water. Furthermore, Weiss concluded that the impact analysis in the EIR was flawed because it did not account for potential sources of drinking water that are required by the State Water Resources Control Board to be protected as a source of drinking water. [1] Finally, the $NMGWM^{2016}$ was found to be potentially inadequate for the assessment of Project effects on groundwater for the following reasons:

- The model simulates the groundwater flow system under long-term static (or steady-state) conditions rather than addressing the actual transient seasonal conditions and year-to-year variability that may drive the extent of some of the actual impacts, such as seasonal and inter-annual availability in recharge, gradients and water availability of Groundwater-Dependent Ecosystems (GDEs).

- The model does not consider available information regarding the interconnection between different aquifer units. Specifically, $NMGWM^{2016}$ incorrectly assumes that the Fort Ord/Salinas Valley Aquitard (FO-SVA) which separates the DSA and 180-Foot Aquifer is continuous in areas where the available evidence suggests it is not (Gottschalk et al. 2018).

- The model includes unrealistic water level boundary conditions at the southern edge that differs from actual groundwater levels by up to 90 feet, indicating a fundamental disagreement between the model simulated conditions and actual field conditions.

Based on this analysis, Weiss recommended: (1) additional groundwater investigations east of monitoring well MW-7 and in the area between monitoring wells MW-4 and MW-7 to assess the extent of the FO-SVA and the degree of interconnection between the DSA and the underlying 180-Foot Aquifer;

[1] The available data indicate that over 200,000 acre feet of groundwater is present in the DSA and 180-Foot Aquifer in the area of potential Project effects that contains less than 3,000 milligrams per liter (mg/L) of total dissolved solids (TDS) and is designated by State Water Resources Control Board (SWRCB) Resolution 88-63 and the California Regional Water Quality Control Board (RWQCB), Central Coast Region as having a designated potential beneficial use as drinking water.

(2) incorporation of the investigation findings into the NMGWM^{2016}; and (3) updating of the NMGWM^{2016} to a transient groundwater flow model.

The Coastal Commission requested that Weiss undertake further analysis of certain groundwater issues, which led to preparation of the July 10, 2020 Weiss report, which is the topic of this review. Pursuant to the Coastal Commission's scope of work, Weiss was directed to (1) to use the existing steady-state version of NMGWM^{2016} with several targeted modifications to better understand the range of potential impacts of the MPWSP; and (2) to determine whether the existing NMGWM^{2016} is sufficient to support impact analysis associated with OWP and GDEs. , or if a refined transient version of NMGWM^{2016} and further field investigations are required.

Because the amount of time necessary to conduct the originally recommended model upgrades was deemed greater than the time available prior to the scheduled CCC hearing to make a final determination regarding the Project, the Coastal Commission's scope instead directed Weiss to use the existing steady-state version of NMGWM^{2016} with several targeted modifications to assess the range of potential impacts of the MPWSP. Targeted modifications included simulation of the following:

- The actual seaward gradients observed in the DSA;
- A range of future gradients in the 180-Foot Aquifer that were assumed to be reasonably foreseeable as efforts under the Sustainable Groundwater Management Act (SGMA) to arrest seawater intrusion are implemented;
- Increased vertical permeability in the model layer that simulates the FO-SVA east of MW-7;
- A range of recharge rates to assess the effect of potential climatic variability;
- Correcting the definition of freshwater for the purposes of the OWP analysis to less than 3,000 milligrams per liter (mg/L) of total dissolved solids (TDS), consistent with State Water Resources Control Board (SWRCB) and Regional Water Quality Control Board (RWQCB) requirements;[2] and
- Evaluating the potential impacts of the proposed Project makeup water extractions, 15.5 million gallons per day (MGD), as well as the potential impacts under a theoretical situation if the Project pumping were reduced by half, from 15.5 to 7.75 MGD.

2. EVALUATION OF OCEAN WATER PERCENTAGE

2.1. Findings

Ocean water percentage (OPW) is a measure used in the Final EIR of two primary types of groundwater sources for the MPWSP makeup water extracted from the proposed Project slant wells: freshwater from

[2] The City of Marina and others have contended, and Weiss in its 2019 and 2020 Reports has agreed, that freshwater should be defined consistent with the RWQCB's Water Quality Control Plan (Basin Plan) for the area and SWRCB Resolution 88-63, which designate groundwater containing less than 3,000 mg/L TDS as having a beneficial use for municipal and domestic supply.

the 180/400 Foot Aquifer Subbasin and seawater extracted from the seaward portion of the aquifers. A higher OWP would indicate water with relatively less freshwater content and relatively more seawater content.

The Project OPW was estimated using the NMGWM^{2016}. As noted above, Weiss concluded the NMGWM^{2016} is based on a flawed conceptual model that may underestimate the MPWSP's inland hydrologic impacts and extraction of inland aquifer water (freshwater) that is designated as a source of drinking water. Overestimating the OPW would result in underestimating the adverse impacts to inland fresh groundwater resources, water right holders, and beneficial uses. In addition, the Project is required to provide replacement water to Castroville Community Services District (CCSD) based on the OWP. Overestimating the OWP would result in underestimating the amount of replacement water required to be provided by the Project and conveyed to CCSD.

The Weiss 2020 Report indicates that under the most likely foreseeable gradient, recharge and hydrogeologic conditions, the long-term predicted Project OWP would be 72.4% (approximately 4.28 MGD fresh water), compared with 93 to 96% in the EIR (approximately 0.62 to 1.09 MGD fresh water). For perspective, since the Project is planned to operate every day of the year, the Project would be expected to extract about 1.5 billion gallons of fresh water each year from the critically overdrafted 180/400 Foot Aquifer Subbasin. This represents a 4-fold to 7-fold increase in the estimated volume of fresh water that would be extracted by the Project from the inland aquifers, and hence in the amount of replacement water required to be delivered by the Project to CCSD. If a reduced-capacity project were implemented with approximately half the makeup water demand, the OWP is predicted to decrease to 65.6% (2.67 MGD fresh water),[3] which is still a 2.4 to 4-fold increase in the volume of fresh water extracted from the inland aquifers when compared to the Project evaluated in the EIR.

The available data suggest the prediction presented by the Weiss 2020 Report may underestimate the actual OWP of the Project for the following reasons:

- The DSA is highly permeable and has been designated as a key recharge area in County planning documents. No streams or creeks are sustained in this area, indicating that runoff is minimal, and infiltration of precipitation dominates the surface water system. A sensitivity analysis was conducted by Weiss comparing the average recharge case of 5 inches per year to values of 10 and 15 inches per year, resulting in a further decrease of the OWP by 6.8 and 12.2 %. These results are significant because they span the range of expected year to year recharge under years with above average rainfall.

- The NMGWM^{2016} was implemented as a steady state model, which means the model imposes long-term average groundwater flows and levels as a constant background condition. While this is a commonly used simplification for some groundwater models, it does not consider the actual transient changes a groundwater system experiences in response to climatic variability and

[3] The OWP of the extracted groundwater is projected to decrease with less pumping (*i.e.*, the percentage of freshwater is projected to increase) because the Pacific Ocean represents a constant head boundary that will produce an increasingly greater percentage of the total extracted groundwater volume as pumping increases.

changes in regional groundwater demand and water management. Since the DSA is highly permeable, recharge rates are likely to be variable and highly dependent on the amount of precipitation in any given year. Modeling of the actual transient variability in recharge could substantially increase the predicted OWP during some years or periods.

- The amount of groundwater that the test slant well extracted from the DSA versus from the 180-Foot Aquifer during the pump test was never confirmed by actual measurements and remains unknown. As such, the partitioning of groundwater extraction between the DSA and the 180-Foot Aquifer may not be accurately represented by the NMGWM[2016]. A shift in the extraction percentage could substantially change the OWP of the extracted water. For example, if a greater amount of groundwater is extracted from the DSA than assumed by the model, the amount of inland freshwater captured by the proposed Project slant wells could be greater than simulated. Without knowing the actual partitioning of extraction between the aquifers and the resulting effect on OWP, it cannot be concluded that the OWP predicted by the model is a conservative worst case.

- Weiss did not modify the NMGWM[2016] to address the complex heterogeneity of the aquifer system identified in recent geophysical studies completed by Stanford University (Gottschalk, et al. 2018). The Stanford studies describe the lithology of the subsurface as being very heterogeneous and determined that the aquitards within and between the DSA, 180-Foot Aquifer, and 400-Foot Aquifer are locally discontinuous. Heterogeneity in the aquifer system, especially in the FO-SVA, could affect the OWP. Weiss used the existing simplified hydrogeologic layers provided in the NMGWM[2016] model. The simplification of aquifer system heterogeneity in the model adds uncertainty to the OWP analysis, and this uncertainty could, as noted above, result in overestimation of the OWP. Weiss' modeling analysis attempted to evaluate the endpoints to this heterogeneity by conducting sensitivity analyses where the vertical hydraulic conductivity of certain layers was increased and the lateral extent of the FO-SVA was varied. However, heterogeneity remains an area of uncertainty, and it is unlikely that the sensitivity analyses conducted by Weiss explored the full range of reasonable outcomes.

2.2. *Implications*

The 2020 Weiss Report indicates the amount of fresh water captured by the proposed Project slant wells will be several times greater than was previously evaluated in the EIR. This new information indicates that several impacts will be more severe than indicated by the prior analysis and raises concerns about the following potential impacts that were not previously evaluated:

- Potential conflicts with the Basin Plan for this region through the increased and more rapid depletion of drinking water resources in the DSA and the 180-Foot Aquifer and the potential for increased seawater intrusion into the nearshore area;

- Potential conflicts with sustainable groundwater management mandated by the Sustainable Groundwater Management Act caused by the increased capture and depletion of freshwater resources;

- Increased groundwater impacts related to operation of the Project that were not considered or evaluated in the EIR (more freshwater capture and more drawdown at GDEs); and

- Project changes due to increased replacement water volumes required to be delivered to CCSD that may result in new impacts or increased impacts during Project construction and operation that were not evaluated in the EIR.

3. GROUNDWATER-DEPENDENT ECOSYSTEMS

3.1. Findings

There are several groundwater dependent ecosystems (GDEs) identified in the Coastal Zone near the City that are identified as "vernal ponds" and are afforded specific protection and management under several land use plans. These vernal ponds consist of wetlands, seasonal ponds and perennial ponds that are believed to be remnants of marshes that occurred within the Salinas River floodplain approximately 12,000 years ago, and were subsequently covered by encroaching coastal sand dunes (The Habitat Group 1994). They are described in the City's planning documents as water pools that expand during the wet season and support marshy wetlands that provide habitat for plants and animals for all or much of the year. They represent unique coastal ecosystems that are important stopover points for migratory waterfowl and provide habitat to a number of sensitive plant and animal species. The City's Local Coastal Plan, certified by the California Coastal Commission (CCC) on April 20, 1982, guides development within the coastal zone in Marina and recognizes the importance and unique nature of these vernal ponds, which are designated for protection as Environmentally Sensitive Habitat Areas (ESHAs) under the California Coastal Act. These veranal ponds are shown in Figure 2.

A request for development of a Comprehensive Management Plan (CMP) was initiated in 1990 by the Coastal Commission in response to development pressures around the City's vernal pond resources. The City engaged stakeholders in a collaborative effort to prepare the CMP. A Technical Advisory Committee comprised of representatives from the City, Monterey Peninsula Regional Park District (MPRPD), California Department of Fish and Game (CDFG, now CDFW), the Coastal Commission, Sierra Club, residents, and other interested stakeholders was also established to guide development of the plan. Four meetings were held with the Technical Advisory Committee. A public meeting was held on March 18, 1993, to present preliminary findings on the resources of the ponds and solicit comments from the public on management issues. A second public meeting was held on November 18, 1993, to present the draft plan and solicit comments on the proposed management plan recommendations.

The final CMP was adopted on February 15, 1994 (Coastal/Vernal Ponds Comprehensive Management Plan, The Habitat Restoration Group 1994). It identifies guidelines for the preservation, management and enhancement of these wetland resources, and identifies specific measures to be conducted at each

pond to preserve, protect, and enhance sensitive resources. This includes seven ponds, including two hypersaline vernal (i.e., seasonal) ponds, two freshwater perennial ponds, two freshwater vernal ponds, and one fresh to brackish pond that functions as a perennial pond in most years.

Weiss evaluated the predicted drawdown at the locations of seven vernal ponds/pond complexes identified as GDEs during prior studies (Formation 2020, WRA 2020). These vernal ponds are in the Coastal Zone and are considered Environmentally Sensitive Habitat Areas (ESHA) under the California Coastal Act (WRA 2020) and protected under the Public Trust Doctrine (FBM 2019).

Drawdowns induced by pumping of the proposed Project slant wells at the vernal ponds were predicted by Weiss to range from 0.79 to 4.05 feet, with the highest drawdown predicted to occur at the Armstrong Ranch ponds near MW-4S. Under a reduced demand scenario with slant well pumping decreased to about 50% of the amount of pumping proposed for the Project, predicted drawdowns range from 0.39 to 2.02 feet. The available data indicate the prediction presented by Weiss (2020) may underestimate the actual drawdown at the vernal ponds for the following reasons:

- The baseline case evaluated drawdown if the FO-SVA extends west of MW-7S. Under this scenario, perched groundwater flowing westward in the DSA above the FO-SVA would discharge to the aquifer system at its western terminus, creating a groundwater mound in the area near MW-4S. If the FO-SVA were to terminate further east, or be discontinuous and in local communication with the underlying 180-Foot Aquifer, as appears to be the case based on the available AEM data, this groundwater mound would not be created. Thus, under the baseline model scenario, groundwater inflow from the east may tend to maintain a constant head condition near the western boundary of the FO-SVA, and limit drawdown near the vernal ponds in the Coastal Zone. The baseline scenario is therefore not conservative – it may underestimate the amount of drawdown near the potentially affected vernal ponds, and thereby the potential impacts to the vernal ponds

- The NMGWM^{2016} was not modified to address the heterogeneity of the aquifer system identified in recent geophysical studies completed by Stanford University (Gottschalk et al. 2018). Heterogeneity in the aquifer system, especially in the shallow aquifer, could affect the amount of drawdown at the vernal ponds, and the actual drawdown could consequently be greater.

- The amount of groundwater that the test slant well extracted from the DSA versus from the 180-Foot Aquifer during the pump test was never confirmed by actual measurements and remains unknown. As such, the partitioning of groundwater extraction between the DSA and the 180-Foot Aquifer may not be accurately represented by the model. A shift in the extraction percentage could substantially change the amount of drawdown predicted in the DSA near the identified GDEs. For example, if a greater amount of groundwater is extracted from the DSA than assumed by the model, the amount of drawdown could be greater than simulated.

- The NMGWM^{2016} was implemented as a steady state model. The amount of groundwater needed to sustain the vernal ponds is likely to be greatest during dry periods. The cumulative

stress of climatic conditions and drawdown cannot be evaluated using a steady state model alone.

- A key consideration when developing models for the assessment of surface water-groundwater interaction at GDEs is the near surface layering scheme. The NMGWM[2016] includes a relatively coarse layering scheme with limited usefulness for evaluating impacts to GDEs.

3.2. Implications

The seven vernal ponds that could potentially be affected by drawdown induced by pumping of the proposed Project slant wells are described in the *Costal/Vernal Ponds Comprehensive Management Plan* (CMP) that was developed by the City (The Habitat Restoration Group, 1994).

The City of Marina recently commissioned a biological, soils and hydrologic investigation to assess the current conditions and groundwater dependence of six of the seven vernal ponds described above (WRA 2020). The current species composition and condition at each of these vernal ponds was documented. Shallow test pits were excavated at each pond and soil types and colors, rooting depths, and depths to saturated soil were noted. The wetlands were dominated by herbaceous wetland vegetation, which tend to have relatively shallow rooting depths and requires a relatively consistent groundwater depth. The study confirmed these wetland resources are dependent on groundwater and should be considered groundwater dependent ecosystems. Saturated conditions were observed at depths ranging from 5 to 11.5 inches, and rooting depths were observed to range from 5 to 14 inches. The deepest-rooted hydrophytic species identified during the study was Arroyo willow (*Salix lasiolepsis*), with a reported rooting depth up to approximately 26 inches (USDA, 2020). The vernal pond habitats were confirmed to contain sensitive biological communities and many protected animal and plant species that could be adversely affected by groundwater drawdown.

The vernal pond habitats were confirmed to contain sensitive biological communities that could be adversely affected by groundwater level drawdown (WRA 2020). The sensitive communities that have been identified are upland communities (i.e., coastal dune scrub, rose scrub, California blackberry scrub), and various types of aquatic habitats (e.g., coastal freshwater marsh, coastal saltwater marsh, willow riparian forest, freshwater seasonal wetland, and open water). These habitats are important for various species in singularity or combined as some species rely on (1) upland habitats for foraging, nesting, basking and burrowing; (2) aquatic habitats for foraging, breeding and fulfilling their lifecycle; and (3) some can only survive in aquatic environments.

The sensitive aquatic and upland communities, singularly or in combination, are key for (1) wading, foraging and nesting birds; (2) aquatic algae, invertebrates and plankton that support the food web; (3) amphibian and reptile species that may use aquatic and upland areas to complete their lifecycles, or seasonal / diurnal patterns; (4) mammals and insects that utilize the vegetation and aquatic environments for cover and forage; and (5) supporting the vegetative communities (which may include rare plant species) that support plankton, algae and higher species. There is also a high to moderate potential for vernal pond habitats to support 32 rare plant species, although only 5 to 6 are confirmed

present at this time. The special-status wildlife species that have potential to rely on the six ponds and Armstrong Ranch include four reptile, two amphibian, one insect, one mammal, and four bird species. These organisms, as well as other unprotected species, are likely to be adversely affected by groundwater drawdown; however, specific correlations between the amount of drawdown and species or ecosystem response have not yet been verified.

Drawdown in shallow groundwater systems may alter community composition by increasing (1) cover of non-native or upland species; or (2) soil salinity from evapotranspiration. Research has shown that root distribution tends to be related to groundwater history; therefore, a rapid decline in water table relative to the condition under which roots developed may strand plant roots so they cannot obtain sufficient moisture (Shafroth, Stromberg and Patten, 2000). Although roots do tend to redistribute with the water table, plants cannot proliferate new roots if the water table decline is too rapid or if groundwater levels fall below the maximum rooting depths of a particular species (Richards et al unpublished; Stella and Battles, 2010; Stella et al., 2010). Relatively modest groundwater level declines can also significantly decrease the recruitment of new seedlings even if more mature plants ultimately adapt, causing a long-term shift in habitat type, ecosystem function and species composition (TNC, 2018; Amlin and Rood, 2002).

A compilation of studies conducted by The Nature Conservancy (TNC) in the western United States that examined plant response for 17 herbaceous wetland indicator species (11 common and six rare) to groundwater drawdown indicated gradual loss of indicator species starting with as little as 0.66 feet of drawdown, with a median of 2.99 feet, and complete loss at 6.23 feet (Gerla et al. 2015). Rhode et al. (2017) reviewed policies adopted for management of GDEs in the United States and globally, and assessed that thresholds for GDE responses to groundwater level decline are often assumed to follow linear, curvilinear, or step-wise functions, but that in reality they are likely habitat specific. A study of the effects of regulatory drawdown thresholds on inundation area and plant community composition in southeast Australia suggested that drawdowns from 0.82 feet to 0.98 feet represent a threshold where community composition is likely to change (Deane et al. 2018). The study setting included a regional unconfined aquifer with shallow groundwater levels, wetlands dependent on groundwater discharge, and wetlands considered sensitive to even small declines in groundwater level. Thresholds were assigned based on ecological value, with higher functioning wetlands sensitive to changes assigned a threshold of up to 0.82 feet of acceptable drawdown over the course of five years; regional triggers were set at 1.64 feet over five years.

The Armstrong Ranch Pond Complex (Vernal Pond #6 in the CMP) is located approximately 300 to 1,000 feet east of the CEMEX plant site and includes a series of seasonal wetlands with ponded water in the winter and wet herbaceous meadows likely subsisting on shallow groundwater during the dry season (The Habitat Restoration Group 1994). Analysis of summer evapotranspiration discharge, which is a measure of vegetation health and stress, indicated that groundwater level declines on the order of 1 to 2 feet were sufficient to cause plant stress in this GDE (Formation 2020). The Weiss 2020 Report predicted a groundwater drawdown of 4.05 feet at the Armstrong Ranch Pond Complex if the project is implemented as proposed. If project pumping were to be reduced by half, the predicted drawdown

would still be 2.02 feet. These values may be underpredicted, as discussed in the previous section, and based on the available data are likely to cause significant adverse impacts to the GDEs at Armstrong Ranch, potentially resulting in complete loss of these protected habitat. Predicted drawdowns at the remaining ponds are also in the range where potentially significant impacts, such as diminished habitat area or quality, may occur. There would likely be a shift in species presence because the aquatic and herbaceous species would not be able to survive with drier soil conditions and some woody species would likely be stranded if drawdown is too rapid.

Based on the above information, we conclude the drawdowns predicted by Weiss would be sufficient to cause significant plant stress and habitat degradation at the vernal ponds in the Coastal Zone near Marina, or potentially, in the case of the Armstrong Ponds, habitat loss. These impacts were not evaluated, identified or considered in the EIR, which did not recognize the existence of the GDEs, assess the potential for them to be adversely affected, or use a groundwater model that could accurately predict water table drawdown in the DSA at the GDE locations. As such, the Weiss 2020 Report presents important and significant new information about potential impacts to these GDEs, which are a protected resource. As noted above, the NMGWM^{2016} has limited capability to predict actual groundwater interaction with GDEs, so the findings of the Weiss 2020 report confirm that significant impacts to GDEs are likely, but do not characterize those impacts. More detailed modeling and investigation would be required to assess the nature and extent of the potential impacts, assess the ecosystem response, and develop an appropriate mitigation and monitoring strategy.

In addition to the inadequacy of the analysis of potential adverse impacts to GDEs in the EIR and the identification of potential impacts that were not previously recognized , the drawdown effects predicted by Weiss at the vernal ponds have implications relative to several other regulatory programs and requirements that are relevant to the Coastal Commissions proceedings regarding the Project as listed below:

- Under SGMA, the predicted drawdowns indicate the potential for significant and unreasonable impacts to the beneficial uses of groundwater by GDEs and indicate the potential for undesirable results and unsustainable groundwater extraction as defined under the California Water Code.
- Under the California Coastal Act, operation of the proposed Project slant wells would result in potential adverse impacts to ESHA.
- Finally, the predicted drawdowns indicate a potential to harm public trust resources (FBM 2019), which must be considered and avoided, if possible.

4. ADEQUACY OF THE NMGWM^{2016}

The objectives of the evaluation discussed in the Weiss 2020 report included providing perspective on whether the existing NMGWM^{2016} is adequate to support the current CCC proceeding, or whether a refined, calibrated, transient version of the NMGWM^{2016} developed based on the results of additional

investigation is needed. To that end, the predicted Project OWP and potential drawdown effects on GDEs were assessed using the existing NMGWM^{2016} with targeted modifications to provide additional perspective on the potential impacts of the Project. The results of the modeling analysis were discussed, and the report repeated Weiss' November 1, 2019 recommendations for refined modeling and investigation if more certainty regarding the potential effects of the Project is desired.

As noted above, the additional modeling conducted by Weiss is sufficient to conclude the Project will result in potentially significant adverse impacts related to freshwater aquifer depletion, non-compliance with the RWQCB's Basin Plan, unsustainable groundwater extraction and degradation of GDEs. The results of the modeling are however insufficient to characterize the nature and extent of the impacts and support development of an appropriate monitoring and mitigation approach. Further investigation and refinement of the model, as recommended by Weiss, would be necessary to meet this objective.

Specific limitations and deficiencies of the existing NMGWM^{2016} include the following:

- The existing model is a steady state model that does not consider temporal variation in recharge and groundwater gradients that may affect capture zones and drawdown. A refined, calibrated, transient model is needed to better assess Project impacts and planning for appropriate monitoring and mitigation.

- The existing model does not consider the new scientific data and analyses developed by a Stanford research team based on its recent investigation utilizing airborne electromagnetic (AEM) technology. It should be noted that AEM is currently being employed by several Groundwater Sustainability Agencies and the California Department of Water Resources to characterize water quality, seawater intrusion and hydrostratigraphy in basins across the state and represents a proven, reliable and accepted technology for the characterization of groundwater resources. The Stanford investigation assessed the hydrostratigraphy and water quality distribution in the area and revealed (1) freshwater within the Dune Sand Aquifer extends westward beneath the older and recent dune deposits south and west of the Salinas River, which have been recognized as an area with high recharge rates; (2) the Dune Sand Aquifer lies on top of the FO-SVA, which thins and pinches out toward the west and is not as continuous as has been previously thought; 3) the Dune Sand Aquifer is in direct hydraulic communication with the underlying 180-Foot Aquifer where the FO-SVA is not present; and (4) deeper aquitards within and between the 180-Foot and 400-Foot Aquifers are not as continuous as was once thought. In general, the AEM investigations have confirmed that the aquifer system that will be affected by the MPSWP is much more heterogeneous than was recognized in the NMGWM^{2016}. (Gottschalk et al. 2018). Further investigation to assess the lateral extent and heterogeneity of the FO-SVA and other aquitards is needed.

- Modeling the western limit of the FO-SVA west of MW-7S is not conservative when considering potential impacts to GDEs. Extending the FO-SVA west of MW-7S may artificially limit the amount of predicted drawdown in the shallow aquifer in the area, and therefore underestimate adverse impacts to the GDEs, especially the Armstrong Ranch Pond Complex.

- The model layering limits its capacity to assess surface-groundwater interaction at the GDEs. Finer vertical discretization would be desirable and should be based on local investigation of the shallow hydrostratigraphy at the vernal ponds through the installation of nested piezometers.

- The amount of groundwater extraction from the DSA versus the 180-Foot Aquifer should be confirmed. We recommend the slant wells be simulated using the MODFLOW Multi-Node Well (MNW) package. If hydraulic profiling of production flows to the test slant wall cannot be conducted, a range of reasonable values should be evaluated in a sensitivity analysis.

- The effects of the inland shallow aquifer General Head Boundaries should be more closely examined. The Salinas River is groundwater connected and is a source of groundwater recharge. The amount and seasonal timing of the River recharge, and its effect on slant well capture in the DSA and 180-Foot Aquifer should be evaluated.

- To fully understand the potential of the Project to affect water quality, the effects of density-driven flow of saline groundwater will need to be considered.

- The amount of recharge considered in the model should be refined or a range of recharge values should be considered. Recharge estimates may be refined by assessing deep percolation from precipitation plus applied irrigation water, and subtracting actual ET derived from the Cal ETa dataset developed by Formation on behalf of DWR.

- The model should be calibrated by simulating the transient test slant well pumping test and history matching the results to recorded groundwater levels in the MPWSP monitoring wells.

5. CONCLUSIONS

In its 2019 review, Weiss concluded the NMGWM^{2016} is based on a flawed conceptual model that may underestimate the MPWSP's inland hydrologic impacts and extraction of inland aquifer water that is designated as a source of drinking water. Weiss recommended improving the model by refining, recalibrating and converting the existing version of the NMGWM^{2016} from a steady state into a transient groundwater flow model to support more reliable impact assessment, re-calibrating the model, and conducting investigations to help address several data gaps in the hydrogeologic understanding of the area. Because of time limitations, the Coastal Commission requested that Weiss instead use the existing steady-state version of NMGWM^{2016} with several targeted modifications to assess the range of potential impacts to OWP and GDEs from the Project.

The Weiss 2020 Report indicates that the long-term predicted Project OWP would be 72.4% compared with 93 to 96% in the EIR. For perspective, since the Project is planned to operate every day of the year, the Project would be expected to extract about 1.5 billion gallons of fresh water each year from the critically overdrafted 180/400 Foot Aquifer Subbasin of the Salinas Valley Groundwater Basin. This represents a 4-fold to 7-fold increase in the estimated volume of fresh water that would be extracted compared to what was evaluated in the EIR. Based on the limitations of the approach used to derive the OWP estimate, the actual OWP may be even lower. The evaluation conducted by Weiss indicates the

Project will result in potentially significant impacts to freshwater resources, water right holders and beneficial groundwater users and uses, and could interfere with sustainable groundwater management. These impacts were either not identified in the EIR, or to the extent they were, were significantly underestimated. In addition, Weiss' 2020 analysis suggests the amount of replacement water required to be provided to CCSD is greatly underestimated, and delivery of the additional water volumes may result in new or increased impacts that were not evaluated in the EIR.

The Weiss 2020 Report found that drawdown impacts to GDEs in the Coastal Zone near Marina will range from 0.79 to 4.05 feet. Similar to the OWP, the limitations of the approach used to forecast these impacts indicates they may be underestimated. The magnitude of the predicted drawdowns exceeds thresholds at which adverse effects have been documented in similar ecosystems and indicate the potential for significant impacts that were not evaluated or identified in the EIR. Even if the Project's makeup water demand were cut in half, the potential for significant impacts would still exist. The degradation, shrinkage or loss of these sensitive habitats would impact a number of protected animal and plant species. The GDEs in the Coastal Zone are considered ESHA and are protected under the Coastal Act. In addition, adverse impacts to GDEs would constitute "undesirable results" in violation of SGMA. Finally, adverse effects on public trust resources would need to be considered and avoided in the Coastal Commission's proceeding regarding the MPWSP.

The existing NMGWM^{2016} is a simplified, steady state model that entails inherent limitations in its predictive capability and, as applied, may lead to the underestimating of environmental impacts in some cases. The evaluation conducted by Weiss (2020) confirms the Project will likely result in significant environmental impacts that were not considered or identified in the EIR. While the existing NMGWM^{2016} is sufficient to make these conclusions, it is not adequate to develop an understanding of how these impacts can be monitored, decreased or mitigated. To achieve these objectives, additional investigations would need to be undertaken to address data gaps in the hydrogeologic understanding of the area, the potential response of GDEs to drawdown would need to be better understood, and a refined, transient version of the NMGWM^{2016} would need to be developed and calibrated.

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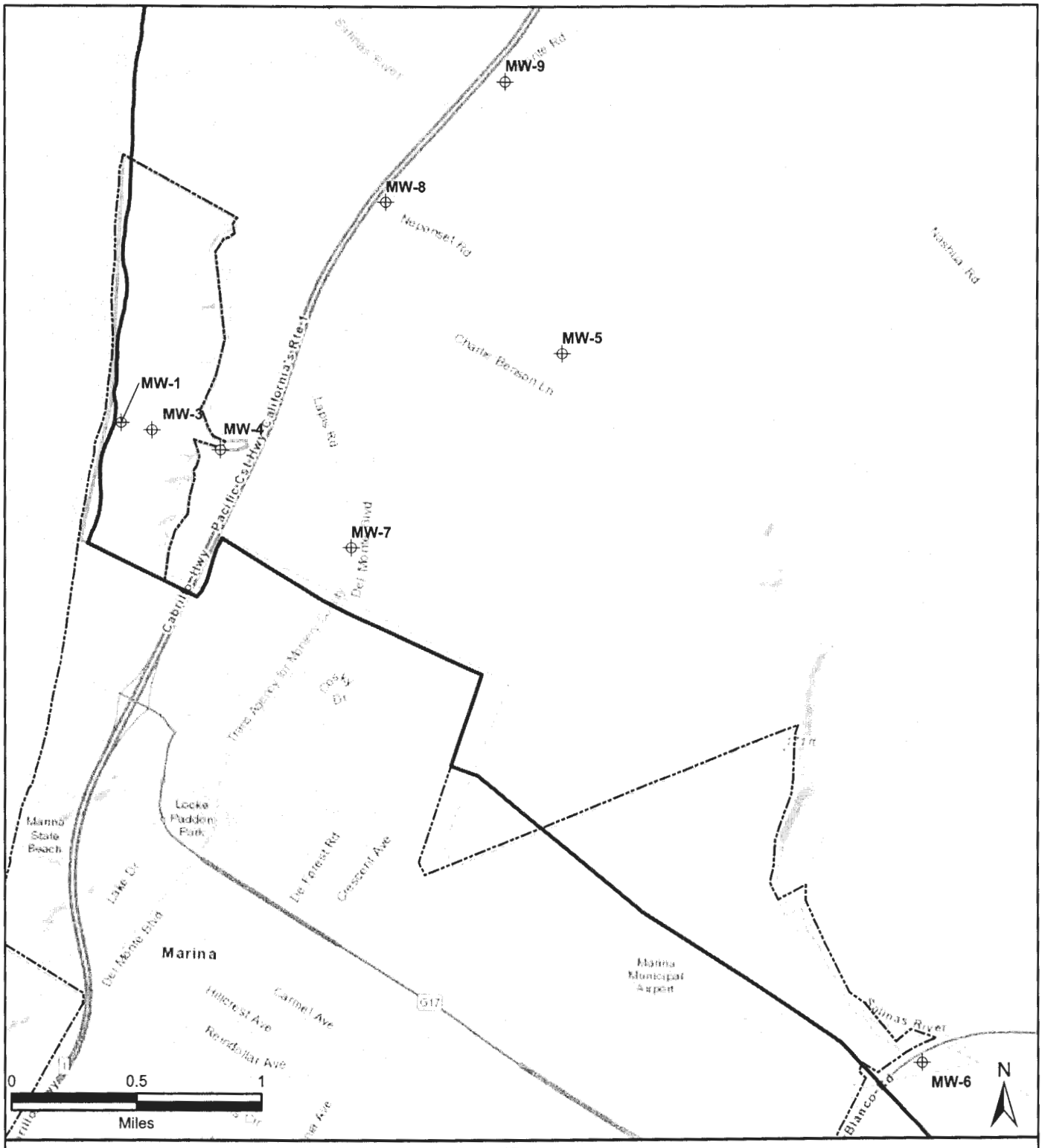

FIGURE 1

Location of MPWSP Ste and Monitoring Wells

Comments on the Weiss Associates 2020 Report

Legend

- MPWSP Monitoring Wells
- Approx. Location of CEMEX Plant Site and Marina GSA
- City of Marina
- 180/400 Foot Aquifer Subbasin

Sources: ESRI Map Service Imagery, https://sgma.water.ca.gov/portal/gsa, MPWSP Monitoring Report #160 2019

DATE: Aug. 12, 2020

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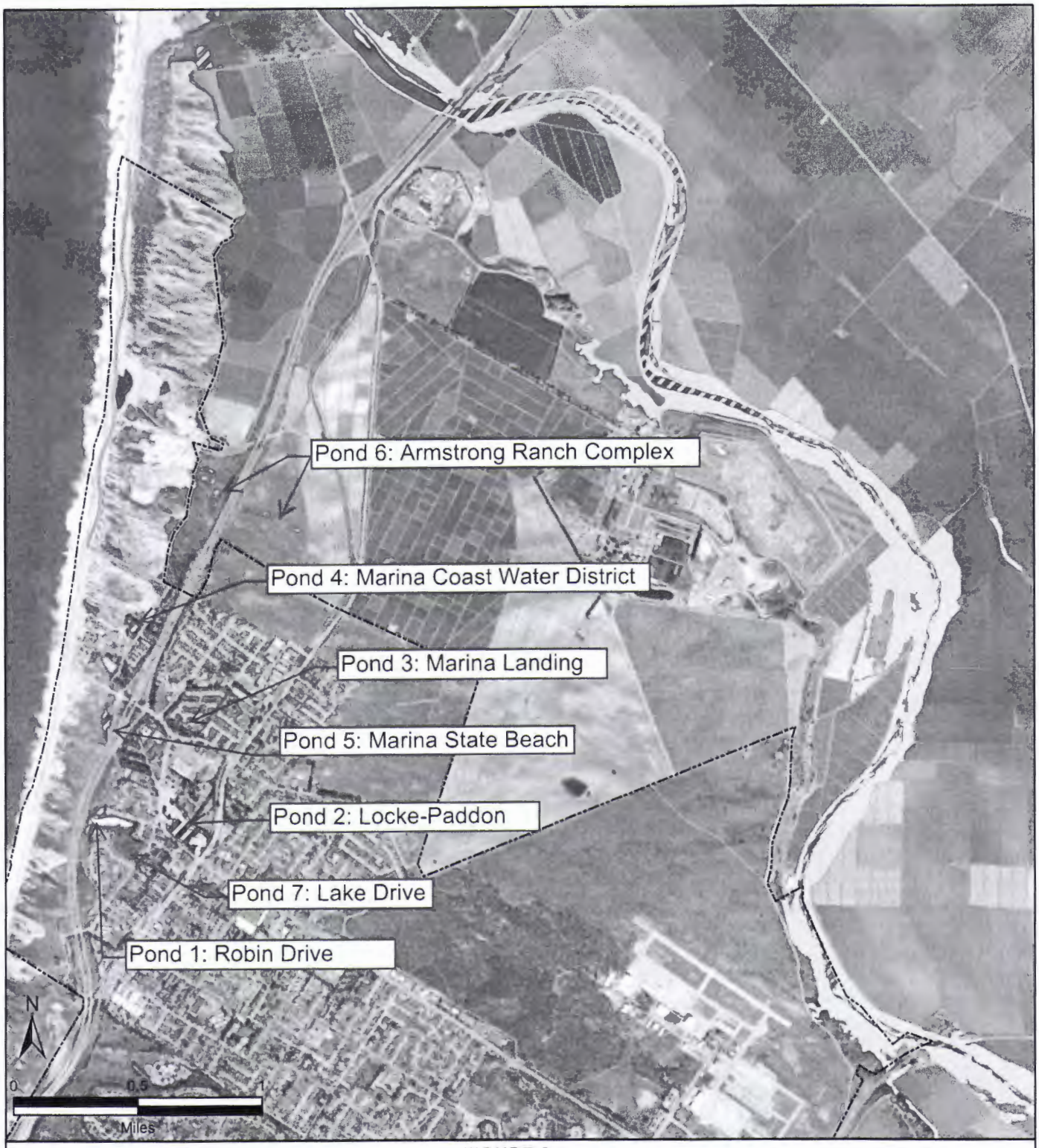

FIGURE 2

GDE Locations near the MPWSP Area

Comments on the Weiss Associates 2020 Report

Groundwater Dependent Ecosystems - Wetlands

Groundwater Dependent Ecosystem - Vegetation

Approx City of Marina GSA and CEMEX Site

Cities

DATE: Aug 13, 2020

Sources: ESRI Map Service Imagery, https://sgma.water.ca.gov/portal/gsa

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MARINA EXHIBIT 5

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Water Demand and Supply for Monterey Peninsula
Peer Review Report (April 2020)

Introduction and Summary

Energy and Water Consulting (EWC) has been asked by the City of Marina to provide a peer review of a report relating to water demand and supply for the Monterey Peninsula entitled "Supply and Demand for Water on the Monterey Peninsula", prepared by Monterey Peninsula Water Management District, September 2019, with December 2019 and March 6, 2020 updates (MPWMD Report). This peer review also includes a brief review of a peer review letter regarding the MPWMD Report, dated January 22, 2020, prepared by Hazen & Sawyer on behalf of California-American Water Company (CalAm).

EWC is familiar with these water demand/supply issues in connection with the Monterey Peninsula Water Supply Project (Project or MPWSP). Dr. Lon House submitted written expert testimony and testified in person at the evidentiary hearings of the California Public Utilities Commission (CPUC) in proceeding A.12-04-019 held in September/October 2017. Now that three more full years (2017-2019) of recorded water demand data is available, a more precise updated analysis of Monterey Peninsula water demand/supply is possible.

At the outset, it is important to recognize that the Monterey Peninsula Water Management District (MPWMD) is the agency charged by the California Legislature with making these water supply/demand determinations. MPWMD was formed in 1978 and, in its enabling legislation, it is tasked with filing an annual report which includes "an analysis of the present and future water requirements of the district, the water supply available to the district, and the requirements for future capital improvements, and the requirements for maintenance and operation." [Water Code Appendix § 118-350(b)]. Contrary to the statements by Hazen & Sawyer, MPWMD is the expert on these issues

and has no reason to defer to the CPUC or any other agency in these analyses, which it has been preparing for over 40 years.

Three more full years (2017-2019) of recorded water demand data is now available. This recent data makes the CPUC data set obsolete, reducing the existing customer 10-year average water demand available in the CPUC proceeding by 1,275 acre-feet per year (afy), a reduction of 10.7 percent.

The future demand for "new" water (lots of record, Pebble Beach, tourism rebound) estimates, based on the analysis contained in the MPWMD Report, also have dropped by 582-939 afy from earlier estimates made by CalAm.

Using different forecast assumptions (an instantaneous and permanent increase in demand of 881 afy as soon as new water supply is available in 2022 and thereafter an annual increase at the highest average system water increase growth rate in the history of the area) compared with water supply options results in similar results to the MPWMD Report conclusions - the expansion of the Pure Water Monterey project will meet area water demands through 2050.

In contrast, the Monterey Peninsula Water Supply Project is excessive to area water needs for the next several decades. Moreover, it is likely to have major disadvantageous rate impacts on customers because of the huge annual fixed cost of the desalination facilities (estimated at over $30 million annually), which could cause water from that project to go over $21,000 per acre foot if, as expected, it will be greatly underutilized. The low-income customers in the district will be especially hard hit by the necessary huge increases in water rates to pay for this expensive and unnecessary (by 2050) water facility.

In the sections below, EWC will address a series of questions relating to water demand/supply that are covered in the MPWMD Report. These questions include: (1) what is the updated demand for water on the Monterey Peninsula; (2) what are the relevant components of this new water demand; (3) what is the likely future total demand for water on the Monterey Peninsula; (4) when will this future water demand materialize; (5) what are important factors influencing future water demand; (6) what are available water supplies for the Monterey Peninsula; (7) when are new water supplies needed; and (8) what are the implications of building excess water supply. As set forth herein, the conclusions set forth in the MPWMD Report are fully supported by the available facts.

What is the Appropriate Water Demand Level to Assume for Existing Customers?

Based on water demand data only through December 31, 2016, the CPUC issued a decision in which it adopted CalAm's projections of existing and future demand for water in its Monterey District.[1] Specifically, for current demand, the CPUC adopts CalAm's 12,350 afy projection, stating "[w]hile the methodologies put forward by Cal-Am may not be perfect, that is not the standard they are required to meet. The methodologies are persuasive in providing a reasonable estimate of annual demand in the district going forward."[2] Similarly, the CPUC adopted CalAm's figure of 2,005 afy for future demand and its total current/future demand of 14,355 afy as a reasonable projection.[3]

Notably, the CPUC did not undertake its own expert analysis to determine what water demand is appropriate. Rather, it took the view that so long as it found CalAm's projection to be reasonable, it had met its obligations. As the MPWMD Report states in its March 6, 2020 analysis (note 9) "[i]t is important to reiterate that the CPUC did no original analysis, modeling or projection of demand on its own." In its peer review, Hazen & Sawyer misstates the nature of the CPUC determination on this point and appear to argue that the MPWMD has no right to make its own determination on this issue. However, the MPWMD has the legal responsibility for making water demand determinations for the district and, given the important and significant new demand data available for the last few years, the MPWMD's updated determinations of water demand and supply are critical.

The CPUC recognizes the importance of using the latest water demand data. In their decision in CalAm's last General Rate Case, the CPUC concluded "*Given the declining consumption pattern in the Monterey main district, the most recent data available is likely to be the most accurate*"[4]. What could substitution of a couple more years of recent water demand information make? It turns out – a lot.

We also note that the March 6, 2020 addition to the MPWMD Report (note 6) reflects that CalAm itself has retreated from its earlier demand estimates before the CPUC and, in its current General Rate

[1] D.18-09-017.
[2] Id. at p. 49.
[3] Id. at p. 51.
[4] D.18-12-021, Finding of Fact 13, pg. 272.

Case, adopted significantly lower projections in line with those of MPWMD. This is further evidence that the most recent data is the most predictive of current water demand needs in the district.

What is the Updated Demand for Water?

We now have complete water demand data through 2019. The water demand information used by the CPUC ended in 2016. Data from the 2017-2019 period demonstrate that demand has stayed at or below 10,000 afy for the last five years (2015-2019). Figure 1 shows what happens when updating the water demand to the most recent 10 years of data – replacing 2007-2009 data with 2017- 2019 information. Updating the water demand data to include the three most recent years reduces the 10-year average water demand by 1,275 afy[5], a reduction in 10-year average demand of 10.7 percent.

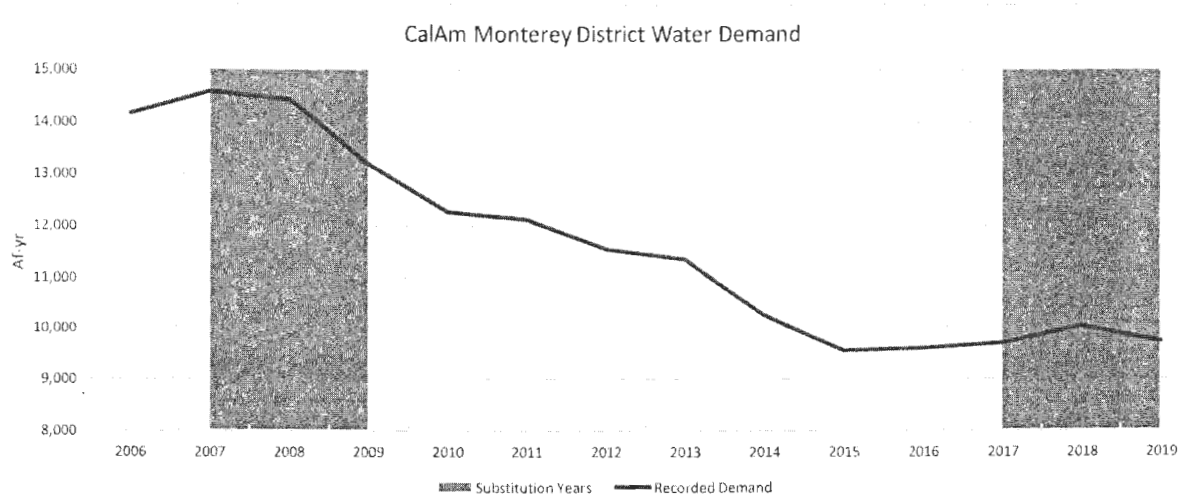

Figure 1. Recorded CalAm Customer Water Demand

Table 1 compares the various estimates of current customer CalAm water demand compared with recorded values. Estimates vary by 3,563 afy (over 25 percent) from recorded levels.

[5] Afy = acre feet per year (325,851 gallons).

Table 1. Comparison of Estimates of CalAm Customer Existing Water Demand

CalAm Application	CPUC Adopted	10-year average (2010-2019)	5-year average (2015-2019)
13,290 afy	12,350 afy	10,619 afy	9,727 afy

CalAm originally sized the Project on the basis of an assumed current water demand of 13,290 afy, to which it added about 2,000 afy for asserted growth in demand, for a total water demand of 15,296 afy. Although CalAm reduced its estimate somewhat later and the CPUC adopted these estimates, based on the data through 2016, an updated assumption based on 10-year and 5-year lookbacks reduce the current demand numbers to 10,619 afy (10-year average) and 9,727 afy (5-year average).

What Are Relevant Components of Future Monterey District Water Demand?

In addition to existing customer demand, there are various other anticipated future demands for water that must be assessed. These include assumptions about tourism rebound to levels experienced in the early years of this century and future buildout of legal lots in Pebble Beach. It should be emphasized that these are not current demands for water, but assumptions about new demands for water once an additional supply is established. In the MPWMD Report, MPWMD reviewed the latest information relating to the Monterey Peninsula future demand for water[6]. Table 2 is a modification of Table 8 in the MPWMD Report that focuses only on the future water demand factors. Based on the demand ranges for each of these elements based on the best current available data, MPWMD established high and low bounds for each type of potential future demand. As you can see, these future estimates for new water demand vary by almost 1,000 afy from CalAm's projections based on 2016 data.

[6] "Supply and Demand for Water on the Monterey Peninsula", prepared by Monterey Peninsula Water Management District, September 2019 with December 17, 2019 update: " Consider Adoption of Updated Water Demand Forecasts Related to Association of Monterey Bay Government 2018 Regional Growth Forecast and Regional Housing Needs Allocation Plan: 2014-2023, and Inclusion of 2019 Water Year".

Table 2. Comparison of Estimates of Monterey Peninsula "New" Water Demand

	Project Application	MPWMD High	MPWMD Low
Legal Lots of Record	1,181 afy	1,014 afy	864 afy
Tourism Bounce Back	500 afy	250 afy	100 afy
Pebble Beach Buildout	325 afy	160 afy	103
Total "New" Demand	**2,006 afy**	**1,424 afy**	**1,067 afy**

Source: "Supply and Demand for Water on the Monterey Peninsula", prepared by Monterey Peninsula Water Management District, September 2019, Table 8.

The analysis of future demand by MPWMD shows potential future water demand to be in the 1,067 to 1,424 afy range. In fact, as described below, the actual future demand is more likely to be at the lower end of this range. The MPWMD analysis of the significant new information regarding these water demand sources is sound. Hazen & Sawyer do not address or counter this new information other than to make an unsupported assertion that it "appears to be based on anecdotal data." To the contrary, the new information is based on updated lots of record, water use data, and hospitality industry occupancy rate data, which is the type of data that should be relied upon.

What is Eventual Total Demand for Water on the Monterey Peninsula?

The total eventual demand for water on the Monterey Peninsula is the combination of existing customer demand and new water demands. Table 3, prepared by MPWMD and enhanced to add in a column relating to 5-year average customer demand, provides a comparison of various estimates of eventual Monterey Peninsula water demand.

Table 3. Comparison of Estimates of Eventual Monterey Peninsula Water Demand

	MPWSP Application	CPUC Adopted	10-yr Average Customer Demand plus MPWMD New Demands	5-yr Average Customer Demand plus MPWMD New Demands
Existing Customer Demand	13,290 afy	12,000 afy	10,619 afy	9,727 afy
New Water Demand	2,006 afy	2,000 afy	1,067-1,424 afy	1,067-1,424 afy
Total Eventual Demand	**15,296 afy**	**14,000 afy**	**11,686-12,043 afy**	**10,794-11,151 afy**

When Will Total Eventual Demand Materialize?

A critical parameter in the discussion of MPWSP is when will the eventual total demand for water materialize? Tourists will not suddenly start flocking to Monterey when a new water supply becomes available, nor will existing lots or Pebble Beach be completely built out immediately. It will take years, or decades, for the eventual water demand to be realized.

We provide a reasonable assumption on future water demand trajectory in Figure 2. For this we assumed that in 2023, the earliest that the MPWSP could be available, there is an instantaneous and permanent water demand increase of about 881 afy (approximately 9 percent). This is equivalent to an increase in existing customer demand from current (2019) levels to the 10-year average customer demand (2010-2019). From 2023 on, we assume the highest average system water increase growth rate in history of the area, the average growth in water demand realized in the 1999-2008 years, before the water moratorium was instituted[7]. Water demands in the area have never increased faster,

[7] 16.4 afy, as found in: "Supply and Demand for Water on the Monterey Peninsula", prepared by Monterey Peninsula Water Management District, September 2019, pg. 11. As the report noted – this *"... was a period of relative economic stability, available property, no moratorium on new service connections, and lower water rates..."*

the use of this record growth in water demand is reasonable to ensure that the total water demand estimate is at the highest realistic level for planning purposes. The graph also shows what would happen if the 2023 demand rebounds to the 5-year average water demand.

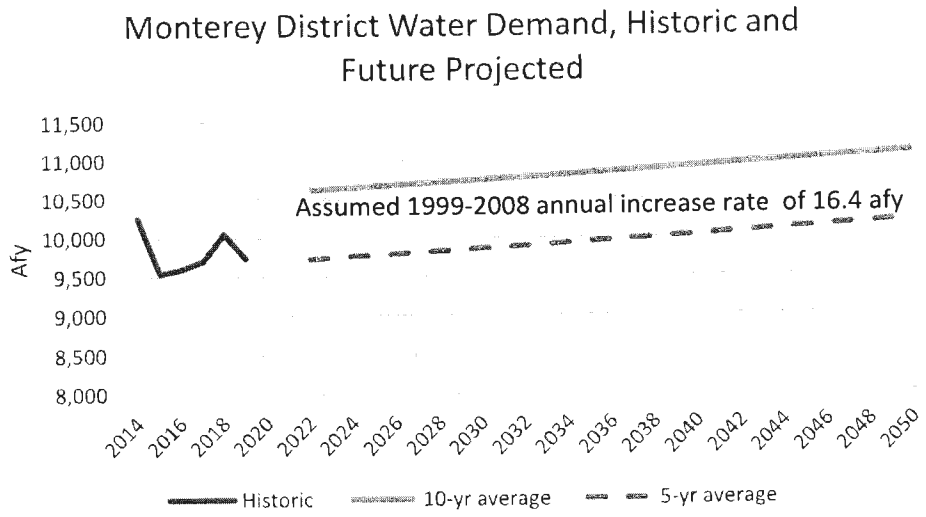

Figure 2. Historic and Project Monterey Peninsula Water Demand

This shows that, if water demand increases at the highest historic rate recorded for the area after new supplies become available, the 2050 demand for water will be between 11,078 afy and 10,186 afy.

What are Some Key Factors Influencing Future Water Demand?

There are regulatory and water conservation factors influencing water demand that will inevitably tend to dampen increases in water demand.

First, the California Legislature enacted, SB 606 and AB 1668, signed by the Governor in May 2018, that call for the creation of new urban efficiency standards for indoor use, outdoor use, and water lost to leaks in California. The indoor water use standard will be 55 gallons per person per day through 2025, then it will decrease to 50 gallons per person per day in 2030. As the MPWMD Report noted, current gallons per capita per day in the CalAm Monterey system is 57 gallons per person per day[8], so

[8] "Supply and Demand for Water on the Monterey Peninsula", prepared by Monterey Peninsula Water Management District, September 2019, pg. 15.

we cannot expect a huge increase in existing customer water demand. Rather, these mandatory water usage requirements for urban water supplies means that existing users are unlikely to increase their current water consumption when new water is made available.

Second, it is important to recognize California's new water resiliency policy as contained in the Governor's Executive Order N-10-19, signed on April 29, 2019. A key driver of the new policy is to build upon the "Sustainable Groundwater Management Act and new urban water efficiency standards" to meet the "evolving challenges" with water in the future. In addition to specifying an inventory of existing water supply and demand (which is exactly what the MPWMD has done in its report), the policy encourages "regional approaches" to water supply and mandates "extensive outreach" to stakeholders, including environmental justice organizations. These initiatives, which would include outreach to communities like Seaside and the City of Marina, likely will result in conserving water and keeping its cost affordable, which will likely exert constraints on water demand.

What are Available Supplies of Water for the Monterey Peninsula?

Available supplies of water for the Monterey Peninsula include the Carmel River, Seaside Basin, Aquifer Storage and Recovery, Sand City Desalination Plant, other available supplies, and Pure Water Monterey. There are two potential future supplies, the MPWSP Desalination facility and an expansion of the Pure Water Monterey (PWM) project[9]. These supplies are shown in Figure 3, along with the reference point of 2019 recorded water demands.

[9] As discussed in: "Supply and Demand for Water on the Monterey Peninsula", prepared by Monterey Peninsula Water Management District, September 2019.

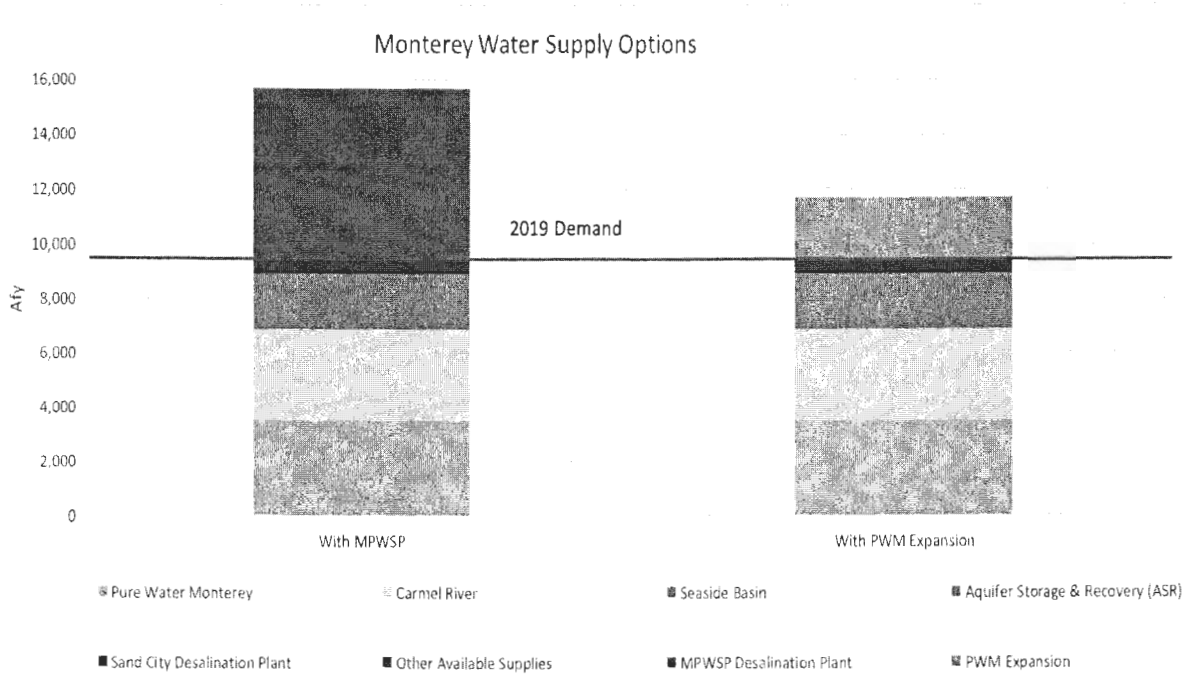

Figure 3. Available Water Supplies and 2019 Demand

Note that existing water supplies (absent MPWSP or expansion of the PWM) are inadequate to meet all of the future demand for water, so further new supplies will be needed.[10]

When Are New Supplies of Water Needed?

As Figure 3 showed, new water supplies (either MPWSP or additional PWM supply) are needed to meet water demands in the area. Figure 4 combines available water supplies with historic and future water demands (using the significantly higher rebound to 10-year average demand in 2023).

[10] We note that, under the State Water Board enforcement order relating to the Carmel River, CalAm has the interim right until December 31, 2021 (or longer if extended) to take large amounts (many thousands of acre-feet) of water from the river if necessary to meet demand.

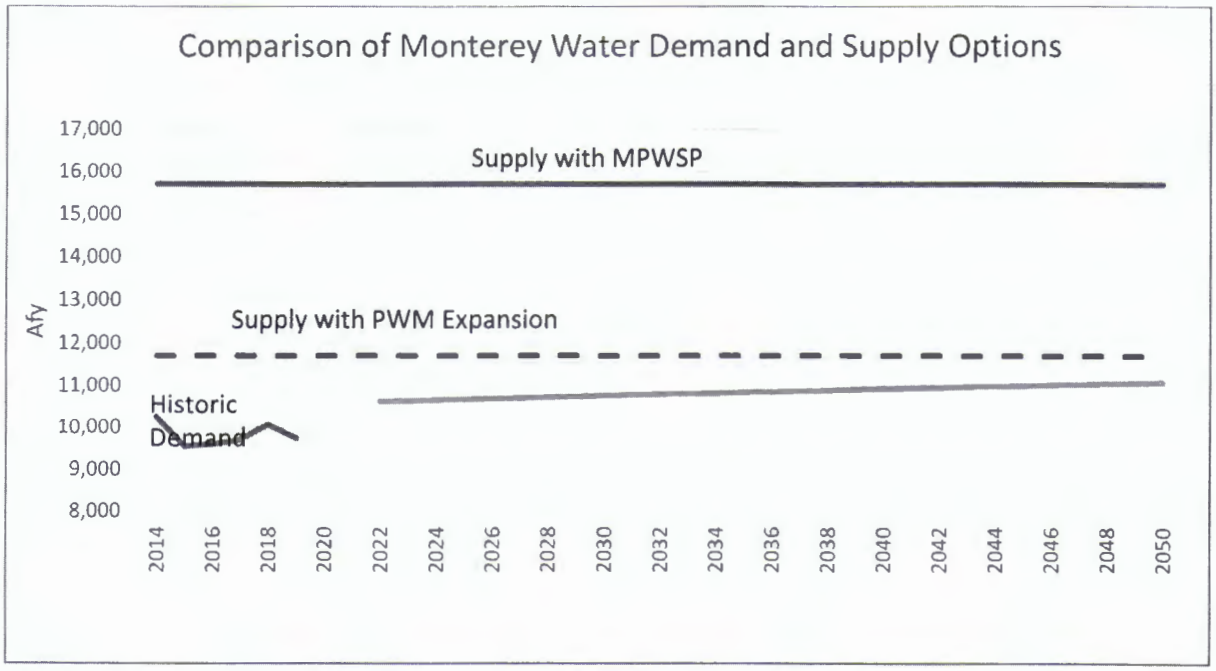

Figure 4. Available Water Supply Options and Historic and Future Water Demands

With the addition of the PWM expansion adequate water supplies are available through 2050. There will be 11,700 afy of water supply compared with a 2050 demand for water of 11,078 afy[11]. This is a similar conclusion to what was reached in the MPWMD Report.

What Are Implications of Building Excess Water Supply?

Having excess water supplies can be advantageous in the right circumstances – provided that the new water supplies do not impose an excessive financial burden on customers. Cost does matter.

There are two cost issues with MPWSP. The first is the MPWSP desal water is very expensive, running 22 times[12] as much as the most expensive current supply (Carmel River) and 3 times as much as PWM Expansion water. And it would make up 40 percent of the Cal Am water supply (assuming no PWM Expansion), which means it will drive water rates significantly higher. The second issue with MPWSP is that it is composed primarily of fixed costs (estimated at over $30 million per year) that will

[11] If the 2023 rebound is only to the 5-year average water demand, 2050 water demand will be 10,186 afy.
[12] Assuming 6,252 af of production from MPWSP (full production).

need to be recovered regardless of how much water it produces. As the MPWMD Report notes, water from MPWSP becomes increasingly expensive if the facility is not running at full production (assumed to be 6,252 af[13]). If the variable (operating) cost of water from MPWSP costs about $1,255 per af, then using MPWSP to provide the additional 1,500 af needed to meet 2023 demands means CalAm ratepayers will be paying the equivalent of an eye-popping amount of over $21,000 per af for the desal water[14].

There has been discussion regarding the economic impacts to the Monterey area of not having adequate water supplies. There has been extremely limited discussion on the other side of the equation – the economic shock to the area when the cost of MPWSP is recovered in water rates.

CalAm Monterey customers have the dubious distinction of having among the highest water bills in the country. The annual average water bill in the United States for a family of four using 50 gallons per person per day is about $35 per month[15]. The average CalAm family (assumed to be 2.4 people) currently (2019) pays over $93 per month[16]. When MPWSP becomes operational, average family bills are expected to jump to $134 per month. This means that average CalAm customers will have about $500 per year less in disposable income due to MPWSP.

The low-income customers in the area will be especially hard hit. Even though Cal Am has a Low-Income Ratepayer Assistance program (that reduces the water bill by about 30 percent), the advent of MPWSP jumps their bills from about $75 currently to $105 per month[17]. This means that low income customers will be paying almost 6 percent of their income for their water bills, having to work almost 10 hours per month at minimum wage to pay for water.

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[13] "Supply and Demand for Water on the Monterey Peninsula", prepared by Monterey Peninsula Water Management District, September 2019, pg. 14.

[14] (1500 af * $1,255 + $30 M) / 1500 af. While desal water is always the most expensive option for California water systems, the impacts do not have to be overwhelming. For example, the Carlsbad, California, Desalination Plant in San Diego County is the largest desalination plant in the western Hemisphere, producing nearly 50 million gallons per day (56,000 acre-feet per year). The cost (and water provided) is allocated among a number of water systems, so no one system receives an excessive rate shock. For example, Valley Center Municipal Water District contracted for about 12 percent of their water supply at $2,800 per af from desal. The resultant rate increase was about 15 percent.

[15] https://www.statista.com/statistics/720418/average-monthly-cost-of-water-in-the-us/

[16] https://amwater.com/caaw/customer-service-billing/billing-payment-info/water-rates/monterey-district/rate-design.

[17] Using the CalAM rate calculator of Monterey, assuming 4,000 gallons per month usage.https://amwater.com/caaw/customer-service-billing-billing-payment-info-water-rates-bill-calc

Conclusion

Using a reasonable forecast for future water demand (an immediate and permanent increase in demand of 881 afy as soon as new water supply is available in 2023 and an annual increase at the highest average system water increase growth rate in the history of the area) compared with water supply options, the expansion of the Pure Water Monterey project will meet area water demands through 2050 and at lower water rate impacts than the MPWSP. This is a similar conclusion to that reached by the MPWMD Report but arrived at using different assumptions. The fact that both approaches produce comparable conclusions enhances the validity of the MPWMD Report.

The MPWSP is simply too expensive water. Adding a capital project that costs an additional $30M annually regardless of whether it operates or not and costs about $1,255 per af when it does operate presents an unacceptable burden on the area, particularly when there are less expensive options available that will meet area water demands.

MARINA EXHIBIT 6

TECHNICAL MEMORANDUM

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RESPONSE TO THE AUGUST 18, 2020 TECHNICAL MEMORANDUM PREPARED BY GEOSCIENCE SUPPORT SERVICES/AECOM REGARDING DRAWDOWN IMPACTS OF THE MONTEREY PENINSULA WATER SUPPLY PROJECT, ON SURFACE WATERS AND WETLANDS IN MARINA, CA

PREPARED FOR: Layne Long, City Manager, City of Marina

PREPARED BY: Mike Tietze, PG, CHG, CEG, Stephen Carlton, PG, CHG, and Emily Tozzi, CPSS and Certified Arborist, Formation Environmental, LLC

DATE: August 23, 2020



At your request, Formation Environmental, LLC (Formation) has reviewed the August 18, 2020 technical memorandum prepared by Geoscience Support Services (GSS) and AECOM titled " *Understanding the Influence of Subsurface Aquifer Drawdown Upon Surface Waters and Wetlands for the Proposed Monterey Peninsula Water Supply Project*" (the GSS Memorandum) The GSS Memorandum was prepared on behalf of California American Water Company (CalAm) and presents CalAm's comments on the technical memorandum prepared by Formation dated April 13, 2020 and titled "*Assessment and Protection of Groundwater Dependent Ecosystems near the Proposed Monterey Peninsula Water Supply Project Slant Wells, Marina, California*" (Formation 2020).

Our preliminary high-level responses to CalAm's comments are presented below. These responses are being prepared in an expedited manner to make them available to decision makers at the earliest opportunity. Additional comments/responses may be provided in the future. The locations of monitoring wells and vernal ponds discussed below are included as Figures 1 and 2, respectively.

1. INTRODUCTION AND BACKGROUND

Formation's April 13, 2020 Memorandum (Formation 2020) provided information regarding groundwater dependent ecosystems (GDEs) compiled to support preparation of the Groundwater Sustainability Plan (GSP) for the Marina Groundwater Sustainability Area (MGSA) Area of the 180/400 Foot Subbasin of the Salinas Valley Groundwater Basin. The Memorandum included an evaluation of existing data in accordance with guidelines developed by The Nature Conservancy (TNC) in collaboration with the California Department of Water Resources (DWR) to identify wetland and riparian resources that should be managed as GDEs (TNC 2018).

Formation's Memorandum also presented information from an additional evaluation of evapotranspiration (ET) and groundwater level trends to further assess the response of GDE vegetation to groundwater level declines. Additionally, the Memorandum presented information compiled from available planning documents, biological studies and public databases regarding the nature of GDE vegetation in the area that would potentially be affected by pumping of the slant wells for the proposed Monterey Peninsula Water Supply Project (MPWSP) and the general susceptibility of the existing vegetation to groundwater level declines. The Memorandum also identified data gaps and provided recommendations for further investigation, including installation of piezometers to assess the nature of the hydraulic interconnection between the Dune Sand Aquifer (DSA) and the identified GDEs, and biological assessment of the GDEs themselves to better understand their sensitivity to groundwater level declines and the nature of potential impacts that could result from groundwater extraction for the MPWSP.

The principal conclusions summarized in Formation's Memorandum are as follows:

- Evaluation of the existing data in accordance with available guidelines from TNC and DWR indicates that several vernal ponds in the Coastal Zone near the City of Marina should be considered and managed as GDEs.
- The available data indicate that pumping the proposed MPWSP slant wells can adversely affect these GDEs, potentially leading to vegetation stress, habitat degradation, and/or habitat loss. These effects would result in (1) potentially significant impacts to habitats and species in Environmentally Sensitive Habitat Areas (ESHA) protected under the Coastal Act; (2) potentially significant impacts under the California Environmental Quality Act (CEQA); (3) potential undesirable results under the Sustainable Groundwater Management Act (SGMA); and (4) potential adverse effects public trust resources (FBM 2019).
- Potential GDEs were not identified or evaluated in the Final Environmental Impact Report/ Environmental Impact Statement (Final EIR/EIS) prepared for the MPWSP, or in the supporting technical reports prepared by GSS and others (ESA 2018). As such, these GDE impacts represent new information that should be considered by the Coastal Commission in its consideration of the MPWSP.
- The Memorandum identified potential data gaps and the need for further investigation to support future management of the identified GDEs. Specifically, further investigation was recommended to assess the nature and degree of the hydraulic connection between the DSA and the identified GDEs, the extent of potential drawdown effects resulting from the MPWSP, and the nature of the GDE vegetation and habitat quality, and its susceptibility to groundwater drawdown.

After Formation's April 13, 2020 Memorandum was prepared, the City of Marina engaged WRA Environmental Consultants to investigate, collect data and assess the biological and hydrologic conditions at six of the seven vernal pond complexes discussed in the Formation Memorandum. WRA prepared a report titled "*Biological Resource and Groundwater Dependency Analysis of Marina Vernal*

Ponds" dated July 30, 2020 (WRA Report). WRA's analysis included biological surveys and documentation of vegetation and habitat types in the wetland, pond and upland areas around each vernal pond. WRA also evaluated the hydrology and water quality at each pond, and excavated test pits to assess shallow soil and groundwater conditions. Based on this assessment, WRA concluded that vegetation at the ponds is in fact utilizing and relying on shallow groundwater. Urban runoff also contributes to the water demand of some of the ponds. The vegetation documented at the ponds includes some plants that are typically reliant on shallow groundwater, and a number of protected species, or habitat that could support them, were documented This new information will be utilized, as appropriate, in responding to individual assertions made by the GSS Memorandum in the responses below.

2. COMMENTS

2.1. General Comments

The GSS Memorandum incorrectly claims that *"... pumping from CalAm's proposed slant wells is not anticipated to adversely affect the wetlands/ponds described by Formation. This conclusion is consistent with the findings of the California Public Utilities Commission (CPUC) MPWSP Final Environmental Impact Report/Environmental Impact Statement (Final EIR/EIS). The CPUC concluded that the proposed slant wells would not affect a GDE due to the lack of hydrologic connectivity between these resources and the Dune Sand Aquifer. This finding is supported by the information contained in the CPUC's MPWSP EIR/EIS ... ."*

To the contrary, the potential effects of the proposed project pumping on the identified ponds/wetlands were never evaluated in the Final EIR/EIS (ESA 2018). The concept of GDEs is not discussed, nor do the words "groundwater dependent ecosystem" even appear in the Final EIR/EIS for the MPWSP or the supporting reports. This is the first document we are aware of in which CalAm or its consultants have considered this potential impact.

The GSS Memorandum identifies several data gaps they perceive concerning the hydrology and hydrogeology of the identified GDEs, critiques the Formation Memorandum and offers supporting information. The primary data gap discussed by GSS is information to more precisely document the shallow hydrostratigraphy and groundwater conditions at the ponds. This data gap should have been addressed during preparation of the EIR/EIS for the MPWSP, but was not, and therefore some uncertainty remains regarding the extent of the ponds' reliance on groundwater and their potential sensitivity to drawdown.

This data gap was previously recognized and discussed in the Formation Memorandum and the MGSA GSP, and the available data supported the conclusion that the vernal pond habitats should be considered groundwater dependent and could be adversely impacted by groundwater level declines. The operative conclusion of the GSS Memorandum appears to be that since some uncertainty remains regarding the nature of the shallow hydrostratigraphy and groundwater conditions at the ponds, data from wells located at significant distances from the ponds can be extrapolated to apply to the ponds and

conclude they are not groundwater connected and impacts to the ponds from MPWSP slant well pumping will be less than significant.

As discussed further below, we believe that this conclusion is unfounded, ignores the process recommended to evaluate groundwater dependency in the available guidance regarding GDEs, and in conflict with the requirements of CEQA, SGMA, the Coastal Act and the public trust doctrine. In addition, the conclusion relies on speculative extrapolation of some data, while ignoring studies of the local hydrostratigraphy and water quality that currently represent the best available science for this purpose. Specifically, as is the case with other submittals from CalAm and its consultants, the GSS Memorandum improperly ignores the findings of key technical investigations by a team of geophysicists led by Stanford University who used Aerial Electromagnetics (AEM) to investigate the three dimensional hydrostratigraphic and water quality conditions in the area. AEM is a well-accepted research technique that is being widely applied throughout California by DWR, local groundwater sustainability agencies (GSAs) and the United States Geological Survey (USGS) for just this purpose (Gottschalk et al. 2018).

2.2. Specific Comments

Specific areas of comment discussed in the GSS Memorandum include the identification of GDEs, Dune Sand Aquifer hydrostratigraphy (e.g., perched aquifer, hydraulic communication), interpretation of groundwater levels, and pond surface hydrology (e.g., agricultural inflow and urban runoff). Each topic is discussed further below in Assertion/Response format.

Identification of GDEs.

GSS Assertion: The GSS Memorandum asserts that *"Formation speculates that the seven wetlands/ponds identified in the Coastal/Vernal Pond Comprehensive Management Plan prepared by the habitat restoration group Mitchell Swanson and Associates ("S&A") in 1994 could be groundwater dependent."*

Response: The Formation Memorandum does not "speculate" that the vernal ponds are groundwater dependent. The information presented in Formation's April 13 memorandum presents the results of a systematic evaluation that follows TNC and DWR-recommended procedures to determine if a potential GDE should be considered a GDE for groundwater management purposes. The fact that some data gaps may remain or even that future investigations may indicate more limited groundwater dependence is not relevant to this finding. The investigations to address these data gaps should have been performed during preparation of the Final EIR/EIS for the MPWSP but were not, and thus these questions must be addressed based on available data. Given the current scientific indications that the ponds are groundwater dependent, until/unless future investigations demonstrate that an identified resource is not groundwater dependent or will not be harmed by groundwater drawdown, the demonstrated potential for adverse impacts must be considered during impact analysis under CEQA and in making groundwater management decisions under SGMA.

This determination applies to each of the seven vernal ponds/pond complexes identified by the City and The Habitat Restoration Group. Formation conducted more detailed analysis of the Armstrong Ranch Pond Complex because it is closest to the MPWSP to provide more insight into the potential relationship between groundwater level decline and vegetation stress. This additional evaluation reinforced the determination made under the TNC/DWR guidance, but did not change that determination and was not required to determine which resources warrant management as GDEs. As such, the findings at Armstrong Ranch were not "extrapolated" to determine whether the other ponds should be managed as GDEs. That determination had already been made.

Hydrostratigraphy of the Dune Sand Aquifer.

GSS Assertion: The GSS Memorandum claims the Fort Ord-Salinas Valley Aquitard (FO-SVA) effectively separates an uppermost perched aquifer from the underlying Dune Sand Aquifer at each of the ponds.

Response: In making this determination, GSS uses a 2001 interpretation of the westward extent of the FO-SVA that contradicts data presented in its own reports prepared in 2016 in support of the MPWSP and summarized in a recent report prepared by Weiss Associates (Weiss 2020). Several cross sections and maps prepared by GSS in 2016 show the FO-SVA terminating significantly further east than shown in Figure 8 of the GSS Memorandum. These cross sections and maps show the FO-SVA either terminating, or with significant discontinuities, east of MW-7S and east of Del Monte Boulevard; whereas, the figure in the GSS Memorandum shows the FO-SVA extending over 2,000 feet further west. In addition, the outdated interpretation in the GSS Memorandum conflicts with the latest and most accurate scientific data generated by the AEM studies conducted by the Stanford geophysics team which demonstrate that the FO-SVA is discontinuous in this area (Gottschalk et al. 2019).

Instead, the GSS Memorandum cites data from several monitoring wells installed to investigate potential gasoline contamination at service stations in the City of Marina as supposedly conclusively demonstrating groundwater near the ponds in the City Limits is from the Perched "A" aquifer and not from the DSA, and that "*therefore MPWSP pumping will not have an impact on pond water levels.*" We disagree with this assessment because it conflicts with more recent and authoritative interpretations of the FO-SVA extent. In addition, definitive evaluation of GDE connection with shallow aquifers is typically accepted in the hydrogeologic community to require the installation of nested piezometers immediately adjacent to the resource, and the extrapolation of data gathered at greater distance for another purpose does not provide reliable data for decision making regarding these protected resources. We know of no monitoring wells or monitoring well clusters that have been installed close to any of the vernal ponds to investigate the local hydrostratigraphy and hydraulic connection between the ponds and underlying aquifers, so this information remains a data gap that should be addressed.

Extrapolation of data from monitoring wells constructed to assess the presence and migration of fuel contamination for distances up to 3,000 feet to infer conditions in a heterogenous environment is far from conclusive and is certainly of much less relevance than the AEM data regarding the three dimensional extent of the aquifers, aquitards and freshwater resources in the area, which represents the best available science for this purpose.

Interpretation of Groundwater Levels near the Armstrong Ponds.

GSS Assertion: The GSS Memorandum asserts that there are too few groundwater level control points to extrapolate water table elevations in the DSA near the Armstrong Pond Complex.

Response: This claim is perplexing because CalAm and GSS installed the existing monitoring well network near the MPWSP precisely for the purpose of assessing groundwater levels, flow directions and potential drawdown impacts and now appear to be undermining the use of the network they recommended for this purpose. Although we agree that evaluation of the GDEs in the Coastal Zone near Marina warrants a closer evaluation of the hydrostratigraphy, groundwater gradients and flow conditions near the ponds, such an evaluation does not, as yet, exist. We have therefore relied on the available data to assess, based on the available guidance and best available and accepted science, whether these ponds should be managed as GDEs.

Despite the claim that the available control points are insufficient for reliable water table extrapolation across the Armstrong Pond area, the GSS memorandum then goes on to extrapolate seasonal high groundwater level elevations in monitoring wells MW-4S and MW-7S across the pond area, and claim that analysis of three aerial images between 2016 and 2020 for evidence of surface water ponding proves that groundwater is not a source of water to the Armstrong Ponds. However, the use of this data is suspect and GSS's analysis does not seem to be on a firm scientific foundation, as they themselves point out that the extrapolation of groundwater levels between these relatively widely spaced points is uncertain. In addition, the aerial imagery data set used by GSS is limited to three images. Additional aerial images taken during different times of the year should be obtained and evaluated. Available satellite data could be used for this purpose. Finally, it is possible that an impeding layer could in fact be present that slows the discharge of groundwater.

A more robust site-specific analysis of hydrostratigraphy, groundwater levels and gradients, and the temporal changes in groundwater ponding and ET would be needed to draw more reliable conclusions. In the meantime the best-available data when applied in accordance with TNC and DWR guidance indicate the Armstrong Ponds should continue to be managed as a GDE. This was recently supported by the biological investigation performed by WRA Associates (WRA 2020), which found that the vegetation, soil conditions, hydrology and presence of shallow groundwater at the six ponds that were investigated was consistent with GDEs. Although the Armstrong ponds could not be accessed directly during that investigation, observations from the property line, aerial imagery and historical data from 1994 (The Habitat Group 1994) were consistent with this interpretation.

Pond Hydrology.

GSS Assertion: The GSS memorandum appears to broadly suppose that the availability of surface water to a wetland indicates it receives sufficient surface water supply to not be classified or managed as a GDE.

Response: Most GDEs are dependent on a combination of surface and groundwater. The surface water inflow component to the ponds in the City Limits that receive urban runoff and the agricultural runoff component of runoff to the Armstrong Pond complex has been previously acknowledged (e.g., The Habitat Group 1994, WRA 2020). The existence of these inflow components does not mean that groundwater does not provide a significant portion of the water used by these wetlands, and that these habitats would be harmed if that component were taken away. The ET analysis presented in Formation's 2019 memorandum examined summertime ET precisely for this reason, and indicates that ET discharge from the Armstrong Pond Complex during the dry season is most likely derived from groundwater.

The GSS Memorandum points to a lighter colored "halo" of hypothecated evaporite deposits at the Armstrong Ponds as evidence that surface water is ponding on a low permeability layer at the bottom of the pond and is therefore responsible for the water inflow. We note that the nature of these small reflectance contrasts in the aerial imagery has not been established and they could be derived from any number of causes, including the incident angle of the light on different surface materials, seasonal changes in vegetation life cycles, biological residues, etc. The presence of evaporite accumulations would be inconsistent with observations that the Armstrong Ponds are a seasonal freshwater wetland (The Habitat Group 1994, WRA 2020), which would typically be sensitive to elevated salinity. Nevertheless, even if the deposits were evaporites, such deposits are often associated with evaporative discharge of groundwater at the ground surface, which would support classifying the ponds as GDEs. As such the presence of evaporites, even if they exist, would be inconclusive.

3. CONCLUSIONS AND RECOMMENDATIONS

The GSS Memorandum is the first attempt by CalAm's consulting team at an evaluation of potential adverse impacts that could result to GDEs from operation of the proposed MPWSP slant wells. The analysis focuses on data gaps that should have been addressed during preparation of the EIR/EIS for the MPWSP, which did not include any efforts to identify GDEs or assess potential impacts to them. The information provided in the GSS Memorandum does not address these data gaps, and incorrectly dismisses the potential for adverse impacts to GDEs based on an incomplete understanding and inconclusive data . Further investigation should be required; however, performing such an investigation as an applicant-provided measure during implementation of the MPWSP would not satisfy the requirement of (1) CEQA to recognize and mitigate potentially significant impacts; (2) SGMA to prevent future undesirable results; (3) the Coastal Act to protect ESHA; or (4) the public trust doctrine to identify and avoid potential adverse impacts. To meet these objectives, the potential impacts of the MPWSP should be fully analyzed and addressed prior to project authorization.

4. REFERENCES

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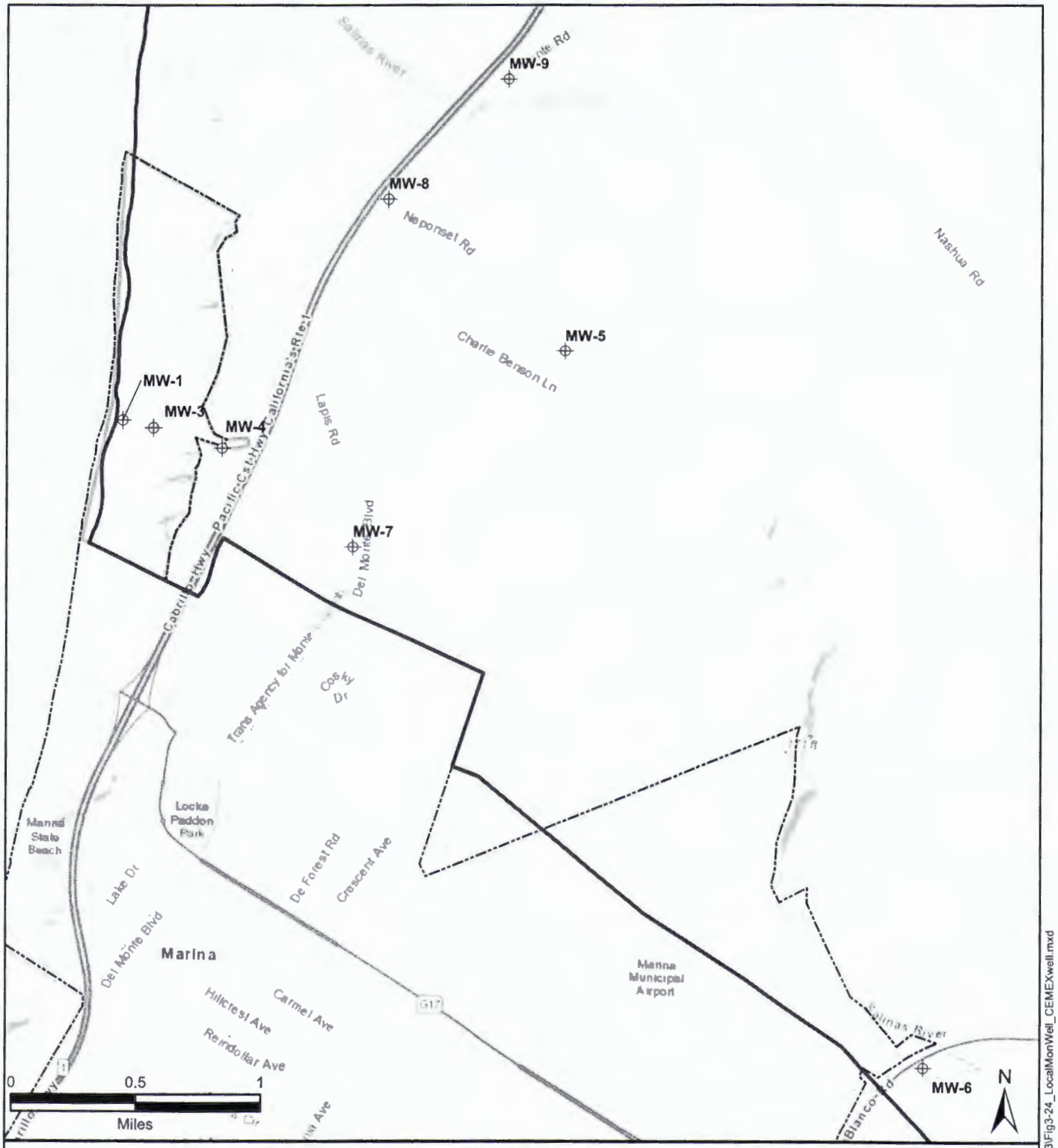

FIGURE 1

Location of MPWSP Ste and Monitoring Wells

Comments on the GSS August 2020 Technical Memorandum

Legend

- MPWSP Monitoring Wells
- Approx. Location of CEMEX Plant Site and Marina GSA
- City of Marina
- 180/400 Foot Aquifer Subbasin

Sources: ESRI Map Service Imagery, https://sgma.water.ca.gov/portal/gsa, MPWSP Monitoring Report #160 2019

DATE: Aug. 12, 2020

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FIGURE 2

GDE Locations near the MPWSP Area

Comments on the GSS August 2020 Technical Memorandum

Groundwater Dependent Ecosystems - Wetlands

Groundwater Dependent Ecosystem - Vegetation

Approx City of Marina GSA and CEMEX Site

Cities

DATE: Aug 13, 2020

Sources: ESRI Map Service Imagery, https://sgma.water.ca.gov/portal/gsa

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August 22, 2020

FORMATION ENVIRONMENTAL

Mr. Layne Long, City Manager
City of Marina
211 Hillcrest Avenue
Marina, CA 93933

Subject: Review of August 17, 2020 Technical Memorandum by Montgomery & Associates Titled "Groundwater Dependent Ecosystems and Interconnected Surface Water" Prepared for Salinas Valley Basin Groundwater Sustainability Agency, Monterey County, California

Dear Mr. Long:

As requested, Formation Environmental LLC (Formation) has reviewed the technical memorandum prepared by Montgomery & Associates (Montgomery) on behalf of Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) titled "Groundwater Dependent Ecosystems and Interconnected Surface Water" and dated August 17, 2020.

This letter presents our preliminary comments on the Montgomery Memorandum and is focused on: (1) what we deem to be an incorrect recommendation by Montgomery not to designate the Dune Sand Aquifer (DSA) as a Principal Aquifer during implementation of the Groundwater Sustainability Plan for the 180/400 Foot Aquifer Subbasin prepared by SVBGSA; (2) the improper use of groundwater levels in the 180-Foot Aquifer to confirm which "indicators of groundwater dependent ecosystems" (iGDE) should be managed as groundwater dependent ecosystems (GDEs); and (3) the failure to recognize GDEs in the shoreward portion of the subbasin due to an incorrect interpretation of the extent of the Fort Ord-Salinas Valley Aquitard (FO-SVA) not supported by the available data. We may provide more detailed comments at a later date under separate cover.

Designation of the Dune Sand Aquifer as a Principal Aquifer

Montgomery concludes that only aquifers identified as Principal Aquifers in Department of Water Resources (DWR) Bulletin 118 should be identified and managed as Principal Aquifers. This conclusion is flawed for several reasons:

- The GSP regulations state that " *'Principal Aquifers' refer to aquifers or aquifer systems that store, transmit, and yield significant or economic quantities of groundwater to wells, springs, or surface water systems*" (23CCR § 351(aa)). GDEs include springs, seeps and surface water systems. Since the DSA yields water that maintains protected, environmentally sensitive GDEs and since it is capable of yielding significant quantities of groundwater designated as suitable for domestic and municipal use (Gottschalk et al. 2018), it should be considered a Principal Aquifer under this definition. This observation is consistent with comments the SVBGSA received from The Nature Conservancy (TNC) and the California Department of Fish and Wildlife. Furthermore, investigations of the distribution of freshwater in the shoreward portion of the aquifer system by a team of geophysicists from Stanford University (Gottschalk et al. 2018) have estimated that the DSA contains over 200,000 acre-feet of freshwater. The California Regional Water Quality Control Board, Central Coast Region, has commented to SVBGSA that such resources should be protected under SGMA.

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- DWR Bulletin 118 does not define Principal Aquifers. In fact, the term Principal Aquifer does not even appear in this document. By the definition that is being applied, any aquifer could be removed from consideration as a Principal Aquifer.

- Narrative guidance provided by TNC clearly indicates they recommend any aquifer that is hydraulically connected to GDEs and can be influenced by pumping is a Principal Aquifer that should be managed under SGMA (TNC 2018 and 2019). For example, in a discussion regarding Best Practices for Establishing a Connection to Groundwater, TNC states the following:

  > *"If pumping is concentrated in deeper aquifers, SGMA still requires GSAs to sustainably manage groundwater resources in shallow aquifers, such as perched aquifers, that support springs, surface water, domestic wells, and GDEs. ... The goal of SGMA is to sustainably manage groundwater resources for current and future social, economic, and environmental benefits. While groundwater pumping may not be currently occurring in a shallower aquifer, use of this water may become more appealing and economically viable in future years as pumping restrictions are placed on the deeper production aquifers in the basin to meet the sustainable yield and criteria. Thus, identifying GDEs in the basin should done irrespective to the amount of current pumping occurring in a particular aquifer, so that future impacts on GDEs due to new production can be avoided. A good rule of thumb to follow is: if groundwater can be pumped from a well - it's an aquifer."* (TNC 2019).

Thus, by adopting a definition for Principal Aquifers from an appendix checklist without considering the written intent of the guidance or the applicable regulatory standards that designate it as a potential source of domestic or municipal supply, and then ignoring multiple clarifications and reiterations in TNC's comments, the Montgomery memorandum adopts a definition for Principal Aquifers that is not supported by any guidance, regulations or the facts.

Improper Use of Groundwater Levels in the 180-Foot Aquifer

Contrary to the TNC and DWR guidance referenced above, the Montgomery memorandum relies on groundwater level measurements in the 180-Foot Aquifer, rather than the Dune Sand Aquifer, to assess whether iGDEs should be classified as GDEs. Instead, groundwater level data available for the DSA should be used for this purpose. Formation used this approach as summarized in our memorandum regarding GDEs in the Marina area (Formation 2020), and found that under TNC and DWR guidance (TNC 2018) there are several protected wetlands near the coast that should be managed as GDEs. This includes seven "vernal ponds" that are located in the Coastal Zone near the City and required to be managed as Environmentally Sensitive Habitat Areas (ESHA) under the California Coastal Act.

Incorrect Interpretation of the Extent of the Fort Ord-Salinas Valley Aquitard

The hydrogeologic conceptual model adopted in Montgomery's Memorandum is that the FO-SVA is a continuous and uninterrupted aquitard that extends to the shoreward edge of the subbasin. This oversimplified interpretation has been disproven by studies completed by the Monterey County Water Resources Agency (MCWRA 2017), published geophysical investigations (Gottschalk 2018) and

investigations performed for the Monterey Peninsula Water Supply Project (Weiss 2020). The Memorandum improperly applies this flawed hydrogeologic conceptual model to categorically rule out the designation of iGDEs in the shoreward portion of the subbasin as GDEs, leaving them unmanaged and subject to potential irreversible harm.

The net effect of applying this incorrect and disproven hydrogeologic assumption is that Montgomery supposedly determines the protected vernal ponds in the Coastal Zone do not qualify as GDEs under the Sustainable Groundwater Management Act and need not be managed or protected relative to their groundwater dependence. However, since the best available science and applicable GDE guidance indicates these ponds should be recognized and managed as GDEs (see Formation's April 13, 2020 memorandum), this analysis is incorrect and should be disregarded.

Thank you for considering these comments. If you have any questions or would like to discuss these matters further, please contact the undersigned at (916) 200-9038.

Sincerely,
Formation Environmental LLC

Mike Tietze, PG, CHG, CEG
Senior Engineering Geologist/Hydrogeologist



REFERENCES

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I., R. Knight, T. Asch, J. Abraham, and J. Cannia, 2018. *Interpretation of Hydrostratigraphy and Water Quality from AEM Data Collected in the Northern Salinas Valley, CA*. Prepared for the Marina Coast Water District. March.

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DENY Desal Plant Project

Jean Rasch <jean@jeanrasch.com>

Fri 9/11/2020 9:38 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

I support the staff recommendations to deny the De Novo permit and deny the coastal development permit, finding that Cal Am's desal plant project is inconsistent with relevant Coastal Act and LCP policies and that the Commission not approve the Project because the Pure Water Monterey Expansion is a feasible, less damaging alternative that will adequately provide water and protect the public welfare.

Please permanently deny Cal Am's oversized, overpriced desal plant project! We don't need a desal plant. It is not in the public interest because Cal Am's desal would double our water bills, which are already the highest priced water in America. Also, desal damages the environment by harming the coastal habitat and would draw groundwater from an overdrafted groundwater basin.

Pure Water Monterey Expansion is the feasible and environmentally preferable alternative. It will give us a new water supply much sooner than building a desal plant. Our current water supply from Pure Water Monterey ~ Phase 1 (3,500 acre-feet) ~ will allow us to stop illegal withdrawals from the Carmel River by December 2021 and will restore the Carmel River and protect the Steelhead. The environmental issues facing the Carmel River have been resolved by Pure Water Monterey without the need for Cal Am's desal plant. The Expansion of Pure Water Monterey will provide a long-term sustainable water supply for decades of growth.

Cal Am is the only obstacle to the expansion of Pure Water Monterey. Cal Am is blocking it because it will not be profitable for them. Decisions must be made based on what is good for the community and its residents, not what is good for corporations and their stockholders!

Thank you for your consideration,

Sincerely,

Jean Rasch
Attorney at Law

3855 Via Nona Marie, Suite 204B
Carmel, CA 93923
831-625-3200 Phone

Deny DeSal project

Jennifer Colby <jennifercolbyphd@gmail.com>

Fri 9/11/2020 9:35 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear commission,

Cal Am Desal Project fails to qualify for special consideration.

Cal Am Desal Project fails the test as " the Pure Water Expansion project"

Project fails this test as denying it "would not adversely affect the public welfare. The Project would result in a number of adverse impacts, and there is also substantial uncertainty about the Project's long-term feasibility due to questions about return water obligations, groundwater rights, where future wells could be located once the initial ones need to be replaced, and costs, among other things. Denying the project is likely to lead to implementation of a project alternative that would benefit the public welfare."; Cal Am Desal Project fails the tests for special consideration as "the currently proposed mitigation does not yet meet the standard of impacts being mitigated to the maximum extent feasible." and it's adverse effects are not mitigated to the maximum extent feasible.

We do not need the Cal Am Desal Project and it is a highly flawed project. The Pure Water Project Expansion will meet our needs and is a wiser, sustainable, environmentally-sound, more cost-effective option.

Dr. Jennifer Colby

CSUMB Faculty and Local resident 32 years

elected official - President Aromas San Juan Unified School District

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

Katherine Biala <kybiala@icloud.com>

Fri 9/11/2020 9:27 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:



My name is Woong and I am a small business owner in Marina. I have tried to talk to many Korean people in Marina to write an email or speak. Many do not use computers, some do not have email, and many cannot speak or write English well. This is a very hard thing to ask them. Since I cannot meet with them in their home because of Covid-19, I cannot help them. I hope you understand.

But everyone is against CalAm! I speak for many Korean people who live in Marina.

Woong Huh
Businessman in Marina

25 Monterey County Elected Leaders Oppose Desal

September 11, 2020

California Coastal Commission
45 Fremont Street, Suite 2000 San Francisco, CA 94105
Via Email

RE: Application No. 9-19-0918 and Appeal No. A-3-MRA-19-0034 (Cal Am Desal)

Dear Chair Padilla and Commissioners,

We support your staff recommendation. Please deny the Coastal Development Permit for California American Water's proposed desalination facility.

Our community does not need this oversized, overpriced and environmentally damaging Project. It is not in the public interest. It would burden our community, especially our lower income households, with even higher water costs and perpetuate environmental injustice in Marina.

The expansion of Pure Water Monterey (PWM) is a feasible alternative sufficient to meet the Monterey Peninsula's future needs for the next 20 to 30 years. Pure Water Monterey – Phase 1 is already in operation. The Expansion could be constructed in approximately 20 months. Compared to Cal Am's desal project the PWM Expansion will save ratepayers approximately $1 billion over 30 years.

Cal Am claims that its desal project is the only way to stop the illegal withdrawals from the Carmel River. We want to make it clear that while a new water supply is needed for future growth, it is not needed to end the illegal withdrawals from the Carmel River. The 3,500 acre-feet from Pure Water Monterey – Phase 1 will allow us to meet the state's December 2021 deadline.

Our current 5-year average withdrawal from the Carmel River is 6,314 acre-feet. Our legally allowed withdrawal is 3,376 acre-feet. As you can see, adding the new 3,500 acre-feet from Pure Water Monterey will meet the state's CDO requirement with a 562 acre-foot surplus. No new water supply is needed to stop illegal withdrawals from the Carmel River.

The health of the Carmel River has long been a concern. Through the work of our public agencies in bringing Pure Water Monterey online over the last 6 years, and the conservation efforts of our community, we have solved the problem. The credit goes to Monterey One Water and the Monterey Peninsula Water Management District (MPWMD), not to Cal Am.

For decades it has been MPWMD's responsibility to monitor and restore the Carmel River and to oversee water supply and conservation. No other agency is in a better position to report on the state of the River and our current water demand.

MPWMD was created by the legislature to find new water supplies through integrated management of surface and groundwater, conservation, and water reuse and reclamation. Including Pure Water Monterey, it has given us over 7,000 acre-feet of new water in the past 20 years. It is a highly competent agency.

The Supply and Demand Report produced by MPWMD is accurate and current. It tracks our history of water use and has shown that the PWM Expansion is more than sufficient to lift the Cease and Desist Order (CDO). Based on the most recent pumping and demand history, less than 800 acre-feet per year of new supply is required to do so – at 2,250 acre-feet per year, the PWM expansion is more than sufficient.

We have complete confidence in MPWMD. It has demonstrated success in solving our water supply issues, while Cal Am has not. Cal Am made no financial contribution to PWM phase 1 and will earn no profit on this water. Nor would it profit on the PWM Expansion. It would earn a 9.2% return on its proposed desal project. Please consider Cal Am's motivation in arguing against the Expansion.

The Pure Water Monterey Expansion is essentially ready to go. It would simply take a political decision – there are no physical barriers to this Project. All it requires is a decision to certify the Final SEIR, approval of the final design and bidding, and most importantly, a Water Purchase Agreement from Cal Am. If Cal Am wanted to move forward on this, all opposition by its political allies would evaporate.

While Pure Water Monterey – Phase 1 has solved the long-standing Carmel River problem, we still need a new water supply to lift the CDO and to supply water for housing, economic recovery and growth. Even if it were approved, Cal Am's desal project faces years of litigation over water rights. We cannot afford to wait.

Thank you for taking the time to understand these complex issues. In the interest of our coastal environment and our community, please deny Cal Am's permit.

Respectfully,

Senator Bill Monning, California State Senate, District 17
Jane Parker, Monterey County Supervisor District 4
Ian N. Oglesby, Mayor of Seaside
Clyde Roberson, Mayor of Monterey
Bruce Delgado, Mayor of Marina
Alison Kerr, Mayor of Del Rey Oaks
Jeff Baron, Carmel City Council
Jenny McAdams, Pacific Grove City Council
Jon Wizard, Seaside City Council
Jason Campbell, Seaside City Council
David Pacheco, Seaside City Council
Alan Haffa, Monterey City Council
Tyller Williamson, Monterey City Council
Gail Morton, Marina City Council, Mayor Pro Tem
Lisa A. Berkley, Marina City Council

Tom Moore, Marina Coast Water District Board, President
Jan Shriner, Marina Coast Water District Board, Vice President
Matthew Zefferman, Marina Coast Water District Board
Herbert Cortez, Marina Coast Water District Board
Regina Gage, VP, Salinas Valley Memorial Healthcare District Board
Rosalyn Green, Monterey Peninsula College, Board of Trustees
Alana Myles, Monterey Peninsula Unified School District, Board of Education
Wendy Root Askew, Monterey Peninsula Unified School District, Board of Education
Veronica Miramontes, Monterey Peninsula Unified School District, Board of Education
Dr. Amanda Whitmire, Monterey Peninsula Unified School District, Board of Education

Appeal No. A-3-MRA-19-0034 - DENY CalAm Desalination Project Permit (Marina)

Carol Lauderdale <dancergirl1966@gmail.com>

Fri 9/11/2020 9:21 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>



To California Coastal Commissioners, Executive Director John Ainsworth and staff:

I have been a resident of the City of Marina since January, 1994, when I purchased my home very close to our beautiful Marina coastline. Marina is a wholesome, friendly and safe community, with a well-run city government and the best mayor (Bruce Delgado) that any community could hope for. The people here in Marina really care about our quality of life and look out for one another. I am currently retired from working nearly 50 years in law firms from Monterey to Los Angeles and back home again to the Monterey Peninsula. When I purchased my home I was still working, but as of four years ago, I am now retired. I live on a fixed income and Marina is the only affordable area on the Monterey Peninsula I can own a home in a nice neighborhood and feel safe. I carefully watch my health and take my daily walks along our coast to be sure I stay well. I am a single senior citizen and now stay home to myself since we are in the middle of the deadly COVID-19 pandemic. What happens in my neighborhood matters to me.

I am opposed to CalAm building a desal plant and drilling slant wells on Marina's beach to extract our groundwater. CalAm has no right to do this. Not a drop of that water will benefit Marina, it will be sold to CalAm's customers on the Peninsula. This project will harm our water source and coast. CalAm's project is environmentally unjust. It will destroy our pristine dunes and harm the Snowy plover birds that enjoy living and feeding off our seashore.

There are other options for CalAm to supply water to the communities of the Monterey Peninsula other than stealing Marina's water and contaminating our water table. We Marina residents want our clean and safe drinking water left alone! Please follow staff's recommendation to DENY Cal Am's application to build a desal plant in Marina and drill slant wells on our shoreline. Please help the Marina Coast Water District to conserve our drinking water for its residents, and preserve our beautiful dunes and wildlife, and save our pristine California coastline from destruction and being defaced. I strongly oppose this project and suggest that CalAm explore its other options, and come up with another plan that does not involve drilling on our sand dunes and stealing Marina's water!

Respectfully submitted,

Carol B. Lauderdale



Email: dancergirl1966@gmail.com
Tel: (831) 320-3775

Re: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalinization Project Permit

Gregory Furey <gefurey@aol.com>

Fri 9/11/2020 9:15 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

From: Gregory Furey <gefurey@aol.com>
Sent: Wed, Sep 9, 2020 2:38 pm
Subject: Appeal No. A-3-MRA-19-0034; Deny Cal Am Desalinization Project Permit

Dear California Coastal Commissioners; Executive Director John Ainsworth

My name is Greg Furey. I am a 21 year resident of Marina, I moved here from Southern California in 1998 when I accepted a promotional assignment from Cal Fire. I am retired now. The central focus of my life is currently the care and rehab of my stepdaughter, a UC Berkeley graduate who was raised in Marina but suffered a life-altering brain injury when she was a passenger in a vehicle accident in 2015.
We do not want Cal Am's DeSal project to be situated on our coastline. It is an insult to our community that Cal Am would choose to locate their ugly, unecessary slant well pumps along our beautiful coastline. Why did they not locate their wells along the coastline of a community they serve, instead of next to the beaches of Marina? The answer seems unpleasantly obvious.
There are a reported 71 different dialects spoken in Marina, largely due to the town's historical affiliation with Ft. Ord.
"Back in the day", when an enlisted soldier returned to the US/Ft. Ord with a foreign bride, he was directed to Marina as the "ideal place" to settle and raise a family. Keep in mind that even in the 1960's, there were deed restrictions buried in local land use ordinances of Monterey Peninsula jurisdictions that prohibited persons of color from owning property in thiose communities.
We are still an "enlisted", working class town. Many of our older residents are the widows of those career soldiers who spent careers.
in the US Army. Their widows live on fixed incomes and cannot afford to be forced into the Cal AM "family" if our fragile water supply is compromised by this unnecessary project. While there logically appears to be no existential need at this time for a project as expensive and intrusive as Cal Am's proposed DeSal project, we simply DO NOT WANT IT HERE for any reason. To me, it would simply represent an extension of the discriminatory socio-economic practices of the past and be a financial boondoggle imposed on its' customers and on our little community.
Thank you for your service to all of our coastal communities.
Please Deny this harmful project!

Sincerely.
Greg Furey
gefurey@aim.com

DE NOVO APPEAL (A-3-MRA-19-0034) and CONSOLIDATED COASTAL DEVELOPMENT PERMIT (9-19-0198)

PETER LE <peter381@sbcglobal.net>

Fri 9/11/2020 9:14 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

September 11, 2020

California Coastal Commission

455 MARKET STREET, SUITE 228

SAN FRANCISCO, CA 94105-2219

Dear California Coastal Commissioners:

re: DE NOVO APPEAL (A-3-MRA-19-0034) and

CONSOLIDATED COASTAL DEVELOPMENT PERMIT (9-19-0198)

I have read the CCC staff reports and I ask you to deny both the above Appeal and the Consolidated Coastal Development permit application. The staff reports gave numerous reasons for the denial and I do not need to repeat.

But I want to add additional comments on the Areas of Uncertainty for the Pure Water Expansion alternative as described in the staff report, starting on page 141.

The CCC staff report failed to discuss the infeasibility of conveying or carrying the additional 2,250 AFY from the existing treatment plant in Marina to the new injection wells in Seaside.

The existing conveying system that currently carries the advanced treated water was designed to carry only **5,127 AFY** which consists of 3,250 AFY for Monterey Peninsula Water Management District (to be sold to Cal Am) and 1,427 AFY for Marina Coast Water District.

This existing conveying pipeline was **NOT** designed to carry the additional 2,250 AFY for a total of **7,377 AFY**.

Marina Coast Water District did OWN this existing conveying pipeline. Neither Monterey One Water nor Monterey Peninsula Water Management District owns the existing conveyance pipeline.

The CCC staff report **failed** to discuss this issue. Additionally, the CCC staff report did **not** include any engineering calculations or hydraulic models that prove that the additional 2,250 AFY could be carried by the existing conveyance pipeline.

The above comments are my own and they do not represent the views or opinions of any other individuals or any private or public organizations including Marina Coast Water District and its Board of Directors.

Sincerely,

Peter Le

Sent by email to calammonterey@coastal.ca.gov

This electronic mail (including any attachments) may contain information that is privileged, confidential, and/or otherwise protected from disclosure to anyone other than its intended recipient(s). Any dissemination or use of this electronic email or its contents (including any attachments) by persons other than the intended recipient(s) is strictly prohibited. If you have received this message in error, please notify us immediately by reply email so that we may correct our internal records. Please then delete the original message (including any attachments) in its entirety. Thank you.

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Irene Dorsey <idorsey11@gmail.com>

Fri 9/11/2020 9:11 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff,

My name is Irene Dorsey. I am 70 years old, 37% Native American, and identify as Mexican. My husband, Jim, and I moved to Marina, from Los Angeles, just over two years ago.

My husband entered basic training at Ft. Ord almost 50-years to the day we bought our home in Marina. He never got to explore Monterey during his time here, but in our 49 years of marriage, he often reflected on the beauty and majesty of land, sea, and life he'd seen during his short stay here. When we retired and made our big move, we were beside ourselves that we were actually able to move to Monterey Bay. We'd worked hard all our lives, in pursuit of the old "American Dream," and were astonished, and grateful, to find that we could actually move here.

However, we started to hear, oftentimes, Marina referred to as a "disadvantaged" city, and we were puzzled. Then we came to realize that Marina lost so much of its population, business, etc. when Fort Old closed, and we are proud of Marina's efforts to revive itself and to be "disadvantaged" no more. But now, we are faced with the indignity of having to fight for rights to our own water supply. To allow CalAm to come to Marina will only harm our water, and our dunes, and it will disrespect this city's efforts to thrive once again.

Please deny the CalAm Slant Well project!

Respectfully,

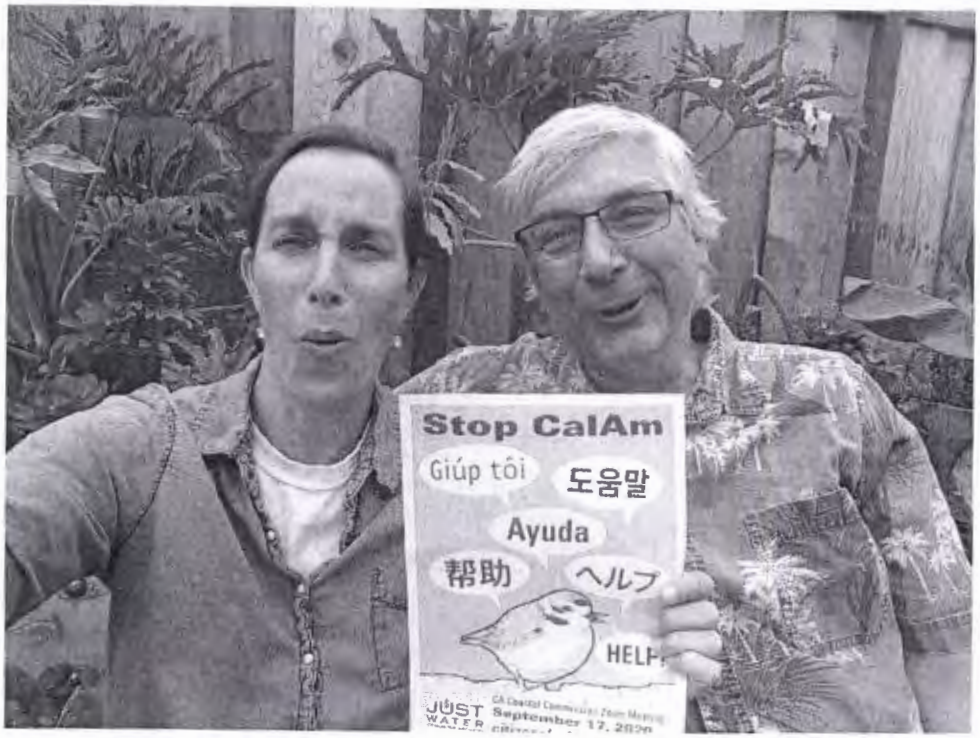
Irene B. Dorsey

Appeal No. A-3-M RA-19-0034; Deny CalAm Desalination Project Permit

Rachel Christopherson <rachel.i.christo@gmail.com>

Fri 9/11/2020 9:10 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>



Dear CA Coastal Commissioners, Executive Director John Ainsworth and Staff,

My name is Rachel Christopherson, and I live in Seaside, CA with my husband Casey and our animal family. We both earn modest incomes: I work part-time at the Center for the Blue Economy/Middlebury Institute of International Studies as an administrator, and Casey works full-time tracking ships on the SF bay at the Marine Exchange. We love Seaside and our Monterey Bay community so much, and really appreciate the work of the California Coastal Commission and their staff. We would have a very different coastline if it were not for the mission of the CCC and the activists and politicians who helped set up the CCC serving the public good.

This project is exactly the type that needs CCC oversight and consideration. After the amicable closure of the Cemex sand mine on the same location, the community celebrated that the site would finally become accessible to the public, and restored to a safe haven from the endangered snowy plover and blue butterfly. I fear that if this CalAm project is allowed, we will see continued inaccessibility for the public, and endangerment of the natural environment.

More importantly, this project threatens the aquifer that Marina citizens rely upon for 100% of their drinking water, yet they would see no benefit from the project either in terms of water or economic gain. This is a classic case of environmental injustice: put the project in the poor section of the Monterey Bay, grab water rights, and offer no benefit to the local residents, extend no regard to their rights or well-being. This is systemic racism in action.

Finally, there is a very real economic argument to be made for leaving the beauty of nature intact. In the Monterey Bay, tourism is the number one industry in the area, and the second largest industry in the county. A 2018 report from the Monterey County Convention and Visitors Bureau showed visitor spending in the Monterey Bay supported over 25,000 jobs and generated $135 million in local tax revenue. Although we are facing a downturn due to the pandemic, the long-term economic health and prosperity of our region depends upon the beauty of nature and the ability of people to access nature in a meaningful way. The beaches of Marina are among the least populous, most wild and beautiful in the area, and to place any industrial project on these dunes would be to endanger the economic future of Marina and the Monterey Bay area.

With the Pure Water, recycled alternative that provides plenty of water for the region both now and well into the future, we do not need this risky desal project. Additionally, with the passage

of Measure J and the feasibility study out soon, the community hopes to entirely take over the CalAm infrastructure, and free ourselves from the highest water rates in the U.S.

Please deny this harmful project! Thank you.

Rachel Christopherson
1542 Waring Street
Seaside, CA 93955
831-277-0529

Deny Cal Am Desal Plant Permit

Harriett Duarte <moonbowhad@aol.com>

Fri 9/11/2020 9:10 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

I am in full support of denying the permit for the Desalination Plant purposed by Cal Am.

A more affordable and less expensive solution to our local water problem is offered by the Public Water Monterey Expansion.

Sincerely,

Harriett Duarte

Carmel Valley, CA

Sent from my iPhone

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Amelia Murphy <afmurphy25@gmail.com>

Fri 9/11/2020 8:19 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>; Materials <materials@coastal.ca.gov>



Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff,

My name is Amelia Murphy and I have lived in Marina for many years. I am a college Biology and Chemistry Lab Coordinator, and my husband (Tim Thomas) teaches Biology and Environmental Science at CSUMB. We love our beautiful community and care deeply about protecting our local coastal habitats and the species that depend on them to stay alive.

As a concerned resident of Marina, I would like to express my strong support for the Coastal Commission Staff's recommendation to **deny** Cal Am's permit. Our pristine Marina beaches, with their many sensitive wildlife species such as the Western Snowy Plover (our official city shorebird), are no place for the harmful Cal-Am Slant Well Project. It is also very unjust that the Marina community would receive absolutely no water from this project, since all the desalinated water would be shipped to the Cal-Am Peninsula customers, at exorbitant prices.

The Pure Water Expansion is a feasible alternative to Cal-Am's Project, and is far more just and environmentally friendly. The Pure Water Expansion would avoid environmental burdens to the City of Marina, keep our precious wildlife safe, and also appears to have fewer significant hurdles to clear before it could be implemented.

Please deny Cal Am's very harmful project, protecting our water, our dunes and our wildlife. Although we have not requested to speak publicly, we will be attending the meeting on Sept.17 and look forward to seeing you there.

Sincerely,
Amelia Murphy and Tim Thomas

--
Amelia Murphy
910 Holovits Court
Marina, CA 93933
(510) 673-5046
afmurphy25@gmail.com

Items Th3a and Th4a : SUPPORT the Staff Report. DENY the Cal Am Desal Project

Carole Erickson <cje8270@gmail.com>
Fri 9/11/2020 8:27 PM
To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

From Carole Erickson, lifelong resident of Cal-Am territory of Monterey Peninsula.

Cal-Am has been in control of our local water for the 42 years in which users rates have skyrocketed while infrastructure and planning deteriorated.

The public wants to create a stable, affordable and secure supply of potable water managed by a local public agency with a commitment to responsible, not--for-profit, readily accessible community-based system that uses proven technologies and steals no water.

Carole Erickson
8270 El Camino Estrada
Carmel Valley, 93923

Coastal Commission Hearing, CalAm Desal

Anita Zaffuto <zannie563@gmail.com>

Fri 9/11/2020 8:23 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

I am voicing my strong opposition to the CalAm desal project. I have resided in the Marina area for more than five years. I am greatly concerned about the damage that the CalAm project will do to our environment, as well as the depletion and contamination dangers to our water system. The Pure Water Monterey project is a far better choice with less cost, and doesn't risk all of the coastal damage associated with the CalAm project.

Please do not allow the CalAm project to proceed.

Anita Zaffuto
East Garrison CA

Opposed to CalAm's proposed desal project in Marina

Jeff Morton <jmorton@chartwell.org>

Fri 9/11/2020 8:17 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear California Coastal Commission,

I am writing to express my opposition to CalAm's proposed desal project. As a resident of Marina, I am gravely concerned about CalAm's plan to take water from Marina's groundwater basin. The possibility that the basin could be depleted and/or contaminated is troubling to say the least, and running the risk is unnecessary.

I support the expansion of the Pure Water Monterey Project to meet the water demand. This option is less expensive and could meet the Monterey Peninsula's water needs using existing infrastructure and without compromising coastal ecosystem health.

I hope you will seriously consider this input and think carefully about the City of Marina, it's inhabitants, and the overall ecological health of the coastline as you conduct your evaluation of CalAms desal proposal.

Jeff Morton
923 Holovits Court
Marina, CA 93933
720-232-0789

--
High School Science Teacher
Chartwell School

Decline Calam Desal Project Permit

Ken Robins <kenarobins@gmail.com>

Fri 9/11/2020 8:13 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

I am writing to say that I am completely unequivocal about my request that your Decline the Calam Desal Project permit - the majority of our voters are against it. Thank you kindly, Ken Robins Carmel Valley Ca. 93924.

Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.)

Juli Hofmann <jhofmann@redshift.com>

Fri 9/11/2020 8:10 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.



Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

I have been a resident of Marina since 1995 and love this sleepy little coastal community. Several years ago I became aware that the California American Water Company had intentions to site a Desalination plant that was designed to utilize Marina's groundwater resources on the CEMEX property. I want to thank your staff for their careful work in exposing the lies that have allowed this project to proceed to benefit the few and not the many.

I participated in the CPUC hearing in November of 2017 which culminated in the approval of the Final Environmental Impact report for the CalAm experimental Slant Well project. It was appalling to witness the obvious bias that the Administrative Law Judges had for rubber stamping the project against numerous objections from multiple parties. A room full of special interests carved up our ancient dunes with no regard to our diverse community, water rights, city local coastal plan, the CEMEX agreement of coastal access for all, loss of habitat and threatened wildlife, or our future as the peninsula city with the largest projected growth for population. It cannot be denied that our community had little power to influence compared to a deep pocketed corporation that has had behind the scenes ear(s) of every relevant agency since the inception of the project. Our protests predictably fell on deaf ears.

So fast forward a few years; our citizen group has made many trips to all agencies, people of power and generally anyone who would listen. It was an uphill battle to make our position of Environmental Injustice known - even in our own community! When the 2019 Coastal Commission staff report so clearly articulated MANY of the problematic issues with this project, it gave gave great hope. We dared to believe justice would prevail and end this unnecessary self-serving water project. But, that did not happen in November. We went home without an answer—***would our community be forced to bear the brunt of a project that offered no benefits yet many risks?***

The new staff report is out, and I applaud the scrutiny given to this project that now requires a final decision. Coastal Commissioners: please look carefully at your staff findings. I believe that your staff has done a thorough review of the facts unlike the CPUC who based their decision solely on information promoted in the FEIR by CalAm. Please consider this project the Beta test for the CCC new Environmental Policy. Will you Walk the Talk and find this project and its damages unacceptable? I hope so. I hope science and reason finally prevail.

Large projects like this one will always have detractors, but the CalAm Slant Well project does not serve the best long term shared interests of the peninsula and greater region. If approved, the effects on all of our communities and environment will alter any future envisioned. The project impacts have parallels to the 1965 plans to build the Humble Oil Refinery in Moss Landing that was ardently opposed by local communities. Ansel Adams, the photographer commented that:

"It is not just the Humble Oil refinery we're fighting at Moss Landing. It is the whole industrial complex which will inevitably follow and change the whole complexion of (the region)."

This is the crux of the project before you—there will be far reaching consequences that will define the region for years to come. Do the benefits to ALL out weigh the losses? I think the evidence is clear, the losses are manifold and and cannot be simply mitigated away. Our shared water issues are regional and will not be served by this improvident project. Desalination should be a last resort when more nimble, cost effective solutions are available. The Pure Water Monterey Recycled Water expansion IS a cooperative solution for the region and should be promoted over CalAm's bloated, experimental, expensive boondoggle.

I urge you to deny the CalAm Application No.9-19-0918 for all of the thoroughly documented reasons your staff has presented. Also, don't forget to deny the Appeal No. A-3-MRA-19-0034 for unnecessary infrastructure no longer required.

Thank you for your service.

Juli Hofmann
Citizens for Just Water

Deny Cal-Am's Desal Project - Items Th3a/Th4a

The Rev. Linda McConnell <revlinda@goodshepherdcorral.org>

Fri 9/11/2020 8:08 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

We are in the middle of the effects of environmental disaster brought on by years of bad policy making. Do not add to our woes with the Desal project, particularly when there are good alternatives available.
Sincerely,
Linda McConnell

The Rev. Linda McConnell
Rector, Church of the Good Shepherd
Goodshepherdcorral.org

Oppose CalAm desalination project

Layne Long <llong@cityofmarina.org>

Fri 9/11/2020 8:02 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

I am a resident of Marina, and I oppose the CalAm desalination project.

Sent from my iPhone

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Gord <gordykfrog@comcast.net>

Fri 9/11/2020 7:55 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>; Materials <materials@coastal.ca.gov>

To Whom It May Concern:

We are writing you concerning the Coastal Commission's upcoming consideration of the approval/denial of the Cal-Am permit for its proposed desalination project. We strongly ask that the Commissions deny Cal-Am's permit as there is clearly a much more financially and environmentally superior proposal put forward by Pure Water Expansion.

As the Monterey Peninsula Water Management District has clearly demonstrated, a critical problem with the desalination facility is that it would generate much more water than is foreseeably demanded. This would raise water rates substantially because smaller delivered quantities of desalinated water would have to cover the same large, fixed costs. Even with the extremely optimistic demand at three times the historic absorption rate, the desalination plant will not run at capacity in this century. The Water Management District concluded that Pure Water Monterey expansion is sufficient until 2043 with demand at three times the historic absorption rate.

Additionally as the Coastal Commission staff report says, "after weighing the evidence in the record at this time, that the Pure Water Expansion is a feasible alternative to Cal-Am's Project, will allow Cal-Am to cease its illegal water withdrawals from the Carmel River and meet the region's water needs, and is the preferable, least environmentally damaging alternative. The Pure Water Expansion would also result in fewer environmental and economic burdens to the communities of concern within Cal-Am's service area, would avoid environmental burdens to the City of Marina, and appears to have fewer significant hurdles to clear before it could be implemented. "

We ask that you support your staff's recommendation to deny the Cal-Am's desalination project so that the Pure Water Monterey expansion can be brought online as soon as possible. Thank you for your attention to this matter.

Edwina F. Bent
Gordon G. Kauhanen
1165 Castro Road
Monterey, CA 93940

Rudy Fischer
59 Country Club Gate
Pacific Grove, CA 93950
(831) 236-3431
Web Site: rudyfischer@earthlink.net
E-Mail: www.rudyfischer.com

Chair Steve Padilla and members of the California Coastal Commission;

I am a former Pacific Grove Council Member (until 2018) and former Board member of Monterey One Water (M1W). I was Board Chair of M1W for two years, during which time the Pure Water Monterey project was approved and construction started. It is now on-line and producing potable water and, once fully operational, is expected to supply the Monterey Peninsula cities with about 35% of our water. But it has not yet produced that amount of water, and likely will not in the near term.

The shallow wells Pure Water Monterey (PWM) is using are calculated to inject 500 gallons per minute into the aquifer but have actually been injecting much less (and one well has subsidence issues and needs to be stabilized). The two deep injection wells were expected to inject 1,000 gallons per minute but are only injecting 635 gallons and 775 gallons respectively.

As a result, the Agency is seeking to add another deep well (it should actually have two more). Even if the next well injects an average of the others, that will only be 705 GPM. That means the deep injection wells will probably inject only 2,115 GPM versus the hoped for 3,000 GPM. I have confidence that the agency will get to the 3,500 afy, but let's not count on an expansion until it does the primary job first.

Staff also makes misstatements or errors in logic as far as demand for water on the Monterey Peninsula (page 125-126). There is, indeed, and great deal of pent up demand. Speak to anyone on a city council, any mayor, or any City Manager on the Peninsula and you will find they all have issues around water. Many are advocating for the building of affordable housing, but we cannot build affordable housing if we cannot build even market rate housing because of a lack of water. And without more housing - and more affordable housing - we are going to continue to have major issues on the Monterey Peninsula with residents who have to share housing or who can't find housing locally.

This is not for growth in the sense of bringing in people from elsewhere (as some of the opponents believe) but is needed affordable housing for workers who are already here supporting the cities and their economies.

Cities all over the Peninsula are looking for ways to add workforce and affordable housing. Monterey, for instance, wants to build some affordable housing over on Garden Road. Seaside is trying to build the Campus Town development, much of which provides

affordable housing for people who live here right now. Water has been part of the struggle of getting all of these projects approved and built.

Right up the road we have Cal State University Monterey Bay, which is a growing university. Their students and professors need housing but are having a hard time finding it. The Monterey Herald reported on Thursday, September 10, 202o that the University is starting construction on a four story student housing project. Even so, the article explains that the university has 7,400 students but only housing for 3,600 of them. Though some students do live off campus, the Vice President of Student Affairs stated that "7-8% of students need more housing".

As a result, any excess of water will not last for 20 years as staff and local water project opponents claim, but more like 6-10 years. Staff demeans the claim of "pent up demand", but they are wrong and they don't live here.

If you look at NextDoor on the internet, you often see people who are begging to find a home – even for a short time - to do research at Hopkins or to teach at our schools. How do we expect to find good teachers for our kids if they can't find affordable housing?

Several years ago the Community Hospital of Monterey bought an apartment building at 230 Lighthouse from Carl Outzen for their employees only. Their doctors and nurses can't find housing and, after working for a short time, just quit and leave the area. How can we expect the excellent health care we benefit from to continue if nurses and doctors can't find housing?

We have doctors, nurses, teachers, police officers, and firefighters living in other communities because they can't find housing near their jobs here. These people end up having to live somewhere else and commute to their jobs – adding pollution to the environment in the process. The shortage of water is negatively affecting our public safety, our health, and our children's education.

While we still need to develop more water, this isn't just about water. It is about our quality of life and taking care of our residents.

Staff also speaks of "high water availability" locally over the last 20 years (page 125). This is absolutely false! The Monterey Peninsula has been under water restrictions for the last 25 years. In my city of Pacific Grove we have had people on the city's "Water Wait List" for up to ten years. We have two people I know of who have properties and building plans approved but cannot build because of a lack of water. We have hundreds of in-fill Lots of Record in our cities where people want to build. There will be building, but it will mostly be in-fill building.

We on the Monterey Peninsula need to have the ability – the option – to make sure we have the water we need both now and in the future. If you reject desal project totally, we may not have that option. You will have taken one leg from our multi legged stool and made our situation more unstable.

The opponents of desal present this as a choice between desal and Pure Water Monterey. I don't believe it is that simple.

Whether in the future we go through another draught, run into a problem with the Las Padres Dam, have problems with the wells in the aquifer, or some other kind of problem; we need to have the option to look at other projects – including desal.

I believe the Pure Water Monterey Plant is a great project which will produce what it is expected to **eventually**. But it has not yet produced 3,500 acre feet a year in the past as we need it to do.

Our Monterey Peninsula Water Management District (MPWMD) has also taken great strides in supplementing the areas water supply. It's Aquifer Storage and Recovery project has gotten much better over the years and now produces close to the 1,300 afy projected. Together these public agencies will be able to produce almost half the water the Peninsula currently needs from new projects.

Some of our traditional sources make up much of the rest. But, like most areas, there will be some natural growth in needs. We may not know what that will be, but are we actually going to argue about the very maximum amount of water we should have access to?

If we start the EIR process for another desal plant again in the future, it will take another 15 years and tens of millions of dollars to get to where we are right now. You may want to put some constraints on the plant, but please don't totally dismiss desal and take away the option of local water experts to take care of the Monterey Peninsula's water needs.

We may not need as large a plant, and the source water wells should certainly be located elsewhere (though I would point out it was your agency which insisted on slant wells), but let's not reject desal totally. Have them put the wells elsewhere, direct that it is smaller – or even publicly owned - but please don't totally dismiss desal and take away the option of local water experts to take care of the Monterey Peninsula's water needs.

Whether built by Cal Am or one of the public agencies (my preferred option) we need to have the ability to build a small (but expandable as the need arises) desal plant in the future.

If you have any questions or wish to discuss this or any other matter, please feel free to call me at (831) 236-3431 or e-mail me at rudyfischer@earthlink.net.

Regards,

Rudy Fischer

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Mary Rogers <uutalkin46@gmail.com>

Fri 9/11/2020 7:44 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

California Coastal Commission:

As a resident of Monterey County I strongly support the expansion of the Pure Water Montgomery's proposal for an advanced recycling plant. It is a sensible and economical solution to Monterey's water problems, which must be addressed in the near future. The drawing down of the Carmel River cannot be allowed to continue.

Sincerely

Rev. Mary Rogers
194 Del Mesa Carmel
Carmel, CA 93923
831-574-8265
uutalkin46@gmail.com

Please vote NO on the CalAm Desal Plant

Pat Venza <patvenza@me.com>

Fri 9/11/2020 7:43 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear Commissioners: As a Monterey Peninsula resident I have watched the developments for/against the CalAm desal plant for years now. With the Monterey One Water recycling in place, and ever more water available if the expansion is signed by CalAm, there is no need for this very costly, environmentally unsound desal plant.

As the commission that is in place to protect our coast I have not seen, or heard, any positive environmental reason for this hugely expensive project. The residents do not want it. It is not only environmentally terrible, but also pits one community against another. Marina should not be losing its water source in order to provide water to the Monterey Peninsula and Castroville. This is socially unsound.

I thank your staff for its great work on evaluating the desal plant. Two separate reviews came up with the same conclusion....this desal plant is not needed and will be environmentally a bad choice.

Patricia R. Venza
241 Soledad Dr.
Monterey, CA. 93940

Cal Am

Laura Blanton <laurablanton@sbcglobal.net>

Fri 9/11/2020 7:32 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Please vote to deny Cal Am's Desal plant in Marina. To take water from Marina's aquifers and sell it the Peninsula has the potential to devastate our aquifers and make Marina's water unusable, then forcing our residents to buy water back from Cal Am at a much higher rate.

Vote against Cal Am.

Bill and Laura Blanton
Marina, CA 93933

Cal Am

Laura Blanton <laurablanton@sbcglobal.net>

Fri 9/11/2020 7:32 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Please vote to deny Cal Am's Desal plant in Marina. To take water from Marina's aquifers and sell it the Peninsula has the potential to devastate our aquifers and make Marina's water unusable, then forcing our residents to buy water back from Cal Am at a much higher rate.

Vote against Cal Am.

Bill and Laura Blanton
Marina, CA 93933

September 2020 agenda item 3a-Appeal No. A-3-MRA-19-0034 Deny Cal Am!

Karen <kla1105@earthlink.net>

Fri 9/11/2020 7:29 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

My name is Karen Andersen and I moved to Marina because I could afford to live here on a fixed income, I prefer to live in a diverse community, and I appreciate the many local environmentally-conscious organizations I could join.

I also knew my water company, MCWD, was publicly owned. I soon met the water conservationist on their staff, who helped me apply to the CA DWR program to convert my front lawn into local habitat typical of the Fort Ord National Monument. I also soon learned of the shareholder-owned water company trying to dip long straws into Marina's aquifers, and joined the resistance movement.

Please deny Cal Am's permit application.

I am looking forward to the removal of the hugely destructive Cemex sand mining facility, and rehabilitation of the coast. Please don't replace one industry with an even more destructive one. Please join me in looking forward to the day when families will visit the beach from this location, read the signs about the restoration process, and notice the seal of the California Coastal Commission among the others when they discover another gem along Marina's shores.

Thank you,
Karen Andersen



Sent from my iPhone

DENY CALAM'S PERMIT FOR DESAL PLANT

Richard Dauphine <richard.dauphine@gmail.com>

Fri 9/11/2020 7:29 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear People'
I am a resident of Carmel and Monterey. I have been closely following the CaLAm proposal for a Desal plant to provide water to our area and have read the reports.
I hope you agree with the recommendation to **deny** the Deal plant permit: Desal water is not necessary for our area at this time and the impact of the proposed plant, both to the environment and our pocketbooks is unjustified.
Thank you,
Richard Dauphine
980 Cass Street
Monterey, CA 93940

MONTEREY COUNTY

BOARD OF SUPERVISORS

MARY L. ADAMS, SUPERVISOR – FIFTH DISTRICT
1200 Aguajito Road, Suite #1, Monterey, CA 93940
E-mail: District5@co.monterey.ca.us
Phone: (831) 647-7755

September 11, 2020

Via e-mail: CalAmMonterey@coastal.ca.gov

Hon. Steve Padilla, Chair and Commissioners
California Coastal Commission
45 Fremont, Suite 2000
San Francisco, CA 94105-2219
Attn: Tom Luster

Re: Application No. 9-19-0918, Appeal No. A-3-MRA-19-0034 (California American Water Co., Marina)

Dear Chair Padilla and Commissioners:

In the face of the raging fires and the devasating impact of COVID-19, your focus on the other critical issue facing Monterey County is so appreciated. We have many challenges in our state right now which makes the work you are doing even more important. And the outcome of your deliberations today will have as severe an impact on the residents of our county as these other incredible problems are having.

Access to safe and affordable water is the most important issue facing our community. New water supplies are needed if we want to be able to thrive. Workforce housing, economic development, business expansion and human commodity rely on a sustainable and affordable source of water.

The primary reason for this desalination project, however, is to end Cal-Am's illegal diversions on the Carmel River and to reduce pumping in the Seaside Groundwater Basin as mandated in its adjudication decision. I take the State Water Resources Control Board Cease and Desist Order very seriously, as it would have dramatic consequences for our residents and our economy. Without a replacement water supply, the health of the Carmel River and the species that depend on it will continue to be endangered, and the Seaside Groundwater Basin could be at risk of further seawater intrusion.

While the desalination project has been planned mostly for Cal-Am's service area, it would impact the neighboring Marina community. Implementation of a desalination project should not be done to their detriment. I appreciate the Coastal Commission's

environmental justice analysis and the consideration for communities of concern in Marina, Seaside and Castroville.

As the District 5 Monterey County Supervisor, residents in my district will carry most of the costly burden of this project, so I am especially vested in the outcome of your decision. The CCC staff's reasoning in recommending denial of the appeal and application reflects the concerns I have expressed about the project for quite some time.

The environmental justice analysis addresses one of my primary concerns about the project – the cost and its impact to Cal-Am's ratepayers. In addition to the communities of concern included in the staff report, within my supervisorial district, I am concerned about the cost to seniors and the many people on fixed incomes who would be greatly burdened by the increased cost of water as a result of the proposed project.

Monterey County, Marina Coast Water District and California American Water lost a true opportunity some years ago with the failed Regional Desal project. The public mistrust about this current project is an ongoing reminder of those unfortunate decisions. I firmly believe that desalination will be needed in our future, even with Pure Water Monterey expansion. A thoughtful regional approach, towards a project serving a larger area that includes the Monterey Peninsula and Seaside Basin, along with the City of Marina and other urbanized areas in the Salinas Valley Basin that face loss of their water supplies due to seawater intrusion, is needed for a prudent long range solution in Monterey County. Such a regional approach, led by public agencies, would also reduce the significant costs that Cal-Am's project would impose on the ratepayers in my district and throughout our county.

As recommended, the Pure Water Monterey Expansion can serve as a bridge to meet the near term requirements of the CDO until a regional desalination project can be developed, as opposed to this unbearably expensive Cal-Am project.

Thank you for your consideration of these comments and for the incredible amount of time, thought, and diligence you give all projects that come before you.

Sincerely,

Mary L. Adams
Board of Supervisors
Fifth District

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

catrina blair <mrscatrinablair@gmail.com>

Fri 9/11/2020 7:16 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff,
Thank you so much for taking the time to listen to all the concerns of our local citizens I know you have given this issue substantial attention because you see how much we care about the

issue and I appreciate all your hard work and dedication.



My family and I have lived in Marina for almost a decade. We love our city and were so happy the Cementex Mine has been ordered to shut down so the land may be restored to natural

habitat.

We do not want Cal Am to place its slant wells in our city, especially when we have no guarantee our ground water will remain safe nor do we fully know the impact it could have on the endangered Snowy Plovers.

Please hear the voices of Marina and deny the Cal Am slant well project, at least until we can have a thorough guarantee our natural environment and our ground water basin will not be negatively impacted.

Thank you so much for your time and consideration,

Catrina Blair

Letter to Commissioners for Sept. 17th Meeting

susan schiavone <s.schiavone@sbcglobal.net>
Fri 9/11/2020 7:13 PM
To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

This letter is from Robert McGinley who is using my email to send it. S.Schiavone

September 11, 2020

Chair Steve Padilla & Commissioners
California Coastal Commission
455 Market St., Suite 300
San Francisco, CA 94105

Re: California American Coastal Permit

Dear Chair Padilla and Commissioners:

I am a resident of Seaside, Ca and a CalAm ratepayer. I am firmly opposed to CalAm's desalination project. it is an overly large and overly expensive boondoggle that will guarantee profits to an international corporation while exponentially increasing costs to CalAm's customers (especially those burdened with a 4 tier rate system). CalAm's desal plant has the potential to cause permanent harm to the water supply of the city of Marina.

This project will cause further harm to the California Coastal habitat, dunes habitat and vernal ponds. Thereby increasing the vulnerability of the Snowy Plover to extinction and harming all the other plants and animals of these habitats. This project is not a necessary component of the Carmel river and Seaside basin (both damaged by CalAm's illegal withdrawals of water) restorations as adequate water for these endeavors is available from an alternative project already adding water to the Seaside aquifer.

The more economical, environmentally sensitive and just alternative is the Pure Water Monterey Project that is now producing potable water and able to expand its production to meet the needs of the CalAm water area while restoring water to the Seaside basin and allowing the cessation of illegal water withdrawals from the Carmel River for the next 20 - 30 years.

As you know this application has drawn considerable attention to the concept of environmental justice. The Coastal commission has been enjoined to "consider Environmental Justice or the equitable distribution of environmental benefits throughout the state". Environmental justice depends on hearing the voices of those who will suffer the adverse impacts. I believe there is a loud and clear call for environmental justice to be a significant part of your decision. Denial of this application will demonstrate that California's environmental justice policy encoded

in the Coastal act is not just fine sounding words on paper but a very real objective of our society.

The Coastal Commission's staff report provides the detail you need to arrive at a just decision; please deny the application for this poorly conceived overly expensive and environmentally unjust project.

Respectfully yours,

Robert McGinley
Seaside, Ca

Items Th3a and Th4a -SUPPORT the Staff Report. DENY the Cal Am Desal Project

Mibs McCarthy <mibsmccarthy@comcast.net>

Fri 9/11/2020 7:11 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>; Materials <materials@coastal.ca.gov>
Cc: Materials <materials@coastal.ca.gov>

My name is Mibs McCarthy, and I live in Carmel Valley. I oppose the Cal Am Desal Project because it in not needed and is not in the public interest. Pure Water Monterey Expansion is the feasible and environmentally preferable alternative. Our current water supply from Pure Water Monterey – Phase 1 (3,500 acre-feet) will allow us to stop illegal withdrawals from the Carmel River by 2021. The environmental issues facing the Carmel River have been resolved by Pure Water Monterey without the need for Cal Am's desal or the PWM Expansion. Please support the Coastal Commission staff report. Thank you.

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

Margo Hohulin <ashland95@gmail.com>

Fri 9/11/2020 6:59 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

1 attachments (690 KB)

Hohulin_Desal_Photo.jpeg;

Dear CA Coastal Commissioners, Executive Director John Ainsworth and Staff:

Our names are John and Margo Hohulin, and we are residents of Marina. We moved to Marina in January 2019 from the San Francisco Bay area, because we were drawn to the natural beauty that Marina has to offer. We chose this area to retire to in the coming years, after we stop working. John has already stopped working involuntarily due to his recent layoff due to COVID-19 and Margo works full-time, but is currently on medical leave due to a recent medical diagnosis which is impacting our entire family and taking our time to manage.

As a result of our current challenges, we won't be able to speak at the September 17 meeting, but ask that you make the right decision which protects Marina residents from the impacts of this proposed Cal Am Desalination project.

Please deny this harmful project. Thank you!

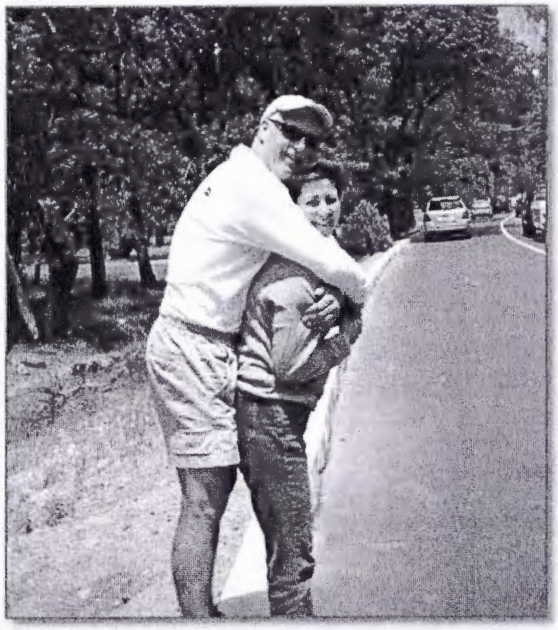
Margo and John Hohulin
3008 Bluffs Drive
Marina, CA

To: CalAmMonterey@coastal.ca.gov
From: Ms. Mystère Sapia
Date: 11 SEP 2020
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

First and foremost, I hope that this communications finds you and your families in excellent health!

My name is Mystère Sapia. Jim and I are residents at 3054 Mildred Court, Marina, CA. We returned to the area about 17 years ago when my work brought us back. Jim is a Chef and I am a Contracts Manager for a small software firm. We are both involved with local community groups, and we love the people and the peninsula.



We have been following Cal Am's management of projects throughout Monterey County for a number of years. This includes their proposed desalination project. We are very familiar with the facts and fiction, and we suspect there is much more to the story. However, the information that no one can dispute is that the proposed CalAm desalination project will harm our environment and the citizens of our peninsula.

Please deny this harmful project.

Thank you for your consideration

V/r,

Ms. Mystère Sapia
Mssapia@gmail.com; 831.403.3959



Deny Cal-Am's Desal Project - Items Th3a/Th4a

Deanna Lynn <deamarily@gmail.com>

Fri 9/11/2020 6:51 PM

To: Materials <materials@coastal.ca.gov>; CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear Coastal Commission Staff,

I am a Marina resident and I am very concerned about the potential impact to Marina's water from Cal-Am's Desalination plant.

I live near some of the wetlands that may be impacted by groundwater loss from the intake wells of the plant. I love to walk by these wetlands with my boyfriend and my dog multiple times per week, and I see a lot of different bird species. I think I saw a group of snowy plovers last time we went by one of them, we call the "little lake". One time we saw a blue heron. It would be very sad for us if our "little lake" were to never have water in it again, and no longer provide habitat for the many bird species we've seen out there.

Our part of Marina is already dealing with some unknown putrid smell from some undisclosed industrial or commercial activity. It would not be fair to us to also have to suffer the impacts of another industrial activity.

I am also very concerned about the impact of the greenhouse gas emissions produced by the plant on the climate. when the Pure Water Monterey project will operate on renewable energy. Like a lot of people these days, I find climate change a terrifying phenomenon. If we are experiencing temperatures and fires as extreme as we are experiencing now, what will California look like in 10 years? 20 years? We must make the most sustainable decisions now to protect a livable climate for humans.

Please support the Pure Water Monterey Project over the Cal-Am Project.

Thank you for your consideration,

Deanna Lynn
Citizens for a Sustainable Marina

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Christopher Long <bmwlaw@gmail.com>

Fri 9/11/2020 6:48 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>; Materials <materials@coastal.ca.gov>

To Whom It May Concern:

As a local resident and attorney at a law firm located in Monterey, I write in my individual capacity in support of Staff's recommendation and urge the Commission to **deny** California American Water Co.'s de novo and regular permits related to the Monterey Peninsula Water Supply Project.

As Staff notes in their August 25, 2020 report, "the primary questions for the Commission to consider are whether another project, the Pure Water Monterey water recycling and aquifer storage project "**Pure Water project,**" operated by Monterey One Water, can be expanded to provide a feasible and environmentally preferable alternative to the Cal-Am Project and whether the alternative can provide sufficient water to this region for current and future uses while allowing Cal-Am to end its overdraft of the Carmel River."

The report continues, noting that the CPUC "determined that the baseline Pure Water project would reliably provide water for Cal-Am so that Cal-Am's initially proposed desalination facility could be downsized from 10,700 acre-feet per year . . . to about 7,165 acre-feet per year. The baseline Pure Water project is expected to provide about 3,500 acre-feet per year, and the currently proposed Pure Water Expansion would be an extended version of that same project and provide an additional 2,250 acre-feet per year."

The Staff Report concludes, after weighing the evidence in the record, "that the Pure Water Expansion is a feasible alternative to Cal-Am's Project, will allow Cal-Am to cease its illegal water withdrawals from the Carmel River and meet the region's water needs, and is the preferable, least environmentally damaging alternative. The Pure Water Expansion would also result in fewer environmental and economic burdens to the communities of concern within Cal-Am's service area, would avoid environmental burdens to the City of Marina, and appears to have fewer significant hurdles to clear before it could be implemented."

After reading the conclusions summarized in the Staff Report, I agree with Staff's recommendations, and in particular their conclusions on page 6 of the report stating that "staff's analysis determined that either project would provide enough water for the area's expected demands and growth over the next twenty to thirty years, although Cal-Am's Project would provide far more water than needed, and at a much higher cost - about two to three times the cost of water from the Pure Water Expansion" and on page 9 of the report that the Pure water Expansion project "would benefit the communities of concern by not causing adverse environmental impacts to the City of Marina and by reducing the cost burdens to Seaside and other underserved Cal-Am ratepayers[.]"

Accordingly, I concur with Staff's recommendation to deny the proposed project.

Thank you for your careful consideration of this controversial project.

Sincerely,

Christopher M. Long, Esq.that any unauthorized review, use, disclosure, distribution, or copying of any information contained in this email or its attachments is strictly prohibited.

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Velez, Damian S STU (MIL) <damian.velez@dliflc.edu>

Fri 9/11/2020 6:36 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

My name is Damian Velez. My wife and I are new permanent residents of Marina. I cannot speak at the meeting on September 17, so accept this email as my voice. News of the desalination project, and the threats that it poses became an immediate concern and priority of ours. As recommended by the Coastal Commission's Staff report, I urge you to vote against this project.
Please deny this wasteful unnecessary project, and instead support the expansion of the Pure Water Monterey project.
Thank you.

Very respectfully,
Damian Velez

Cal Am's Desalination

Suzie Gabri <suzie_gabri@yahoo.com>

Fri 9/11/2020 6:29 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear Commissioners,
Thanks to you Cemex is getting out of the picture, but now Cal Am wants to take their place.
Please deny Cal Am's desalination plan for these reasons.
1- It needs to use tremendous amount of energy.
2- It is an experimental project at the ratepayers expense. (Slanted Wells are not done anywhere else in the world.)
3- they have no rights to that source of water.
4- It is Marina's source of water, but they won't get a drop of that and they have to deal with the salt water intrusion.
5-It is extremely expensive and we don't need it.
Expanding the Pure Water Monterey is the answer.
Thank you so much for all you have done so far.
Gratefully yours,
Suzie Gabri from Pacific Grove

Against Desal idea.....

KIP HOPKINS <kiphopkins@comcast.net>

Fri 9/11/2020 6:27 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>; Materials <materials@coastal.ca.gov>

Hello. I'm going to take a couple of ideas from a page I trust. I don't trust my poorly educated wording.

....."".....sensitive habitat areas and the need to consider whether a feasible and less environmentally damaging alternative to the Project exists".

"The Project also involves the most significant environmental justice concerns the Commission has considered since it adopted an Environmental Justice Policy in 2019".

.....these legal words give me a headache, but, 'my' words would be misleading. I'm voting "no" on the Desal Project.

Kip

Appeal No.A-3-MRA-19-0034;Deny CalAm Desal Permit

rsantella@redshift.com <rsantella@redshift.com>

Fri 9/11/2020 6:14 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear Commissioners,

The Portuguese Ledge is a State Marine Conservation Area (SMCA) which lies just four miles offshore of CalAms proposed desal project. It covers almost 11 sq.miles of offshore habitat.

If allowed this project will dispose brine waste almost 1 mile away from this (SMCA) protected area.

We have a Sanctuary to protect and our beautiful dunes.

Please deny this project.

Ray Santella

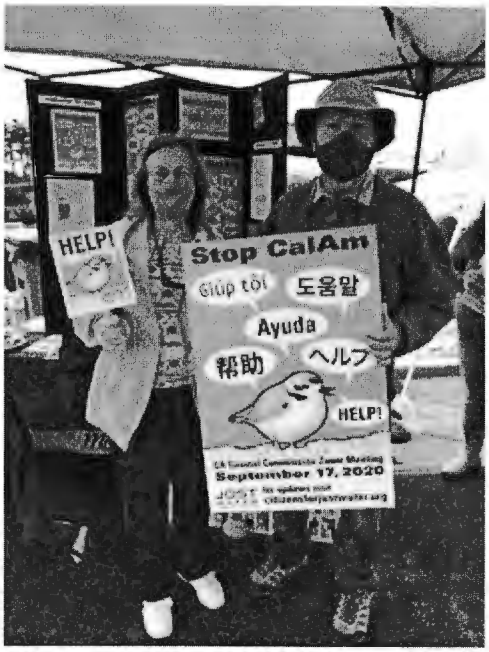
Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

David Bockian <dbockian@gmail.com>

Fri 9/11/2020 6:14 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:



My name is David Bockian; My wife Jeri and I are residents of Marina, celebrating two years of home ownership here. I'm a retired marketing manager and Jeri is a project manager for a Bay Area county government. For over 40 years we've lived, worked, and raised our family in the greater Bay Area and we love the beautiful physical environment.

We are opposed to the CalAm desalination project for several reasons:

1. It is unnecessary: the Pure Water Monterey recycling project has been shown to meet the Monterey Peninsula's water needs for the next several decades
2. There is a clear risk to Marina's aquifer - our sole source of fresh water - and no "Plan B" if the project causes salt water infiltration into the aquifer
3. The economics of this project are ridiculously bad

Please deny this harmful project. Thank you.

Sincerely,

David and Jeri Bockian

dbockian@gmail.com

DEMOCRATIC WOMEN OF MONTEREY COUNTY

Voices for Equity and Choice

September 10, 2020

California Coastal Commission
455 Market Street
San Francisco, CA 94105

Dear Chair Padilla and Commissioners:

As Democrats, we support sustainably planned communities. Our Party Platform promotes environmental justice. Monterey Peninsula residents need water that is more affordable – not more expensive. New affordable housing projects need water that is more affordable – not more expensive. Small business owners need water that is more affordable – not more expensive. The Monterey Peninsula needs water it can afford.

On September 17, you will decide whether to grant Cal Am a permit for a desalination plant in Marina – the only community on the Monterey Peninsula that will not get anything from this project and whose environment, as your staff has determined, would be damaged by it. Yet again, a diverse, working-class community is asked to bear the brunt of industrial development and environmental degradation. And in return, *Marina will not receive a single drop of desalinated water.*

Discriminatory land use policies have burdened marginalized communities along the California Coast for generations. We cannot let this happen to the City of Marina. There is an immediate solution to the Monterey Peninsula's water needs – an expansion of Pure Water Monterey.

Future water supply projects on the Monterey Peninsula must be designed with equity and justice for all!

Sincerely,

Kate Daniels Kurz

Kate Daniels Kurz, *President*

Comment for Agenda Item (Ca Water et al Monterey Co.) PLEASE READ

JoAnn Cannon <jcannon@csumb.edu>
Fri 9/11/2020 6:06 PM
To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear Commissioners of Ca.'s Beautiful Coasts

My Name is GroundWater,
You know me. I am a resident of
your world. So valuable and fragile that humans
fight over me. Yet they seek ways to pollute
me, drain me, divide me off, block, steal, stop, siphon,
pull me out, or dry me up.

Who remembers..... I Am Life?
Who stands up to protect me?
Who will disallow things that harm me?
Slant wells where they don't belong... harm me.
I'm tired.

DENY Cal Am's Desal Project

Alice Ann Glenn <aa1glenn9@aol.com>

Fri 9/11/2020 6:06 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear Commissioners

I am a Cal Am rate payer and the Cal Am Desal Project is NOT in the public interest.

Pure Water Monterey Expansion is the feasible and environmentally preferable alternative.
With our new water supply from Pure Water Monterey--Phase 1 we restore the Carmel River and stop the illegal withdrawals by December 2021. We do NOT need Cal Am's Desal to resolve the Carmel River issues.

I also object to the Cal Am Desal on the grounds that it would double our water bills which is a burden that will price more people out of living within Cal Am's boundaries.

Expansion of Pure Water Monterey provides a long-term sustainable water source that is capable of protecting both the Carmel River and the Seaside basin. Pure Water Monterey expansion is also capable of supporting affordable housing and economic recovery.

There is no water supply crisis with Pure Water Monterey up and running so there is NO need for Cal Am's Desal.

I find it very difficult to trust anything Cal Am says as they have been the only obstacle to the Expansion of Pure Water Monterey that will give us adequate water, including development, for years.

Please DENY Cal Am's Desal Project.

Sincerely,
Rev. Alice Ann Glenn
Monterey, CA

DENY Cal Am's Desal Project!

Ellie Kincade <elliekin@me.com>

Fri 9/11/2020 6:03 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

I strongly oppose the desal plant. There are more sustainable solutions in the better interests of citizens, land and water. PLEASE DENY Cal Am's Desal Project.

Thank you for your careful consideration of this critical issue.

Ellie Kincade

Items Th3a and Th4a -SUPPORT the Staff Report. DENY the Cal Am Desal Project

Deb Miller <debinpg@comcast.net>

Fri 9/11/2020 6:00 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

To Whom it may concern:

My name is Deborah Miller, and I moved to the Monterey Peninsula 22 years ago and have become aware of the water scarcity and the controversy around possible solutions.

We do not need the Cal Am Desal Project and it is a highly flawed project. The Pure Water Project Expansion will meet our needs and is a wiser, sustainable, environmentally-sound, more cost-effective option.

I appreciate your consideration.

Thank you.

Deny Cal Am's Desal

Kristin Dotterrer <kristinmey@gmail.com>

Fri 9/11/2020 5:45 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commission:

I strongly urge you to deny the unnecessary and expensive Cal Am desal project as it is not in the public's best interest. Pure Water Monterey's Expansion is more feasible, more environmentally-friendly, and will give us water sooner. Our water bills have already increased at an unaffordable rate, adding to the housing affordability emergency in our area. It is unjust that Cal Am desal intends to pull water from Marina and harm its coastal dunes habitat. This massively expensive desal project is a terrible attempt to hinder public-ownership, adding to Cal Am's already misleading political record, and again, not in the interest of our community. The people of the Monterey area are absolutely done with Cal Am. Their last-ditch effort to squeeze out as much profit before an imminent public takeover is as clear as day.

Sincerely,

Kristin Dotterrer
Monterey, California resident

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Eric Sand <eric.sand@icloud.com>

Fri 9/11/2020 5:39 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>
Cc: Eric Sand <eric.sand@icloud.com>

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Eric H. Sand
Eric.Sand@ICloud.com
831.372.7788 (Cell)

September 11, 2020

VIA EMAIL

California Coastal Commission
Energy and Ocean Resources Unit
455 Market Street, Suite 228
San Francisco, CA 94105

Re: Monterey Peninsula Water Supply Project, CDP Application No. 9-19-0918 and Appeal No. A-3-MRA-19-0034 –Source Water for Pure Water Monterey Expansion and Concerns About the Latham & Watkins Outfall Lining Proposal

Dear Commissioners and Staff,
I was an employee of the engineering consulting firm Montgomery-Watson for over 10 years prior to being hired by Monterey One Water (M1W). I retired from M1W in May 2020 as their Principal Engineer after working for them for over 30 years. I was involved in the Pure Water Monterey (PWM) project since it began and was involved in the previous Groundwater Replenishment Project from 2006. Most recently, I was the project manager for the planning, environmental review, and permitting of the approved PWM Project, and managed the design and construction of the Advanced Water Purification Facility (AWPF). I was also the project manager for the Monterey Peninsula Water Supply Project components involving M1W facilities, including the project's NPDES permitting process, brine mixing facility, outfall protection components, and return flow agreements. I was a coauthor of Appendix M (found at purewatermonterey.org/wp/wp-content/uploads/Final-SEIR-Proposed-Modifications-PWM-GWR-Project-April-2020.pdf), Source Water Operational Plan Technical Memorandum, for the Pure Water Monterey Expansion (PWME) Supplemental Environmental Impact Report (SEIR) along with Alison Imamura who remains an M1W employee. The Technical Memorandum was prepared in consultation with Denise Duffy & Associates, Schaaf & Wheeler, Perkins Coie, Monterey Peninsula Water Management District (MPWMD), who funded the majority of the SEIR, and Monterey County Water Resources Agency (MCWRA).

I wish to address two issues: 1) the analyses in Appendix I and M demonstrates that the PWME has sufficient source water to meet the 2,250 acre-feet per year yields requested by MPWMD), and 2) the liquid applied liner that CalAm proposed to protect M1W's Land Outfall is not viable based on information provided in the submittal to the Coastal Commission.

Pure Water Monterey Expansion Source Water
M1W met with MCWRA and discussed water rights and water availability for months during the SEIR preparation process for PWME. At one-point MCWRA said that they disagreed with the numbers but did not provide M1W with details. MCWRA indicated that they felt that M1W incorrectly interpreted the Amended and Restated Water Recycling Agreement (ARWRA). Perkins Coie, an outside land use, environmental and water rights law firm, reviewed M1W's source water rights as part of the SEIR. Those finding were presented to MCWRA prior to publishing them in the Draft SEIR in November 2019. MCWRA, in response, requested that M1W pay one-half the cost for an independent legal review of the water rights. M1W agreed. MCWRA has not pursued.

Appendix I of the SEIR (found at purewatermonterey.org/wp/wp-content/uploads/Appendices-to-M1W-Draft-Supplemental-EIR-11-7-2019.pdf) shows the source water availability. Appendix I was based on average flows for the years 2009 through 2013. Drought flows were based on 2013. These flows were from the same time period as the EIR for the original project. Appendix I showed there was sufficient source water for the PWME. Expansion would reduce additional water available for the Castroville Seawater Intrusion Project (CSIP) by 700-800 AFY but still provide thousands of acre-feet more for CSIP than before the Pure Water Monterey Project. Appendix M was written after reading the Draft SEIR comments and seeing the extent of misinformation about source waters. Since the SEIR was written as a supplement to the original project it was unclear to some where the water would come from for expansion versus the base project. The base project provided additional water for CSIP as well as for groundwater replenishment. Appendix M was intended to show how existing water rights could be used between the base Pure Water Monterey Project, Marina Coast Water District's (MCWD's) Regional Urban Water Augmentation Project (RUWAP), and the PWME. Appendix M used 2018 as a typical normal year reflecting reduced wastewater flow (and presumably drinking water demand) related to increased conservation. 2015 was chosen as a severe drought year. The purpose of using single years was to show how available water could be used in specific cases, namely a typical wet or normal year and a drought year. The drought year scenario could be repeated for multiple years without adversely affecting the project yield. The source water sources in order of priority are shown below:

1. Secondary Effluent to the Ocean Outfall. This is water that would otherwise be sent to the ocean.
2. Reclamation Ditch. The ARWRA allows M1W to use this water. At the time I helped write Appendix M, I believed this water was available for both the base project and expansion; however, I only used it for the base project due to comments from MCWRA.
3. Blanco Drain. Similar to the Reclamation Ditch, the ARWRA allows M1W to use this water. At the time I helped write Appendix M, I believed this water was available for both the base project and expansion; I only used it for the base project because of the feelings of MCWRA.
4. Agricultural Wash Water. This new source water is currently available for M1W to use for recycling by either the PWM AWPF or the Salinas Valley Reclamation Project (SVRP) according to the 2015 agreement between the City and M1W and the SWRCB Wastewater Change Petition (Order No. WW0089). The ARWRA states that M1W would be able to use the water for either purpose also, but if certain conditions in Section 16.15 are not satisfied it may be reserved for MCWRA. For Appendix M, it was assumed to be available only to meet approved PWM Project yield requirements and for recycling using SVRP for CSIP use.
5. Recycle Sump #1. This water contains sewage from the MRWMD facilities and from the west side of the Regional Treatment Plant (RTP). The ARWRA allocates one-half of this water to MCWRA and one-half to M1W because it originates from outside M1W's 2001 service area boundaries.
6. Recycle Sump #2. This water is from the east side of the RTP. The ARWRA allocates one-half of this water to MCWRA and one-half to M1W again because it originates from outside M1W's 2001 boundaries.
7. Approved Pure Water Monterey Project Advanced Water Purification Facilities Backwashes, including those from producing water for MCWD. This includes the ozone and the pre-membrane filtration screening wastes plus the membrane filtration backwashes. The ARWRA allocates one-half of this water from outside M1W's 2001 boundaries to MCWRA and one-half to M1W.
8. PWME Backwashes. This is the same as the previous water type except it is only for the proposed expansion and M1W's portion could only be used for the expansion.

9. Salinas Valley Reclamation Project Backwash. The ARWRA allocates one-half of this water from outside M1W's 2001 boundaries to MCWRA and one-half to M1W. Appendix M assumes increased use of recycled water by CSIP and an associated increase in backwash flows throughout the year.
10. Boronda. This sewage is captured and sent to the RTP by the City of Salinas. However, the sewage comes from outside M1W's 2001 boundaries and so, per the ARWRA, one-half of this water is allocated to MCWRA and one-half to M1W.
11. Farmworker Housing. Sewage from this new project is captured and sent to the RTP by the City of Salinas. However, the sewage comes from outside M1W's 2001 Boundaries and so, per the ARWRA, one-half of this water is allocated to MCWRA and one-half to M1W.
12. M1W's ARWRA Summer Water. Section IV 4.01 1 (d) of the ARWRA allocates 650 AFY to M1W during the months of May through August.
13. Salinas River Diversion Facility (SRDF) Screening. Screening from the SRDF returns to the RTP Headworks where it combines with other sewage and is treated through the RTP. Per the ARWRA, one-half of this water is allocated to MCWRA and one-half to M1W as it comes from outside M1W's 2001 boundaries. M1W has rights to one-half this water. This water was available in 2018, however, since this water is not available each year it was not used in the Appendix M calculations. If the ARWRA was not in effect, M1W would have rights to use this water if it is discharged into M1W's infrastructure.
14. Salinas Industrial Water Treatment Facility Pond System. Since this water is from outside M1W's 2001 boundaries, one-half may be considered to be allocated to M1W per the ARWRA, or use of this water would require execution of a separate agreement between parties for that water to be considered a New Source Water per ARWRA section 16.15(6). The facilities to send this water to the RTP are a joint project between M1W and the City of Salinas and are currently under construction. However, to be conservative, it was assumed to not be available in the Appendix M calculations.

MCWRA has been working to meet the six conditions in Section 16.15 of the ARWRA since November 2015. Should they meet those conditions, then Appendix M shows that M1W has sufficient water for wet, normal or drought conditions. Should MCWRA not meet those six conditions in Section 16.15 of the ARWRA, then Section 16.16 would apply and according to Appendix M, M1W would need to utilize part of the operation reserve (described in the Water Purchase Agreement) during drought years.

The conclusion from Appendix M is that M1W has more than enough source water for the PWM base project, for MCWD's RUWAP project, and for the PWME in all foreseeable situations.

The Liquid Applied Liner Proposed to Protect M1W's Land Outfall is Not Viable as Proposed

Latham & Watkins' August 17, 2020 email to Mr. Tom Luster suggests a liquid applied lining alternative to the Outfall Protection Project that is under design by Brown & Caldwell Consulting Engineers. California American Water has paid for and been involved in that design work for years. Several projects I worked on for M1W provided me with experience related to this proposal. The Cannery Row Sewer Maintenance Projects in which I needed to apply to the California Coastal Commission to allow for an over ground temporary pipeline from M1W's Reeside Pump Station to a sewer manhole in the beach. I managed two M1W Ocean Outfall repair projects using divers to install the WEKO seals whose replacement is part of the project you are reviewing. Those projects taught me about the difficulty of pulling hose and working just 2,000 feet from an entry point in 60-inch diameter reinforced concrete pipe (same size and manufacturer as the pipe in question). In those projects we used a 24-inch diameter pipe to discharge secondary effluent onto the beach from the Junction Structure. I was also project

manager for M1W's Ocean Outfall Inspection and Maintenance contracts. I learned of the difficulty of drilling into 60-inch reinforced concrete pipe (same size and manufacturer as the Land Outfall). I also was project manager on several liquid applied lining projects and for many of them, I was also the inspector. These taught me the importance of rigorous confined space safety requirements, of a dry and warm concrete surface to avoid blistering, and how hot the employees doing the spraying can become.

A few of the problems I see with the Latham & Watkins' proposal include:

1. The four-inch diameter bypass pipe is far too small, and even if four-inch diameter pipe could be large enough, it would not work within the outfall pipeline. A bypass pipe of 18 to 24 inches would be more appropriate depending on the size of the pumps and the pressure rating of the pipe. This bypass pipe would need to be buried under Del Monte Blvd. and Lapis Road and discharge into the Beach Junction Structure which would need to be open during the lining process (requiring excavation).
2. The Beach Junction Structure would also be needed to remain open as an alternate rescue point for the confined space entries and to provide air flow and potentially for material supply.
3. No mention is made of the proposed lining material. The only mention is repair using epoxy grout. My experience is that epoxy grout is not an appropriate material for this application. A liner material should be flexible to provide a similar longevity to a PVC liner.
4. A fan system would be needed to push air between the Beach Junction Structure and the Access Point to dry the pipeline, remove heat, and to provide a safer working environment.
5. More hoses are needed than the five (resin, resin hardener, hot water supply, hot water return, and airline) listed. A spare backup air hose for worker (plus two additional air lines each for additional workers and for an inspector), a separate life line for each person in the pipe, a communication line for each person in the pipe, pressurized water for the water blasting, and vacuum hose for removing water and debris. It is very unclear how the "electric carts" could maneuver through this maze of hoses nor through the bends in the outfall.
6. No mention is made of how to restore the access point and protect the pipe after the liner is spray applied.
7. The proposal does not seem to consider employee safety and that this is an extreme confined space situation.

My experience with EIRs is that at least a 10% design is required to adequately determine the environmental impacts of a proposed project. This proposed alternative for lining the final portion of M1W's Land Outfall is far short of a 10% design.

I would be happy to discuss any of these issues with you and provide additional information. I can be reached at 831-277-9044. Thank you for your consideration.

Sincerely,

Robert B Holden

Robert B. Holden, P.E., L.S., M.ASCE

cc Mr. Tom Luster, California Coastal Commission
Mr. John Ainsworth, California Coastal Commission
Ms. Alison Dettmer, California Coastal Commission

Stop CalAm

nancy nishimura <nancynishimura7@gmail.com>

Fri 9/11/2020 5:30 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Ladies and Gentlemen,

The CalAm Desal Project is environmentally damaging and is not right to go forward with. I want this project to be rejected.

My husband and I moved to Marina in large part because we believed that Monterey County was especially concerned about taking care of environmental issues.

This CalAm Desal Project is going in the wrong direction. We need you to protect our water source and beach. Marina is as important a community as any other community in this area.

Thank you,

Nancy Nishimura

NO CAL-AM DESAL

Steve Bean <knottman@gmail.com>

Fri 9/11/2020 5:27 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

I urge the Commission to DENY Cal-Am's desalination project. So many reasons.
City of Marina would have its aquifer imperiled, and would not receive ANY of the water!! This would be cruelly unjust! Hugely expensive product in perpetuity; adequate alternative exists; et cetera, et cetera.
Steve Bean

Please deny a coastal development permit to California American Water

Michael Morris <mmorris740@gmail.com>

Fri 9/11/2020 5:25 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear Commissioners:
I urge you to stand by your staff's recommendation against the permit. Staff's report released August 25, 2020 reaffirms the position taken by the staff last year, arguing that the desal plant should be abandoned due to environmental concerns, especially considering that the less impactful expansion of Pure Water Monterey exists.

In the current era of heightened awareness about racial justice, a section of the report is particularly apropos to the Monterey Peninsula: "The community of Marina is already disproportionately burdened by many other industrial uses and would receive none of the project benefits. There is a long history of government institutions allowing unwanted industrial development to be concentrated in underserved communities of color without their consent."

CalAm will try to convince you that "a future without desal is, in essence, kicking the can down the road and increasing costs for customers in the long run" (Catherine Stedman, CalAm spokesperson).

The truth is that the Pure Water expansion will allow CalAm to cease its illegal water withdrawals from the Carmel River by December 2021.

Those of us CalAm ratepayers who live here do not need CalAm's oversized, over-priced, intrusive desal plant to solve our future water supply needs. We need to expand what is already built here and working just fine.

Thank you for supporting Staff's report.

Michael Morris and Gay (Hughes) Morris
Sand City, CA

DENY CAL AM'S DESAL PROJECT

Daniel Dotterrer <danieldotterrer@gmail.com>

Fri 9/11/2020 5:22 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear Coastal Commission:

No Cal Am desal! I'll be succinct. The voter-approved feasibility study results are in. Big surprise! Publicly-owned and operated water is better and cheaper for our community than for-profit water. Who da thunk? So we the people WILL take over control of our water system. I don't know if desal is feasible for our community but I know absolutely we are not paying Cal Am's for-profit sticker price for such a facility.

Daniel Dotterrer
Monterey, CA

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Colleen Ingram <colleen.ingram@gmail.com>

Fri 9/11/2020 4:58 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Greetings:

Please deny Cal Am's desal project. There are many environmental concerns regarding this project, and there are much better alternatives. This project has been fought for many years for good reason.

Thank You,
Colleen Ingram

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Ida Nishimura <fishimura@gmail.com>

Fri 9/11/2020 4:57 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>; Materials <materials@coastal.ca.gov>

To the California Coastal Commission:

I am writing to support denying Cal-Am's Desal Project.
The cost difference alone is staggering and surely would be passed onto the consumers. I am also concerned about the environmental impact issues with this desal project. Common sense tells me that with the less costly option and less impactful environmental Pure Water alternative, this desal project is not needed and should be denied.

A concerned citizen,
Ida Nishimura

Sept 17 meeting

ecklesmpg@aol.com <ecklesmpg@aol.com>

Fri 9/11/2020 4:51 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear Ladies and Gentlemen of the Ca Coastal Comm. and for Greta

There should be no doubt that human driven climate change is upon us with record wild fires. Ecologic chickens have come home to roost. Desalination is an highly expensive to maintain, energy consuming process, with a toxic by-product-an obsolete idea. To best use our most precious public resource wisely the emphasis must be for increased storage, percolation methods and dispersed gray water facilities.

A scientist upon the Greenland ice sheet was "astonished" by the rate of melt. Sea levels will continue to rise. The very site of the proposed wells may in the not too distant future be washed away in a Pacific storm upon a king tide. It is along the most prone area of the California coast to erosion. A facility there will go the way of Stillwell Hall.

For what may be the future, look to the climate related human chaos in the middle east. Populations are being driven off the arid lands. Xenophobic England has withdrawn from the EU. "International" trade is nothing more than exploiting slave labor by the oligarchs and their corporations. Nearly every modern human activity is not sustainable. We must regain a harmonious aboriginal relation with our habitat. " Eighteen container cargo ships produce as much pollution as the entire world fleet of automobiles." Forthcoming, "A Guide to Save Civilization."

I would hope you find against the greed driven and ignorant proponents and with your staff.

Very truly yours,,
Mark Magruder Eckles, Pacific Grove Ca 93950

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Jack Holmgren <jack.holmgren1@gmail.com>

Fri 9/11/2020 4:49 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

To whom it may concern:

Do not approve CalAm's costly and environmentally damaging De-Salinization (De-Sal) plant in Monterey County.

Vote the De-Sal proposal down!

Thank you,

Jack Holmgren
3398 Taylor Road
Carmel, CA 93923

Excuse typos, sent from my mobile.

SUPPORT the Staff Report. DENY the Cal Am Desal Project - Items Th3a and Th4a

Karen Elizabeth Araujo <karaujo93901@gmail.com>

Fri 9/11/2020 4:43 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>; Materials <materials@coastal.ca.gov>

To the California Coastal Commission:
The People do not need nor want the Cal Am Desal Project; it is a highly flawed project and fails to pass any test for special consideration. The Pure Water Monterey Project Expansion will meet the community's needs for many decades to come and is a wiser, fully legal, sustainable, environmentally-sound, economically-just, more cost-effective option. Please support the staff's report and deny the Cal Am Desal Project. Thank you for your consideration.

Respectfully,

Karen Araujo* - Salinas, Monterey County, *CA

Pronouns: she/her

Em: karaujo93901@gmail.com

Please check out and consider supporting...
Commission on the Status of Women - Treasurer - www.co.monterey.ca.us/csw
Unitarian Universalist Social Justice - Faith in Action - www.uucmp.org
The People's Oral History Project - "Voices of Change" Contributor/Co-Author - www.facebook.com/groups/OralHistory
MoCo Democratic Central Committee - Vice Chair AD 30, Chair-Elect, Credentials Subcommittee Chair - www.MontereyCountyDemocrats.org
MoCo Housing Advisory Committee - Dist. 4 Rep - link to HAC MoCo government page

Deny Cal-Am's Desal Project - Items Th3a/Th4a

pjlevin <pjlmph65@gmail.com>

Fri 9/11/2020 4:39 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>; Materials <materials@coastal.ca.gov>

Please deny Cal-Ams permit request for a proposed desalination plant.

Peter J. Levin
Carmel

Please say NO to the giant, expensive desal

stefani@pronunciationinaction.com <stefani@pronunciationinaction.com>

Fri 9/11/2020 4:31 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Locals don't want it, for many good reasons!
Stefani Mistretta 93955

Appeal No. A-3-MRA-19-0034; Deny CalAmDesalination Project Permit

Rosemarie Lovell <lovellfamily5@gmail.com>

Fri 9/11/2020 3:55 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

My name is Rosemarie Lovell and my husband and I, along with our daughter, son-in-law and grandson live in Marina. Our daughter is a professor at CSUMB and our son-in-law works on web development. We are retired and take care of our grandson because of Covid 19. We have lived here for 2 years and our daughter and family have lived here for 5 years. We feel strongly that there is a better solution to CalAm's Desal proposal - the Pure Water Monterey Expansion makes so much more sense.

Please deny the Cal Am Slant Well project - this will help us be good ancestors to our grandson.

Thank you,
Rosemarie Lovell,
lovellfamily5@gmail.com

Pure Water Monterey Expansion v. Cal-Am Desalination: A Short Presentation

Michael DeLapa <execdir@landwatch.org>

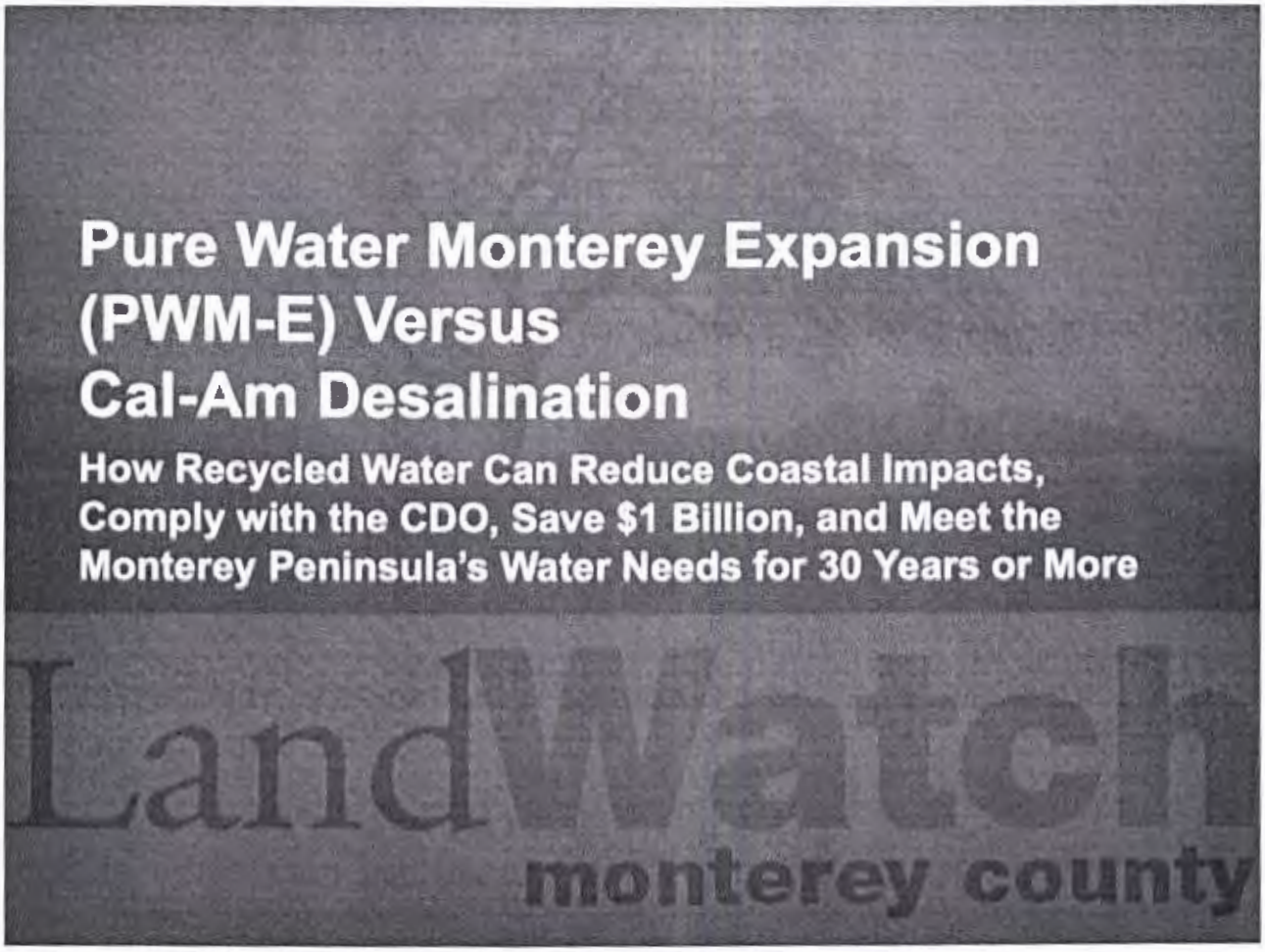
Fri 9/11/2020 4:13 PM

To: Energy@Coastal <EORFC@coastal.ca.gov>; CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>; Materials <materials@coastal.ca.gov>

Coastal Commissioners:

Here's the title slide of a short presentation that draws on the Commission's staff report and provides important context for your consideration of Cal-Am's desalination project.

For the full presentation, please click here. If you have any questions or comments, feel free to contact me directly.



See also:

- LandWatch's September 2020 letter
- LandWatch's other letters

Be well, take care,

Michael

P.S. Please subscribe to the LandWatch newsletter, "like" us on Facebook and follow us on Twitter. Thank you!

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/

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Karen McPherson <karenmcpherson321@gmail.com>

Fri 9/11/2020 3:42 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>; Materials <materials@coastal.ca.gov>

Dear Coastal Commission Members,

I have lived on the Monterey Peninsula all my life. I have heard all the promises that Cal-Am has made to the public about giving us a new water source. From what I can tell all they have done is make money for their shareholders. We are no closer to a sustainable water source for the future. My monthly water bill has continued to rise and I use less water. I am now retired and can't afford to pay surcharges that will be never ending.

Please don't approve this plan. It's not cost effective and will be dangerous to our environment. We have no idea what will happen to the ocean and the coast. It's our job to protect the planet that we live on. Cal-Am doesn't care about the environment and or its customers. It's a business that wants find ways to make more money.

Sincerely,

Karen McPherson
PO BOX 981
Seaside, CA 93955

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Magnolia Morris <magnolia.juliet@gmail.com>

Fri 9/11/2020 3:34 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

My name is Magnolia Morris and I am a resident of Marina opposed to this project. I first moved to Marina to pursue a Masters degree in Marine and Watershed Science, and have found work here and made it my home.

This project is harmful not only to the environment, but also to this community. Stealjgg resources from Marina for wealthier Monterey communities is unethical and unacceptable.

Please deny the CalAm Slant Well project!

Sincerely,
Magnolia Morris

CalAm Desal Permit

Jean <jeanmckim2@gmail.com>

Fri 9/11/2020 3:24 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

With all my heart, mind, and soul, I respectfully ask you to enter your loving inner presence and, in clear conscience, to deny the permit for the desal permit requested by California American Water. For this I am grateful. With thanks for your public service and in prayerful trust, Jeanie Kim, A CalAm customer.

Sent from my iPhone

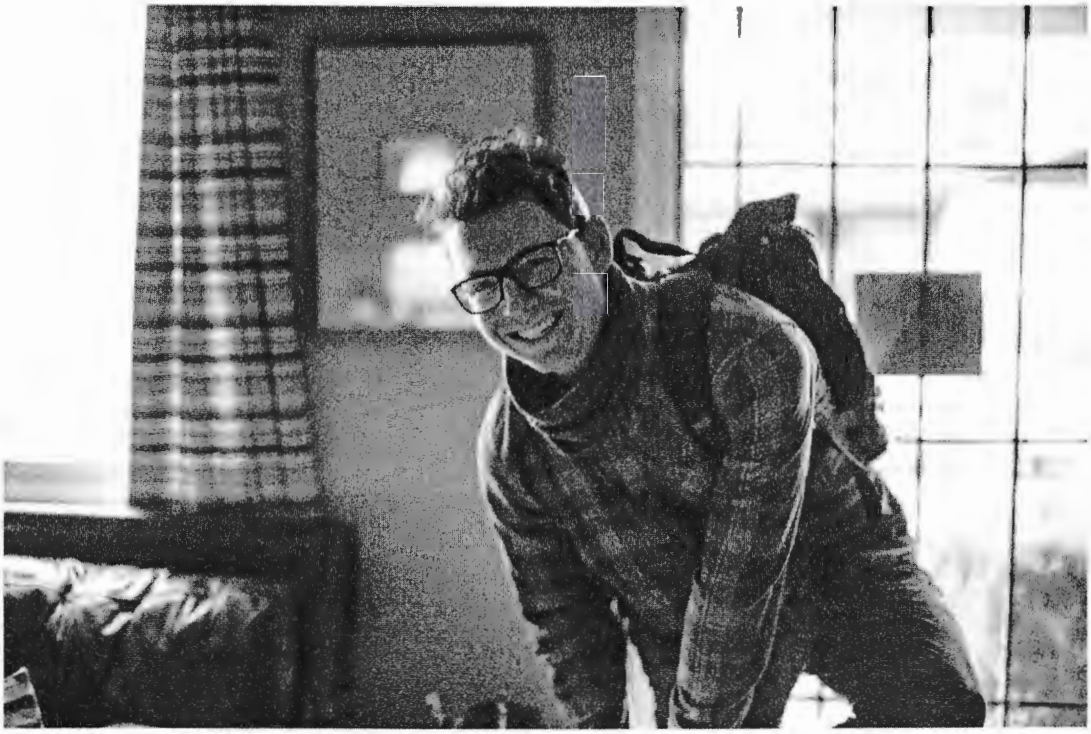
Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

Christopher Hart <chart@csumb.edu>

Fri 9/11/2020 3:03 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:



My name is Christopher Hart; I live in Marina CA on 457 Gloria Circle. I have lived in the Monterey area for the last 8 years; first as a student and now as a plant biologist getting to conserve our open spaces. I recently moved to Marina this last year due its open spaces and undeveloped coastline. The commitment of Marina to protecting its coastline and groundwater supply is why I moved away from the city of Monterey which is much more developed. I have been following this project as both a cal-am subscriber in Monterey CA, and now a Marina Coast Water District subscriber. However, the one thing that has stood out to me is that the del sal plant is a classic case of environmental injustice, and will permanently harm Marina's coastline which is home to many endangered species such as the snowy plovers (I often visit the plover population on the beach, they're quite fun to watch and love to run around and chase each other on the coastline).

Please deny this harmful project! Thank you!

Christopher Hart
Cell: 760-508-6931

CAL-AM's Desal Project

hamann <hamann@beuth-hochschule.de>
Fri 9/11/2020 3:02 PM
To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

I AM OPPOSED TO THE CAL-AM-DESAL-PLANT !
CAL-AM's DESAL PROJECT IS NOT IN THE PUBLIC INTEREST.

PURE WATER MONTEREY EXPANSION (=PWE)
is a feasible and environmentally preferable alternative.
(1)
PWE will give us a new water supply much sooner.
(2)
PWE's new water supply will allow us to restore
the Carmel River and stop illegal withdrawals
by December 2021.
(3)
PWE's Expansion of Pure Water Monterey provides a
long-term sustainable water source that protects
the Carmel River and the Seaside basin.
(4)
Orange County has used this same system for
decades so it has been proven effective.
(5)
CAL-AM IS THE ONLY OBSTACLE
to the expansion of Pure Water Monterey.
(6)
CAL-AM CANNOT BE TRUSTED.
Passing Measure J was the community's statement
(7)
DESAL WILL DOUBLE OUR WATER BILLS
(8)
DESAL HARMS THE COASTEL HABITAT
and Marina's beautiful dunes
(9)
DESAL HAS NO LEGAL SOURCE WATER,
it would draw groundwater from an
overdrafted groundwater basin.
PWM's Expansion source water is primarily
the 8,000 acre-feet of excess wastewater
that is now discharged into the Bay.
It is contractually secure and drought proof.
(10)
CAL-AM has had 25 years to solve our
water supply problem and has failed to do so.

PLEASE DO NOT ALLOW the CAL-AM-PROJECT to proceed.

Chris Hamann
889 Laurel Ave
Pacific Grove, CA 93950

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Andrew Passell <ersb64@yahoo.com>

Fri 9/11/2020 2:53 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Please follow the recommendations of your staff and deny the permit for Cal-Am desal plant. Listen to the experts, not the money. The project is ill-conceived, ridiculously expensive, and destructive to the existing overtaxed groundwater around Marina.

Andrew Passell
Pacific Grove, CA

DENY Cal Am's Desal Project

Gary Kreeger <kreegerg@gmail.com>

Fri 9/11/2020 2:38 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Commissioners,

My appeal to you is quite simple - it's time to do what's right and deny CalAm's petition for the desalination plant. It has unclear but potentially quite harmful environmental impacts. Impacts that CalAm shareholders who do not live on our beautiful Peninsula will never be affected by. It is a slap in the face to anyone concerned about social justice as the already most expensive water in the country will be significantly more expensive. CalAm shareholders will not pay these exorbitant rates though.

What's the theme in the short letter? It's that the primary beneficiary of this bloated, environmentally fraught project is the shareholders of CalAm - not the people living and working on the Monterey Peninsula. CalAm has created a project whose primary purpose is to be as expensive as possible so that profits are maximized.

Fortunately, a much preferred alternative exists in Pure Water Monterey, our world class water recycling project. The environmental impacts are significantly less as are the costs. The only reason CalAm is not pursuing what is right is that they are pursuing profits over the environment and peoples' well being. Desalination may very well be needed one day. But not now and definitely not this ill-conceived project.

So, it's up to you to do what is right. Up to now CalAm has steamrolled every approval organization in the process with big money. That is another problem for another day. Today though, you can stop this injustice.

Thank you,

Gary Kreeger
Del Rey Oaks, CA

Appeal No. A-3-MRA-19-0034; DO NOT Approve Cal Am Desal Project Permit

Eric Sand <eric.sand@icloud.com>

Fri 9/11/2020 2:04 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>
Cc: Eric Sand <eric.sand@icloud.com>

DO NOT Approve Appeal No. A-3-MRA-19-0034.

Eric H. Sand
Eric.Sand@ICloud.com
831.372.7788 (Cell)

Cal-Am Project

Sam T.Minorini <bereebear@outlook.com>

Fri 9/11/2020 2:03 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

I am a concerned citizen of Monterey . Water on the Monterey Peninsula is too expensive . I do not see a desal plant making the water less expensive . I agree with the Democratic Women of Monterey County on this matter . Expand Pure Water Monterey instead of this costly desal plant that Cal Am wants . Also, this solution does not do irreparable damage to the city of Marina's environment .

Retired public works employee.

Sam Minorini.

I support the Coastal Commission's staff recommendation to deny California-American Water's Desalination Plant Coastal Development Permit

Tammy Jennings <4tlj1959@att.net>

Fri 9/11/2020 9:45 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear Commissioners,

I completely support your Staff's recommendation to deny California-American Water's Desalination Plant Coastal Development Permit. There are many reasons why denial is appropriate, for example, we can't have affordable housing without affordable water and Cal-Am's desalination plant would double our water bills and we're already paying the for the most expensive water in the country. But the most important reason to me is that there is an economically feasible and environmentally preferable alternative…Pure Water Monterey Expansion. Cal-Am is the only obstacle to the expansion of Pure Water Monterey. Please DENY Cal-Am's request.

Thank you.

Sincerely,

Tammy L. Jennings

Vote No on Desal

Tricia Roden <tricia@coastviews.com>

Fri 9/11/2020 6:57 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

California Coastal Commission Staff,

I applaud the staff recommendations to deny the De Novo permit and deny the coastal development permit, finding that Cal Am's desal plant project is inconsistent with relevant Coastal Act and LCP policies and that the Commission not approve the Project because the Pure Water Monterey Expansion is a feasible choice that will adequately provide water and protect the public welfare.

Please permanently deny Cal Am's oversized, overpriced desal plant project. Our community passed Measure J to get rid of Cal Am and have public water in 2018. Cal Am has had 25 years to solve our water supply problem and they have failed. We don't need a desal plant. It is not in the public interest. Cal Am's desal plant project would double our water bills, which are already the highest priced water in our state. Desal damages the environment by harming the coastal habitat. The proposed desal project would draw groundwater from an overdrafted groundwater basin NOT under the ocean using slant wells.

Pure Water Monterey Expansion is the feasible and environmentally preferable alternative. It will give us a new water supply much sooner than building a desal plant. Our current water supply from Pure Water Monterey ~ Phase 1 (3,500 acre-feet) ~ will allow us to stop illegal withdrawals from the Carmel River by December 2021 and will restore the Carmel River and protect the Steelhead.

The environmental issues facing the Carmel River have been resolved by Pure Water Monterey without the need for Cal Am's desal plant. The Expansion of Pure Water Monterey will provide a long-term sustainable water supply for decades of growth. It will support affordable housing and economic recovery and avoid environmental damage and environmental injustice to Marina. The governor has declared a housing shortage in

California and there will be no affordable housing without affordable water. Orange County has used this same system for decades.

Cal Am is the only obstacle to the expansion of Pure Water Monterey. Cal Am is blocking it because it will not be as profitable for them. Decisions must be made based on what is good for the community and its residents, not what is good for big corporations and profits to their stockholders. Not long ago my water bill was $67 and now it is well over $200. Let's stop the endless Cal Am increases and protect our environment and our local community. Thank you for your time and consideration of this important issue.

Sincerely,
Patricia Roden

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

George Powell <powell.george@gmail.com>

Fri 9/11/2020 6:29 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:



September 17, 2020

To: California Coastal Commissioners

45 Fremont Street

San Francisco, CA 94105

RE: **Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.**

Citizens for Just Water would like to submit a list of 52 small business owners from Marina who oppose the CalAm desalination project. Our local businesses aptly reflect the census demographics by our highly diverse owners of restaurants, stores, and services.

Please review the names/signatures and our photos of the various businesses that line our downtown and transition streets to downtown. You will see the great diversity that represents so many different ethnicities, many of whom are first generation Americans hailing from countries around the world including Mexico, Vietnam, India, Italy, Korea, Lebanon, China, Syria, Japan, the Philippines, and Fiji Islands. We truly exemplify the highly diverse, disadvantaged community that was so correctly identified in the Staff Report recommending denial of CalAm's Coastal Development Permit.

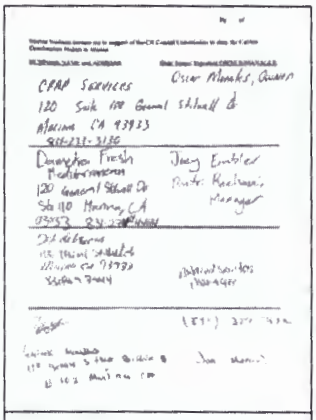
Cordially,

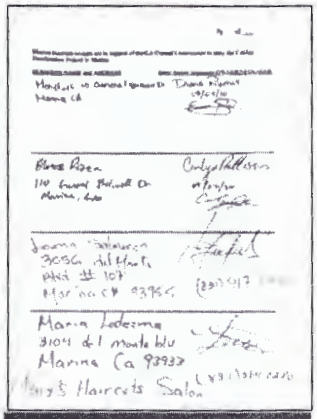
George Powell

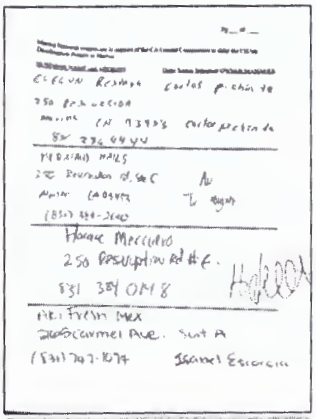
Small Business Owner in Marina, CA

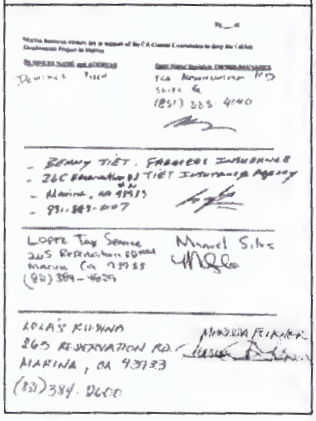
Member of Citizens for Just Water


Aki Fresh Mex
COMIDA FRESCA
106
Coffee Mia
TRACK IT!
Mary's Hair Salon
OVEN BAKED SANDWICHES
7 DAYS IN A WEEK
ORDER










SALAD BOWLS


Mermaid Nails



Please deny the CalAm Slant Well CDP!

The Small Business Owners of Marina, CA

--

Part 2 of email from George Powell Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

George Powell <powell.george@gmail.com>

Fri 9/11/2020 6:35 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

3 attachments (2 MB)

Marina Signed Business Letter 09.17.20.pdf; Elizabeth Plante Marina Business Letter to CCC 2020 - Monterey Bay Moves.pdf; GPowell Marina Business Letter to CCC Aug 2020..pdf;

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

These 3 attachments are part 2 of my previous email I just sent.

Cordially,

George Powell

Small Business Owner in Marina, CA

Member of Citizens for Just Water

November 8, 2019

California Coastal Commission

Dear Commissioners and Chair,

The undersigned small business owners of Marina urge you to deny the Coastal Development Permit for California American Water's proposed desalination project. Your staff report cited that CalAm's project would create substantial hardships for several communities of concern "**by its potential indirect impacts to other area water supplies, or due to to the presence of CalAm's well field on a site that otherwise would provide priority coastal resource benefits such as habitat restoration, public access to the shoreline, and recreational opportunities.**"

Further, Marina has one census tract designated as an SB 535 Disadvantaged Community, has a higher level of poverty, linguistic isolation, unemployment and housing burden compared to the rest of CA. The top 3 non-English languages spoken incl. Spanish, Vietnamese, and Korean. Marina also has a pollution burden higher than 71% of other census tracts in the state.

Our local businesses are a direct reflection of these demographics. Marina has a few large employers but we have primarily small ethnic "mom and pop" restaurants and businesses, often owned by and operating with extended families. Our businesses generate small profit margins but it keeps food on our tables for our families and guarantees a livelihood to our immigrants, many of whom do not speak English as their primary language. This project will create significant road work on our main Marina streets and will likely create issues for our customers to access our businesses and deter tourists from exploring our city and patronizing our businesses.

Further, the business owners of Marina and the Ord communities currently pay one of the lowest rates of water under the publicly elected Marina Coast Water District, its water supply now being threatened by the CalAm Desalination project's illegal take of groundwater from other than its own jurisdiction. The seawater intrusion and over draft from the Salinas Valley Groundwater Basin will place the future of potable water and MCWD water rates in major jeopardy and untenable for small businesses in a disadvantaged community that currently receive water from MCWD.

This project is not in the public interest. It benefits Cal Am shareholders, while creating environmental damage and unnecessary financial burden for our community. We ask you to deny this permit.

BUSINESS NAME	OWNER/MANAGER
① Asian market 3068 Del monte Blvd 105 Marina, CA. 93933	myong-ho Kim

Signatures of the Marina Small Business owners in Opposition to CalAm Desalination Project:

BUSINESS NAME	OWNER/MANAGER
(2) K.M.S Alteration's 287 Carmel Ave. Marina CA 93933	Young Sid
(3) Hong's Market 302 Carmel Ave Marina CA 93933	Myong Im Hong
(4) New Korea Restaurant 320-D Carmel Ave. Marina, CA. 93933	You J. Kam
(5) Sues florist 3106 Delmonte Marina CA 93933	Tug S Powell
(6) El Rancho market 346 Reservation Rd Marina Ca 93933	Israel Castro Israel Castro

Signatures of the Marina Small Business owners in Opposition to CalAm Desalination Project:

	BUSINESS NAME	OWNER/MANAGER
(7)	MARINA DONUTS & BAGELS 266 RESERVATION RD., STE. H MARINA, CA (831) 883-4527	Lucy Chau
(8)	Pho Lucky Noodle House 266 Reservation Rd. Ste R Marina CA 93933 (831) 883 8003	OWNERS Son Nguyen Canh Nguyen
(9)	Marina Square Shopping Center 265 Reservation Rd # C Marina, CA 93933	Woong B. Huh
(10)	Siam Marina Thai Cuisine 210 Reindollar Ave Marina, CA 93933	Kedsirin Inthip

Signatures of the Marina Small Business owners in Opposition to CalAm Desalination Project:

BUSINESS NAME	OWNER/MANAGER
(11) Elpalmar Mexican Restaurant 3102 Del Monte Blvd Marina 93933	Elsa Espinosa
(12) Michi Japanese Restaurant 3114 Delmonte Blvd Marina CA 93933	Kiyoko Michioka Kyoji Michioka
(13) American Floors 216 Reservation Rd. Marina, CA 93933	John F. Hill
(14) Marina Cycle + Skate 214 Reservation Rd. Marina. CA 93933	Steve Aday
India - Fashion - Trends. (15) 266-O - Reservation Rd. Marina. CA. 93933.	Kamlesh Rana. Rana
(16) Park Ave Style 266 Resevation Rd Marina Ca 93933	Farid M Ragab

Signatures of the Marina Small Business owners in Opposition to CalAm Desalination Project:

BUSINESS NAME	OWNER/MANAGER
(17) Steves Filipino Indian Market 3056 Del Monte Blvd Marina 93933	Sanjai Singh
(18) Tyler Tran - Poke House 266 Reservation Rd Ste-S Marina, CA 93933 831-384-7898	Tyler Tran
(19) New Tokyo Japanese Restaurant 3170 N Vista Del Camino #N Marina. CA 93933 831-384-4763	Mu Xia Mei
(20) Keoki's Hawaiian Barbeque 3170 Vista Del Camino Suite H Marina, Ca 93933	George Manabe

Signatures of the Marina Small Business owners in Opposition to CalAm Desalination Project:

(21) BUSINESS NAME

I'm thai cuisine
3170 vista del camino
Marina 93933 CA

OWNER/MANAGER

Kalyaleem Ratanapongsai
(Kalyakoon Ratanapongsai)
11/06/19.

---

(22)
Contours beauty salon
218 Reindollar Ave Ste 1-B
MARINA, CA 93933

Chong S Kim
Chy + Kim 11/7/19

---

(23)
Julian Beauty Salon
221 RESERVATION RD # J
MARINA CA 93933

EDDIE DANG
11/7/19

---

(24)
INTEGRITY PRINT & DESIGN
215-C RESERVATION RD
MARINA, CA 93933

BRANDON PETERSON
Brandon Peterson

---

(25)
MIKE MAST INSURANCE
326-C RESERVATION RD
MARINA CA 93933

MICHAEL L MAST
Michael L Mast
11-7-19

Signatures of the Marina Small Business owners in Opposition to CalAm Desalination Project:

BUSINESS NAME Address	OWNER/MANAGER
(26) Tico's Breakfast 330 Reservation Rd #C Marina CA 93933	Silvia Hernandez Juan Alberto Vasquez. Jim Mark Cox
(27) MARINA BARBER SHOP 344 RESERVATION RD STE A MARINA CA 93933	CHONG M OH
(28) Robert Jackson CPA 350 Reservation Rd Marina, CA 93933	Robert Jackson Robert Jackson
(29) Cavalier Mortgage, Inc 350 Reservation Rd Marina, CA 93933	Robert Jackson Robert Jackson
(30) What'd You Break? 218 Reservation Rd. Marina, CA 93933	Salena & Joshua Galutira Salena Galutira

November 8, 2019

California Coastal Commission

Dear Commissioners and Chair,

The undersigned small business owners of Marina urge you to deny the Coastal Development Permit for California American Water's proposed desalination project. Your staff report cited that CalAm's project would create substantial hardships for several communities of concern "**by its potential indirect impacts to other area water supplies, or due to to the presence of CalAm's well field on a site that otherwise would provide priority coastal resource benefits such as habitat restoration, public access to the shoreline, and recreational opportunities.**"

Further, Marina has one census tract designated as an SB 535 Disadvantaged Community, has a higher level of poverty, linguistic isolation, unemployment and housing burden compared to the rest of CA. The top 3 non-English languages spoken incl. Spanish, Vietnamese, and Korean. Marina also has a pollution burden higher than 71% of other census tracts in the state.

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Further, the business owners of Marina and the Ord communities currently pay one of the lowest rates of water under the publicly elected Marina Coast Water District, its water supply now being threatened by the CalAm Desalination project's illegal take of groundwater from other than its own jurisdiction. The seawater intrusion and over draft from the Salinas Valley Groundwater Basin will place the future of potable water and MCWD water rates in major jeopardy and untenable for small businesses in a disadvantaged community that currently receive water from MCWD.

This project is not in the public interest. It benefits Cal Am shareholders, while creating environmental damage and unnecessary financial burden for our community. We ask you to deny this permit.

BUSINESS NAME	OWNER/MANAGER
(31) Ho Wah Rest. Marina. 3116 Del Monte Blvd. Marina, CA 93933	

November 8, 2019

California Coastal Commission

Dear Commissioners and Chair,

The undersigned small business owners of Marina urge you to deny the Coastal Development Permit for California American Water's proposed desalination project. Your staff report cited that CalAm's project would create substantial hardships for several communities of concern "**by its potential indirect impacts to other area water supplies, or due to to the presence of CalAm's well field on a site that otherwise would provide priority coastal resource benefits such as habitat restoration, public access to the shoreline, and recreational opportunities.**"

Further, Marina has one census tract designated as an SB 535 Disadvantaged Community, has a higher level of poverty, linguistic isolation, unemployment and housing burden compared to the rest of CA. The top 3 non-English languages spoken incl. Spanish, Vietnamese, and Korean. Marina also has a pollution burden higher than 71% of other census tracts in the state.

Our local businesses are a direct reflection of these demographics. Marina has a few large employers but we have primarily small ethnic "mom and pop" restaurants and businesses, often owned by and operating with extended families. Our businesses generate small profit margins but it keeps food on our tables for our families and guarantees a livelihood to our immigrants, many of whom do not speak English as their primary language. This project will create significant road work on our main Marina streets and will likely create issues for our customers to access our businesses and deter tourists from exploring our city and patronizing our businesses.

Further, the business owners of Marina and the Ord communities currently pay one of the lowest rates of water under the publicly elected Marina Coast Water District, its water supply now being threatened by the CalAm Desalination project's illegal take of groundwater from other than its own jurisdiction. The seawater intrusion and over draft from the Salinas Valley Groundwater Basin will place the future of potable water and MCWD water rates in major jeopardy and untenable for small businesses in a disadvantaged community that currently receive water from MCWD.

This project is not in the public interest. It benefits Cal Am shareholders, while creating environmental damage and unnecessary financial burden for our community. We ask you to deny this permit.

BUSINESS NAME	OWNER/MANAGER
(32) Asian Filipino market 330 Reservation Rd #B MARINA CA 93933	Amol Ram OWNER ARam

November 8, 2019

California Coastal Commission

Dear Commissioners and Chair,

The undersigned small business owners of Marina urge you to deny the Coastal Development Permit for California American Water's proposed desalination project. Your staff report cited that CalAm's project would create substantial hardships for several communities of concern "**by its potential indirect impacts to other area water supplies, or due to to the presence of CalAm's well field on a site that otherwise would provide priority coastal resource benefits such as habitat restoration, public access to the shoreline, and recreational opportunities.**"

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This project is not in the public interest. It benefits Cal Am shareholders, while creating environmental damage and unnecessary financial burden for our community. We ask you to deny this permit.

BUSINESS NAME	OWNER/MANAGER
(33) QQ Noodle	Thu Quyen Nguyen

September 17, 2020

California Coastal Commission

Dear Chair Padilla and Commissioners,

I own a a small business in Marina and I am very concerned that our current water bills would increase if CalAm began to pump huge amounts of our groundwater without any legal rights to do this. Under our own public water district, the Marina Coast Water District, we businesses and residents have enjoyed the *lowest* rates of water in the region. I join the other 33 small businesses that signed a letter last November in opposition to the CalAm Slant Well Desalination project to be built in Marina.

CalAm charges its own ratepayers on the Monterey Peninsula the *highest* rates of water in the *nation*. Why would they be allowed to interfere with another water district's supply of water? Our bills would go up if CalAm takes water from our critically overdrafted basin that will further ***harm our sole source of water*** by pulling in more seawater into our basin!

Our businesses in Marina also depend on people stopping by to walk our beautiful beaches. When the Cemex sandmining plant closes in three years, we do not want another industrial operation in its place at that same site that would ***create permanent damage to our beach and dunes!***

As you pointed out in the Nov. 2019 staff report, Marina is a disadvantaged community and this is ***a clear example of environmental injustice***. Marina has a 64% non-white population, a higher level of poverty and unemployment compared to the rest of CA. The top 3 non-English languages spoken are Spanish, Vietnamese, and Korean. We deserve to have our natural resources protected just as any other coastal city.

Please deny the CalAm Desalination project!

Thank you,

BUSINESS NAME and ADDRESS

Monterey Bay Moves
220 9th Street, Marina, CA, 93933

Name/ Signature OWNER/MANAGER

Elizabeth Plante
Owner



Marina business owners are in support of the CA Coastal Commission to deny the CalAm Desalination Project in Marina.

BUSINESS NAME and ADDRESS	Name/ Signature OWNER/MANAGER

August 20, 2020

California Coastal Commission

Dear Chair Padilla and Commissioners,

I own a small business in Marina and I am very concerned that our current water bills would increase if CalAm began to pump huge amounts of our groundwater without any legal rights to do this. Under our own water district, the Marina Coast Water District, we businesses and residents have enjoyed the *lowest* rates of water in the region. I join the other 33 small businesses that signed a letter last November in opposition to the CalAm Slant Well Desalination project to be built in Marina.

CalAm charges its own ratepayers on the Monterey Peninsula the *highest* rates of water in the *nation*. Why would they be allowed to interfere with another water district's supply of water? Our bills would go up if CalAm takes water from our critically overdrafted basin that will further ***harm our sole source of water*** by pulling in more seawater into our basin!

Our businesses in Marina also depend on people stopping by to walk our beautiful beaches. When the Cemex sand mining plant closes in three years, we do not want another industrial operation in its place at that same site that would ***create permanent damage to our beach and dunes!***

As you pointed out in the Nov. 2019 staff report, Marina is a disadvantaged community and this is ***a clear example of environmental injustice***. Marina has a 64% non-white population, a higher level of poverty and unemployment compared to the rest of CA. The top 3 non-English languages spoken are Spanish, Vietnamese, and Korean. We deserve to have our natural resources protected just as any other coastal city.

Please deny the CalAm Desalination project!

Thank you,

George T Powell

George T. Powell
Coastal Community Realty
3074 Del Monte Blvd Ste D
Marina, CA 93933

DENY Cal Am's Desal Plant Project

Jeannie Ferrara <jeannieferrara@gmail.com>

Fri 9/11/2020 5:44 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear California Coastal Commission,

I applaud the staff recommendations to deny the De Novo permit and deny the coastal development permit, finding that Cal Am's desal plant project is inconsistent with relevant Coastal Act and LCP policies and that the Commission not approve the Project because the Pure Water Monterey Expansion is a feasible, less damaging alternative that will adequately provide water and protect the public welfare.

Please permanently deny Cal Am's oversized, overpriced desal plant project! Our community passed Measure J to get rid of Cal Am and have public water. Cal Am has had 25 years to solve our water supply problem and they have failed. We don't need a desal plant. It is not in the public interest. Cal Am's desal would double our water bills, which are already the highest priced water in America. Desal damages the environment by harming the coastal habitat and would draw groundwater from an overdrafted groundwater basin NOT under the ocean using slant wells.

Pure Water Monterey Expansion is the feasible and environmentally preferable alternative. It will give us a new water supply much sooner than building a desal plant. Our current water supply from Pure Water Monterey ~ Phase 1 (3,500 acre-feet) ~ will allow us to stop illegal withdrawals from the Carmel River by December 2021 and will restore the Carmel River and protect the Steelhead. The environmental issues facing the Carmel River have been resolved by Pure Water Monterey without the need for Cal Am's desal plant. The Expansion of Pure Water Monterey will provide a long-term sustainable water supply for decades of growth. It will support affordable housing and economic recovery and avoid environmental damage and environmental injustice to Marina. The governor has declared a housing shortage in California and there will be no affordable housing without affordable water. Orange County has used this same system for decades.

Cal Am is the only obstacle to the expansion of Pure Water Monterey. Cal Am is blocking it because it will not be profitable for them. Decisions must be made based on what is good for the community and its residents, not what is good for corporations and their stockholders!

Thank you for your consideration,

Jeannie Ferrara, Realtor
Homeowner in Monterey

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Blair Haws <bhaws18@gmail.com>

Fri 9/11/2020 5:30 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

My name is Blair Tull. My husband, Peter, and I have been residents of Marina for 2.5 years. I am a physician at Salinas Valley Memorial Hospital, and my husband works from home trading foreign currency. Please make the right decision for Marina and deny this harmful project! Thank you.

Blair Tull, M.D., F.A.C.O.G.

desal plant

Linda Cheatham <bigruffs1616@yahoo.com>

Fri 9/11/2020 5:07 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Please reject the Cal Am desal plant.

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Jim Lambert <lambertj4@yahoo.com>

Fri 9/11/2020 4:58 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>; Materials <materials@coastal.ca.gov>

Subject: Deny Cal-Am's Desal Project - Items Th3a/Th4a

Cal-Am's Desal Project has tremendous environmental impacts. It will cause an enormous increase to home owners with the cost for water.

Pure Water Expansion is the valuable and wise alternative.

Thank you for understanding.

Jim Lambert, 2998 Paralta Avenue. Seaside, Ca. 93955

No Desal Project for Monterey

Lisa Haas <paintqueen@gmail.com>

Fri 9/11/2020 4:53 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear California Coastal Commission,

I am writing you today, as a concerned citizen and local of 30 years, to ask you to please to deny Cal Am from moving forward with the Desal project in the Marina/ Monterey area.

First off I have read the studies and am concerned about the environmental impact and damage to our coast. Secondly, I also understand the Marina is not happy with the intrusion as it is not legal and they would be drawing water from an over wrought ground water system ..Not the ocean! Thirdly, The projected costs will be enormous and trickle down to us ratepayers even though we have one of the highest water rates in the country already.

We currently have a fantastic solution in place with the expansion of Pure Water Monterey! Pure Water Monterey will provide a long term and sustainable water supply for our future without Cal Ams expensive desal plant and ultimate environmental and economic damage and injustices!

Our community strongly voted to get Cal Am out and work on a public takeover in 2016 and won…however Cal Am has been standing in the way of what the people want for for 4 years now. It is time for you to vote for people you are supposed to serve over profit, greed and corruption! This is in our best interest!

I have watched my water bills quadruple over the last decade with all the conservation efforts and using 1/2 the water I previously used while raising my family! I am older now and struggle with the increase in the water bill!

Affordable Water should be a basic human right… but apparently it is not when run by a corporation that is all about profit and greed… It should be publicly run!

Thank you for listening, Lisa Haas

Lisa Haas
Ph.831-595-2819
Fax 831-375-3011

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Donna Penwell <dcpenwell@sbcglobal.net>

Fri 9/11/2020 4:49 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

September 10, 2020

Steve Padilla, Chair
California Coastal Commission
45 Fremont Street,
Suite 2000
San Francisco, CA 94105

Dear Chair Padilla and Coastal Commissioners:

Please add our voices to the majority of elected officials on the Monterey Peninsula, the Monterey Peninsula Water Management District, Citizens for Just Water, Public Water Now, and tens of thousands of angry California American ratepayers in strongly supporting your staff's recommendation so Cal-Am's desalination project can be rejected and Pure Water Monterey expansion can be brought online as soon as possible.

Cordially,

Donna Penwell and Stanton Ruese
Seaside, CA. 93955

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Donna Penwell <dcpenwell@sbcglobal.net>

Fri 9/11/2020 4:49 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

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California Coastal Commission
45 Fremont Street,
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Please add our voices to the majority of elected officials on the Monterey Peninsula, the Monterey Peninsula Water Management District, Citizens for Just Water, Public Water Now, and tens of thousands of angry California American ratepayers in strongly supporting your staff's recommendation so Cal-Am's desalination project can be rejected and Pure Water Monterey expansion can be brought online as soon as possible.

Cordially,

Donna Penwell and Stanton Ruese
Seaside, CA. 93955

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

Patty Grogan <pgrogan754@gmail.com>

Fri 9/11/2020 4:44 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

My name is Patty Grogan; I am sixty seven years old, and a long time resident of Marina. My parents arrived here with the military in 1951, and decided to stay after my father was discharged. They lived here when I was born in 1953, and I have lived most of my life in Marina. My parents were working class civil servants, not wealthy in the least, and I followed in their footsteps as a member of the working class. I am now retired from the Salinas Union High School District, living on a small pension and social security, and renting a subsidized studio apartment from Chispa housing on Sunset Avenue. I am low-income, as my monthly income from both sources is only $1,397.00. I have recently had my rent increased by Chispa and it's now at a level that is more difficult for me to meet. If the CalAm desal project is allowed to proceed, and Marina is forced to buy back its own water at increased rates (comparable to the high levels experienced by the Monterey Peninsula) I have no doubt that agencies like Chispa will have to increase rents in order to meet new additional water expenses. This would create a further hardship for me, and many others, if that were to occur.

Being a long time resident, I have seen environmental degradation here in Marina throughout my life: dune buggies destroying the sand dunes, which are now part of Marina State Beach, two operating sand plants carrying away our beautiful dunes, wide-spread and irresponsible development which has destroyed habitat over the years, and multiple sources of pollution on the former Fort Ord lands which now lay within Marina's city boundaries. I have also personally experienced salt water intrusion at my and my parent's former home on Beach Road. We had a well which had been in place since the early 1950's, which we used for our primary water source. We eventually had to close the well off because of salt intrusion, and switch to city water.

Fortunately Marina has seen many advances since those days; dune buggies no longer recklessly destroy the dunes, one sand plant closed and another is due to do so, and environmental remediation on the former Fort Ord is helping to restore Marina to health and a more natural state. I know that we cannot turn back the clock to the Marina of my childhood and youth. We are in need of housing, and businesses to support resident's needs. However, if the CalAm desal plant is allowed to proceed it will further damage the natural beauty and habitat of Marina that still remains, and it will drain our already stressed aquifer. Please do not allow this to happen. Marina already shoulders regional waste and sewage treatment facilities; please don't let CalAm deface our beautiful sand dunes with its desal facility, and take our water for regional distribution.

Please deny this harmful project. Thank you.

Respectfully,

Patty Grogan
3082 Sunset Avenue, #15
831-760-6696

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Tito Acosta <tajr56@yahoo.com>

Fri 9/11/2020 4:28 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA. Coastal Commissioners, Executive Director John Ainsworth and Staff ,

My name is Tito Acosta. My family and I have resided in Marina since 1989. My father purchased his first house in Seaside in 1970. Which means I have called the Monterey Bay area my home for 50 years. During this time I retired from the US Army after 37 years of service and lived in many other states and countries. My intent for writing this is to protect the beach and surrounding area I have loved for nearly all my life.

Please DENY this harmful project!

Thanks very much.
Tito Acosta

Sent by Tito Acosta

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Jeff Hawkins <jeff.hawkins@sbcglobal.net>

Fri 9/11/2020 4:27 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>
Cc: Jeff Hawkins <jeff.hawkins@sbcglobal.net>

Dear Coastal Commissioners,

Please deny Cal-Am's request, it simply is not the right answer for our decades old water supply source. Cal-Am has constantly mislead their customers, has proposed a very expensive solution and has done everything they can to harm other efforts that make more common sense.

Regards,
Jeff Hawkins
25495 Via Paloma
Carmel, CA 93923

DO THE RIGHT THING - DENY Cal Am's Desal Project

Larry Parrish <lparrish@toast.net>

Fri 9/11/2020 4:24 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

RE: Application No. 9-19-0918 and Appeal No. A-3-MRA-19-0034 (Cal Am CDP)

Dear Chair Padilla and Commissioners:

It's been a long and hair-raising process, and now, finally, you have the authority to DO THE RIGHT THING, and deny the permit for Cal-Am's (CAW) dishonest and totally illogical desal plant. From the beginning, CAW has applied a false premise, and false promise, regarding this desal proposal. And that is, the simple fact that the source water is not coming from beneath the ocean, (as CAW declared) but in reality the water is coming from freshwater aquifers beneath inland surfaces - namely, the Dune Sands Aquifers. This is not supposition, this is factual, and everyone, including the CCC, knows it. Therefore, all data, and all modeling, and all the claims CAW has made - are FALSE and irrelevant and inaccurate. For this fact alone, not to mention a dozen or more other reasons, the project should be denied. DO THE RIGHT THING ! DENIAL.

The Commission report claims that there is no proven environmental harm to come from the proposed desal. I beg to differ. First of all, from the beginning, CAW has asserted that as they pump more and more water from the slant well (s), the salinity of the pumped water will increase. This is their claim, this is the truth. That simply means that those freshwater aquifers will become more saltier and seawater intrusion into those aquifers will increase. That's damage enough. Secondly, since there is also no proof that environmental damage will NOT occur, does this mean that the Commission's policy is to allow irreversible environmental damage to perhaps occur, then after the damage is done, to then somehow mitigate, or reverse, the irreversible damage? Once those aquifers are ruined, they're ruined, probably for a very long time. How can that possibly be your position? If one hasn't proven that damage will occur (in your opinion), how can you say, without proof, that it won't occur? That's a gamble the CCC shouldn't be taking.

Finally, I believe there are many overwhelming reasons to deny this project on numerous grounds, and if you have read all the information

available, you should reach a similar conclusion.
PLEASE, DO THE RIGHT THING & DENY THIS PROJECT.

Thank you for your consideration,
Larry Parrish
Carmel Valley

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Al Shamble <ashamble@prodigy.net>

Fri 9/11/2020 4:15 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Coastal Commisioners : Your job is to defend the the California coastal environment. I hope you will do so . Science matters as we have learned during the covid experience ! This is desal plant is not science ! Let's not allow an unproven desal experiment taint our precious water. Nowhere in the world has this design been proven. Why even think to try it here? The slant well scheme will use ground water and purify it ? and not just ocean water. It steals water from Marina that will not be replaced. As a home owner in Marina I oppose Cal Ams plans as environmentally insensitive and damaging. Future generations depend on having healthy beaches, oceans, water, and air to breath. We need your help !
Thank you,
Al Shamble
East Garrison Marina 93933

Appeal No. A-3-MRA-19-0034 Deny CalAm Desalination Project Permit

Grace Silva-Santella <ssgardens2@gmail.com>

Fri 9/11/2020 4:07 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

1 attachments (6 MB)

IMG_20200801_120458.jpg;

Dear CA Coastal Commissioners, Executive Director John Ainsworth and Staff:

My name is Grace Silva-Santella. In 1958 I was born on the Monterey Peninsula. My husband and I purchased a home in Marina 31 years ago. I have been an active participant in Marina government having served ten years on the Marina Planning Commission. Recently I served on the Downtown Vitalization Specific Plan Committee.

In 2000, when I chaired the Marina Planning Commission General Plan Update meetings, the Planning Commission inserted language relative to Dunes Dr to prevent the road from extending North to the Cemex property. We did that in 2000 knowing we, as a city, would want to prevent any development of the Cemex property once the sand plant activity was shut down.

That day is now. The sand mining will soon end. Marina will return this stretch of dunes land back to its natural habitat. CalAm DOES NOT have the right to convert this property to a desal project. CalAm does not have the right to install seven (!!!) 5,000 to 7,000 sq ft concrete slabs to accommodate the slant wells.

Please, deny this harmful project.

Thank you,

Grace Silva-Santella
3230 Susan Ave
Marina
831-238-4286

Deny Cal-Am's Desal Project - Items Th3a/Th4a

nyassany <nyassany@aol.com>

Fri 9/11/2020 4:07 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Please consider denying CalAm's project. It's really beyond the pale. It's impacts are difficult to countenance, and will.lead to furthering our difficulties.

-- Norman Yassany
1597 Lowell St.,
Seaside.

Sent from my Verizon, Samsung Galaxy smartphone

Deny Cal-Am's Desal Project

Sam Norris <samcolnorris@sbcglobal.net>

Fri 9/11/2020 3:50 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Greetings, Commissioners:

Please follow your staff recommendation and deny the Cal Am desal permit for the Monterey Peninsula. This desal plant is unnecessary to meet our water supply needs, will provide prohibitively expensive water, will damage the environment, and will perpetuate environmental injustice in Marina where it would be cited.

Please let common sense guide you. Vote No on the CalAm Desal!

Thank you,

Colette Erreca-Norris and Sam Norris
40 Del Mesa Carmel
Carmel, California 93923

Deny Cal-Am's Desal Project

Peggy Olsen <pegoo@comcast.net>

Fri 9/11/2020 3:35 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

I am a resident of Monterey and am very much opposed to Cal Am's Desal Project.

Peggy Olsen

DENY CAL AM'S DESAL PROJECT

NASUSNINE@hotmail.com <NASUSNINE@hotmail.com>
Fri 9/11/2020 3:31 AM
To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear Esteemed Members of the California Coastal Commission,

The Coastal Commission's Staff Report got things right. Cal Am's desal project is not in the public's interest. Pure Water Monterey's Expansion is the feasible and environmentally preferable alternative. It will give us a new water supply much sooner than desal. Our current water supply from Pure Water Monterey – Phase 1 (3,500 acre-feet) will allow us to stop illegal withdrawals from the Carmel River by December 2021. It will restore the Carmel River and protect the Steelhead. The environmental issues facing the Carmel River have been resolved by Pure Water Monterey without the need for Cal Am's desal or the PWM Expansion.

We don't need Cal Am's oversized, over-priced desal project to solve our problem. The expansion of Pure Water Monterey will provide a long-term sustainable water supply for decades of growth. It will support affordable housing and economic recovery and avoid environmental damage and environmental injustice to Marina. No housing is affordable without affordable water. Cal Am's desal would double our water bills, already the highest in the nation. Cal Am is the only obstacle to the expansion of Pure Water Monterey. Passing Measure J was the community's statement. Desal damages the environment, costs too much and creates environmental injustice. Desal harms the coastal habitat and Marina's beautiful dunes. Desal has no legal source water as it would draw groundwater from an over drafted groundwater basin.

Pure Water Monterey's expansion source water is primarily the 8,000 acre-feet of excess wastewater that is now discharged into the Bay. It is contractually secure and drought proof. It is environmentally sustainable. Cal Am has had 25 years to solve or water supply problem without success. Our public agencies have solved it in the last 6 years. Now all the water we need for decades is available, but Cal Am is blocking it. Cal Am has one and only one purpose in mind. Increasing profits for its shareholders. Those aligned with desal are special interest groups that will profit from having unlimited water credits to develop the heck out of our beautiful and sensitive coastal areas for personal gain whatever the cost to the environment and the average resident. We already are reeling from shocking water bills. The more we conserve the more expensive our water becomes. It's a catch 22 situation.

Please do not vote to approve this horrible desal alternative when a much better, quicker, cheaper and more environmentally friendly alternative exists using cutting edge recycling techniques. We are putting our trust and faith in you to do the right thing for the environment and the public.

Susan Nine, President
Monterey Vista Neighborhood Association
Monterey's largest residential neighborhood

Sent from my iPad

Sent from my iPad

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Veronica San Chirico Miller <tovernwithlove@yahoo.com>

Fri 9/11/2020 3:16 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

I'm writing in opposition to the desal project for multiple reasons. The Monterey Peninsula is an incredibly difficult place to survive financially. Parts of our community with the financial resources to support a project like this (Pacific Grove or Carmel) are not a part of the equation. However, lower income cities (Seaside and Marina) are expected to foot the bill and bear the environmental costs. This is wrong. I am a resident of Seaside. I do not want the people in Seaside having to subsidize the city of Castroville's water. This is an unfair burden to put a on a city who is in need of its own support. Also, I am not supportive of a plan that will face difficulties in 25 years with regard to problems with underground pipes or salt water intrusion. Lastly, and most importantly, this project is unnecessary. There are other, less expensive and more sustainable ways to meet our water needs. Thank you for your consideration.

Veronica Miller

CSMC

To meet the challenges of declining resources and climate change by helping our communities transition to sustainable practices.

September 10, 2020

Dear California Coastal Commissioners,

Communities for Sustainable Monterey County (CSMC) is an alliance of concerned citizens working through eight local chapters locally to meet the challenges of declining resources and climate change. We share a common goal of advocating for the changes needed to safeguard the long-term health of our environment and the resources needed to sustain current and future generations.

We urge the Coastal Commission to deny the Cal Am Desalination Project Coastal Development Permit. CSMC declares its support for the City of Marina and Marina Coast Water District at this latest California Coastal Commission hearing to consider an alternative to the Cal Am Slant Well Desalination, i.e. the Pure Water Monterey (PWM) Expansion Project proposed by Monterey One Water as a feasible and affordable alternative to the Cal Am Slant Well Desalination project.

Of the many valid reasons in support of this alternative, CSMC's focus is from the perspective of greenhouse gas emissions.

It is CSMC's position that in terms of greenhouse gas (GHG) emissions, the Pure Water Monterey (PWM) Expansion Project is the only acceptable alternative. It is clearly and scientifically established that GHG emissions cause climate change. In evaluating the merits of projects, their respective impact on climate change must be seriously considered. According to the CCC staff report prepared for this Sept. 17th meeting, Cal-Am's proposed desal plant would generate over 2.5 times the CO2 GHG emissions compared to Pure Water Monterey Expansion, with the desal plant using twice as much electricity as the PWM Expansion Project.

The existential threat to our civilization posed by climate change makes mitigation imperative, hence our strong support for the alternative with the lower carbon footprint, i.e. the Pure Water Monterey Expansion Project. Our position is consistent with our mission to "help our communities transition to sustainable practices as we face climate change and the depletion of our natural resources".

Sincerely,

Cathy Rivera
Acting President

Board Members:

Cathy Rivera
Acting President

Kathleen Craig
Recording Secretary

Matthew Hess
Treasurer

Karen Andersen
Marina

Catherine Crockett
Seaside

Laurie Eavey
Monterey

Robert Frischmuth
Pacific Grove

Ellen Gannon
Carmel

Robin Lee
Salinas

Nancy Selfridge
Monterey

Renée Waina
Del Rey Oaks

CSMC
Communities for Sustainable Monterey County
http://www.sustainablemontereycounty.org/

283 Grove Acre Ave.
Pacific Grove, CA 93950

A non-Profit 501(c)3
E: sustainablemontereycounty@gmail.com
W: sustainablemontereycounty.org/

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Melissa Hutchinson <melhutch236@gmail.com>

Fri 9/11/2020 3:12 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear Coastal Commissioners,

As a resident of Pacific Grove and Cal Am customer, I urge you to choose the Pure Water reclamation project over Cal Am's desalination plant. I believe Pure Water can serve the needs of the Monterey Peninsula with a smaller environmental and energy footprint. Furthermore, the Cal Am desalination plant places an undue burden on the residents of Marina who will not benefit and may be harmed by more industrial development.

Sincerely,
Melissa Hutchinson

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Alice Angell Green <aa4green@yahoo.com>

Fri 9/11/2020 3:12 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Coastal Commission:

Please deny Cal-Am's current desal project request. As has been determined by your staff, this particular project is, at best, quite ill-conceived and short-lived, and hence short-sighted. At worst, it actually helps destroy the Marina Aquifer over time; does this make any sense at all? Of course not! Even if some sort of desal ends up being used in the future in this part of the Central Coast, this project should not be considered as viable.

Thank you for your time.

Alice Angell Green
16 Saucito Avenue
Del Rey Oaks, CA 93940
831-899-2673

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Canright, David (CIV) <dcanright@nps.edu>

Fri 9/11/2020 3:00 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>; CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>
Cc: Energy@Coastal <EORFC@coastal.ca.gov>

Steve Padilla, Chair
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105

Dear Chair Padilla and Coastal Commissioners:

I have lived in Del Rey Oaks, California, for over 30 years, and I am sick of the mis-management and price gouging that California American Water Co. (Cal-Am) has inflicted on me. And now they want to build a very expensive desalination plant in nearby Marina because in the past quarter century they have done nothing about their unlawful diversions of water from the Carmel River. Of course, this for-profit company will force all of us local residents to pay for this terrible idea.

The proposed Cal-Am de-sal plant is terrible for several reasons. The biggest reason is that we do not need it! Pure Water Monterey is providing water in an economical and environmentally sensible way; their current capacity is sufficient to reduce Carmel River diversion to legal levels. Both the Monterey Peninsula Water Management District (MPWMD) and the Marina Coast Water District recommend expanding Pure Water Monterey (PWM) to meet our future needs, rather than de-sal.

Another reason the proposed Cal-Am de-sal plant is terrible is environmental degradation from increased salt-water intrusion and concentrated brine effluent in the Marina area. Moreover, Marina residents will get NO benefit, they will not use that desalinated water.

The proposed de-sal plant seems like the most expensive approach imaginable. Their proposed capacity would far exceed needs, so running the plant under capacity makes the cost of the water that much worse. We already pay the highest water rates in the country!

You may hear from the hospitality industry and developers that we need a lot more water. No, they may want more water, to profit from this wonderful location, but if so, they should pay for it, and not punish the people who live here!

So please, support your staff's recommendation to allow the Pure Water Monterey expansion, and reject this terrible Cal-Am de-sal swindle!

Sincerely,

David Canright
830 Altura Place
Del Rey Oaks, CA 93940

Letter on Cal Am Desal Plan in Marina

JEANNE HERRICK <shivani108@comcast.net>

Fri 9/11/2020 2:56 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>
Cc: SHIVANI108 <shivani108@comcast.net>

Dear Coastal Commission:

I am a property owner in Pacific Grove, California and have been for thirty years. I am against Cal Am's development of a desalination plant as the solution to the provision of an adequate water supply to the Monterey Peninsula. The Cal Am desalination plant will unnecessarily affect the cost of water for everyone on the Peninsula for decades to come. We have other water solutions that are less costly, Pure Water Monterey. I have personally visited the plant as a concerned citizen to review its operation. Cal Am's desalination plant would harm the environment with 8,000 metric tons of CO2 and perpetuate environmental injustice in Marina where it would be sited. Pure Water Monterey will provide affordable water without a large, negative environmental impact.

Cal Am will profit from this desalination plant and we will pay with huge raises in our water bills when we already have one of the highest costs in the nation. This is not the new water supply we need. There is a far better alternative. Expanding the Pure Water Monterey project is the cost-effective, environmentally sound solution.

I ask you to deny this Cal Am desalination proposal as your commission staff have recommended. Your staff are trained scientists and experienced staff who evaluate and analyze these types of projects. Their own independent evaluation and hydrology report confirm Pure Water Monterey can provide sufficient water to meet the cease and desist order for the Carmel River, provide sufficient water for current demand as well as allow for development, including low-income housing.

Sincerely,
Jeanne Herrick
955 14th Street
Pacific Grove, Ca 93950

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

Katherine Biala <kybiala@icloud.com>

Fri 9/11/2020 2:54 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>



Photo from CCC meeting on March 12, 2020 in Scott's Valley.

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

My name is Kathy Biala, a resident of Marina (first row, second from the right). At the last Coastal Commission meeting to be held in-person before the Shelter-in-Place ordinance became effective, this group of Just Water residents of Marina, pictured above, traveled to Scotts Valley to speak before you. Our Marina community has been doing this for several years now and we thank your staff for twice recommending denial of the CalAm CDP.

We anxiously await your final decision as Marina's future is truly in your hands. The devastation in the short term and in the long term future will unfold into a most sad and irreversible series of assaults to our humble community if you vote against Marina on Sept. 17.

Please be a sign of hope to every community of color in California and in every state in the U.S. that the historic trend of domination and abuse of disadvantaged communities will be effectively stopped by your strong example, set by your vote here and now. This will be an amazing precedent for so many small cities like Marina that we were able to prevail over a mega corporation with its intent to exploit communities of color.

Please deny the CalAm CDP and support your excellent staff's recommendations!

Cordially,

Kathy Biala,
Resident of Marina

Kathy Biala
kybiala@icloud.com
cell: 831-242-0023
Mailing address: 3012 Crescent St.
Marina, CA 93933

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Joseph Hertlein <joehertlein@gmail.com>

Fri 9/11/2020 2:49 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

I urge you to deny the Cal-AM Desal Project. There are less expensive, environmentally friendlier and better solutions such as the Monterey Pure Water Recycling Replenishment project. We do not need the Cal-Am desalination project. It is too expensive, not environmentally friendly and could irreparably harm groundwater tables and add to saltwater intrusion. Please deny the Desal project.

Joseph Hertlein
joehertlein@gmail.com
831-659-9765 (office)
831-236-3461 (cell)

Please Reject the Cal Am Desalinization Plant Proposal

KimMarie Hansen <kimmariehansen99@gmail.com>

Fri 9/11/2020 2:39 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear Members of the California Coastal Commission,

As a resident and customer of Cal Am Water, I oppose the Desalinization Plant being currently proposed. Please reject the Cal Am Desalinization Plant Proposal.

Thank you for considering my input.

Sincerely,
KimMarie Hansen
924 Rosita Road
Del Rey Oaks, CA 93940

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

dchodges3@aol.com <dchodges3@aol.com>

Fri 9/11/2020 2:24 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA. Coastal Commissioners, Executive Director John Ainsworth and Staff ,

My name is Doug Hodges and I am a 34 year resident of Marina. I am retired and my family and I have resided in Marina since 1986.

Please DENY this harmful project !

Thanks very much ,
Doug Hodges

DENY Cal Am's desal project

Mary Jane Dziedzic <maryjane1812@comcast.net>

Fri 9/11/2020 2:07 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear Commissioners,
Please deny the Cal Am desalination project.
The environmental issues facing the Carmel River have been resolved by Pure Water Monterey, without the need for Cal Am's overpriced desal.

The state's deadline to stop extracting water from the Carmel River is met by Pure Water Monterey. We, a majority of taxpayers, as shown by the passage of measure J, are tired of the lies and failures of Cal Am. We have a viable plan, and Cal Am is blocking it.

Give us the chance we need. Deny Cal Am's desalination project.

Regards,
Mary Jane Dziedzic
Pebble Beach, CA

Sent from my iPad

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Anne Canright <acanright@comcast.net>

Fri 9/11/2020 2:00 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>; Materials <materials@coastal.ca.gov>
Cc: Energy@Coastal <EORFC@coastal.ca.gov>

Steve Padilla, Chair

California Coastal Commission

45 Fremont Street, Suite 2000

San Francisco, CA 94105

Dear Chair Padilla and Coastal Commissioners:

I am a resident of Del Rey Oaks, California, and a captive customer of California American Water Co. (Cal-Am). I am strongly opposed to Cal-Am's proposal to build a desalination plant in my neighboring community of Marina. In this opposition I join the majority of elected officials on the Monterey Peninsula, the Monterey Peninsula Water Management District (MPWMD), Citizens for Just Water, Public Water Now, and pretty much all of the local residents I have spoken with, who already put up (perforce) with the highest water rates in the nation.

Rather, I support your staff's recommendation to allow the Pure Water Now expansion, as a feasible and significantly less environmentally damaging alternative to Cal-Am's project, one that analysis has shown will meet the Peninsula's water needs.

My primary concern with the desal project, as the MPWMD has clearly demonstrated, is that the desal facility will potentially generate much more water than is foreseeably demanded (perhaps for the rest of the century). Yet production at reduced capacity costs significantly more than production at full capacity. As a result, our water rates would rise substantially, doubling, tripling or more—from what are already the highest rates in the nation. Why should we ratepayers, not Cal-Am (or its shareholders), pay for this very expensive, and unwanted, project?

A secondary concern is one of environmental justice: the city of Marina does not benefit from Cal-Am; it receives its water from a different entity. Yet it will bear the physical brunt of the desal plant being located within its city limits, with seawater intrusion into its own groundwater a sure result. This would *not* happen in affluent Carmel or Pebble Beach, you can bet on that.

Cal-Am has had twenty-five years to address the state order to terminate unlawful diversions from the Carmel River. A quarter-century—and *now* it proposes this boondoggle, the most expensive, most *profit*-generating option possible. That is wrong and should not be rewarded.

I urge the Commission to vote down the desal proposal and instead allow Pure Water Now to expand to meet the water needs of our Peninsula, sustainably and progressively.

Sincerely yours,

Anne Canright

830 Altura Place

Del Rey Oaks, CA 93940

Not to approve Cal Am's desal project

Norberto Garcia <felipengarcia30@gmail.com>

Fri 9/11/2020 1:25 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

No estamos de acuerdo que aprueben el proyecto de desalinizacion de Cal Am.
Gracias
Rodrigo García
Seaside ca 93955

Sent from my iPhone

Cal Am desal project

David & Caryl Rojas <rojas@ultimanet.com>

Fri 9/11/2020 1:19 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Coastal Commission;

The desal project proposed by California American Water (Cal Am) is badly planned. I do not want it.

Edith Caryl Rojas
Del Rey Oaks, CA

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Shelby Fredrick <sfredrick@csumb.edu>

Fri 9/11/2020 1:18 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>; Materials <materials@coastal.ca.gov>

My name is Shelby Fredrick, and I am a student at CSU Monterey Bay. I am writing to express my concerns about the proposed California American Water (Cal-Am) desalination (desal) project in the city of Marina. I stand in agreement with the report released by Coastal Commission staff recommending that the Coastal Commission deny approval of the proposed desal project. Cal-Am's proposed desal project presents great local ecological and environmental injustices, is an inefficient use of resources, and is a less viable water source alternative than the Pure Water Expansion wastewater recycling project.

As mentioned in the staff Coastal Commission report, the desal plant presents numerous environmental issues that make the project non-compliant with the Coastal Act and the Local Coastal Program. Such issues include destruction to the local coastal dune ecosystem which is a terrestrial environmentally sensitive habitat area (ESHA), potential groundwater drawdown that could adversely impact nearby wetlands, and changes to the ocean's water chemistry from the plant's discharge brine.

The desal project is estimated to cost 2 billion dollars to construct, which would be absorbed by Cal-Am's ratepayers who already pay some of the highest water rates in the country. The Pure Water expansion project is only estimated to cost 90 million dollars. And while the desal project would only provide potable water for areas on the Monterey peninsula and Castroville, the Pure Water project would provide water for a greater region of Monterey County, including Seaside and Marina. This brings up another crucial argument against the desal project, which is the serious environmental justice issues the desal plant poses for the city of Marina.

The desal plant would be located in the city of Marina, which is not even in Cal-Am's service area, but would receive a disproportionate environmental burden than cities within Cal-Am's service area. The city of Marina already holds multiple industrial facilities and is a historically underserved community compared to more affluent cities on the Peninsula, such as Pacific Grove and Carmel. The argument that communities with existing industrial facilities should not be concerned with the addition of one more industrial facility is plagued with privilege and insensitivity. To proponents of the desal project, I ask: Would you still support this project if it were to be located on Windows on the Bay or along 17-mile drive?

Sincerely,

Shelby Fredrick

Deny Cal-Am's Desal Project - Items Th3a/Th4a

Daniel Emerson <demerson@lightandmotion.com>

Fri 9/11/2020 1:16 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

As a resident of Carmel for 13 years and a concerned and engaged citizen who also runs a local business located in Marina on the old Fort Ord base, I am opposed to the CalAm desalinization project until such time as alternative sources of water, specifically recycling and conservation, are fully engaged and on-line. We need to prioritize conservation and re-use over expensive capital projects that do not appear at all competitive with well understood and proven methods for increasing supply.

Cal Am has been pillaging our community water for way too long. We need to take local control of our water and care for it and manage it. Desalinization may be a necessary element in future water supply but the CAL Am Proposal is not the deal we should invest in.

Resident:
Daniel Emerson
24509 Portola Ave
Carmel, CA 93923

Business owner:
CEO
Light & Motion
Hangar 535
711 Neeson Road
Marina, CA 93933
831-207-4699
831-402-5708 m
www.lightandmotion.com



Deny Cal-Am's Desal Project - Items Th3a/Th4a

Mark Anicetti <markanicetti@gmail.com>

Fri 9/11/2020 1:14 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Staff,
Please deny CalAms desalinization project. Dumping so much concentrated salt of our coast will kill so many creatures in our deep canyon marine reserve - where that heavy salty water will concentrate. This is a terrible and expensive idea. Stop CalAm.
Thank you!
Mark and Natalie Anicetti

--

Mark Anicetti LUTCF
markanicetti@gmail.com
831-521-1637
Lic 0C81295

DENY CalAm's Desal Proposal

Craig Scott <craigscottuu@gmail.com>

Fri 9/11/2020 1:11 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear commissioners -- The voters have spoken and they do not trust CalAm, which already charges us the highest water rates in the country. Please follow your staff report and deny a permit for a Desalination plant in Marina.

Desal may be appropriate at some point, but right now CalAm's slant well technology is unproven, and the project will be incredibly expensive. Of course CalAm will then charge water users for the cost of the plant. Meanwhile, Pure Water Monterey provides a much more cost-effective approach. Moreover CalAm's right to the groundwater it would be drawing is unclear at best.

There are no good reasons to grant this permit, and many reasons to oppose it.

Please DENY this proposal.

Rev. Craig Scott
Pacific Grove, CA 93950

Desal Plant Proposed by Calam

Dianne Nielson <dianne@redshift.com>

Fri 9/11/2020 12:52 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

I would like go on record that I am opposed to Calam's proposed desal project in Marina, CA.
Dianne Nielson
1296 Lowell St
Seaside, CA 93955

FW: Deny Cal Am's permit

frederica jones <outlook_BD9B446720695E4E@outlook.com>

Fri 9/11/2020 12:42 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Subject: Deny Cal Am's permit

Dear Commissioners,

I have been a Del Rey Oaks resident for over 13 years and unfortunately have been a repeated Cal-Am ratepayer. My rates have sky rocketed, and I have been using less water..... as requested... The repeated and extended Sur charges are RIDICULOUS!!!
PLEASE, DO NOT be swayed by their politics. PLEASE DENY Cal-Am's permit for their desal project.
Thank you for your time,
Jack Jones

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Terrill Keeler <terrillkeeler@yahoo.com>

Fri 9/11/2020 12:32 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear California Coastal Commission,

I am a resident of Marina, California and am deeply concerned about the desalinization plant that Cal Am has proposed building in our city. I do not want our water supply contaminated by salt water intrusion that would come through the slant wells.

The Pure Water Monterey Project is able to expand to provide for the Monterey Peninsula's water at a fraction of the cost of the desal plant and with no impact on our beautiful Monterey Bay Coast.

Please support environmentally and fiscally responsible water supply projects and say no to the Cal Am desal plant.

Thank you for your consideration of my opinion.

Sincerely, Terrill Keeler

Cal-Am Project

Ronald L. Ebey <rmcrlebey@gmail.com>

Fri 9/11/2020 12:26 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Quit trying to destroy the City of Marina! Do NOT approve Cal Am's request for a permit for a desalination plant in Marina!
The only logical solution is to expand Pure Water Monterey. This is the only way to ensure equity and justice for the people and cities on the Monterey Peninsula.
Please think seriously and hard about this and be fair to the City of Marina, the citizens of Marina, the Cities of Monterey Peninsula and the citizens of Monterey Peninsula.
Thank you very much.

Sincerely,

Ronald L. Ebey
Citizen of Monterey

Sent from my iPhone

Cal-Am Project

Kate Bergam <serpak@yahoo.com>

Fri 9/11/2020 12:23 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Coastal commissioners,
After reading the open letter by the democratic women of Monterey County to you, as a resident of the Monterey peninsula and neighboring Marina, I do not support Cal-Am's desal plant and urge you to expand Pure Water Monterey. Future water supply projects on the Monterey peninsula must be designed with equity and justice for all.
Thank you,
Kate Bergam

Monterey's Desal

jhparise@aol.com <jhparise@aol.com>

Thu 9/10/2020 11:58 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

If you lived here, you would understand the daily issues. Please deny Cal Am's desal.

Gratefully,
Janice Parise
Pacific Grove, CA

Appeal No A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Sam Odell <odell.sam@gmail.com>

Thu 9/10/2020 11:57 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>



Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff,

I moved to Marina in 2016 to be closer to my children and grandchildren. While I am retired, I volunteer locally when I am not taking care of those cute grandkids. I read the recent staff report on Cal Am's proposed Slant Well project, and could not agree more with the staff recommendation to deny the permit.

Marina bears too big a burden for the region's industrial needs. Our city already hosts a regional landfill, a regional composting site and a regional sewage plant. But at least Marina benefits from those industrial sites. Our city would derive NO benefit from CalAm's Slant Well project. And our aquifers that supply our city's water will be endangered.

I don't want to reiterate all the points of the staff report, except for this one. You adopted an Environmental Justice Policy last year to promote equitable distribution of environmental benefits throughout the state. Marina has historically been marginalized and discriminated against in land use decisions. Don't blow your first chance to uphold the Environmental Justice Policy.

I urge you to deny the CalAm Slant Well Project.

Sincerely,
Suzanne Thomas Odell
Marina, CA

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Susan Welch <susanwelchmft@live.com>

Thu 9/10/2020 11:34 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

1 attachments (6 KB)

Picture Facebook.jpg;

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

My name is Susan Welch; I am a resident of Marina, Ca. I am a Military Family Life Counselor, serving the active duty military families of Walter Colton Middle School and Seaside Middle School. My European American ancestors played a large part in bringing electricity to the city of Fresno, and establishing the WYCA there.

Please deny this harmful project. Thank you.

Susan Welch

Cal Am's Desal Project

Nancy <ncshaw@mind.net>

Thu 9/10/2020 11:32 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

I am opposed to the Cal Am Desal Plant.

Cal Am's Desal project is not in the public interest. Pure Water Monterey Expansion is a feasible and environmentally preferable alternative.

– It will give us a new water supply much sooner.

– This new water supply will allow us to restore the Carmel River and stop illegal withdrawals by December 2021.

– Expansion of Pure Water Monterey provides a long-term sustainable water source that protects the Carmel River and the Seaside basin.

– Orange County has used this same system for decades so it has been proven effective.

– Cal Am is the only obstacle to the expansion of Pure Water Monterey.

– Cal Am cannot be trusted. Passing Measure J was the community's statement

– Desal will double our water bills.

– Desal harms the coastal habitat and Marina's beautiful dunes

– Desal has no legal source water, it would draw groundwater from an overdrafted groundwater basin. PWM Expansion source water is primarily the 8,000 acre-feet of excess wastewater that is now discharged into the Bay. It is contractually secure and drought proof.

– Cal Am has had 25 years to solve or water supply problem and has failed to do so.

Please do not allow this project to proceed.

Nancy Shaw
889 Laurel Ave
Pacific Grove, CA 93950

DeSal Permit

Michael Warburton <warburto@sonic.net>

Thu 9/10/2020 11:30 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

PUBLIC TRUST ALLIANCE
A Project of the Resource Renewal Institute
187 East Blithedale Avenue
Mill Valley, CA 94941
Tel.: (510) 610-0868

September 10, 2020

Dear California Coastal Commission,

What compels you to convene this "hearing" in the midst of the most dangerous pandemic and confluence of environmental crises that California has ever faced? Is it just the current opinions of a few "legal professionals" or have these opinions somehow become misleadingly conflated with the "force of Law" more generally? Do these project proponents require a formal "denial" to stop a possibly unreasonable "project?" Or have circumstances changed so profoundly since it was proposed a decade ago that it can now be easily seen that the initial burden to demonstrate project reasonableness has not been met?

Many Californians take it for granted that the CPUC can only certify reasonable projects and that the initial burden of demonstrating reasonableness lies on the utility applicant. This requirement is usually met with evidence rather than assumption. In this case, more than a decade of complex litigation has yet to be formally "closed." Do you even know whether the "CPUC process" has already alienated the California Public's trust interest in its coastal resources or whether you are being told to do this separately?

Of course you can give Cal Am their "Denial" if they insist upon it, but perhaps this time could be more beneficially used by everybody by having Cal Am demonstrate how they could be a constructive "team player" in implementing the much less expensive and environmentally friendly alternative water supply infrastructure which other parts of the community have been working on for years. If the California Coastal Commission is to say "yes," it certainly helps to have the "right" project under consideration.

Thank you for taking this concern into consideration.

Michael Warburton
Executive Director

LandWatch monterey county



September 10, 2020

Steve Padilla, Chair
California Coastal Commission
45 Fremont Street,
Suite 2000
San Francisco, CA 94105
Email to EORFC@coastal.ca.gov, CalAmMonterey@coastal.ca.gov

Subject: September 17, 2020 Agenda Item TH3a & 4a - Appeal No. A-3-MRA-19-0034 (California American Water Company, et al., Monterey Co.); Agenda Item Thursday 9a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.)

Dear Chair Padilla and Coastal Commissioners:

LandWatch joins the majority of elected officials on the Monterey Peninsula, the Monterey Peninsula Water Management District, Citizens for Just Water, Public Water Now, and tens of thousands of angry California American ratepayers in strongly supporting your staff's recommendation that:

1. "... the Pure Water Expansion is a feasible alternative to Cal-Am's Project, will allow Cal-Am to cease its illegal water withdrawals from the Carmel River and meet the region's water needs, and is the preferable, least environmentally damaging alternative."
2. "The Pure Water Expansion would also result in fewer environmental and economic burdens to the communities of concern within Cal-Am's service area, would avoid environmental burdens to the City of Marina, and appears to have fewer significant hurdles to clear before it could be implemented."
3. "... the [Cal-Am] Project is inconsistent with relevant Coastal Act and LCP policies and the Commission may not approve the Project despite those inconsistencies because the PWM Expansion is a feasible, less damaging alternative that will adequately provide water and protect the public welfare."

Please refer to our September 17, 2020 PowerPoint presentation that summarizes LandWatch's support for denying Cal-Am application.

As we noted in LandWatch's November 11, 2019 letter, the staff report concludes, the project:

- Is inconsistent with the City of Marina's Local Coastal Plan policies and the Coastal Act regarding Environmentally Sensitive Habitat Areas (ESHA), coastal hazards, and placement of fill in coastal waters.
- Does not qualify for the Coastal Act Section 30260 exception to permit a coastal-dependent industrial facility that is inconsistent with these policies:

- the project cannot meet the first element of the Section 30260 test because there is a feasible alternative in a different location that is less environmentally damaging;
- the project cannot meet the second element of the Section 30260 test because denial of the permit will not adversely affect public welfare, but will in fact promote public welfare; and
- the project cannot meet the third element of the Section 30260 test because it has not been mitigated to the maximum extent feasible.

As the Monterey Peninsula Water Management District has clearly demonstrated, a critical problem with the desalination facility is that it would generate much more water than is foreseeably demanded. This would raise water rates substantially because smaller delivered quantities of desalinated water would have to cover the same large, fixed costs. Table 8 of the staff report shows that the cost per acre foot of water with the desalination plant running at 4,300 AFY instead of full capacity would be $8,294/AF. This compares with $6,094/AF with the plant running at full capacity, a level that would not be reached for many years, if ever (Staff Report, pp. 128-129). By contrast, water from the Pure Water Monterey expansion would cost $2,340/AF (Staff Report, p. 128).

Even with the extremely optimistic demand at **three times the historic absorption rate**, the desalination plant will not run at capacity in this century. The Water Management District concludes that Pure Water Monterey expansion is sufficient until 2043 with demand at three times the historic absorption rate (Staff Report, p. 128). With water rates certain to rise, it is equally certain that demand will not reach three times the historic absorption rate -- unless the basic economic law of supply and demand miraculously doesn't apply to desalinated water. In relationship to absorption rates, consider that there are more than 9,000 houses with water entitlements that have been approved, but not built throughout Monterey County, including more than 700 within the Monterey Peninsula Water Management District.

LandWatch has long advocated for timely and affordable solutions to sustainable water on the Monterey Peninsula. **We ask that you support your staff's recommendation** so Cal-Am's desalination project can be put to bed and Pure Water Monterey expansion can be brought online as soon as possible.

Sincerely,

Michael DeLapa
Executive Director

DENY Cal Am's Desal Project

cjj2000@juno.com <cjj2000@juno.com>
Thu 9/10/2020 11:19 PM
To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

To: Commissioners Date: September 10, 2020

Re: DENY Cal Am's Desal Project

I have been a Monterey resident for 40 years and I recommend that you deny the Cal Am Desal Project.

Cal Am's Desal project is not in the public interest.

Pure Water Monterey Expansion is the feasible and environmentally preferable alternative. It will give us a new water supply much sooner than desal. Our current water supply from Pure Water Monterey - Phase 1 (3,500 acre-feet) will allow us to stop illegal withdrawals from the Carmel River by December 2021.

Our current water supply will restore the Carmel River and protect the Steelhead. The environmental issues facing the Carmel River have been resolved by Pure Water Monterey without the need for Cal Am's desal or the Pure Water Monterey expansion.

There is no Carmel River crisis. We don't need Cal Am's oversized, over priced desal project to solve our problems.

The expansion of Pure Water Monterey will provide a long term sustainable water supply for decades of growth. It will support affordable housing and economic recovery and avoid environmental damage and environmental injustice to Marina.

There won't be affordable housing without affordable water. Cal Am's desal would double our water bills. Cal Am is the only obstacle to the expansion of Pure Water Monterey.

Cal Am cannot be trusted. Passing Measure J was the community's statement.

Desal damages the environment, costs too much and creates environmental injustice. Desal harms the coastal habitat and Marina's beautiful dunes.

Desal has no legal source water, it would draw groundwater from an overdrafted groundwater basin not under the ocean.

The Pure Water Monterey Expansion source water is primarily the 8,000 acre-feet of excess wastewater that is now discharged into the Bay. It is contractually secure and drought proof.

Cal Am has had 25 years to solve our water supply problem. Our public agencies have solved it in the last 6 years. Now all the water we need for decades is available, but Cal Am is blocking it.

Respectfully submitted,
Carol Jones
Monterey

CalAM Desal proposal

Soham Adair <adair.john1@gmail.com>

Thu 9/10/2020 10:53 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

We do not need desal.

The expansion of Pure Water Monterey will provide a long term environment friendly solution for decades of growth. It will support growth in affordable housing and economic recovery.

Orange County has relied on this pure water system for many years.

In appreciation for your service,
John C.Adair, M.D.

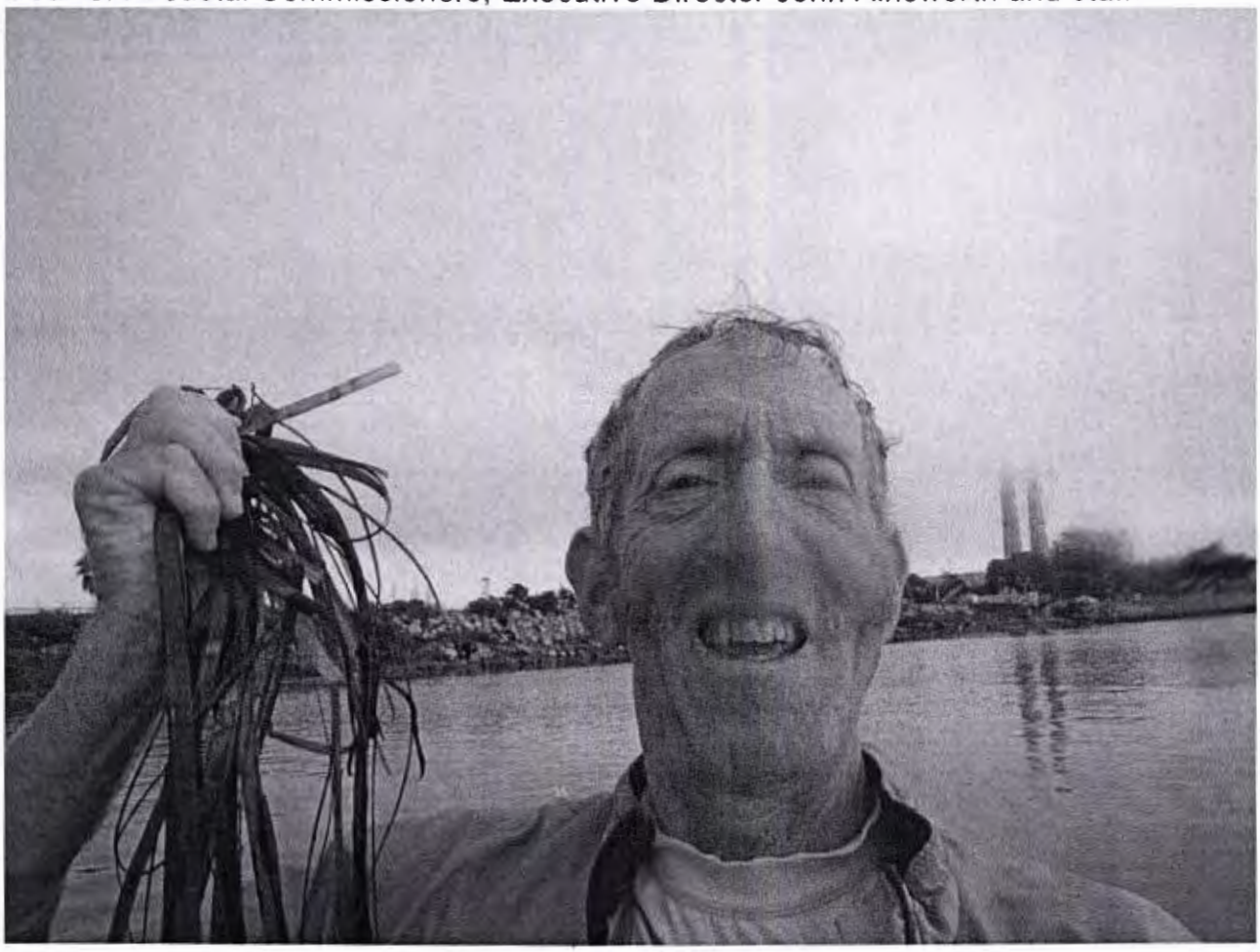
Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Joel Leker <jmleker@gmail.com>

Thu 9/10/2020 10:24 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:



I have lived in Marina for 25 years and love it here. I work as a kayak tour guide in the outdoor recreation industry. We serve the many visitors that come to the peninsula to enjoy our beaches and beautiful coastline. I can't believe that the best use for the soon-to-close CEMEX site is being co-opted for industrial use after so many worked to close this coastline damaging sand-mining plant.

As I understand it there were agreements made for future coastal access and recreation for all between CEMEX, the Coastal Commission and the City of Marina. It is inconceivable that 7 industrial pumps, sited in the dunes on several 5,000 square foot concrete pads with service roads, lights and chain link fences will have little impact on the animals, plants and our collective access to the beach.

I enjoy walking Marina Beach but it is disheartening to think that a private company can reach outside of its own service area to steal our beach all because it wants to make a gross profit on its captive peninsula rate-payers. CalAm won't even support expanding the water recycling project that is now providing enough water for CalAm to stop taking water from the Carmel River. This greed must be stopped.

I hope to take my grand children down to the beach to see the snowy plovers and other wonderful wildlife (like the dolphins and whales) and tell them - that a lot of people fought for this beach so that we could be here today. Thank you and deny this project. It makes no sense to locate such a facility here.

Please deny this harmful project. Thank you

Joel Leker
Marina resident

Deny Cal Am's Desal Project

bdmoore100@aol.com <bdmoore100@aol.com>

Thu 9/10/2020 10:21 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear Commission Members and Staff:

I am a homeowner in Monterey, and Cal Am provides my water. I strongly oppose its proposed desal plant. For many reasons, only some of which I will include here, I urge you to deny Cal Am's permit request. Your staff has prepared an excellent report, and its recommendation to deny the permit is well-founded.

Cal Am's desal project is not needed, is far too expensive, and will harm our coastal environment. Several reputable studies show the expansion of Pure Water Monterey will provide a sustainable water supply to meet the reasonable needs of the Monterey Peninsula for decades--and at about 1/6 the cost of Cal Am's proposed project. Cal Am clearly knows this and has refused to enter into a contract to buy this water because Cal Am has no incentive to keep costs down. It passes everything on to we ratepayers.

Although it is clearly not true, Cal Am argues its desal plant is the only way to resolve the cease and desist orders facing Cal Am for taking water from the Carmel River and the Seaside Basin that it should not have taken. By December of 2021, Pure Water Monterey will provide enough water so that Cal Am will not need to take excess water from the Carmel River and Seaside Basin. All Cal Am needs to do is to agree to purchase the water.

Cal Am's pretense that it cares about conservation and affordable housing is ludicrous. Its conduct shows it does not care about either, and neither does it care about its residential customers. When we ratepayers heeded calls from then Governor Brown to conserve water, Cal Am's response was to increase our bills so it wouldn't lose money because we had used less water. Its claims are the height of hypocrisy.

Please do not saddle Monterey Peninsula rate payers with a desal plant that is not needed and will double our water bills. We already pay the highest costs for water in the country. Please vote against Cal Am's request.

Sincerely,

Barbara Moore

Deny cal am desal Project

kate de la Fuente <8540tssf@gmail.com>

Thu 9/10/2020 9:45 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Please deny the pending cal am desal Project as detrimental to the environment and very expensive. Thanks, Kate de la fuente, Monterey

Public Water Now Letter Opposing Cal Am Desal

MWChrislock <mwchrislock@redshift.com>

Thu 9/10/2020 9:39 PM

To: Padilla, Stephen@Coastal <Stephen.Padilla@coastal.ca.gov>; Steve Padilla <tcruz@chulavistaca.gov>; Bochco, Dayna@Coastal <dayna.bochco@coastal.ca.gov>; Dayna Bochco <Phillip.arnold@bochcomedia.com>; Turnbull-Sanders, Effie@Coastal <effie.turnbull-sanders@coastal.ca.gov>; Hart, Caryl@Coastal <caryl.hart@coastal.ca.gov>; Aminzadeh, Sara@Coastal <sara.aminzadeh@coastal.ca.gov>; Brownsey, Donne@Coastal <donne.brownsey@coastal.ca.gov>; Escalante, Linda@Coastal <linda.escalante@coastal.ca.gov>; Wilson, Mike@Coastal <mike.wilson@coastal.ca.gov>; Mike Wilson <mike.wilson@co.humboldt.ca.us>; Groom, Carole@Coastal <carole.groom@coastal.ca.gov>; Gina Quiney <gquiney@smcgov.org>; Rice, Katie@Coastal <katie.rice@coastal.ca.gov>; Katie Rice <krice@marincounty.org>; Howell, Erik@Coastal <erik.howell@coastal.ca.gov>; Erik Howell <erik@erikhowell.com>; Uranga, Roberto@Coastal <roberto.uranga@coastal.ca.gov>; Roberto Uranga <Celina.Luna@longbeach.gov>; Gold, Mark@CNRA <Mark.Gold@resources.ca.gov>

Cc: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>; Ainsworth, John@Coastal <John.Ainsworth@coastal.ca.gov>; Luster, Tom@Coastal <Tom.Luster@coastal.ca.gov>; Dettmer, Alison@Coastal <Alison.Dettmer@coastal.ca.gov>; Staben, Jeff@Coastal <Jeff.Staben@coastal.ca.gov>

3 attachments (488 KB)

PWN Letter to CCC_9.10.20.pdf; PWN - PWM X vs Desal_9.1.20.pdf; PWM Chart.jpg;

Per Ex-Parte regulations the attached Public Water Now letter, September 10, 2020, has been sent to California Coastal Commissioners today.

Since we will not be able to meet with some of you. We hope the attached letter and information will help you understand the situation our community faces and why we oppose Cal Am desal project.

Public Water Now is a Monterey Peninsula organization of over 4,000 members. Our mission is an affordable, sustainable water supply for the Monterey Peninsula.

Thank you,

Melodie Chrislock
Managing Director
PUBLIC WATER NOW
http://www.publicwaternow.org
[mwchrislock@redshift.com]mwchrislock@redshift.com
831 624-2282

September 10, 2020

California Coastal Commission
45 Fremont Street, Suite 2000 San Francisco, CA 94105
Via Email

RE: Application No. 9-19-0918 and Appeal No. A-3-MRA-19-0034 (Cal Am CDP)

Chair Padilla and Commissioners,

Public Water Now supports your staff's recommendation. Please deny Cal Am's Desal permit. It is quite clear that this Project is not in the public interest. The alternative Pure Water Monterey Expansion is a project of our wastewater district – Monterey One Water. It is a state of the art groundwater replenishment project that will improve our environment by recycling more of the wastewater that flows into the Monterey Bay.

Does the Monterey Peninsula need this desal plant?

The Supply and Demand Report produced by the Monterey Peninsula Water Management District (MPWMD) is accurate and current. It can be accessed here: https://www.mpwmd.net/wp-content/uploads/Supply-and-Demand-Analysis-Adopted-5-18-20.pdf

The report looks at the history of water use and has shown that the 2,250 AF from the PWM Expansion will provide water for decades of growth. But Cal Am continues to argue against this using the outdated demand numbers in its EIR and claiming that its oversized desal Project is the only solution.

It's important to understand motive here. Cal Am is an investor-owned utility, and it earns a 9.2% return on its capital investments. It does not earn profit on water. For example, in the first year alone, it would earn over $9 million on this desal plant for its investors. Over 30 years, its estimated profit would be $123 million. In comparison, it earns nothing by selling the water from Pure Water Monterey or its Expansion.

Cal Am is notorious for its disinformation campaigns. We experienced this in our community's successful fight to pass Measure J, which requires MPWMD to buyout Cal Am's Monterey Peninsula system.

This time Cal Am's disinformation campaign focuses on discrediting the Pure Water Monterey Expansion. Its claim that the Expansion cannot provide enough water is false. MPWMD's supply and demand report, and two other reports from authorities on water management, have all shown that it will provide more than enough water for decades of growth.

Cal Am claims this water is not drought-proof, but the State considers recycled water to be a drought-proof source since wastewater is not impacted by drought. Note that conservation does affect wastewater and that Pure Water Monterey was designed with the Peninsula's radical conservation (57 gallons per person per day) already in place.

Cal Am claims that Monterey One does not have legal rights to the Expansion's source water. This is false. Attached is a chart showing Monterey One's rights to the source water for the PWM Expansion. It's ironic to note that it's Cal Am that has no legal source water for its desal project.

Your staff has seen through all these false claims in its report. But Cal Am and its supporters continue in their lie repeated a thousand times campaign.

Is Cal Am's desal needed to stop illegal withdrawals from the Carmel River?

For 25 years Cal Am has been overdrafting the Carmel River. It has failed to solve this problem. Over the past six years, our public water agencies, Monterey One Water and the Monterey Peninsula Water Management District have solved the problem with a new water supply from Pure Water Monterey. Through these public agencies' efforts in bringing Pure Water Monterey online and the conservation efforts of our community, we will meet the State's Cease and Desist Order (CDO) on the Carmel River by December 2021 without Cal Am's desal.

From Cal Am's records, its current 5-year average withdrawal from the Carmel River is 6,314 AF. Its legal withdrawal is 3,376 AF. The new 3,500 AF from Pure Water Monterey that Cal Am can now draw on will allow it to meet the CDO deadline with a surplus.

MPWMD was created to find a new water supply, and in the past 20 years, it has given us 7,300 AF of new water. It is a highly competent agency. It would be reasonable to have far more confidence in MPWMD, who has developed new water supplies over the past 20 years, than in Cal Am who has developed none.

For decades MPWMD's responsibility has been to monitor and restore the Carmel River and to oversee conservation. No other agency is in a better position to report on the State of the Carmel River. In August, Secretary Blumenfeld gave you an accurate history of the Carmel River CDO, but he did not update you on the progress or the fact that a new water supply is not needed to stop the illegal withdrawals from the Carmel River.

The credit for solving this long-standing problem goes to Monterey One Water and the Monterey Peninsula Water Management District, not to Cal Am.

The politics of our County, like our Country, are divided. Three members of our Board of Supervisors represent Salinas Valley Agricultural interests and often vote against the Peninsula's interests. This has certainly been the case with Cal Am's desal project. It's the reason for the split vote on the Monterey One Water Board. Half are in support and

half against expanding their own successful Pure Water Monterey project because the Expansion would make Cal Am's desal unnecessary.

Why do Salinas Valley agricultural interests want a desal plant on the Monterey Peninsula?

This is where Castroville comes into the picture. Cal Am has literally bribed half of the Monterey One Board with the promise of almost free desalinated water for Castroville. Cal Am's return water agreement gives Castroville 700 AF of very expensive desalinated water for $110 per AF. But it forces Cal Am's Peninsula customers to subsidize this water at the cost of $6000 to $8000 per AF. No one asked the Peninsula if they were willing to pay millions of dollars a year to subsidize Castroville's water on top of their already outrageous water costs.

Our community does not need this desal plant, and we can't afford it. This would add $1.2 billion to our water costs over the next 30 years. The Pure Water Monterey Expansion would cost $190 million and meet our water demand for decades.

Environmentally, we can't afford this either. We are a coastal community. The threat of global warming is very real to us. Cal Am's Project would be the largest GHG emitter in our region, emitting 8,000 MT of CO2 annually. The Pure Water Monterey Expansion would emit only 34 MT of CO2 annually because it is powered almost entirely by biogas from the nearby landfill. Cal Am's desal would also damage Marina's coastal dunes, threaten its groundwater and perpetuate environmental injustice.

Cal Am's desal project is not the right solution for the Peninsula. Please vote as if you live here and deny Cal Am's Coastal Development Permit.

Respectfully,

PUBLIC WATER NOW
Board of Directors
Melodie Chrislock
Doug Wilhelm
Mibs McCarthy
Myrleen Fisher
Susan Schiavone
Timothy Sanders
Zan Henson
Larry Parrish
Harvey Billig
Judi Lehman

Comparison of Pure Water Monterey Expansion & Cal Am Desal

COST & DEMAND ISSUES

PURE WATER MONTEREY EXPANSION	CAL AM DESAL
Current annual demand for Monterey Peninsula: 5-Year average is 9,825 AFY.	
Adds 2,250 acre-feet per year (AFY) to water supply. Total available water supply 11,700 AFY.	Adds 6,252 acre-feet per year (AFY) to water supply. Total available water supply 15,702 AFY.
Estimated cost per acre-foot $2,700.	Cost per acre-foot is $6,094 (at 86% capacity). If capacity drops, cost rises $7,300-$8,300 per AF.
Cost with O&M over 30 years is $190 million. Lower cost from non-profit public agency.	Cost with O&M over 30 years is $1.2 Billion. Substantially raises ratepayer costs.
Produces enough water for 30 years of growth. Historic demand for new development is 16.4 AFY.	Oversized for current need of 9,825 AFY (5 yr. avg.) Exaggerates future demand.
Meets peak demand.	Meets peak demand.
	Cost of replacing fresh water drawn from Salinas Valley Groundwater Basin to meet Agency Act.

ENVIRONMENTAL ISSUES

PURE WATER MONTEREY EXPANSION	CAL AM DESAL
Expands existing approved project. No coastal impact.	Destroys 7 acres of coastal dunes and habitat. New construction in coastal and inland areas.
Energy consumption is 23,000 megawatt hours per year. (45 MWh - PG&E / remainder from landfill biogas.)	Energy consumption is 52,000 megawatt hours per year (PG&E).
Produces 34 metric tons of CO2 per year.	Produces 8,000 metric tons of CO2 per year.
Protects against seawater intrusion.	Project must create seawater intrusion to work.
Captures and purifies existing wastewater for indirect potable use and stores it in Seaside Groundwater Basin. Improves water quality in Basin. Provides drought reserve. Reduces current discharge to Bay.	Draws 17,300 AFY of groundwater from Salinas Valley Groundwater Basin with experimental slant wells. Adds brine discharge to Bay.

Compiled by Public Water Now / September 2020 / PublicWaterNow.org

LEGAL & POLICY ISSUES

PURE WATER MONTEREY EXPANSION	CAL AM DESAL*
No issues with water rights.	Cal Am has no water rights to the groundwater it wants to use. It cannot meet the criteria laid out by the SWRCB to gain appropriative water rights.
CPUC has approved the Pure Water Monterey project for 3,500 AFY. CPUC did not complete its review of the PWM Expansion and has never considered it as a feasible alternative.	CPUC has approved the desal, subject to the independent judgment of other key permitting agencies (CCC and Central Coast RWQCB). New information was not included in original EIR that was approved.
Same permitting as approved PWM project for 3,500 AFY. No surprises.	Permitting faces obstacles and litigation over groundwater. No slant wells in use for desal anywhere in the world.
No litigation.	Current litigation expected to continue. High risk of litigation delay.
Consistent with SWRCB Dec.12, 2018 notice emphasizing recycling of water as preferred policy.	SWRCB policy requires that feasibility of slant wells must be determined before proceeding.
	Needs Marina Coast Water District pipeline (not available)

COASTAL ZONE ISSUES

PURE WATER MONTEREY EXPANSION	CAL AM DESAL
Best environmental alternative in the public interest.	Not in the public interest.
No coastal impact.	Violates LCP. 7 slant wells, transmission pipelines, construction disturbances. Western Snowy Plover nesting area. Destroys ESHA.
Existing wastewater is purified and recycled for indirect potable use. Reduces discharge to Bay.	Adds new brine discharge to Marine Sanctuary (8 million gallons per day). Potential Dead Zone.
Protects against seawater intrusion.	Induces seawater intrusion into groundwater basin.
No Environmental Justice issues.	Inflicts Environmental Injustice on Marina.

OTHER ISSUES

PURE WATER MONTEREY EXPANSION	CAL AM DESAL
Lifts CDO and moratorium sooner than desal. Project can be completed in 20 months.	May take years to lift CDO and moratorium due to litigation or permit delays.
Needs Water Purchase Agreement from Cal Am.	More profitable for Cal Am. $123 million profit (30 yrs.)
Cooperative public partnership serves agriculture and urban needs.	Threatens Marina's water supplies to meet the Peninsula's needs.

Monterey One Water
Providing Cooperative Water Solutions

Source Water for Pure Water Monterey and PWM Expansion – 2018

The 9-year average (2010 – 2019) for Ocean Discharge (excess wastewater) is 7,634 acre-feet

This chart reflects the wastewater sources to which Monterey One Water has contractual rights. It is the worst case scenario and does not include roughly 2,000 acre-feet of agricultural wash water which is not being utilized in the Base PWM project or the proposed expanded PWM project.

	OCEAN DISCHARGE	RECLAMATION DITCH	BLANCO DRAIN	OUTSIDE BOUNDARIES	RIGHTS FROM AFWRA	TOTAL
TOTAL RIGHTS	6,294	1,014	2,620	1,363	308	11,599 AFY
PWM BASE	2,865	578	1,419	204	---	5,066 AFY
REMAINING WATER	3,429	436	1,201	1,159	308	6,533 AFY

Available for Potential PWM Expansion and/or CSIP Annexation

	OCEAN DISCHARGE	RECLAMATION DITCH	BLANCO DRAIN	OUTSIDE BOUNDARIES	RIGHTS FROM AFWRA	TOTAL
H20 AFTER BASE	3,429	436	1,201	1,462	308	6,836 AFY
PWM EXP.	1,670	135	312	936	33	3,086 AFY
REMAINING WATER	1,759	301	889	526	275	3,750 AFY

Add'l Available for Potential CSIP Annexation

Cal-Am Project

Kris Lindstrom <krislindstrom@gmail.com>

Thu 9/10/2020 9:29 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

I urge you to deny Cal Am permission to build its desalination plant in Marina. There are far less environmentally destructive projects that will be far more economical. I am a former elected member of the Monterey Peninsula Water Management District and worked on the largest water recycling project in the United States (Orange County) before I retired. I have followed the alternatives for years and find the Cal-Am project to be unacceptable. Please vote to deny this project.

Kris Lindstrom
Pacific Grove, CA

Support for CCC Staff Report

George Riley <georgetriley@gmail.com>

Thu 9/10/2020 9:24 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Cal Am's desal is not ready for prime time.

As much as state, through policy and encouragement, wants a successful slant well desal, this is not the right one. It has an excessive degree of shortcomings, risks, and negative impacts to be approved. And it is not needed by the community Cal Am serves.

Cal Am has deficiencies that are astounding for a large asset-rich corporation. Its slant well data are not conclusive. Its engineering leaves gaps in analysis. Cal Am has changed its demand data.

It has tried to serve a low income community outside its service area - Castroville - at an even greater expense on an even greater number of low income in its own service area.

Cal Am's competence is questionable. It's simply not ready for prime time.

If you like desal, wait a few years. The US Dept of Energy has recognized the need for more research on desal technology and engineering. In late 2018, the DOE approved a $100,000,000 grant for this purpose. The lead agency for this national research grant is Berkeley Livermore Labs. Reports are due in 2025 and 2030.

Wait a few years before you entertain any new ocean desal proposals. Everyone would benefit from new research – the industry, policy and regulatory agencies like this Commission, as well as customers, communities with water needs and providers.

Desal continues to be the supply of last resort. We are not there, since we have an alternative.

One needs to deny reality if one accepts Cal Am's desal and its gargantuan cost, its enormous environmental footprint, the risky legal uncertainties, and using other people's money (ratepayers) to carry this burden.

Please deny the CDP for Cal Am.

George T. Riley

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

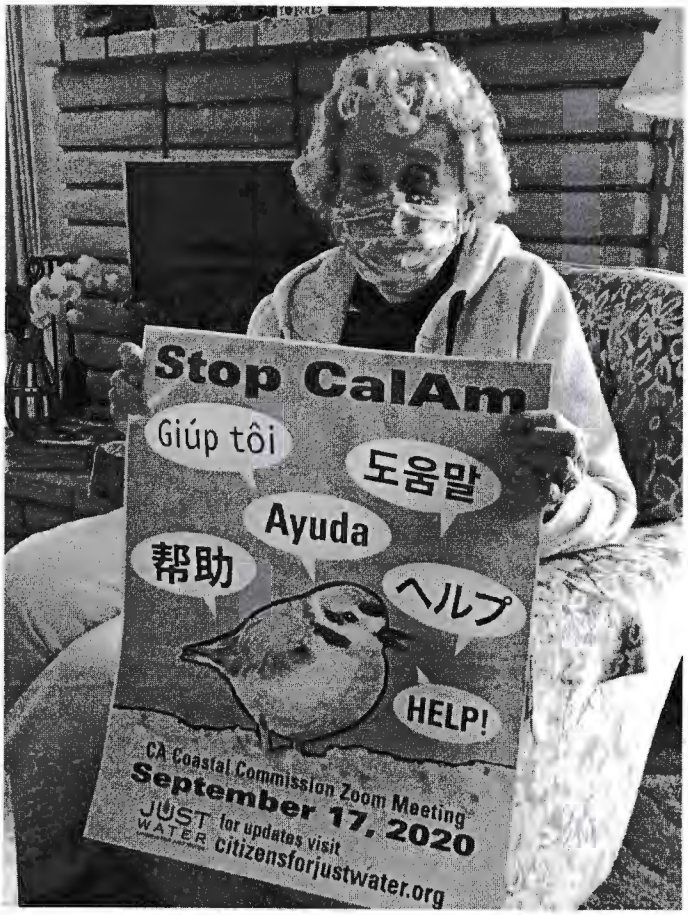
Nancy Fortman <nforts@yahoo.com>

Thu 9/10/2020 9:13 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

From: Johanna Pooler

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:



My name is Johanna Pooler: I am a resident of Marina for 54 years. I am from Germany where I met my husband, an American soldier and consequently, have lived in many areas of this country. We decided to settle in Marina where we raised out son. I am against a big company like CalAm coming into our small, economically diverse town of Marina, to build slant wells and a recycling plant. Our water has been of good quality and I do not want them to jeopardize it by the possibility of salt water intrusion. I also fear that they will eventually take over our small water district and charge us unaffordable water rates.

Please deny this harmful project.
Signed,
Johanna Pooler

URGENT! please DENY the CalAm Desalinization Plant

Rosemary Wells <rosemaryw@vlastudio.com>

Thu 9/10/2020 9:11 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

I have been a resident of Pacific Grove for the past seventeen years. I am a landscape architect, member of the PG Architectural Review board, and former member and chair (in an earlier residence) of the Mountain View Environmental Planning Commission.
I have followed the debate concerning the future of the Carmel River with great interest and concern. I am writing today to voice my support for the CCC staff's recommendations.
Water for the Monterey Peninsula is too important to be left to the vagaries of the utility market.
Please **DENY** CalAm's Desalinization project. It *will not*, ultimately, solve our problems: it will cause environmental harm through a rise in salt in coastal waters, it dis-enfranchises the Marina community, and, down the road, leaves the community without agency or options twenty years from now.

Sincerely,
Rosemary Wells

CalAm Desal Project Proposal

Charlotte Otto <charotto2@gmail.com>

Thu 9/10/2020 8:32 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

As a homeowner in East Garrison serviced by Marina Water, I object to the subject proposal by CalAm on the following grounds:

1. My drinking water comes from Marina's groundwater basin.
2. The project would take up to 15 million gallons of water per day from Marina's overdrafted groundwater basin to supply CalAm's Monterey Peninsula customers but would supply none to Marina.
3. Stanford University and other studies show that CalAm's desal project may deplete or contaminate Marina's groundwater.
4. If the groundwater is contaminated, Marina may be forced to purchase water from CalAm at the highest water costs in the Nation.
5. The desal project threatens Marina's beautiful coastal dunes, wildlife habitat, and planned beachfront recreation area.

I respectfully request the Coastal Commission consider all of these reasons and reject the proposed project.

Sincerely,
Charlotte Robinson
18563 McClellan Cir.
East Garrison, CA 93933

CalAm's Desal Permit Request

John Ponta <johnscoms@aol.com>

Thu 9/10/2020 8:12 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Greetings,

This is just a quick note to express my opposition to the desalination permit requested by CalAm water company.

Frankly, my wife and I are fairly new homeowners in Marina. When we moved to Monterey County we were quite surprised to learn that most of our friends in neighboring communities buy their water from CalAm - a private company; and I have not spoken to anyone that is happy about it. On the contrary, those folks invariably tell us how lucky we are to live in Marina which has it's own municipal water source.

Moreover, as a matter of policy, I am opposed to private companies providing utilities, including water, to households. Look at PG & E verses SMUD - I'll take SMUD any day. I have lived and worked all over California, and to my knowledge, have never lived in a place where the drinking water is provided by a for-profit company. The fact that CalAm's customers pay more than just about anyone else in the country speaks for itself.

I empathize with CalAm's customers but it is flat-out wrong to ameliorate their problems by taking our water and constructing some new facility on our beautiful shoreline.

John Ponta, MA

Licensed Private Investigator
Special Agent, California Dept of Justice (Ret)
Lieutenant, USNR (Ret)

Marina, CA

September 10, 2020

Chairman Steve Padilla & Commissioners
California Coastal Commission
455 Market Street, Suite 300
San Francisco, California 94105.

In re: Cal Am Monterey Coastal Permit

Dear Chair Padilla and Commissioners:

Please deny the California American Coastal Permit. Please do not sacrifice my community, Seaside, and the City of Marina for this ill-conceived, environmentally damaging, extremely costly project which is no longer necessary. Should this project be approved, leave no doubt in your minds that it will cause severe hardship for ratepayers, especially those who are lower income and unnecessary severe environmental damage.

My letter addresses three issues: The egregious **environmental justice** issues in this permit presents, **the health of Carmel River and steelhead trout;** and the availability of a **viable alternative project** with no coastal footprint.

First: Environmental Justice: If the Coastal Commission really means to fulfill its policy enactment for environmental justice, this project *must* be denied.

As succinctly analyzed by your staff, the industrial/environmental burden for this project would be borne by the small diverse disadvantaged community of Marina which already has at least 4 industrial facilities located there, as well as an EPA superfund site from past Army activity. There is no question of the egregious harm that would be done to its sensitive snowy plover and finally secured coastal area from the CEMEX sand mining interests, only to have it turned into yet another industrial plant. Most insulting in this corporate colonization would be the fact that it will harm Marina's groundwater supply, which it depends upon for drinking water, and they would get no benefit and would lose much. The California Coast which you are dedicated to protecting would be harmed severely. What then? Would Cal Am then pressure Marina to accepts its own water as a customer after aquifer depletion and saltwater intrusion?

As a resident of Seaside, which has a 43% disadvantaged population, water costs are already burdensome. **In Cal Am's June response letter to the commission, on page 92, they assert that the usage for the average residential monthly water bill is about $78** (or$936 annually) for a family of three.

This directly contradicts Cal Am's own rate announcement in 2019 which launched the latest rate increase from their approved CPUC rate request **where they estimated the average residential bill to start being $90.78 in May 2019** as shown in the copied text below sent to customers by email. (I was unable to find it again on their website and have a copy on my desktop from their site. It may have been taken down.)

file:///C:/Users/Susan%20Schiavone/Desktop/Water%20Rates%20%20Monterey%20District%20_%20Rate%20Design.html

What will be the average rate impact due to these changes?
The average, monthly total bills are estimated to be as follows:

	Consumption **100 gallon units (CGL)**	***New Rates***
Single Family	***38***	***$93.07***
Multi-Family	***24***	***$67.38***
Low Income	***38***	***$72.64***
Non-Residential*	***50***	***$183.59***

**Assume Division 1 customer*

When will these changes go into effect?
The new rates will be reflected in customers' May 2019 bills.

On page 94 of Cal Am's June letter, in response to Commissioner Groom's question, Cal Am provides a chart of the water charges. **The chart does not include meter charges, or the WRAM surcharges that will be included, along with other fees that customers pay**. (See LIRA below). While the CPUC approved a motion to end the surcharge, this will not be effective until AFTER **the current rate case which will again raise our rates at least another 17% along with additional surcharges before it takes effect, thus the rate floor for this desal project will be even higher.**

I recently asked several Seaside neighbors (9 people) about their bill. For those who live alone it has been averaging about $60, for those with two people it is $100 or above. These are all senior citizens. It is not easy to stay in tier 1. I can also attest to this rate hike as my average bill has been $90 in the spring and now in the summer has reached $143 for two people and two dogs. My husband and I are seniors on a fixed income, we conserve indoor use with less flushing, less showers, buckets for any excess water, and collect rain water in multiple barrels as well.

Seaside has a per capita income of $24,726. Per capita income serves as a measurement of the stability and wealth within a particular region. With a poverty rate of 14.9%, nearly 5,000 Seaside residents live below the federal poverty level, 11% higher than statewide. We have a 43% low income population. We pay the same high 4-tiered rates as high-income residents. In contrast, the hospitality industry pays a fixed tier-two rate for all water which they were gifted when they agreed to support the Cal Am desal project in 2012. **Therefore, Seaside Cal Am ratepayers bear a much higher cost per income level for water, subsidize the hospitality industry lower rates, and bear disruptions for infrastructure construction for pipelines, road stress from construction vehicles, and emissions. Now Cal Am wants us to subsidize Castroville as well.** Given the ensuing economic downturn, this situation will only worsen. Seaside unemployment shot up to 19.4% in April.

If this project is approved, many poor and lower middle-income residents may have to make the painful choice as to whether they can live like this or what they cannot purchase, including seniors who are 10.5% of the population. This will result in less expendable income for necessities, hardships of relocation, denial of access to coastal living and increased income inequality. This will also likely result in extreme water conserving with possible ill health effects. People need water to live and it must be affordable for all, not just the wealthy or businesses who can write off expenses.

LIRA: Staff also pointed out the Cal Am low income assistance program, LIRA, has many **obstacles for someone to actually qualify**: The bill must be in your name, you must have the meter in your name, you must qualify for the low income amount which is much lower than other programs; forcing many renters, mobile home owners and those who are in income distress but do not qualify, to be excluded.

We pay for LIRA! According to the staff report, 6% of Cal Am's customers actually get LIRA help, 18% in Seaside. The Commission should be aware that the LIRA program itself is "partially" funded by a monthly fee of $1.81 on ALL customer bills, including lower income customers.

While this is a small amount, multiplied by the customer base of 33,312 (not counting Carmel Valley) that comes to $60,294.72 per month, or $723,336.64 per year collected. If 6% of its customers are receiving benefits at 30% of $90/month average 1,998 customers for about $30 a month, then $59,940 or $719,280 per year is given out. **This means that the customers are NOT partially funding this program but entirely funding this program as it stands (not counting customers paying this fee in Carmel Valley!)**

As a final assault on my community, Cal Am is attempting to force ratepayers on the peninsula to subsidize water for Castroville at 8% of the cost they will have to pay if this project is approved. Castroville residents currently pay about $20 per month for water and would continue to do so under this project, receiving desalinated potable water at $580 AF, and possibly more for the CSIP project at $110 AF, while Seaside residents may face minimum rates of $180+ a month at $6-8,000 AF (if the groundwater return rates increases, as staff predicts, costs will rise). **This is an absolutely unjust proposal and unfairly puts the burden of the project on lower income residents in the Cal Am district, especially in the city of Seaside which has a higher proportion of lower income residents and senior citizens on fixed incomes.** This is an existential threat that may price out many low -income people from the ability to live here. This project will severely and unfairly impact lower income peninsula ratepayers who should not be used as exploited subsidy sources to legitimize illegally taken water for the project.

Second: Carmel River and the Carmel River Steelhead Trout: The environmental issues facing the Carmel River are being resolved without Cal Am's desal project.
Numerous efforts are being made to make this very goal achievable and some of those intermediate goals are being met. This includes the removal of the San Clement dam (paid for by ratepayers), several programs and agencies which have donated and purchased surrounding lands to rewild them for optimum river health and the fish, volunteer efforts are

done and an ongoing rescue and release, as well as annual counts and monitoring by the Monterey Peninsula Water Management District.

This is no secret for the agencies involved. It seems those who are presenting another reality are mistake. For example, In **May 2019, TROUT Magazine**, reported an important land deal that was made to benefit Carmel River Steelhead (Sam Davidson, May 7, 2019)

> *"Trout Unlimited has worked since 2006 to advance steelhead recovery in this priority watershed.* ***Over the past year, this work has helped produce two major outcomes that will help Carmel River steelhead****.*
>
> *First, a long campaign to remove the lower of two dams on the Carmel—the century-old San Clemente Dam, at risk of catastrophic failure in a major earthquake—came to fruition* ***as the San Clemente Dam Removal and River Re-route project was completed in*** *the fall of 2015. (note: paid for by Cal Am Ratepayers)*
>
> *This* ***project re-opened some 25 miles of historic spawning and rearing habitat*** *to steelhead. This winter, scientists observed dozens of steelhead redds in the new habitat.*
>
> *...an opportunistic partnership involving the Trust for Public Land, Monterey Peninsula Regional Parks District, Santa Lucia Conservancy and the Steinbeck Country Chapter of Trout Unlimited has led to a remarkable land deal which will* ***convert 140 acres of a golf course to park land and re-dedicate some 300 acre-feet of water back to the lower river.***
>
> *The conservation partners announced the deal yesterday after a lengthy series of complicated negotiations with multiple landowners and the local water utility, California American Water Company..."*

The **Carmel River Watershed Conservancy** has spoken for the desal related to the steelhead. It should be noted that **Catherine Stedman, Cal Am Manager of External Affairs,** sits on the board of directors as well as **Paul Bruno,** an outspoken pro-Cal Am professional contractor with pipe installation contracts for Cal Am who stands to profit from the desal project.

Please note that in the organization's **2020 newsletter** they state this optimistic report. https://www.carmelriverwatershed.org/latest-news--

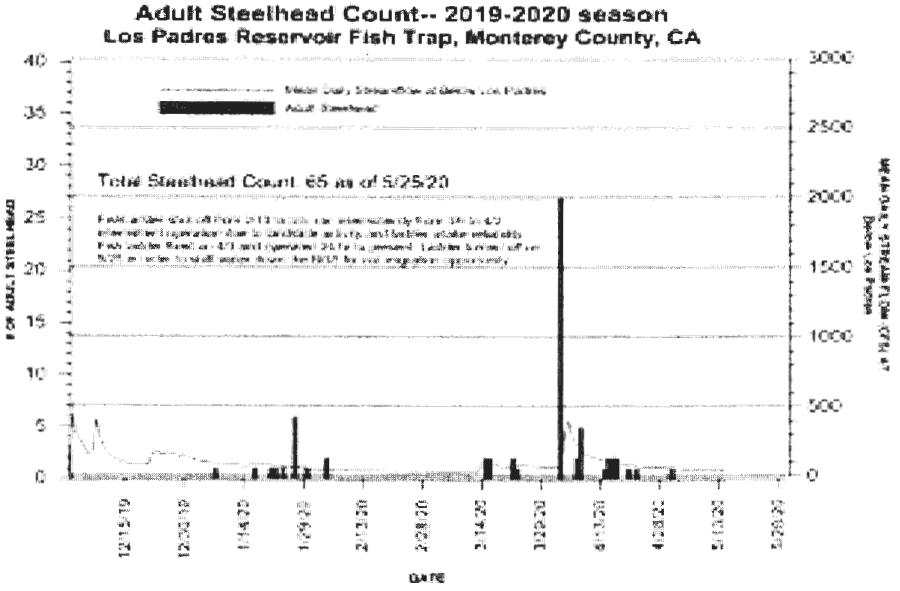
> *Fish Rescue at Finch Creek Ranch, 2019*
>
> *"This year 129 steelhead trout made it back from the ocean into the River and 126 made it over the Los Padres Dam.* ***This is a dramatic increase over 2018 and a good sign for both the species and the health of the river.*** *Just two years ago, only 29 steelhead made it over the Los Padres Dam. Steelhead are a hardy*

species, and with a little help from the CRWC, the Carmel River Steelhead Association and other local conservation groups, ***they are making a comeback.***

This year we also had more than 18,000 trout rescued*. 58 people assisted with rescues during the season, many of which were new volunteers...The return of steelhead indicates a significant ecological impact.* ***Returning steelhead are a sign that water quality and riverbed quality are good enough to house both spawning fish and juveniles. This development signifies a positive shift in the overall health of the river.*** *As Brian LeNeve (Carmel Steelhead Assn) says,* ***"We've turned a river around from one of the 10 most threatened in California to one with hope."***

Every organization likes to take the credit for good outcome, and rightly so. They often shine a brighter light on their organization and partners, but may forget the local public or government agencies that have also contributed to the efforts.

In this case, it is very important to see what part the local Monterey Peninsula Water Management District has done to augment and assist in this effort at river restoration.
Here is the fish count in early 2020 at the Los Padres Dam. This shows a definite increase, and the effect of the drought on the river must be factored into the equation.
See https://www.mpwmd.net/environmental-stewardship/carmel-river-steelhead-resources/los-padres-dam-fish-counts/current-year/



Monterey Peninsula Water Management District in partnership with Cal Am operates a Carmel River restoration and management program, including repair work that will enhance the areas suitable for trout. This is a long program dating back to the 1990s. They perform fish counts at Los Padres dam. They also rescue young fish, help rear and release them, as well as work

on habitat restoration. Their website notes that this year the trout 'superhighway' was in full swing with the abundant rainfall we received.

They are currently working on new ways to count the fish more accurately since the **invasion of striped bass into the river and effects of the drought** has also complicated this recovery process but progress IS being made and the alternative project Pure Water Monterey, if expanded, can meet all requirements for the SWRCB.

Third: There is an environmentally superior and sustainable alternative that has NO coastal footprint. There is a completely viable alternative in the Pure Water Monterey recycled water project, a cooperative project with Monterey One, the Monterey Water Management District, and Cal Am, if expanded.

Pure Water Monterey, now in phase one operation, will give us the additional water we need to stop illegal diversions from the Carmel River by the December 2021 deadline. And it would lift the moratorium much sooner than Cal Am's desal.
After December 2021, only 3,376 acre-feet (AF) of water can be legally taken from the river. But because of the 3,500 AF of new water available from Pure Water Monterey, we can meet that deadline with a surplus. **This will stop the illegal withdrawals and protect the River**. But to meet the requirements of the Cease and Desist Order (CDO) and the CPUC imposed moratorium, we would need the additional water supply of the **expansion of Pure Water Monterey**. With expansion, we will have sufficient water to lift the moratorium and address low income housing needs.

The supply and demand report from the MPWMD has been professionally certified by three separate nationally recognized water use hydrologist consulting firms, and Cal Am used the lower usage amount (9,825) in its latest CPUC rate case. The desal plant is not needed to meet this supply and demand. The impact of project approval, however, would be even higher rates if the desal plant proves to be under used and therefore the price per AF will become even higher than the current $6000-8,000. Cal Am hired one firm to echo its opinion related to higher supply numbers in the original EIR. With less demand than projected, the expanded PWM will give us enough water for a minimum of 20 to 30 years--enough time to allow further analysis of the effects of desal on ocean health and better technologies to ensure better environmental outcomes with desal options.

The Marina Coast Water District (MCWD) received a report in July 2020 from water management expert Peter Mayer of WaterDM, confirming that with careful management, Cal Am can comply with the SWRCB CDO and reduce Carmel River diversions as required by 2022 **without additional supply sources.** The report further concluded that in the near term, Cal Am can build up its storage reserves in the Seaside Basin increasing the amount of banked water. The report also found use of proven demand management tools, such as a water budget and adjusted irrigation schedules, will allow better management of peaks in demand. (as reported in Cedar Street Times, 7/10/20, p. 3, and MCWD www.mcwd.org)

***Expanding* Pure Water Monterey would provide adequate water needed for growth**. If the Pure Water Monterey Expansion of 2,250 AF were added to the current 3,500 AF from

Pure Water Monterey (Phase 1), along with legal River withdrawal of 3,376 AF and other ASR sources, the total available would be 11,700 AF. We only use 9,825 AF annually. That would lift the CDO and provide 1,875 AF of surplus water for growth.

PWM Expansion source water is primarily the 8,000 acre-feet of excess wastewater that is now discharged into the Bay. Another plus for this project. It is contractually secure and drought proof. And the plant is sustainably run with a low carbon footprint, and will be utilizing methane gas from the waste facility for fuel.

Cal Am's Desal project has no legal source water and will primarily illegally pump groundwater, damage Marina's water supply, destroy vernal pond environments and coastal habitat, and produce a large amount of carbon emissions and outflow, among so many other problems.

Commissioners, please see this project in the light of the latest information which has been provided at great cost to local communities who fully realize the damage and environmental and economic injustice that would occur should it be approved. Please deny this project.

Sincerely,

Susan L. Schiavone
Seaside, California

Deny Cal Am's Desalinization Project

Tony Vastola <tvastola@gmail.com>

Thu 9/10/2020 7:42 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

I am a 17 year resident of Pacific Grove and a member of various local conservation groups: Big Sur Land Trust, Elkhorn Slough Foundation, and the Carmel River Steelhead Association. Over the past 6 months I have tried to educate myself on this complicated issue - what is the best solution to the Monterey Peninsula's water supply problems, including how to end the overdraft of the Carmel River.

After researching the various aspects of this issue and reading the arguments on both sides I have come to the conclusion that the CalAm proposed Desalinization Plant is not the correct solution and that the Pure Water Monterey (PWM) projects (phase 1 and the expansion), as compared to the desal project:

- can provide more than adequate water for Monterey Peninsula for at least the next 20-30 years
- will end the over drafting of the Carmel River long before the desal plan can come on line
- are much less expensive - both in capital and operating costs
- will release far less green house gases
- will have less negative impacts on the local environment
- have less technical and legal/permitting/approval risks
- do not take advantage of Marina and jeopardize their water supply

I believe that the California Coastal Commission's (CCC) staff report of Aug 25, 2020 thoroughly covers the environmental, economic, supply vs demand, and social justice issues. The CCC staff's conclusions are excellently summarized in the last paragraph of page 3 of the report:

'Staff believes, after weighing the evidence in the record at this time, that the Pure Water Expansion is a feasible alternative to Cal-Am's Project, will allow Cal-Am to cease its illegal water withdrawals from the Carmel River and meet the region's water needs, and is the preferable, least environmentally damaging alternative. The Pure Water Expansion would also result in fewer environmental and economic burdens to the communities of concern within Cal-Am's service area, would avoid environmental burdens to the City of Marina, and appears to have fewer significant hurdles to clear before it could be implemented…'

Please follow the recommendations of the CCC staff report and **DENY** CalAm's Desalinization project. Thank your for your consideration.

Tony Vastola
Pacific Grove, CA

Denial of Cal-Am desalination project

mjdelpiero@aol.com <mjdelpiero@aol.com>

Thu 9/10/2020 7:36 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>
Cc: richardwnutter@gmail.com <richardwnutter@gmail.com>; mdptrustee@gmail.com <mdptrustee@gmail.com>

ATTN: Tom Luster and Members of the CA. Coastal Commission

On behalf of the Ag Land Trust of Monterey County Board of Directors, we strongly support the CA. Coastal Commission staff's recommendation for DENIAL of the proposed California American Water Company's desalination plant and their proposed massively damaging groundwater wells. This project must be denied because of its' massive and unmitigated adverse environmental impacts on protected Coastal Zone resources and its illegal reliance upon the pollution (induced saltwater intrusion) of potable groundwater resources in the Salinas Valley groundwater basin.

Our Trust currently owns over 45,000 acres (in fee or as permanent conservation easements) of prime and productive farmlands in Monterey County. We are the fee owners of over 150 acres of prime, cultivated Coastal Zone farmlands that are immediately adjacent to the CEMEX site wherein Cal Am intends to wrongfully exploit the groundwater resources to which CalAm has no water rights.

Cal Am's proposed project will have massive adverse effects upon our protected coastal farmlands, on our statutorily protected groundwater resources, and upon the long-term employment of hundreds of our farmworkers who work on our ranch. Polluting our groundwater compromises our ability to continue to farm/irrigate our protected coastal farmlands that were acquired with both federal and state farmland preservation program grant funds.

We first publicly objected to the proposed CalAm project before the CCC in November of 2014. We noted at the time that Cal Am had no groundwater rights in the over-drafted, non-adjudicated Salinas Valley, and that both existing California statutes and over 100 years of California groundwater rights law (as articulated by the California Supreme Court in numerous reported cases) prohibit CalAm from ever securing groundwater rights in the basin, and prohibit Cal Am from illegally exporting any groundwater from that overdrafted basin. The pumping of the Cal Am test wells has already wrongfully induced seawater pollution/intrusion into our protected Coastal Zone aquifers and exploited the groundwater aquifers that we have paid (and continue to pay) to preserve and recharge with fresh water (Cal Am has never paid a dime for these supplemental water resources and is in violation of long-term, existing, and comprehensive governmental aquifer recharge assessment districts rules).

We hereby reiterate and incorporate by reference each and every letter of objection, document, and e-mail correspondence in opposition to this project (and all contents thereof) that the Ag Land Trust has sent to the Coastal Commission and its staff since November of 2014 into this, our current objection and request for denial of the Cal am project.

We request the denial of the subject proposed project based upon all of the arguments and submissions that we have provided to you over the past six years, and based upon your staff's comprehensive recommendation for denial of this Cal Am desalination project.

Most Respectfully,

Marc Del Piero for the Ag Land Trust of Monterey County

Please expand the Pure Water Monterey project!

Helen Rudnick <irenehill520@gmail.com>

Thu 9/10/2020 7:20 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Please deny CalAm's desal permit. The plant would harm the environment and perpetuate environmental injustice in the city of Marina.

Pure Water Monterey is the cost-effective and environmentally sound solution to our affordable water needs. Please expand this project!

Thank you,
Helen Rudnick
Seaside

CalAm Desal Marina

Pat McNeill <pmcneill64@gmail.com>

Thu 9/10/2020 7:19 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

I want to be on record in opposition to CalAm's effort to build a Desal facility in Marina. The design is experimental and un-vetted by industrial standards. The siting in Marina screams institutional rascism.
Thank you.
Patrick McNeill
503 Pearl St.
Monterey, CA

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Jessica Scrimshaw <scrimshawjessica@gmail.com>

Thu 9/10/2020 6:38 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commissioners, John Ainsworth, and staff:



My name is Jessica Scrimshaw, and I'm a current resident of Marina. I was originally a CSUMB student who moved here back in 2011, and fell in love with the town of Marina. It's a relatively small town with a lot of local business and great food! Yet it's also close to the larger towns, and less than 2 hours from the rest of my family.

I'm currently 27 and managed to purchase a home here in Marina 2 years ago. I'm living the best life here with my long term girlfriend and our two wonderful cats. I work as a data analyst with the DMDC, and my girlfriend manages for KF Construction. Marina is very special to us and we have planned to stay here and continue to expand our family.

We do not support CalAm's desal project as it will not only be costly and cumbersome, it will be detrimental to the environment we desperately need to protect. Our beaches here in Marina have many spots to protect our ecosystem, and this will only harm all of that.

Are we in a housing crisis? Yes, but the solution isn't this. Before we even think of increasing the supply of water to build more houses, we need to build the infrastructure to support the planned increased population.

Please deny this project. We want to see our community flourish and the land and water here stay safe for future generations of both people and animals.

Thank you,
Jessica Scrimshaw

No on Desal Plant

Elsa Weber <elsaweber4@yahoo.com>

Thu 9/10/2020 6:18 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear Coastal Commission,

Please do not approve Cal Am's proposed Desal Plant. This project has been fraught with problems suggested by a company that is doing a terrible job. Cal Am has lost any trust or goodwill from the community. It's time to return water management to local government. That's what government is for!

Thank you for protecting our coast and particularly our vulnerable citizens in Marina. Building a Desal Plant in Marina is not Environmental Justice—it's exploitation.

Respectfully Yours,
Elizabeth Weber

6 September 2020

Dear California Coastal Commissioners:

I am a third year environmental studies major at CSUMB, born and raised in Santa Cruz, with a deep interest in ecological preservation, conservation of resources, and equal access of those resources to all people. After thoroughly reading the *Summary of Staff Recommendation* of the *Staff Report: De Novo Appeal and Consolidated Coastal Development Permit*, as well as sections A-F of the report, and hearing from local experts Amy Anderson, PhD Marine Biology, and Gary Hoffman, MPWMD representative and licensed civil engineer, on both sides of the issue, I strongly agree with the Report's recommendation not to approve the CalAm Desalination Project. The furthering of this desalination project would be economically expensive, have a multitude of negative environmental effects, and impose an unjust distribution of these financial and environmental burdens on the people of Monterey County.

Desalination of seawater for potable use is an overly expensive endeavor. The cost of this process, paid by CalAm customers via inevitable rise in water utility rates funnels money directly from local residents and businesses to the pockets of a private water company. As a private utility company, CalAm does not guarantee reduced rates for low income households, which compounds the inequity of financial burdens imposed by the desalination Project. In contrast, supporting the Pure Water Expansion Project, which, as stated in the Report, would cost two to three times less, would invest into a publicly owned utility that does offer tiered rates.

Furthermore, the desalination Project would lead to irreversible environmental impacts, both known and unknown, on the delicate ecosystem of Monterey Bay. Brine discharge, at a rate of 10 million gallons per day, would cause direct, ongoing harm to sea life. Additionally, the

construction site and infrastructure would lead to additional short term and permanent harm to sensitive dune habitats. The Monterey Bay National Marine Sanctuary and the protected dune habitats exemplify the value this community places on environmental preservation; this desalination Project directly contradicts these core values. Due to its location at the mouth of the Monterey Submarine Canyon, the Bay is home to a diverse community of studied and yet to be studied species. Scientists cannot know the extent of how the brine discharge and dune disturbance could affect life in the Bay, but operation of a desalination plant would terminate the possibility of finding out until after it is too late to resolve related issues.

Lastly, due to the location of the site, this proposed desalination plant would inequitably affect the already overburdened residents of Marina, a city that is not a customer of CalAm but would shoulder environmental degradation caused by the project, without the potential compensation of reduced water bills. Though the production of this desalination plant would provide water at a discounted rate to residents of Castroville, this benefit does not outweigh the harm it would cause the Marina community. Instead, a different solution to support Castroville residents that would not directly harm inhabitants of other areas must be sought out.

Exorbitant costs, environmental risk, and inequitable distribution of these burdens make this desalination project unjustifiable. While desalination may prove to be a viable option in the future, current technologies constrain this method to be expensive, both in terms of economic and environmental resources. I urge you to stand strong in this decision to deny the existence of a desalination plant at this time and in the foreseeable future.

Sincerely,

Kailee Huebner

Don't go rogue! Support the Coastal Commision staff report!!! Back Science not political influence! Deny Cal Am boondoggle desalination project location.

Tammie Timmion <adagio3737@aol.com>

Thu 9/10/2020 5:15 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

I hope and pray our government agencies will protect us from predatory water companies that hold monopoly powers fixated on pursuing THEIR AGENDA at any means necessary to advance THEIR bottom line. Cal Am sees an opportunity for a land grab. They know it's not an ideal location, it's only a convenient location opening up to pursue THEIR agenda to profit from a desal plant. It will never be built even if they corrupted our Coastal Commission! It makes no sense for the community. The extremely profitable New Jersey corporation AWK parent to Cal Am has nothing to loose promoting and trying ever trick in the book to get this concept accepted by the Coastal Commision. Please stop this madness dismiss Cal Am. We who live in the Monterey Bay know we deserve better than to have our water tied to a New Jersey Water Corporation (AWK - American Water Works) whose facade Is "California American Water" or Cal Am. Dismiss the project at this location now and forever! PLEASE! Thank you for doing your job to protect us.
Tami Timmion
Monterey, CA

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Mark Kintz <Mark@fc-cpa.com>

Thu 9/10/2020 5:09 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:



My name is Mark Kintz, and this is my family. We bought our first home in Marina in 1999, homeschooled all four of our children here (now adults in professional jobs) and plan to retire in this same house someday. My wife was a stay-at-home mom, and I am a CPA in public practice in Monterey. We've worked with many non-profits as a family, but the one we're most proud of is being on the founding board of https://www.norcalmtb.org/ (which became NICA https://www.nationalmtb.org/) and expanded across the country, coast to coast, and whose mission is to introduce youth to a healthy and active outdoor lifestyle and stewardship of our public lands and trails. The nearby Fort Ord National monument was/is an amazing place for these NICA kids, and we coached high-school teams from our house in Marina from 2002 to 2015 when we passed the torch. The team is still going strong. https://bikemonterey.org/monterey-bay-lightfighters-mountain-bike-team-2018.html

My concerns with the CalAm project are many, but the most pressing and concerning aspect to me is the uncertainty about how much water supply (Marina's sole aquifer) really exists, and the very real possibility that the CalAm project will have the undesired effect of exacerbating the existing sea-water intrusion into this already stressed aquifer. Add to this that Marina takes all of this risk, without benefitting by receiving a single-drop of this water, and the whole idea is unacceptable.

I'm not opposed to desalinization in principal, but according to my read of CC staff's report there are less costly alternatives, and if a desalinization plant needs to be built, in the interest of fairness it ought to be built within a jurisdiction who will receive the water. (There is an existing small desal plant already in Sand City on Bay Ave I beleive)

Please deny the Cal Am project.

Respectfully,

Mark Kintz CPA (and family)
483 Carmel Ave

Marina, CA 93933
831-375-5166 (Ext 19)

Environmental Justice on desalination project

Araceli suarez-padilla <asuarez-padilla@csumb.edu>
Thu 9/10/2020 5:04 PM
To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear California Coastal Commission,

Marina, Seaside, and Sand City are all cities with notable low-income communities that are within the scope of this proposed project who would be greatly affected if these plans should come into fruition.

These cities have vulnerable, low-income populations that cannot handle another adversity to overcome in their lives being the addition of higher water costs, especially considering water is essential to life. Marina is a city that is already disproportionately home to multiple industrial development projects such as the mining facility, regional landfill, composting facility, and sewage plant which are services that are all outsourced by other cities(pg.89). In Seaside more than a third of its residents have an income below 200% of the federal poverty level. This city is also home to the largest population of African Americans (7%) in the affected area and to various other ethnicities making up the majority of the population at 69% being non-white(pg.90). The risk of displacing these communities is high due to the delicate nature of a low-income person's finances especially with the soaring cost of housing already present. Many residents have described the frugal measures they have implemented into their daily lives such as " ...using their dishwashers only to dry dishes, flushing toilets only once a day, taking showers at municipal facilities instead of at home, not washing clothes as often, removing gardens, or using greywater for irrigation" but to no avail, as water prices continue to rise(pg.95).

Cal-Am has tried to address this problem by implementing a discount on their water called Low Income Ratepayer Assistance ("LIRA") where disadvantaged residents can apply for a monthly discount of up to 30%. This program has many very specific requirements such as, "having an individually metered or flat-rate residential meter, having the water or sewer bill held in the name of program participants, and having household income" below the set poverty level(pg.94). These barriers make it

hard for all people in need to access this discount because of different living situations. the inability to have ownership of the water bill in their name due to renting, or not qualifying due to their income not meeting an unrealistically set low number. In addition to it being inaccessible, "Residents participating in the LIRA program who were interviewed also stated the discount does not offset the impacts of increasing rates still."[1](pg.95).

Through all this struggle, this desalination project is not intended to service them in the first place, but it is harming them the most in the long run. Marina's locals will have to deal with constant construction disturbing the ocean which many are concerned about due to the potential effects their cherished home may feel. On top of the high cost of living, and COVID-19's impact on the economy, these rising water rates may be enough to drive many natives out of their homes due to insufficient funds. This issue is exorbitantly affecting them as there are "seven times as many individuals in Marina and in Cal-Am's service area that would be burdened by the desalination facility as those in Castroville that would benefit (based on a federal low-income threshold)(pg.95).

This could all be avoided if the Pure Water Expansion project is put into action as an alternative. The projected cost of water is "one-third to one-half of Cal-Am's proposed Project", making it a far more economically friendly option(pg.9). As well as being low cost, this project is less intrusive, allows for the cities to avoid unnecessary damage to its beauty, and it would mean the world to the citizens that would otherwise be pushed out of their homes.

Source

Cal Am

Roland Martin <rolhmar95@yahoo.com>

Thu 9/10/2020 5:02 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

For the past twenty five years the CPUC has allowed Cal Am to grow both volume and profit at the expense of its ratepayers, primarily residential. This practice has, today, saddled those residential ratepayers with the highest cost water for comparable utilities in the United States. Its projected desal project will drive the price of water higher by a magnitude, with two profit centers rather than one. This
unnecessary burden must be stopped. It is your duty to represent the people on this peninsula, not Cal Am. Adequate less new water is availble now, not at some future date, by Pure Water Monterey.
Please deny Cal Am its desal authorization.
Respectfully,
Roland Martin, resident, Carmel Valley.

Desal Plant

Macbook <cvroddy@sbcglobal.net>

Thu 9/10/2020 5:00 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Please deny Cal Am's Desal Plant. We are already paying too high water bills and this Desal Plant will only increase our rates. We can meet our water needs by expanding Pure Water Monterey's project.

Thank you,

Roddy McArthur
Carmel Valley

Please Deny Cal Am's Desal Project

aeisler <aeisler@sbcglobal.net>

Thu 9/10/2020 4:57 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Please deny CalAm's Desal Plant. It is not in our best interest and will only raise our already too high water prices with a project that is not necessary, as we can meet our needs via expanding Pure Water Monterey's project. We have the most expensive water in the USA and expanding the Pure Water Monterey project is the most cost-effective and environmentally sound solution.

Sincerely,

Andrea Eisler
Carmel Valley resident

Sent from my Verizon, Samsung Galaxy smartphone

Cal Am Desal Project

Madeline Borquist <madeline.borquist@santacatalina.org>

Thu 9/10/2020 4:50 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

I deny Cal Am's request to do Desal for the Monterey Peninsula. They have proven themselves to not only be poor stewards of our water supply but avaricious as well.

Madeline Borquist

Sent from my iPhone

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Patricia Wagy <patti@wagy.net>

Thu 9/10/2020 4:48 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commissioners
Executive Director John Ainsworth and staff:

My name is Patricia Wagy; I am a resident of Marina, California since 1995. I have seen Marina undergo many changes and challenges in the last 25 years. Our small community shares the burden of an abandoned army base with its toxic remnants, a regional waste management dump with its impact seen on our freeways and frequent stench in our neighborhoods, and a sand plant which blights our coastline.

I am a retired registered nurse, living on a fixed income. I take pride in our small community and I am seen frequently with my husband of 50 years picking up trash in our neighborhood with our pogey sticks. Marina should not have to bear another burden of a harmful project by a greedy corporation that threatens our ground water and the beauty of our coastline.

Please deny this harmful project. Thank you.

Sincerely,

Patrica Wagy
Concerned Marina Resident

DENY NO Cal Am Desal Project

Judi Lehman <jlehman@redshift.com>

Thu 9/10/2020 4:46 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear Coastal Commissioner and Staff:

Please, Please DENY the Cal Am Desal Project.

The local leaders and the community all know the **Expansion of Pure Water Monterey** will provide a long-term sustainable water supply for decades of growth. It will support affordable housing and economic recovery and avoid environmental damage and environmental injustice to Marina.

The good work and fine deeds of the Pure Water Monterey supports the Expansion with source water, primarily the 8,000 acre-feet of excess wastewater, that is now discharged into the Bay. This is a WIN for the Ag (they don't have to pay more to treat it before they flush or use it again), a WIN for the Ratepayers (Affordable), a WIN for the environment AND it's contractually secure and drought proof !!

And the community did it - now Cal Am is trying to block and destroy it.

Please, Please DENY the Cal Am Desal Project.

Sincerely,
Judith Lehman
186 Hacienda Carmel, CA 93923

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Cyndi <cynper@sbcglobal.net>

Thu 9/10/2020 3:43 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

Staff got it right! I encourage you to follow your staff's recommendation and deny this harmful Cal-Am project.

Thank you for your work protecting our coast.

Respectfully,
Cyndi Perry
Marina, CA

Appeal no. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

gaely jablonski <gaelyj@yahoo.com>

Thu 9/10/2020 3:32 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

1 attachments (181 KB)

118040975_10225779242214304_1636511741626551538_o.jpg;

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

My name is Gaely Jablonski and I am a 32 year resident of Marina, CA. My husband, David, and I have lived on the Monterey Peninsula since the early 1970's and found that Marina was not only an affordable community in which to raise our children, it is a community we love because it's filled with a rich ethnically diverse populace of very hard working families. We raised our 2 children here and spent time on our beach as often as time allowed.

When we purchased our home David was a Commercial Fisherman which was difficult as he was gone 80 percent of the year. The children and I were very involved in our community; Marina City Tree Committee, Marina Larger Library, Marina's soccer and baseball/softball, Boy Scouts, and many school activities. David and I began a stainless and aluminum fabrication shop in 2002 so that he could be home with the family.

I would be repeating what has been said time and again by so many others about why this project is terrible for our beloved community of hard working individuals but I implore you to Please deny the, very harmful, CalAm Project. Listen to your staff, they did get it right the first time and have continued to prove this again in their current report.

Thank you for your time.

Very Sincerely,

Gaely Jablonski

Please vote AGAINST Cal-Am's desal proposal

Jane Bednar <janebednar@me.com>

Thu 9/10/2020 2:57 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Water bills have increased 5-10-fold in the past five years. This is insane! We are being priced out of Monterey County. Vote NO.

Appeal No. A-3 MRA 19-0034; Deny CalAM Desalination Project Permit

Andrea Phelps <hikeslots@gmail.com>

Thu 9/10/2020 2:41 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

To: California Coastal Commissioners
From: Andrea Phelps
Subject: Appeal No. A-3 MRA 19-0034; Deny CalAM Desalination Project Permit

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:

My name is Andrea Phelps and I was a recent resident of Marina for over 21 years and am now a resident of Seaside.

I am very concerned about the CalAm plan for a desalination project in Marina. It seems like another example of environmental injustice where the water and dunes in Marina would be compromised.

Please deny this harmful project.

Thank you,

Andrea Phelps

Cal-Ams Desal Plant Proposal

Hailey Rizzo <hrizzo@csumb.edu>

Thu 9/10/2020 7:20 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

1 attachments (35 KB)

Letter to Coastal Commission.pdf;

Hello,

I have attached a letter to the California Coastal Commission that is written from the point of view of one of the potentially threatened species regarding the proposed desalination plant in Marina. I hope this offers a new perspective to the Coastal Commission.

--

Hailey Rizzo
Environmental Studies Major
Pre Law Minor
CSU Monterey Bay

To the California Coastal Commission

I am a Western Snowy Plover, one of the few that are left on the Pacific Coast. I was born and raised on the dunes in Marina and I will live my entire life here. I spend my days foraging for food down by the water and making a nest for my young in the dunes where I was born.

One day, as I am collecting shell and vegetation fragments for my nest, many people arrive in large trucks and construction equipment. They are planning to put wells near my home as I am getting ready to mate. I try to build my nest regardless of the noise and machinery, but I am forced further and further away from my home and there is less land for other birds like me. I am unable to find a nesting site that is protected from predators and far enough away from other nests. I do not mate this year.

I spend the next year adapting to the machinery and people encroaching on my home. They have taken up 6 acres of land and many birds like me could not mate last year. This year, we are determined. I begin making my nest early this year in hopes of finding adequate space to raise my young, but sadly I am unable to find the necessary vegetation for building my nest. I make do with pebbles and fish bones, but I can not find a mate. Many birds like me have left their home to find more space.

A few months later, the trucks and machines are gone. There's fewer people in my home, but they left behind wells. Over the next five years life begins to go back to normal. The vegetation grows back, some birds return home, and I am able to mate. I have two broods a year and produce many offspring before the people return.

The people came back to my home with their trucks and machinery. They are working again. I watch as my offspring fail to find space to mate and raise their young. This happens every five

years for the next 20 years. Eventually, there are no birds like me left on the dune I used to call home.

I am not sad that I had difficulties mating or that my young could not raise their own. I am not sad that I watched so many birds like me leave their home or that there are no birds like me in Marina anymore. I am sad that I was not protected. The few other Western Snowy Plovers and I that once called Marina home could have been protected by the California Coastal Commission when they voted against the Desalination Plant in Marina. The construction during my breeding season, the loss of my home, and the continual disturbance of my home could have been prevented. I was born and raised on the dunes in Marina, but I did not get to live my whole life there.

Signed 

One of the last Western Snowy Plovers in Marina

Matthew Zefferman
3114 Bayer Street
Marina, CA 93933

9 September 20202

Honorable Chair Padilla and Commissioners
California Coastal Commission
45 Fremont, Suite 2000
San Francisco, CA 94105-2219

Re: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Dear Chair Padilla and Commissioners

I am writing to urge you to adopt your staff's recommendation and ***deny*** the permit for CalAm's desal project and uphold the City of Marina's denial of the permit. I am an elected board member of the Marina Coast Water District, but am writing this letter in my personal capacity. I also regularity enjoy access to our amazing beach, one of the few accessible beaches on the central coast in a disadvantaged community.

As a small water district that primarily serves the disadvantaged community of Marina, we have a hard time getting our voices heard in the face of CalAm's money and political connections. I commend your staff for evaluating the arguments and evidence presented by all of the stake-holders in this proposed desal project and coming to a decision on the merits.

This project is not needed and will not serve a purpose, other than padding CalAm's profit margin. The Pure Water Monterey expansion will give the peninsula enough water for decades at lower cost and without the environmental harm. I especially appreciate their care in examining the project's harms to residents of Marina and Seaside, two communities that will unfairly bear the burden of this unnecessary project.

The Coastal Commission staff did an outstanding job reviewing the evidence and came to the right decision.

Sincerely,

//signed//

Matt Zefferman

Deny the CalAm Desal Project

Tiffany Buraglio <Buraglios@outlook.com>

Thu 9/10/2020 3:16 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

CalAm has been fleecing the residents of the Monterey Peninsula for their water for years. The icing on the cake was CalAm asking users to conserve water and when they did, they jacked the rates up because they didn't have enough revenue coming in. What???

The Desal project has been an overpriced ridiculous solution proposed by CalAm for a long while. The peninsula needs to reject this project and find another manager for the peninsula's water.

Tiffany Buraglio
Resident, Carmel Valley

Deny Cal Am's Desal Project

wons <wons7591@yahoo.com>

Thu 9/10/2020 2:44 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Please deny CalAm's Desal Plant. It is not in our best interest and will only raise our already too high water prices with a project that is not necessary, as we can meet our needs via expanding Pure Water Monterey's project.

Marsha from Carmel Valley

Fwd: Appeal No. A-3-MRA-19-0034, Deny Cal Am Desalination Project permit

Doreen Liem <doreenliem@comcast.net>

Thu 9/10/2020 2:05 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Subject: Appeal No. A-3-MRA-19-0034, Deny Cal Am Desalination Project permit

Dear CA Coastal Commissioner, Executive Director John Ainsworth and Staff,

I am Caleb Liem, MD, a full time Obstetrician/gynecologist at Natividad Medical Center. My wife, Doreen Liem, and I have been residents of Marina since 2008.

We strongly object to Cal Am's desalination project. Please listen to the voice of the citizens living in Marina.

Thank you very much.

Caleb Liem, MD

CAL AM's Desal Permit

Rosemary Luke <rosemaryluke@gmail.com>

Thu 9/10/2020 1:58 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Please deny CAL AM's desal permit

Please Deny Cal Am's Desal Project

Patricia Fay-Magiera <carachoco05@gmail.com>

Thu 9/10/2020 1:53 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear Commissioners,
Please DENY Cal Am's Desal Project on September 17, 2020.
As a 15 year-long Seaside resident and Cal Am ratepayer, I can say with knowledge and conviction that the Desal Project is NOT in the public interest. It is economically and environmentally unjust. We cannot afford to pay $6000 - $8000 per acre per foot for water! Water is a treasure of the environment and its necessity for life makes it a basic human right.
The Pure Water Monterey Expansion is the feasible, environmentally and economically just alternative. It provides a long-term, sustainable water source capable of supporting affordable housing, economic recovery, protection for the Carmel River and the steelhead trout, and protection for the Seaside basin.
Cal Am has created lies in letters and postcards to ratepayers and the general public, and presented lies to you.
The California Coastal Commission has worked very hard and diligently doing its own research and homework and proven that it is a full and competent match for Cal Am in trying to secure economic and environmental justice for the people of the Monterey Peninsula, especially for our sister town, Marina. I sincerely thank you for doing this work and helping the environment and the people.
I sincerely ask that you continue to do this fine work in denying the Cal Am Desal Project.
I request that you support the Pure Water Monterey Expansion.

Thank you for all your hard work, time and consideration.

Respectfully yours,

Patricia Fay-Magiera

Please DENY Cal Am Desal Project

Patricia Fay-Magiera <carachoco05@gmail.com>

Thu 9/10/2020 1:22 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Patricia Fay-Magiera

1336 Harding Street

Seaside, CA 93955-5554

September 9, 2020

Attn: Thomas Luster

California Coastal Commission

Dear Commissioner Luster:

As a resident of Seaside, I have been active door to door in Seaside with Public Water Now, in order to find a sustainable and affordable water supply and delivery system. Today, I write to you as a Seaside homeowner and senior.

On 9/17/2020 the final decision will be up to you and your Commissioners. Your rejection of Cal Am's proposed desal plant is vital to me and my fellow residents of Seaside. Many here are living below the poverty line, many are average citizens just doing their best working and living here with family and friends, or by themselves. Others are seniors struggling on a fixed income to hold onto their apartments, homes, neighborhoods and health. We simply cannot afford to pay $6000 to $8000 per acre foot for water, which is a human right and necessity.

There is no affordable living without affordable water.

The Pure Water Monterey Expansion is the feasible, economically and environmentally just alternative to Cal Am's desal project. It provides a long-term, sustainable water source capable of supporting affordable housing, economic recovery, and protection for the Carmel River and the Seaside basin.

Please follow your Staff's recommendation to **deny** the proposed Cal Am desal project.

Thank you for your time, consideration and hard work!

Respectfully yours,

Patricia Fay-Magiera

Do NOT TAKE OUR WATER

Cheryl Swix <swixie44@sonic.net>

Thu 9/10/2020 1:02 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commissioners, Executive Director John Ainsworth
My name is Cheryl Swix. I have been a resident of Marina CA for more than 20 years.
Before retiring last year I worked for Bayonet/Blackhorse Golf Course.
PLEASE DENY THIS HARMFUL PROJECT.
IT WILL NOT ASSIST THE CITIZENS OF MARINA AT ALL!!!
Thank You!!
Sent from my iPad

Cal Am's Desal Project

Katalin Markus <kmarkus@sbcglobal.net>

Thu 9/10/2020 12:54 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear Commissioners,

Please support your staff's recommendation of denial Cal Am's Desal project.
It is oversized, over priced and will double our water bill.

Pure Water Monterey Expansion is the most cost effective and environmental friendly solution. It will give us enough, good quality water even through drought season.

Thank you for your consideration
Katalin Markus
Resident of Monterey

Sent from my iPhone

Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination/Slant Wells Project Permit

Mike <mgk333@sbcglobal.net>

Thu 9/10/2020 12:52 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear California Coastal Commissioners, Executive Director John Ainsworth and staff:

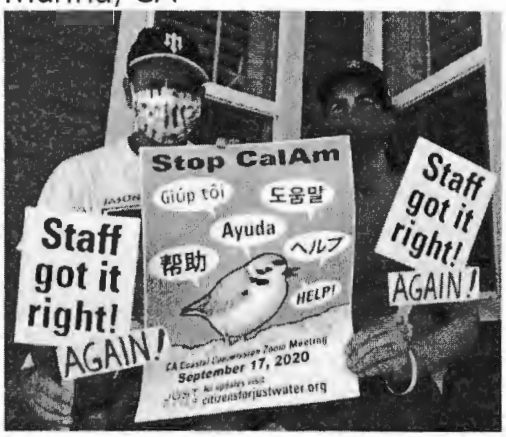
Wouldn't it be fantastic if there was an official agency that had the power to:

- Protect and expand public shoreline access and recreational opportunities
- Protect and restore sensitive habitats, including near-shore waters, wetlands, riparian habitat, and habitat for rare and endangered species
- Protect scenic landscapes and views of the sea

We are all very fortunate to know that there ***is*** such an entity – the California Coastal Commission – that was created to **preserve, protect and restore the resources of the California coastal zone** for the enjoyment of the current and future generations.

I am asking the California Coastal Commissioners to please **vote according to your staff's very through analysis and accurate recommendation and *deny* CalAm's slant wells** on the shoreline of Marina.

Sincerely,
Michael Kennedy
Marina, CA



Appeal No. A-3-MRA-19-0034: Deny CalAm Desalination Project Permit

langmeadlarry@gmail.com <langmeadlarry@gmail.com>

Thu 9/10/2020 12:37 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff,

My name is Larry Langmead. I have been a resident of the Dunes in Marina since May of this year. My wife, Sharon, and two college age daughters, Kaitlyn and Nicole, moved here when I retired from Lockheed Martin.

I have been sorry to read the extremely misleading news about the desalination project which will, in fact, have a major negative impact on the fresh water resources of the City of Marina. There must be better places to build the project and take the water which will not have such an impact on the communities.

Please deny this harmful project! Thank you.

Larry P. Langmead
langmeadlarry@gmail.com
408-859-7010

De Sal Plants

Elisabeth Billingsley <ebillingsley@redshift.com>

Wed 9/9/2020 11:55 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear Commissioners

I very much am against Cal AM's desalt plant. As a 60year resident of Marina I'm also a widow, this is very upsetting for me and others, we had the Cemex plant for all these years and they took our sand from our beach and here comes Cal Am and wants to take our water now.

I have pictures how nice our beach used to look and now it is terrible , the parking lot is almost to the beach.

Please Listen to your STAFF they got it , they under stand and can see right through Cal AM's lies. Marina has so many disadvantages people and we just can't afford loosing our water.

PLEASE Listen to the Staff.

Thank you

Sincerely

Mrs. Elisabeth Billingsley

401 Sunset Pl.

Marina, CA 93933-3314

831-384-9038

Appeal No. A-3-MRA-19-0034

Willi Franz <willideb@comcast.net>

Wed 9/9/2020 10:57 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

1 attachments (3 MB)

P1040417.JPG;

To: CalAm Monterey
From: Willi Franz
Email: willideb@comcast.net
Subject: Appeal No. A-3-MRA-19-0034, Deny CalAm Desalination Project Permit

Dear CA Coastal Commissioners, Executive Director John Ainsworth,

My name is Willi Franz. I am a resident of Marina. My wife and myself were working in the Hotel business before covid. Debbie worked as F&B for Hyatt while I worked for Marriott as Ex. Chef. We transferred here from Washington DC. We found this house after living in the Hotel for weeks. We fell in love with the area with all the AG growing, the Ocean, the small town feeling Marina gave us made us decide to buy a house here. We moved here in 2006 and have a neighborhood full of wonderful people. Throughout the years we have adjusted our living to accommodate the water supply. We spend $3,000 on a new lawn, but when they called for cut back, we stopped watering. In order for us in Marina to continue our water supply, we all needed to comply. And we all did for the good of living here.
Debbie is Canadian and I am from Chicago.

The reason for this email:
"Please deny this harmful project thank you.

Chef Willi Franz

Appeal No. A-3-MRA-19-0034; Deny Cal-Am Desalination Project Permit

Troy Ishikawa <ishikawatroy@yahoo.com>

Wed 9/9/2020 10:48 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear California Coastal Commissioners, Ex. Dir. Jack Ainsworth, and staff:

I am writing to you in support of Pure Water Monterey Expansion project. The CCC staff "Got it Right, Again!" I have read the 154-page report from cover-to-cover. The PWM Expansion is a far superior alternative to Cal-Am's desalination project and here are my top 10 reasons why!

1) PWM Expansion will come on line faster.

2) Cost less money!

3) Exceeding less environmentally damaging!

4) Is already pumping recycled water (the preference by your commission) into the Seaside Basin.

5) Does no harm to the Salinas Valley Groundwater Basin.

6) Will provide plenty of water for everyone in our water district for decades to come and allows for conscientious development, growth, and lots on record.

7) Will help restore the steelhead population in the Carmel River.

8) There will no longer be over-pumping of water from the Carmel River, removing the state's 1995 cease and desist order.

9) Does not burden low-income ratepayers in the Monterey Cal-Am district over another low-income group outside of the district. This is NOT Environmental Justice.

10) Has the potential to be the pioneer in recycled water, successfully championing environmental challenges in a climate changing world.

Deny Desal!

Respectfully,
Troy Ishikawa
Carmel, CA

desal

Mark Pettit <map13@sbcglobal.net>

Wed 9/9/2020 10:27 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

we do not need a desal plant to achieve our water needs. This is a routine lie from CalAm to inflate its value
Stop this project

Sent from AT&T Yahoo Mail on Android

Cal AM Desal Project

Comcast <jeanmdonnelly@comcast.net>

Wed 9/9/2020 10:25 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear California Coastal Commission Executive Director John Ainsworth and Staff,
My name is Jean Donnelly. I reside in Pacific Grove. I am a retired teacher and very interested in environmental issues.
Because of my concerns, I respectfully request that you deny the Cal Am Desal Project Project, Appeal number: A-3MRA 19-0034.
Sincerely,
Jean Donnelly
759 Jewell Ave.
Pacific Grove, California
93950

Sent from my iPhone

Appeal No. A-3-MRA-19-0034; Deny Cal Am Desalination Project Permit

Peggy Smith <ps.mbay@yahoo.com>

Wed 9/9/2020 8:15 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Dear CA Coastal Commissioners, Executive Director John Ainsworth & staff,

My name is Margaret P Smith. My husband & I moved to Marina from Pacific Grove when we bought our first home. 24 years later we still happily live in that same home.
We are both retired now. Able to enjoy more of what we love doing, ride our bikes along the CA coastal trails or walk the footpaths with our dog.
I writing to ask you to please deny the Cal Am Slant Well project!

I hope you all will deny the Cal Am Slant Well Project.

Signed,

Margaret P Smith
3165 Kona Cir, Marina 93933

Cal Am Desal Permit Denial

ouchie contributor <contributor@ouchie.us>

Wed 9/9/2020 12:26 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Hello California Coastal Commissioners,

I have been a Monterey County resident for three years. I was astonished to learn that a publicly traded corporation owns our regional water rights and infrastructure. Although I am strongly in support of private business and particularly value the model of public contracts which support independently owned and operated family and other corporate businesses, I believe that water systems should not be involved in business structures like publicly traded commodities. Water and the ability to utilize that water at a zero to extremely low cost is a basic human right. I believe that the stock market incentives of essential shared resources, such as water, elicit a monetary focus that un-justifiably uses a public resource as a methodology of commerce.

As a resident, I have personally experienced how Cal Am has leveraged our essential public resource for their corporate and shareholder objectives. My Cal Am water rate was burdensome to my budget.

Additionally, I received marketing materials from a Cal Am contracted marketing firm that contained mis-leading and inaccurate statements. They have clearly shown an interest in leveraging Federal and State funds to enrich their economic objectives. They have increased rates dramatically over my Brief residence in the county and show no intent to lower rates.

I have been aware their actions to side step environmental protections and to challenge the city of Marina on water rights. I do not believe that Cal Am is correctly managing the water system and respecting the water basin beyond their immediate region.

I strongly advocate that you deny Cal Am's permit application.

Thank you for your consideration,

Dustin Faddis

Deny CAL AM's Desal Project

al.schader@gmail.com <alschader@gmail.com>

Tue 9/8/2020 7:53 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Do we need water? Yes. What we don't need is CAL AM's high priced desal plant! Expanding the Pure Water Monterey project is the most cost effective and environmentally sound solution. Please deny CAL' AM's
desal permit.
The Monterey Peninsula ratepayers can not afford a desal plant.
Leonard A. Schader
Marie E. Schader
1374 Boles Ct.
Seaside, CA 93955

Re: the Desal project...

Mark Watson <marquis51@icloud.com>

Fri 9/11/2020 1:33 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Here's another Letter for Deny of Cal.Am's desire to construct an oversized, overpriced, bad location, and un-needed desal plant. Pure Water Monterey is a feasible and environmentally preferable and more cost effective way to come by water. Just not as profitable... I support Marin in defense of their water source, this desal plan is not the answer to our water problems, Please Deny the Right to Access our Shoreline !

Mark Watson,
Monterey Resident
Cal. Am. ratepayer. September 10th, 2020

Sent from my iPad

On Sep 10, 2020, at 3:20 PM, susan schiavone <s.schiavone@sbcglobal.net> wrote:

Please all PWN folks - we need more letters! This is it! Emoji Emoji

On Thursday, September 10, 2020, 09:02:29 AM PDT, MWChrislock <mwchrislock@redshift.com> wrote:

LETTERS MUST BE IN BY FRIDAY. They can be short, just ask them to DENY Cal Am's Desal Project.
Cal Am and its supporters are asking people to send letters to the Coastal Commission.
Please take a few minutes to counter Cal Am's effort with your own letter.

Email your letter to CalAmMonterey@coastal.ca.gov
Subject: DENY Cal Am's Desal Project

Support the Coastal Commission staff report in your letters. I recommend reading the summary. It's just the first 11 pages here: https://documents.coastal.ca.gov/reports/2020/9/Th3a&4a/Th3a&4a%20Staff%20Report.pdf

Melodie

Updated Key points to draw from:
– Cal Am's Desal project is not in the public interest
– Pure Water Monterey Expansion is the feasible and environmentally preferable alternative
– It will give us a new water supply much sooner than desal
– Our current water supply from Pure Water Monterey – Phase 1 (3,500 acre-feet) will allow us to stop illegal withdrawals from the Carmel River by December 2021.
– Our current water supply will restore the Carmel River and protect the Steelhead. The environmental issues facing the Carmel River have been resolved by Pure Water Monterey without the need for Cal Am's desal or the PWM Expansion.
– There is no Carmel River crisis
– We don't need Cal Am's oversized, over priced desal project to solve our problems
– The Expansion of Pure Water Monterey will provide a long-term sustainable water supply for decades of growth. It will support affordable housing and economic recovery and avoid environmental damage and environmental injustice to Marina.
– No Affordable housing without affordable water. Cal Am's desal would double our water bills.
– Cal Am is the only obstacle to the expansion of Pure Water Monterey.
– Cal Am cannot be trusted. Passing Measure J was the community's statement
– Desal damages the environment, costs too much and creates environmental injustice
– Desal harms the coastal habitat and Marina's beautiful dunes
– Desal has no legal source water, it would draw groundwater from an overdrafted groundwater basin NOT under the ocean
– PWM Expansion source water is primarily the 8,000 acre-feet of excess wastewater that is now discharged into the Bay. It is contractually secure and drought proof
– Orange County has used this same system for decades
– Cal Am has had 25 years to solve or water supply

problem
– Our public agencies have solved it in the last 6 years. Now all the water we need for decades is available, but Cal Am is blocking it

Luster, Tom@Coastal

From: Dustin Cook <Dustin@dcookconstruction.com>
Sent: Wednesday, September 02, 2020 1:12 PM
To: CalAmMonterey@coastal
Cc: MWChrislock
Subject: Cal Am's Desal Project

Dear Commissioners,

I am writing in support of the findings of your staff for Cal Am's Desal project. The Desal project is not in the public interest. There will be damages to the coastal habitat and Marina's sand dunes as well as creating an environmental injustice. There is no water supply crisis and we don't need Cal Am's oversized, overpriced desal project to provide our future water supply.
Pure Water Monterey Expansion is the feasible and environmentally preferable alternative that in Phase 1 (3,500 acre-feet) will allow us to restore the Carmel River and stop illegal withdrawals by December 2021. It will give us a new water supply much sooner than desal without Cal Am's proposed doubling of our water bills.

Desal has no legal source water. It would draw groundwater from an over drafted groundwater basin NOT under the ocean.

Expansion of Pure Water Monterey provides a long-term sustainable water source that is capable of supporting affordable housing, economic recovery and protecting the Carmel River and the Seaside basin.

PWM Expansion source water is primarily the 8,000 acre-feet of excess wastewater that is now discharged into the Bay. It is contractually secure and drought proof. Orange County has used this same system for decades.

Cal Am is the only obstacle to the expansion of Pure Water Monterey.

Cal Am cannot be trusted. Passing Measure J was the community's statement.

Thank you for your consideration of this matter.

Sincerely,

Dustin Cook, Cal Am customer, resident of Carmel Valley

D. Cook Construction
831-899-2532
831-899-2808 fax

Luster, Tom@Coastal

From: Marian M. Cote <cotejam@icloud.com>
Sent: Wednesday, September 02, 2020 11:53 AM
To: CalAmMonterey@coastal
Subject: Deny CalAm Desalination Project near Marina, California

Dear Commissioners:

I am a relatively new resident of Marina, California. I have been hearing and reading a lot about the proposed desalination project upon which you shall be voting. I understand the impact on my chosen retirement community shall be very negative, not to mention native species and the beautiful coastline.

PLEASE VOTE "NO" !!!

Thank you for your consideration.

Marian M. Coté

Sent from my iPad

Luster, Tom@Coastal

From: Carol Setinek <carolsetinek@gmail.com>
Sent: Wednesday, September 02, 2020 9:39 AM
To: CalAmMonterey@coastal
Subject: Comment re Sept. 17th CCC meeting

Please deny Cal Am permission to build its troubled slant well desalination project. The majority of our community and elected leaders do NOT support this project. We have a less expensive, less invasive solution in the Pure Water Monterey expansion.

Our region should not be forced into Cal Am's expensive desal, especially not while a pandemic is clobbering our economy. Building it would double our ratepayer's water bills at a time we can least afford it, as well as slowing our economic recovery.

We know Cal Am promotes its desal because it **earns a 9.2% rate of return on its capital investments.** If Cal Am buys water from the recycling project, the cost is passed through to customers with no profit going to Cal Am's corporate parent and shareholders.

Recycled water from the Pure Water Monterey Expansion can supply sufficient fresh water to our region for a generation. In the long term, we may need desal, but let's use the best design available then. Today's desals are expensive because pressures of more than 1,000 pounds per square inch must be generated to push the salty water through filters.

Livermore Lab researchers have recently developed a technique that lowers the cost of desalinating seawater. https://www.llnl.gov/news/new-desalination-technique-uses-flow-through-electrodes-faster-desalination-and-lower-cost

It uses new porous carbon materials, allowing saltwater to flow easily through electrodes, making it much more energy-efficient. Let's wait!

Not using Pure Water Monterey, the affordable solution the Monterey One Water Board has given us, would be just another Cal-Amity! Let's ditch divisive Cal Am, and our best regional water decisions will literally bubble up.

--
For every vision, there is an equal and opposite revision.

Luster, Tom@Coastal

From: Dawn H <dhartsock@gmail.com>
Sent: Wednesday, September 02, 2020 9:08 AM
To: CalAmMonterey@coastal
Subject: No De-Sal PLEASE!!!

Dear Members of the Coastal Commision,

Thank-you for doing your job and understanding that the De-Salination plant is a very bad idea on so many levels. Please do not "Cave In" to pressure from $$$Cal Am. Please continue to support the environment and the people who live here by supporting alternate water solutions.
Sincerely,
Dawn Hartsock
Seaside and Marina home owner

Luster, Tom@Coastal

From: wayne kelly <surferwaynekelly@gmail.com>
Sent: Tuesday, September 01, 2020 10:47 PM
To: CalAmMonterey@coastal
Subject: DENY Cal Am and the Desal Project

Hello,

I am a lifelong Monterey resident, and have been following our water issues in the area for over 25 years.

I would like to make one thing clear. No one that I have talked to here wants this overpriced, environmentally damaging Desal plant proposed by Cal Am.

In fact, people are very passionate about blocking it from ever getting built.

Cal Am has been trying to mislead the public with false information, so please consider that if you receive ANY letters from the public on Cal Ams behalf. They have been asking people to write letters based on their deceptive propaganda. I will get back to this.

No citizen hearing actual facts would ever choose this Desal Plant over the Pure One Monterey project. Unless, of course they had a financial interest.

This community is very proud of the Pure One Monterey project, and we are looking forward to our future with them. They are doing a fantastic job, and Pure One Monterey brings a sense of pride to our community.

Cal Am has worked very hard to block Pure One Monterey and it's expansion at every step. The SOLE PURPOSE of Cal Am blocking it is so they can profit from this expensive Desal build, and charge ratepayers outrageous amounts of money for water.

Cal Am has been working diligently against concerned citizens, ratepayers and even our own Water District that they are supposed to be supporting.

This Desal Plant will be litigated heavily. They want to build it right in the middle of a sensitive coastal habitat. It also may very well affect the water quality in Marina as well.

Even without litigation, this proposed Desal Plant is well out of reach of the goal to satisfy the Carmel River Desist Order. It's way too late for the Desal Plant to be operational by the end of 2021.

This Desal Plant is also EXPERIMENTAL, it's never been done with slant wells in this manner, anywhere, ever. It is possible it may not even operate as planned.

There is no doubt that it will draw more salt water toward the basin, as that would be the goal.

That could possibly contaminate the Marina water supply further, and draw their cleaner water toward the coast. I am no scientist, but I believe science and logic when I hear it. Logically, it only makes sense to me.

Regardless, Cal Am has no right to take water from the Marina Basin, or draw water anywhere near it. It is not something that we need to experiment with. The City of Marina is fully prepared to litigate this with hard science.

Marina is miles away from Monterey, and there has not been much talk or consideration about the additional environmental damage done from digging more trenches for more piping. Especially near the coast and the proposed site.

There is so much wrong with this Desal project, I can't even cover everything here.

Through news and social media, Cal Am has been spreading lies/ deception about the need for a Desal Plant. As a lifelong citizen of this county, it is has been frustrating to see Cal Am mislead fellow citizens like that.

I would be happy to forward you some of their overtly misleading messages at your request, so you can make your own judgement. It should be illegal for a company to lie to the public like that.

We, the people are tired of Cal Am working against our better interests for profit. That is why the majority of ratepayers voted to buy out/ get rid of Cal Am.

Dave Stoldt, General Manager of the Monterey Water District thoroughly crunched our water numbers. Mr. Stoldt says Pure One Monterey can easily relieve our reliance of the Carmel River. I believe that to be accurate, as Mr. Stoldt has our best interest in mind.

The better plan is to expand Pure One Monterey, which will supply us with enough water for at least another 25 years.

In the future, Desal technology will inevitably improve, and become more affordable. There is also new technology coming forward that could potentially replace Desal. Choosing Pure One Monterey will leave us with better options for the future.

If Cal Am had our best interest in mind, they themselves would have been pursuing other options to relieve our reliance from the Carmel River. Doing things like blocking the Pure One Monterey Water expansion shows you their true colors.

It makes no sense, unless you have ulterior motives like profit in mind.

Without Pure One Monterey, there would be no backup plan. Cal Am has no other plan. It seems Pure One and the Monterey Water District may have "saved the day" for us. Kudos to them.

Please vote to DENY this unwanted Desal Plant. Our water district has a plan, and our best interest in mind. I am confident we are in good hands.

Thank you for your time!
Wayne Kelly

Luster, Tom@Coastal

From: Laura Murphy <lamindeed@gmail.com>
Sent: Tuesday, September 01, 2020 9:32 PM
To: CalAmMonterey@coastal
Subject: Cal Am's Desal Project

Dear Coastal Commissioners,
I am a resident of Seaside, CA. My work and passion are in conservation and wise and equitable community stewardship of our collective natural resources. I am writing in support of the findings of the Staff Report referenced here: https://documents.coastal.ca.gov/reports/2020/9/Th3a&4a/Th3a&4a%20Staff%20Report.pdf

My intention in writing today is to assert my strong sentiment that the referenced California American (Cal Am) Water Desalination project is not at all in the public interest. The dogged insistence of Cal Am to press forward with the Desalination Project reflects, I believe, the company's utter disregard for the will and needs of the community in and around the Monterey Peninsula, and its interest rather in serving its own profit motive.
I do believe that the Pure Water Monterey Expansion is the most desirable alternative, allowing for a resolution of environmental issues related to withdrawal from the Camel River as well as future development.

I sincerely appreciate your consideration.

Laura Murphy
Seaside, CA 93955

Luster, Tom@Coastal

From: Renee Franken <rbfranken@aol.com>
Sent: Tuesday, September 01, 2020 11:32 AM
To: CalAmMonterey@coastal
Subject: Please oppose Cal Am's desal project

I would appreciate it if the following would be distributed to each member of the Coastal Commission and to all staff involved in this issue. Thanks.

Date: September 1, 2020

To: Coastal Commission Members and Staff

Re: Cal Am desal proposal – please oppose

Cal Am's proposal to build a behemoth of a desalinization plant is worse than a boondoggle. Cal Am states that it is a sustainable project and that it is the only adequate source of water for the Monterey Peninsula. In fact, it is neither. The Pure Water Monterey project, which uses reclaimed water, treats it by four separate, state of the art filtration systems – and then injects it in the ground water supply – is the sustainable, adequate, and affordable way to address the Monterey Peninsula's water needs. What does Cal Am do about Pure Water Monterey? It refuses to enter into a contract to buy this water – water which is ever so much cheaper than what Cal Am would produce if the desalinization plant were built. Fact is, Cal Am makes money on the development of a desal plant. It makes more money the bigger and more expensive that plant is. They have designed a plant that is not needed. For reasons both of cost and the environment, the desal plant should not go forward.

For many years I worked at the chief staff for a California Assembly Committee where, among other things, it was my job to evaluate the proposals and positions various groups took on legislation. I checked everything and everyone. I soon learned who could be trusted with not bending the truth or providing self-serving arguments while omitting the facts that countered their positions. It is partly for this reason that I am amazed that Cal Am has any credibility with public agencies. Cal Am continues to present arguments that have been shown to be untrue. They make claims they cannot back up. They are under a cease and desist order that they ignore and get delays for compliance, time after time. They cannot be trusted.

In their most recent letter to rate-payers, asking them to support Cal Am's position on the desal plant, Cal Am argues that the desal plant is the only viable option to supply the Peninsula with water. It has been proven over and over again that this is not true. Various studies have shown that the Pure Water Monterey expansion program will provide adequate water to the Peninsula to meet its needs long into the future.

In the same letter, Cal Am lauds the rate payers for being a leader in conservation – conservation that Cal Am chose to punish us for by asking for increases in water bills to compensate them for our lower water usage.

Basically, Cal Am's desal proposal is in the interest of Cal Am – not in the public interest. The Pure Water Monterey project will deliver adequate water to the Peninsula at 1/6 the cost of the desal plant. But Cal Am will not make money on this project as it would on the $1.2 estimated desal plant!

I spent most of my career working on affordable housing. I know how hard it is to get affordable housing accepted in communities and built. Cal Am's argument that it favors affordable housing, and that the desal plant is the way to achieve affordable housing is so far off the mark it is laughable.

- Cal Am would have you believe that there is a water crisis on the Peninsula. There is not. The Pure Water Monterey expansion project is the only viable and affordable proposal for the rate payers of the Peninsula.

- Cal Am would have you believe that the desal plant is the only way to resolve the cease and desist orders facing Cal Am for taking water from the Carmel River and the Seaside Basin that it should not have taken. It is not. Pure Water Monterey will, by December of 2021, provide enough water so that Cal Am will not need to take excess water from the Carmel River and Seaside Basin. All Cal Am needs to do is to agree to purchase the water. The desal plant, if approved, would not be on line for years, delaying Cal Am's ability to meet the terms of the cease and desist order – yet again.

Please do not saddle Monterey Peninsula rate payers with a desal plant that is not needed and will double our water bills. We already pay the highest costs for water in the country. Your staff has analyzed the situation well. I support that analysis. Please put an end to this desal proposal once and for all.

Thank you very much for your consideration.

Sincerely,

Renee Franken

Luster, Tom@Coastal

From: charles mendez <gochazbo@hotmail.com>
Sent: Tuesday, September 01, 2020 11:05 AM
To: CalAmMonterey@coastal
Subject: Cal Am's Desal Project

Costal Commissioners.

I am a customer of Cal Am and feel that they are only in the interest of their shareholders and dividends. We pay for water we didn't even use. PWM is the way to go. Cal Am had their boys vote the SEIR down for PWM expansion so they look like the only game. Thank you for your time.

- Cal Am's Desal project is not in the public interest
- Pure Water Monterey Expansion is the feasible and environmentally preferable alternative
- Our new water supply from Pure Water Monterey – Phase 1 (3,500 acre-feet) will allow us to restore the Carmel River and stop illegal withdrawals by December 2021. The environmental issues facing the Carmel River are resolved without Cal Am's desal.
- There is no water supply crisis
- No Affordable housing without affordable water. Cal Am's desal would double our water bills.
- We don't need Cal Am's oversized, over priced desal project to solve our future water supply needs.
- Expansion of Pure Water Monterey provides a long-term sustainable water source that is capable of supporting affordable housing, economic recovery and protecting the Carmel River and the Seaside basin.
- Cal Am is the only obstacle to the expansion of Pure Water Monterey.
- Cal Am cannot be trusted.

Charles Mendez .

Luster, Tom@Coastal

From: Gaye Gandia <gandiaiv@hotmail.com>
Sent: Tuesday, September 01, 2020 10:36 AM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit
Attachments: StopCalAm.jpg

Dear California Coastal Commissioners, Executive Director John Ainsworth and staff:

We are the Gandia family and we have lived in Marina for over 30 years. We raised our two sons here, and now raising our 8 year old grandson. We both recently retired, after long careers with the U.S. Army and civil service.

Please, please do all you can to deny the HARMFUL CalAm Slant Well project!

Thank you,
Gabe & Gaye Gandia

Luster, Tom@Coastal

From: R. J. Roland <rjayroland@gmail.com>
Sent: Tuesday, September 01, 2020 10:04 AM
To: CalAmMonterey@coastal
Subject: Supporting Local Management of Water Resources

To whom It May Concern.
These are my thoughts relative to your supporting our local (Monterey area) management of our water resources.
1. I don't think that Cal Am's Desal project is in the public interest
2. Pure Water Monterey Expansion is the feasible and environmentally preferable alternative.
3. Our new water supply from Pure Water Monterey – Phase 1 (3,500 acre-feet) will allow us to restore the Carmel River and stop illegal withdrawals by December 2021. The environmental issues facing the Carmel River are resolved without Cal Am's desalination project.
4. There is no water supply crisis
5. There cannot be affordable housing without affordable water. Cal-Am's desal would double our water bills.
6. We don't need Cal Am's oversized, overpriced desal project to solve our future water supply needs.
7. The expansion of Pure Water Monterey provides a long-term sustainable water source that is capable of supporting affordable housing, economic recovery, and protecting the Carmel River and the Seaside Basin.
8. Cal-Am is the only obstacle to the expansion of Pure Water Monterey.
9. Finally, in the efforts over past years on this topic, I am convinced that Cal-Am management cannot be trusted as theirs is a profit versus service motive.

V/r,

Jay Roland

120 Del Rey Gardens Drive
Del Rey Oaks, CA 93940

+1.831.373.2025; M:+1.831.402.8607

Luster, Tom@Coastal

From: Jeffrey Weekley <jdweekley@gmail.com>
Sent: Monday, August 31, 2020 6:19 PM
To: CalAmMonterey@coastal
Subject: Cal Am Desal Plant Marina

Dear Coastal Commissioners and Staff,

I am writing to express my concern about the upcoming Coastal Commission review of the California-American (Cal Am) slant well desalination plant in Marina. I strongly urge you to deny this request.

Firstly, the City of Marina and its citizens will not reap any benefits from this project, but in fact, they will suffer significant harm as Cal Am removes ground water from the city's sole source of potable water. This is clearly an environment injustice to the citizens of Marina, who already shoulder a disproportionate share of the regional environmental burden, as both the regional wastewater treatment facility and the regional waste management facility are located in or nearby Marina.

Secondly, I have reviewed both the EIR and the studies supporting it. They are fundamentally flawed, and even though these flaws were noted in the peer review, no action was taken to address the flaws. Specifically, Lawrence Livermore National Laboratory peer reviewers questioned both the number and the duration of the sample wells as input to their groundwater modeling. All models are biased, and this one was purposefully designed to bias it towards showing no impact to sea water intrusion.

Lastly, one must ask the question: why Marina? Clearly, if desalination was truly the goal of the project, other locations could easily suit this purpose. But other communities - communities where the residents are more affluent and more likely to be able to defend themselves against a multinational corporation, they knew they could not get public support. Furthermore, I do not believe that Cal Am even has the support of their rate payers on this project.

In fact, Monterey One Water is a much better option for both the Peninsula rate payers, for the environment and for social and environmental justice.

I strongly urge you to head the citizens of Marina, Cal Am rate payers, and your own staff report and reject this appeal.

--

Jeffrey Weekley
Marina, CA
831-236-8432

Luster, Tom@Coastal

From: Anna Brigantino <abrigantino@outlook.com>
Sent: Monday, August 31, 2020 5:13 PM
To: CalAmMonterey@coastal; Anna Brigantino
Subject: Appeal No. A-3 MRA-19-0034; Deny CalAm Desalination Project Permit
Attachments: anna b.jfif; buckwheat.jfif; dune veg.jfif; pelicans.jfif; smith's blue.jfif; marina dunes.jfif

I was born and raised in the Central Coast area and I am lucky enough to have retired in Marina, CA. I live in Marina because it is affordable, but also because it is a nature lover's paradise. I live a mile or so from Fort Ord Dunes State Park, Fort Ord Natural Reserve, Marina State Beach and the Monterey Bay Coastal Recreation trail. I frequent these places on a daily basis. There is no better feeling than breathing in the ocean air; watching the dunes change from their drab winter coloration to the bright blooms of spring and summer; or catching a glimpse of the rare but beautiful Smith's blue butterfly or of the delicate and threatened Snowy plover.

I love the dunes so much and they are so important to me, that I volunteer my time with the State Parks Foundation to remove invasive plant species. I also volunteer with other organizations in the area that feed the homeless, protect ocean wildlife and assist local students. I don't point this out to pat myself on the back but to explain that this is the norm here. Everyone who is able to, gives back to the community—protecting nature and its citizens. It is this strong sense of community that makes this area home, both to people and to wildlife. Because for those of us that are so lucky to live in such a blessed area, the homeless are not invisible but individuals. The animals also are not invisible, but individuals that are recognized by their specific traits or the little nooks and crannies of the area that they call home. Here, we live in concert with nature.

That is why I am opposed to the proposed CalAm desal project. The desal plant is not compatible with the culture of this area. It is a selfish endeavor in an area with an overabundance of selflessness. It harms rather than enhances the natural environment. It pollutes rather than restores water and habitat to pristine condition.

The desal plant is also NOT a logical choice:

1. It is too expensive and its slant-well technology is unproven and known to be environmentally harmful.
2. Rather than providing fresh water, it may actually endanger Marina's aquifer of fresh water which has taken nature 20,000 years to create and which should be a treasure that is protected rather than exploited.
3. It would be a slap in the face to residents who have worked so hard over the years to conserve water and to find solutions, like Pure Water Monterey, that ARE compatible with our culture.
4. It makes no sense to expect Marina to risk it's water, lose a big part of its beautiful shoreline, further stress threatened plant and animal life—and get absolutely nothing in return.

I respect a company's need to be profitable. But there are honorable and reasonable profits and there is that which is unethical. For the reasons noted above, I feel moving forward with the CalAm desal plant would be highly unethical. The choices that CalAm has made in the past (overdrafting the Carmel River, overcharging for dismantling of the San

Clemente dam, etc) are the reasons that this community has no faith in this multi-national company which so obviously does not care about Marina and the Peninsula, but only cares for its shareholders.

Please deny CalAm's Desal permit so that Marina residents can get back to our important business of taking care of our community--especially in this time of pandemic and extreme economic hardship--and so we can quit wasting our time, money and energy defending ourselves against this ridiculous and irresponsible project. We are not asking for anything—except to be left alone.

Anna Brigantino

Marina, CA

Luster, Tom@Coastal

From: Steve <steve_barnett55@att.net>
Sent: Monday, August 31, 2020 9:45 AM
To: CalAmMonterey@coastal
Cc: liz Barnett
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Dear CA Coastal Commissioners, Executive Director John Ainsworth, and staff:



We are Steve and Liz Barnett and live at 244 9th St. in Marina. We are empty nesters who love living here and are active in our community. We also spend hours each week walking and cleaning our nearby coastline and surrounding lands.

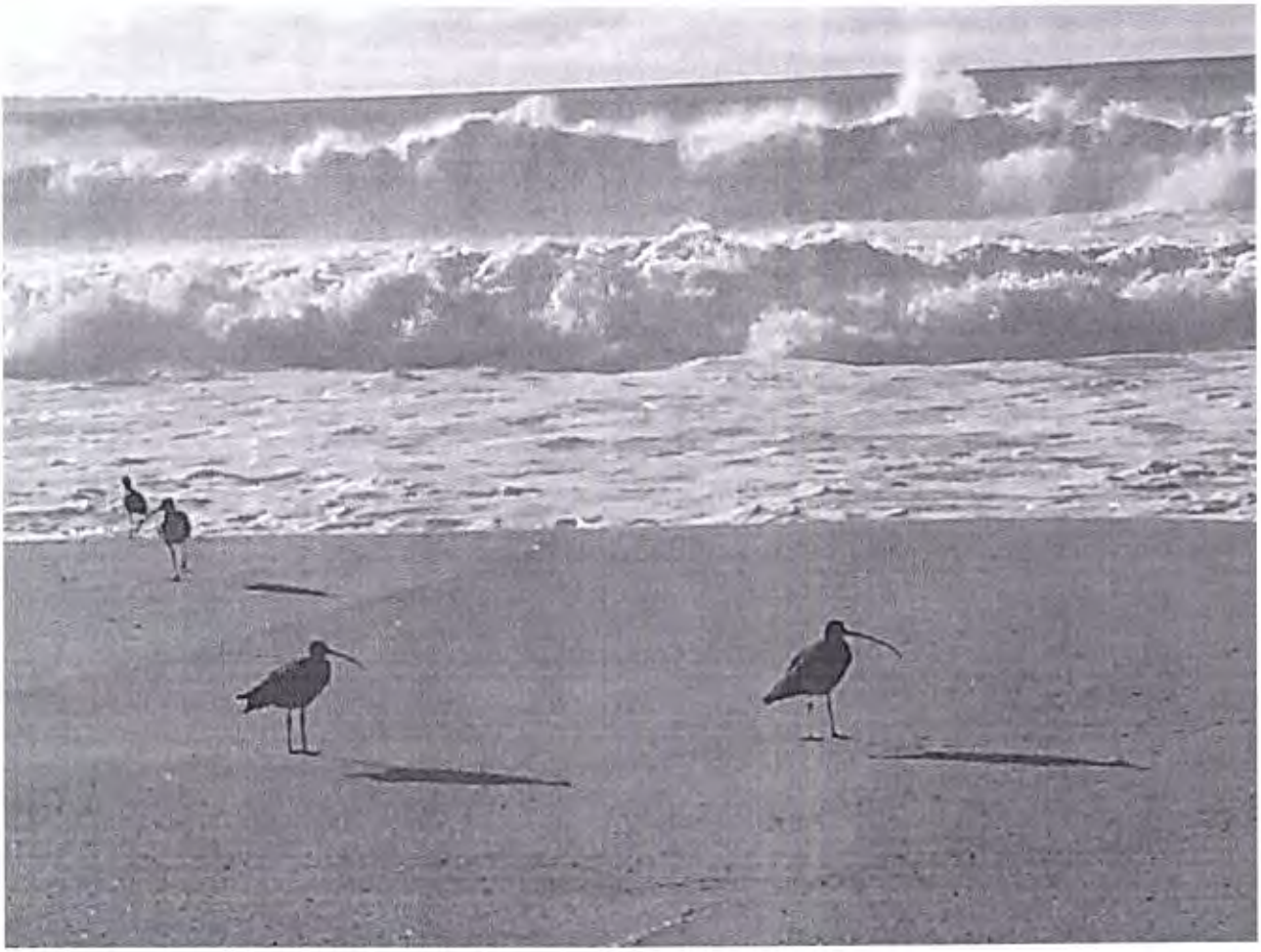


We attended the previous public hearing in Half Moon Bay on November 14, 2019. We have also read the 10-page Summary of Staff Recommendation from the Staff Report released by the California Coastal Commission on August 25, 2020. We found the Report and recommended Denial to be well articulated and reasonable in its explanations and conclusion. We are grateful to staff for their fairness and thoroughness.

Please affirm the decision of the Staff Report and deny the CalAm Slant Well Project!

Best Regards,

Steve and Liz Barnett
244 9th St., Marina



Sent from my iPad

Luster, Tom@Coastal

From: Leslie Asher <LeslieAsher@outlook.com>
Sent: Saturday, August 29, 2020 3:53 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit

Hello, California Coastal Commissioners:



My name is Leslie Asher. I am a retired teacher and Marina resident. I know our city and others need more fresh water. Though desalination could help, California American Water's plant would:
-- be partly built at a beach site where a sand mining plant will be removed
-- not draw water directly from the ocean
-- instead draw water from aquifers beneath Marina that are currently our only source
-- not return to Marina any improved water, or payment
-- incur a cost your staff estimates to be 2 to 3 times greater than that of an alternative project
-- and increase water costs to customers in nearby cities who already pay among the highest rates

So please deny a permit for CalAm's plant.

Sincerely,

(Mr.) **Leslie Asher**
2753 Sea Glass Ave.
Marina, CA 93933

LeslieAsher@Outlook.com
+1 (530) 386-4451

Luster, Tom@Coastal

From: Scott Cashen <scottcashen@gmail.com>
Sent: Saturday, August 29, 2020 12:05 PM
To: CalAmMonterey@coastal
Subject: Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.)

The HMMP (p. 12-1) cites six biological resource documents prepared by AECOM:

> AECOM 2017. Biological Resources and Potential Environmentally Sensitive Habitat Areas in the City of Marina Coastal Zone for California American Water Monterey Peninsula Water Supply Project.
>
> AECOM 2018. California American Water Monterey Peninsula Water Supply Project, U.S. Fish and Wildlife Service Biological Assessment. Prepared for Monterey Bay National Marine Sanctuary. June 2018.
>
> AECOM 2019c. Survey Results for the CEMEX Lapis Plant Northern Area. September 2019. AECOM Technical Memorandum (\\Oakland\Oakland\Projects\Legacy\IE\CAW_Desal_26818629\7000 Permits\7400 State
> Permits\7420 CDFG Section 1602 LSAA\Bio Report_Updated Bio TM January 2020)
>
> AECOM 2019d. California Red Legged Frog Survey Report for California American Water Monterey Peninsula Water Supply Project. February 2019.
>
> AECOM 2019e. Western Burrowing Owl and Loggerhead Shrike Survey Results for California American Water Monterey Peninsula Water Supply Project. January 2019.
>
> AECOM 2020. Monterey Peninsula Water Supply Project Biological Resources Technical Memorandum. January 2020.

In addition, the HMMP (p. 3-8) references a Biological Opinion from the U.S. Fish and Wildlife Service. Does the Commission have these documents? If yes, can you please send me a copies?

Thank you,

Scott Cashen, M.S.
Senior Wildlife Ecologist
3264 Hudson Ave.
Walnut Creek, CA 94597
Office: (925) 256-9185
Cell: (510) 517-0100
scottcashen@gmail.com

Luster, Tom@Coastal

From: Robert Evans <bobevans13@me.com>
Sent: Friday, August 28, 2020 5:09 PM
To: CalAmMonterey@coastal
Subject: RE: Th3a & 4a - Appeal No. A-3-MRA-19-0034

8/28/20

TO: California Coastal Commission

RE: Th3a & 4a - Appeal No. A-3-MRA-19-0034

First, desal is an environmental disaster in the making. Desal requires huge amounts of energy which requires burning fossil fuels that contribute to the on-going climate change, which in turn contributes to seal level rise that will reduce the lifespan of the proposed supposedly wonderful slant wells, a technology not used anywhere else in the U.S.

Second the test slant well has proved that it does not draw pure seawater. Rather slant wells will draw water from multiple jurisdictions most of whom Cal Am does not serve. Just as Cal Am is over drafting the Carmel River, the slant wells will be drawing water from sources Cal Am does not have rights to.

The energy efficient (they use land fill gas to generate electricity), resource sustainable, Pure Water Monterey's expansion has been shown that it will provide both enough potable water, so that Cal Am can stop over drafting the Carmel River and PWM will provide water for anticipated growth.

We urge that you deny both the De Novo Permit and the Regular Permit. It is time for Cal Am concentrate its efforts on system maintenance.

Thank you!

Robert Evans

Roberta Myers

781 Terry Street

Monterey, CA 93940

831-595-5351

Luster, Tom@Coastal

From: Carol Setinek <carolsetinek@gmail.com>
Sent: Wednesday, September 02, 2020 9:39 AM
To: CalAmMonterey@coastal
Subject: Comment re Sept. 17th CCC meeting

Please deny Cal Am permission to build its troubled slant well desalination project. The majority of our community and elected leaders do NOT support this project. We have a less expensive, less invasive solution in the Pure Water Monterey expansion.

Our region should not be forced into Cal Am's expensive desal, especially not while a pandemic is clobbering our economy. Building it would double our ratepayer's water bills at a time we can least afford it, as well as slowing our economic recovery.

We know Cal Am promotes its desal because it **earns a 9.2% rate of return on its capital investments.** If Cal Am buys water from the recycling project, the cost is passed through to customers with no profit going to Cal Am's corporate parent and shareholders.

Recycled water from the Pure Water Monterey Expansion can supply sufficient fresh water to our region for a generation. In the long term, we may need desal, but let's use the best design available then. Today's desals are expensive because pressures of more than 1,000 pounds per square inch must be generated to push the salty water through filters.

Livermore Lab researchers have recently developed a technique that lowers the cost of desalinating seawater. https://www.llnl.gov/news/new-desalination-technique-uses-flow-through-electrodes-faster-desalination-and-lower-cost

It uses new porous carbon materials, allowing saltwater to flow easily through electrodes, making it much more energy-efficient. Let's wait!

Not using Pure Water Monterey, the affordable solution the Monterey One Water Board has given us, would be just another Cal-Amity! Let's ditch divisive Cal Am, and our best regional water decisions will literally bubble up.

--
For every vision, there is an equal and opposite revision.

Luster, Tom@Coastal

From: Doane Hoag <doane@doanehoag.com>
Sent: Wednesday, September 02, 2020 7:23 AM
To: CalAmMonterey@coastal
Subject: Stop the CalAm desalination plant

CalAm is Still pushing their costly desalination plant on us, the customers, and it would be grossly at our expense in even more expensive water and probable environmental risk.
The Pure Water Monterey PWM system has now been proven to be a safe, economical, ready to run system that can meet our water needs NOW and into the future with out a risky and long wait for a desalination plant that will only benefit the goals of corporate profits. We cannot wait for a in proven, costly desalination plant and we don't need to, we have PWM in operation right now and it can be expanded in the future to meet our needs in a safe, economical way.
I urge you to reject their fear tactics and proven false claims.
Sincerely,
Doane Hoag in Carmel

Luster, Tom@Coastal

From: wayne kelly <surferwaynekelly@gmail.com>
Sent: Tuesday, September 01, 2020 10:47 PM
To: CalAmMonterey@coastal
Subject: DENY Cal Am and the Desal Project

Hello,

I am a lifelong Monterey resident, and have been following our water issues in the area for over 25 years.

I would like to make one thing clear. No one that I have talked to here wants this overpriced, environmentally damaging Desal plant proposed by Cal Am.

In fact, people are very passionate about blocking it from ever getting built.

Cal Am has been trying to mislead the public with false information, so please consider that if you receive ANY letters from the public on Cal Ams behalf. They have been asking people to write letters based on their deceptive propaganda. I will get back to this.

No citizen hearing actual facts would ever choose this Desal Plant over the Pure One Monterey project. Unless, of course they had a financial interest.

This community is very proud of the Pure One Monterey project, and we are looking forward to our future with them. They are doing a fantastic job, and Pure One Monterey brings a sense of pride to our community.

Cal Am has worked very hard to block Pure One Monterey and it's expansion at every step. The SOLE PURPOSE of Cal Am blocking it is so they can profit from this expensive Desal build, and charge ratepayers outrageous amounts of money for water.

Cal Am has been working diligently against concerned citizens, ratepayers and even our own Water District that they are supposed to be supporting.

This Desal Plant will be litigated heavily. They want to build it right in the middle of a sensitive coastal habitat. It also may very well affect the water quality in Marina as well.

Even without litigation, this proposed Desal Plant is well out of reach of the goal to satisfy the Carmel River Desist Order. It's way too late for the Desal Plant to be operational by the end of 2021.

This Desal Plant is also EXPERIMENTAL, it's never been done with slant wells in this manner, anywhere, ever. It is possible it may not even operate as planned.

There is no doubt that it will draw more salt water toward the basin, as that would be the goal.

That could possibly contaminate the Marina water supply further, and draw their cleaner water toward the coast. I am no scientist, but I believe science and logic when I hear it. Logically, it only makes sense to me.

Regardless, Cal Am has no right to take water from the Marina Basin, or draw water anywhere near it. It is not something that we need to experiment with. The City of Marina is fully prepared to litigate this with hard science.

Marina is miles away from Monterey, and there has not been much talk or consideration about the additional environmental damage done from digging more trenches for more piping. Especially near the coast and the proposed site.

There is so much wrong with this Desal project, I can't even cover everything here.

Through news and social media, Cal Am has been spreading lies/ deception about the need for a Desal Plant. As a lifelong citizen of this county, it is has been frustrating to see Cal Am mislead fellow citizens like that.

I would be happy to forward you some of their overtly misleading messages at your request, so you can make your own judgement. It should be illegal for a company to lie to the public like that.

We, the people are tired of Cal Am working against our better interests for profit. That is why the majority of ratepayers voted to buy out/ get rid of Cal Am.

Dave Stoldt, General Manager of the Monterey Water District thoroughly crunched our water numbers. Mr. Stoldt says Pure One Monterey can easily relieve our reliance of the Carmel River. I believe that to be accurate, as Mr. Stoldt has our best interest in mind.

The better plan is to expand Pure One Monterey, which will supply us with enough water for at least another 25 years.

In the future, Desal technology will inevitably improve, and become more affordable. There is also new technology coming forward that could potentially replace Desal. Choosing Pure One Monterey will leave us with better options for the future.

If Cal Am had our best interest in mind, they themselves would have been pursuing other options to relieve our reliance from the Carmel River. Doing things like blocking the Pure One Monterey Water expansion shows you their true colors.

It makes no sense, unless you have ulterior motives like profit in mind.

Without Pure One Monterey, there would be no backup plan. Cal Am has no other plan. It seems Pure One and the Monterey Water District may have "saved the day" for us. Kudos to them.

Please vote to DENY this unwanted Desal Plant. Our water district has a plan, and our best interest in mind. I am confident we are in good hands.

Thank you for your time!
Wayne Kelly

Luster, Tom@Coastal

From: Nancy Fortman <nancy.fortman@gmail.com>
Sent: Tuesday, September 01, 2020 8:53 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Deny CalAm Desalination Project Permit.

From: Nancy Fortman
Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff:



My name is Nancy Fortman; I am a resident of Marina, CA. I have lived in Marina for 31 years. I am a retired school teacher. I taught in San Francisco and Menlo Park, but was not able to purchase a home on a private school teacher's salary in those areas. I was grateful to find an affordable home in Marina and more grateful once I retired and the commute was over! Marina qualifies as a disadvantaged community from the perspective of diverse census population, poverty levels, overburdening of regional projects of landfill and sewage plant and high regional affordable housing requirements. Permitting CalAm's projects once again subjects the citizens of Marina to yet more harmful projects of an illegal water grab that will negatively impact the sole source of water for Marina. This is a clear example of Environmental Injustice.

I ask that you consider Environmental Justice and the fact that there is a much better solution offered by the PWM Expansion Project when making permit decisions and deny CalAm permits to their proposed slant wells and desalination plant in Marina.

Signed,
Nancy Fortman

Luster, Tom@Coastal

From: John Adams <jadams257@gmail.com>
Sent: Tuesday, September 01, 2020 7:15 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034 Deny CalAm Desalination Project Permit

Dear California Coastal Commissioners, Executive Director John Ainsworth and staff:

Although I'm sympathetic to the need for new water sources in Monterey County, the people of Marina have made it clear that endangering their water resources is not an acceptable solution to solving the water problem. As a resident of Marina, I'm horrified to think that outside interests have a good chance of prevailing at our peril. You have the power to deny this permit and help us find a solution that does not harm the life and livelihoods of the citizens of Marina.

Sincerely,

John Adams
Marina, CA

Luster, Tom@Coastal

From: Lori Greene <lgreene0112@yahoo.com>
Sent: Tuesday, September 01, 2020 5:34 PM
To: CalAmMonterey@coastal
Subject: Appeal no A-3-MRA-19-0034 Deny CalAm Desalination Project Permit

Dear CA Coastal Commissioners, Executive Director John Ainsworth and staff,

Our names are Tom and Lori Greene
We moved to Marina three years ago

Owning a home in Marina is an answer to our dreams!

We love our city with its diversity, caring neighbors and beautiful beaches.

We are fearful of what Cal Am's project might do to our water quality as well as the future of our wonderful city!

Please do the right thing!
Please deny this harmful project!!!

Thank you,
Tom and Lori Greene

Sent from my iPhone

Luster, Tom@Coastal

From: waltbg@aol.com
Sent: Tuesday, September 01, 2020 5:16 PM
To: CalAmMonterey@coastal
Subject: denial of the expansion of pure water Monterey

Please deny the expansion of Pure Water and the cancellation of the CalAm desal project.

Not only the Monterey Peninsula but the whole of Monterey County needs a new supply of fresh water.

The source for Pure Water is waste water the majority of which has its origins as water pumped from the 400 ft aquifer of the Salinas Valley. (Ag drainage from tile and vegetable processing) I know, I was responsible for installing many of these systems.

Reliance on this source will contribute to the ongoing degradation of the Salinas aquifer from salt water pollution. At minimum any use of recycled water on this scale should be used to mitigate further pumping in the Salinas Valley. Once Monterey becomes reliant on this source Pure Water will go to any lengths to maintain it. CSIP was designed with well located in the intruded zone, why wouldn't Pure Water do the same? Would they have a choice in a drought year.

Salt water intrusion is literally at the city limits of Salinas.

Currently the solution for land owners south of Cooper Rd, (the boarder of CSIP) is to drill into the 800 ft aquifer. Without any other alternative, the City of Salinas is next in line for multiple 800 ft wells. The 800 ft aquifer is not well understood and may not present any long term solution for what is a major shortage of fresh usable water.

Desalination is the only really new water source. While it may not be economically feasible to use it for growing, it represents a much needed alternative for municipal use. Salinas, the city proper and all the surrounding developed area as well as the Monterey Peninsula will need an alternative to water pumped from the 400 ft aquifer. Public health issues will demand it in Salinas and Monterey is not assured that ag pumping hence drainage will not be restricted by the State Department of Water Resources due to the advancement of intrusion.

You should approve the desal project and start building the pipeline towards Castroville and Salinas, Pronto.

Walter Gibeau
65 La Rancheria
Carmel Valley, CA 93924
waltbg@aol.com

Luster, Tom@Coastal

From: drkrpelletier@aol.com

Sent: Tuesday, September 01, 2020 3:57 PM
To: CalAmMonterey@coastal
Cc: drkrpelletier@aol.com; denise.ffq@gmail.com; drkrpelletier@aol.com; eunhee.son@gmail.com; marilyn_bransford@yahoo.com; mbwykoff1@gmail.com; jlanodos@qnet.com; teresa@animalsinourhearts.com; kathrin.nikolussi@mac.com; eschaupp@hotmail.com; carmelofficesupply@gmail.com
Subject: Cal Am Desal Scam (1 Sept 2020)

Dear Coastal Commission Board ...

This letter is drawn from a Memorandum from Public Water Now. Since it covers all the vital points of the latest Cal Am's latest desal scam, I am sending it to you to state that I am in complete agreement with the PWN position:

• Cal Am's Desal project is not in the public interest

• No Affordable housing without affordable water. Cal Am's desal would double our water bills.

• We don't need Cal Am's oversized, over priced desal project to solve our future water supply needs.

• Expansion of Pure Water Monterey provides a long-term sustainable water source that is capable of supporting affordable housing, economic recovery and protecting the Carmel River and the Seaside basin.

• Cal Am is the only obstacle to the expansion of Pure Water Monterey.

• Cal Am cannot be trusted.

• Pure Water Monterey Expansion is the feasible and environmentally preferable alternative

• Our new water supply from Pure Water Monterey – Phase 1 (3,500 acre-feet) will allow us to restore the Carmel River and stop illegal withdrawals by December 2021. The environmental issues facing the Carmel River are resolved without Cal Am's desal.

• There is no water supply crisis.

Thank you for your time and consideration.

Dr Kenneth R Pelletier, PhD, MD
Clinical Professor oif Medicine
26259 Hilltop Place, Carmel

Luster, Tom@Coastal

From: jettsystems@sbcglobal.net
Sent: Tuesday, September 01, 2020 1:37 PM
To: CalAmMonterey@coastal
Subject: Please deny a coastal development permit to California American Water

Dear Commissioners:
I urge you to stand by your staff's recommendation against the permit. Staff's report released August 25, 2020 reaffirms the position taken by the staff last year, arguing that the desal plant should be abandoned due to environmental concerns, especially considering that the less impactful expansion of Pure Water Monterey exists.

In the current era of heightened awareness about racial justice, a section of the report is particularly apropos to the Monterey Peninsula: "The community of Marina is already disproportionately burdened by many other industrial uses and would receive none of the project benefits. There is a long history of government institutions allowing unwanted industrial development to be concentrated in underserved communities of color without their consent."

CalAm will try to convince you that "a future without desal is, in essence, kicking the can down the road and increasing costs for customers in the long run" (Catherine Stedman, CalAm spokesperson).

The truth is that the Pure Water expansion will allow CalAm to cease its illegal water withdrawals from the Carmel River by December 2021.

Those of us CalAm ratepayers who live here do not need CalAm's oversized, over-priced, intrusive desal plant to solve our future water supply needs. We need to expand what is already built here and working just fine.

Thank you for supporting Staff's report.
Respectfully yours,
Jeana M. Jett
Monterey
831-655-0357

Luster, Tom@Coastal

From: Myrleen Fisher <myrfisher@comcast.net>
Sent: Tuesday, September 01, 2020 11:35 AM
To: CalAmMonterey@coastal
Subject: Deny Cal Am

Dear Commissioners,

Our future on the Monterey Peninsula desperately needs you to turn down Cal Am's proposed desal plant in favor of recycled water. Cal Am is similarly desperate to keep us under their giant thumb. We are their Cash Cow…their means of making stockholders happy.

If Cal Am is allowed to force their desal on our community, we will have:
- a bloated, hugely expensive and unnecessary desal plant;
- Marina suffering from the illegal drawing of their groundwater for desalination intake;
- degradation of the coastal environment and high energy expenditures.

We do NOT need their desal plant; desalination of seawater (not groundwater) will be needed some time in the future. It should be a public, regional effort. Enough drinking water is available to us for at least two decades by just expanding the currently operating recycling plant—Pure Water Monterey, a publicly-run facility—with no coastal impact, far less financial impact and nothing illegal.

But Cal Am will stop at nothing. Please help us.

Myrleen Fisher, RN, PHN
189 Hacienda Carmel
Carmel, CA 93923

Luster, Tom@Coastal

From: Anne Hess <annephess@sbcglobal.net>
Sent: Tuesday, September 01, 2020 11:28 AM
To: CalAmMonterey@coastal
Subject: Cal-Am's Desal Project

Dear Commissioners,

I support the Coastal Commission staff report's recommendations that the Pure Water Monterey Expansion is the feasible and environmentally preferable alternative to Cal-Am's Project.

Cal-Am's Desal project is not in the public interest and would double our water bills for an over-sized, over priced environmentally harmful project.

The new water supply from Pure Water Monterey – Phase 1 (3,500 acre-feet) will allow us to restore the Carmel River and stop illegal withdrawals by December 2021. The environmental issues facing the Carmel River are resolved without Cal Am's desal.

Cal Am is the only obstacle to the expansion of Pure Water Monterey, which provides a long-term sustainable water source that is capable of supporting affordable housing, economic recovery and protecting the Carmel River and the Seaside basin.

Please deny Cal-Am's Project and support the Pure Water Monterey Expansion as the feasible and environmentally preferable alternative.

Thank you for your consideration.

Sincerely,

Anne Hess
88 Boronda Rd
Carmel Valley, CA 93924

Luster, Tom@Coastal

From: Renee Franken <rbfranken@aol.com>
Sent: Tuesday, September 01, 2020 11:32 AM
To: CalAmMonterey@coastal
Subject: Please oppose Cal Am's desal project

I would appreciate it if the following would be distributed to each member of the Coastal Commission and to all staff involved in this issue. Thanks.

Date: September 1, 2020

To: Coastal Commission Members and Staff

Re: Cal Am desal proposal – please oppose

Cal Am's proposal to build a behemoth of a desalinization plant is worse than a boondoggle. Cal Am states that it is a sustainable project and that it is the only adequate source of water for the Monterey Peninsula. In fact, it is neither. The Pure Water Monterey project, which uses reclaimed water, treats it by four separate, state of the art filtration systems – and then injects it in the ground water supply – is the sustainable, adequate, and affordable way to address the Monterey Peninsula's water needs. What does Cal Am do about Pure Water Monterey? It refuses to enter into a contract to buy this water – water which is ever so much cheaper than what Cal Am would produce if the desalinization plant were built. Fact is, Cal Am makes money on the development of a desal plant. It makes more money the bigger and more expensive that plant is. They have designed a plant that is not needed. For reasons both of cost and the environment, the desal plant should not go forward.

For many years I worked at the chief staff for a California Assembly Committee where, among other things, it was my job to evaluate the proposals and positions various groups took on legislation. I checked everything and everyone. I soon learned who could be trusted with not bending the truth or providing self-serving arguments while omitting the facts that countered their positions. It is partly for this reason that I am amazed that Cal Am has any credibility with public agencies. Cal Am continues to present arguments that have been shown to be untrue. They make claims they cannot back up. They are under a cease and desist order that they ignore and get delays for compliance, time after time. They cannot be trusted.

In their most recent letter to rate-payers, asking them to support Cal Am's position on the desal plant, Cal Am argues that the desal plant is the only viable option to supply the Peninsula with water. It has been proven over and over again that this is not true. Various studies have shown that the Pure Water Monterey expansion program will provide adequate water to the Peninsula to meet its needs long into the future.

In the same letter, Cal Am lauds the rate payers for being a leader in conservation – conservation that Cal Am chose to punish us for by asking for increases in water bills to compensate them for our lower water usage.

Basically, Cal Am's desal proposal is in the interest of Cal Am – not in the public interest. The Pure Water Monterey project will deliver adequate water to the Peninsula at 1/6 the cost of the desal plant. But Cal Am will not make money on this project as it would on the $1.2 estimated desal plant!

I spent most of my career working on affordable housing. I know how hard it is to get affordable housing accepted in communities and built. Cal Am's argument that it favors affordable housing, and that the desal plant is the way to achieve affordable housing is so far off the mark it is laughable.

- Cal Am would have you believe that there is a water crisis on the Peninsula. There is not. The Pure Water Monterey expansion project is the only viable and affordable proposal for the rate payers of the Peninsula.

- Cal Am would have you believe that the desal plant is the only way to resolve the cease and desist orders facing Cal Am for taking water from the Carmel River and the Seaside Basin that it should not have taken. It is not. Pure Water Monterey will, by December of 2021, provide enough water so that Cal Am will not need to take excess water from the Carmel River and Seaside Basin. All Cal Am needs to do is to agree to purchase the water. The desal plant, if approved, would not be on line for years, delaying Cal Am's ability to meet the terms of the cease and desist order – yet again.

Please do not saddle Monterey Peninsula rate payers with a desal plant that is not needed and will double our water bills. We already pay the highest costs for water in the country. Your staff has analyzed the situation well. I support that analysis. Please put an end to this desal proposal once and for all.

Thank you very much for your consideration.

Sincerely,

Renee Franken

Jane Haines
601 OCEAN VIEW BOULEVARD, APT. 1 PACIFIC GROVE CA 93950
janehaines80@gmail.com
Tel 831 375 5913

Re: Appeal no. A-3-MRA-19-0034
Hearing: September 17, 2020

September 1, 2020

Dear Coastal Commissioners,

I am writing in support of staff's recommendation for denial of a permit for Cal Am's slant well because Pure Water Monterey Expansion is a feasible alternative that would avoid harming Environmentally Sensitive Habitat Area (ESHA).

Because I live in the coastal zone in Pacific Grove, I'm aware of the importance of protecting ESHA, whether located in Marina or in Pacific Grove. Pages 35 and 36 of the staff report explain that the site of Cal Am's well, at the CEMEX site, contains the federally-threatened Monterey spineflower, the federally-endangered Smith's blue butterfly, and the threatened Snowy Plover.

Please enforce Coastal Act policy to protect ESHA by denying Cal Am's application and support instead the Pure Water Monterey Expansion.

Respectfully,

Jane Haines

RECEIVED
SEP 01 2020
CALIFORNIA
COASTAL COMMISSION

Virgil M. Piper
3010 Eddy St., Marina, CA. 93933
(831) 384-9595 (fax 384-6059)

August 26, 2020

California Coastal Commission
455 Market St., Suite 300
San Francisco, CA 94105

Re: Special Meeting Notice: September 17, 2020

Mr. Chairman and Members of the California Coastal Commission,

If it is your plan to delay any sort of decision with respect to CalAm's Slant Well boondoggle, then it appears you are succeeding! If, sometime in the future, you folks decide to solve this Desal issue – why not seriously consider and help the two DeSal operations in Moss Landing: Deep Water DeSal and/or The Peoples' Desal Project who offer water at rates well below CalAm's proposal.

Problems with the Slant Well technique:

1. ***Riparian Rights:*** The natural flow of affected water aquifers are not within the boundaries of Cal Am's legal access. Subsequent attempts by Cal Am to access this water will lead to litigation, more delays, and massive legal expenses.
2. ***Salt Water Intrusion:*** Cal Am performed a modest test with a single slant well and located several monitoring wells to determine if their technique would draw water from existing aquifers – the result was that some of the monitoring wells did experience a drop in the water level.
3. ***Cost of Cal Am's Slant Well project is excessive!*** In 2011 the Ratepayer Advocates (a subsidiary of the CPUC) had estimated the cost of this Slant Well technique at between $7,000 and $7,900 per acre foot.
4. ***Conflict of Interest . . .*** A Public Utility, like California-American Water Co (Cal-Am), is a legal monopoly created, supposedly, for the public benefit. California, in an effort to restrict a public utility from excessive fees, rate increases or other potential abuses to their customer base, created the CPUC as an advocate for the rate payer.

   I have to ask: "Since the CPUC is the "Lead Agent" for this EIR, ***Who remainsto speak for the rate payer here?*** & ***Why is this not a conflict of interest?!"***
5. ***Possible Conflict of Interest:*** To Mr. Paul E. Michel I confess I did not know that NEPA (Monterey Bay National Marine Sanctuary) was acting as a lead agent – silly me. I congratulate Cal-Am. If I wanted to insure my EIR passed with flying colors, I would procure you as one of my lead agents.

For your perusal (if you are interested) – I am enclosing two letters sent on earlier dates – one to CPUC Rate Payers Advocates (May 18, 2015) and one to CA Coastal Commission (Santa Cruz June 2, 2019)

Sincerely,

Virgil M. Piper

Th3a & 4a

A-3-MRA-19-0034 / 9-19-0918

California-American Water

CORRESPONDENCE -- Opposed

PACKET IV

Posted Sept. 16, 2020

September 11, 2020

VIA EMAIL

California Coastal Commission
Energy and Ocean Resources Unit
455 Market Street, Suite 228
San Francisco, CA 94105

Re: Monterey Peninsula Water Supply Project, CDP Application No. 9-19-0918 and Appeal No. A-3-MRA-19-0034 –Source Water for Pure Water Monterey Expansion and Concerns About the Latham & Watkins Outfall Lining Proposal

Dear Commissioners and Staff,
I was an employee of the engineering consulting firm Montgomery-Watson for over 10 years prior to being hired by Monterey One Water (M1W). I retired from M1W in May 2020 as their Principal Engineer after working for them for over 30 years. I was involved in the Pure Water Monterey (PWM) project since it began and was involved in the previous Groundwater Replenishment Project from 2006. Most recently, I was the project manager for the planning, environmental review, and permitting of the approved PWM Project, and managed the design and construction of the Advanced Water Purification Facility (AWPF). I was also the project manager for the Monterey Peninsula Water Supply Project components involving M1W facilities, including the project's NPDES permitting process, brine mixing facility, outfall protection components, and return flow agreements. I was a coauthor of Appendix M (found at purewatermonterey.org/wp/wp-content/uploads/Final-SEIR-Proposed-Modifications-PWM-GWR-Project-April-2020.pdf), Source Water Operational Plan Technical Memorandum, for the Pure Water Monterey Expansion (PWME) Supplemental Environmental Impact Report (SEIR) along with Alison Imamura who remains an M1W employee. The Technical Memorandum was prepared in consultation with Denise Duffy & Associates, Schaaf & Wheeler, Perkins Coie, Monterey Peninsula Water Management District (MPWMD), who funded the majority of the SEIR, and Monterey County Water Resources Agency (MCWRA).

I wish to address two issues: 1) the analyses in Appendix I and M demonstrates that the PWME has sufficient source water to meet the 2,250 acre-feet per year yields requested by MPWMD), and 2) the liquid applied liner that CalAm proposed to protect M1W's Land Outfall is not viable based on information provided in the submittal to the Coastal Commission.

Pure Water Monterey Expansion Source Water

M1W met with MCWRA and discussed water rights and water availability for months during the SEIR preparation process for PWME. At one-point MCWRA said that they disagreed with the numbers but did not provide M1W with details. MCWRA indicated that they felt that M1W incorrectly interpreted the Amended and Restated Water Recycling Agreement (ARWRA). Perkins Coie, an outside land use, environmental and water rights law firm, reviewed M1W's source water rights as part of the SEIR. Those finding were presented to MCWRA prior to publishing them in the Draft SEIR in November 2019. MCWRA, in response, requested that M1W pay one-half the cost for an independent legal review of the water rights. M1W agreed. MCWRA has not pursued.

Appendix I of the SEIR (found at purewatermonterey.org/wp/wp-content/uploads/Appendices-to-M1W-Draft-Supplemental-EIR-11-7-2019.pdf) shows the source water availability. Appendix I was based on average flows for the years 2009 through 2013. Drought flows were based on 2013. These flows were from the same time period as the EIR for the original project. Appendix I showed there was sufficient source water for the PWME. Expansion would reduce additional water available for the Castroville Seawater Intrusion Project (CSIP) by 700-800 AFY but still provide thousands of acre-feet more for CSIP than before the Pure Water Monterey Project. Appendix M was written after reading the Draft SEIR comments and seeing the extent of misinformation about source waters. Since the SEIR was written as a supplement to the original project it was unclear to some where the water would come from for expansion versus the base project. The base project provided additional water for CSIP as well as for groundwater replenishment. Appendix M was intended to show how existing water rights could be used between the base Pure Water Monterey Project, Marina Coast Water District's (MCWD's) Regional Urban Water Augmentation Project (RUWAP), and the PWME. Appendix M used 2018 as a typical normal year reflecting reduced wastewater flow (and presumably drinking water demand) related to increased conservation. 2015 was chosen as a severe drought year. The purpose of using single years was to show how available water could be used in specific cases, namely a typical wet or normal year and a drought year. The drought year scenario could be repeated for multiple years without adversely affecting the project yield. The source water sources in order of priority are shown below:

1. Secondary Effluent to the Ocean Outfall. This is water that would otherwise be sent to the ocean.
2. Reclamation Ditch. The ARWRA allows M1W to use this water. At the time I helped write Appendix M, I believed this water was available for both the base project and expansion; however, I only used it for the base project due to comments from MCWRA.
3. Blanco Drain. Similar to the Reclamation Ditch, the ARWRA allows M1W to use this water. At the time I helped write Appendix M, I believed this water was available for both the base project and expansion; I only used it for the base project because of the feelings of MCWRA.
4. Agricultural Wash Water. This new source water is currently available for M1W to use for recycling by either the PWM AWPF or the Salinas Valley Reclamation Project (SVRP) according to the 2015 agreement between the City and M1W and the SWRCB Wastewater Change Petition (Order No. WW0089). The ARWRA states that M1W would be able to use the water for either purpose also, but if certain conditions in Section 16.15 are not satisfied it may be reserved for MCWRA. For Appendix M, it was assumed to be available only to meet approved PWM Project yield requirements and for recycling using SVRP for CSIP use.
5. Recycle Sump #1. This water contains sewage from the MRWMD facilities and from the west side of the Regional Treatment Plant (RTP). The ARWRA allocates one-half of this water to MCWRA and one-half to M1W because it originates from outside M1W's 2001 service area boundaries.
6. Recycle Sump #2. This water is from the east side of the RTP. The ARWRA allocates one-half of this water to MCWRA and one-half to M1W again because it originates from outside M1W's 2001 boundaries.
7. Approved Pure Water Monterey Project Advanced Water Purification Facilities Backwashes, including those from producing water for MCWD. This includes the ozone and the pre-membrane filtration screening wastes plus the membrane filtration backwashes. The ARWRA allocates one-half of this water from outside M1W's 2001 boundaries to MCWRA and one-half to M1W.
8. PWME Backwashes. This is the same as the previous water type except it is only for the proposed expansion and M1W's portion could only be used for the expansion.

9. Salinas Valley Reclamation Project Backwash. The ARWRA allocates one-half of this water from outside M1W's 2001 boundaries to MCWRA and one-half to M1W. Appendix M assumes increased use of recycled water by CSIP and an associated increase in backwash flows throughout the year.
10. Boronda. This sewage is captured and sent to the RTP by the City of Salinas. However, the sewage comes from outside M1W's 2001 boundaries and so, per the ARWRA, one-half of this water is allocated to MCWRA and one-half to M1W.
11. Farmworker Housing. Sewage from this new project is captured and sent to the RTP by the City of Salinas. However, the sewage comes from outside M1W's 2001 Boundaries and so, per the ARWRA, one-half of this water is allocated to MCWRA and one-half to M1W.
12. M1W's ARWRA Summer Water. Section IV 4.01 1 (d) of the ARWRA allocates 650 AFY to M1W during the months of May through August.
13. Salinas River Diversion Facility (SRDF) Screening. Screening from the SRDF returns to the RTP Headworks where it combines with other sewage and is treated through the RTP. Per the ARWRA, one-half of this water is allocated to MCWRA and one-half to M1W as it comes from outside M1W's 2001 boundaries. M1W has rights to one-half this water. This water was available in 2018, however, since this water is not available each year it was not used in the Appendix M calculations. If the ARWRA was not in effect, M1W would have rights to use this water if it is discharged into M1W's infrastructure.
14. Salinas Industrial Water Treatment Facility Pond System. Since this water is from outside M1W's 2001 boundaries, one-half may be considered to be allocated to M1W per the ARWRA, or use of this water would require execution of a separate agreement between parties for that water to be considered a New Source Water per ARWRA section 16.15(6). The facilities to send this water to the RTP are a joint project between M1W and the City of Salinas and are currently under construction. However, to be conservative, it was assumed to not be available in the Appendix M calculations.

MCWRA has been working to meet the six conditions in Section 16.15 of the ARWRA since November 2015. Should they meet those conditions, then Appendix M shows that M1W has sufficient water for wet, normal or drought conditions. Should MCWRA not meet those six conditions in Section 16.15 of the ARWRA, then Section 16.16 would apply and according to Appendix M, M1W would need to utilize part of the operation reserve (described in the Water Purchase Agreement) during drought years.

The conclusion from Appendix M is that M1W has more than enough source water for the PWM base project, for MCWD's RUWAP project, and for the PWME in all foreseeable situations.

The Liquid Applied Liner Proposed to Protect M1W's Land Outfall is Not Viable as Proposed

Latham & Watkins' August 17, 2020 email to Mr. Tom Luster suggests a liquid applied lining alternative to the Outfall Protection Project that is under design by Brown & Caldwell Consulting Engineers. California American Water has paid for and been involved in that design work for years. Several projects I worked on for M1W provided me with experience related to this proposal. The Cannery Row Sewer Maintenance Projects in which I needed to apply to the California Coastal Commission to allow for an over ground temporary pipeline from M1W's Reeside Pump Station to a sewer manhole in the beach. I managed two M1W Ocean Outfall repair projects using divers to install the WEKO seals whose replacement is part of the project you are reviewing. Those projects taught me about the difficulty of pulling hose and working just 2,000 feet from an entry point in 60-inch diameter reinforced concrete pipe (same size and manufacturer as the pipe in question). In those projects we used a 24-inch diameter pipe to discharge secondary effluent onto the beach from the Junction Structure. I was also project

manager for M1W's Ocean Outfall Inspection and Maintenance contracts. I learned of the difficulty of drilling into 60-inch reinforced concrete pipe (same size and manufacturer as the Land Outfall). I also was project manager on several liquid applied lining projects and for many of them, I was also the inspector. These taught me the importance of rigorous confined space safety requirements, of a dry and warm concrete surface to avoid blistering, and how hot the employees doing the spraying can become.

A few of the problems I see with the Latham & Watkins' proposal include:

1. The four-inch diameter bypass pipe is far too small, and even if four-inch diameter pipe could be large enough, it would not work within the outfall pipeline. A bypass pipe of 18 to 24 inches would be more appropriate depending on the size of the pumps and the pressure rating of the pipe. This bypass pipe would need to be buried under Del Monte Blvd. and Lapis Road and discharge into the Beach Junction Structure which would need to be open during the lining process (requiring excavation).
2. The Beach Junction Structure would also be needed to remain open as an alternate rescue point for the confined space entries and to provide air flow and potentially for material supply.
3. No mention is made of the proposed lining material. The only mention is repair using epoxy grout. My experience is that epoxy grout is not an appropriate material for this application. A liner material should be flexible to provide a similar longevity to a PVC liner.
4. A fan system would be needed to push air between the Beach Junction Structure and the Access Point to dry the pipeline, remove heat, and to provide a safer working environment.
5. More hoses are needed than the five (resin, resin hardener, hot water supply, hot water return, and airline) listed. A spare backup air hose for worker (plus two additional air lines each for additional workers and for an inspector), a separate life line for each person in the pipe, a communication line for each person in the pipe, pressurized water for the water blasting, and vacuum hose for removing water and debris. It is very unclear how the "electric carts" could maneuver through this maze of hoses nor through the bends in the outfall.
6. No mention is made of how to restore the access point and protect the pipe after the liner is spray applied.
7. The proposal does not seem to consider employee safety and that this is an extreme confined space situation.

My experience with EIRs is that at least a 10% design is required to adequately determine the environmental impacts of a proposed project. This proposed alternative for lining the final portion of M1W's Land Outfall is far short of a 10% design.

I would be happy to discuss any of these issues with you and provide additional information. I can be reached at 831-277-9044. Thank you for your consideration.

Sincerely,

Robert B. Holden

Robert B. Holden, P.E., L.S., M.ASCE

cc Mr. Tom Luster, California Coastal Commission
Mr. John Ainsworth, California Coastal Commission
Ms. Alison Dettmer, California Coastal Commission

MEMORANDUM

September 9, 2020

To: Keith Van Der Maaten, General Manager, Marina Coast Water District

Response to question from Secretary Jared Blumenfeld regarding Cal-Am resiliency to 5-year drought

Secretary Jared Blumenfeld asked on the call today: ***If the California-American Water Company ("Cal-Am") is confronted with a five-year regional drought impacting the Monterey Main System, how could they manage to comply with the cease and desist order without the proposed desalination plant?***

As result of my review of the items listed in the report WaterDM submitted to the Marina Coast Water District on April 21, 2020 and supplemental report WaterDM submitted on July 1 and other related and relevant documents and reports, my own independent analysis, and my expertise in municipal and industrial water use, water management, and engineering, I offer the following responses to Secretary Blumenfeld.

1. **Cal-Am can and must comply the Cease and Desist Order (CDO) in 2022.**
   The analysis conducted by WaterDM shows that Cal-Am's demands have reduced greatly and it has sufficient supplies to comply with the CDO, even under drought conditions.

2. **Secretary Blumenfeld is correct, desalination will not be available anytime soon to meet normal year or drought demands.** Under the most optimistic scenario, Cal-Am's proposed desalination plant could be brought on-line nearly three years after final approvals are received, but it will likely take considerably longer. The hypothetical five-year drought could have started in 2020**.** <u>The fastest (and least environmentally damaging) way to bring a new water supply to the Monterey Peninsula is the Pure Water Monterey Expansion, which could make water available in less than 24 months</u>.

3. **Even without the proposed desalination facility or the Expansion, Cal-Am has a relatively drought resilient, diversified annual water supply of 10,100 AF.**
   WaterDM's analysis of Cal-Am's water sources included the historic impacts of the most recent drought periods (2007 – 2011 and 2014 – 2017) and represent a firm yield estimate of available supply. Under drought conditions Cal-Am's legal supplies include the Carmel River, from which Cal-Am will still be entitled to 3,376 acre-feet (AF) in 2022 and beyond plus an additional 300 AF from Carmel River – Permit 21330. Cal-Am also has other sources that are largely not drought impacted including: Seaside Basin Native Groundwater, ASR recovered water, the Sand City Desalination plant, and the Pure Water Monterey recycling facility. Cal Am also has banked carryover water in storage in the Seaside Basin. As shown in Figure 1 from WaterDM's July

supplemental expert report, by the end of 2020 Cal-Am will have more than 3,394 AF banked in groundwater storage and this will grow to 7,144 AF in 2022. This storage reserve is available to help Cal-Am manage through a period of drought.

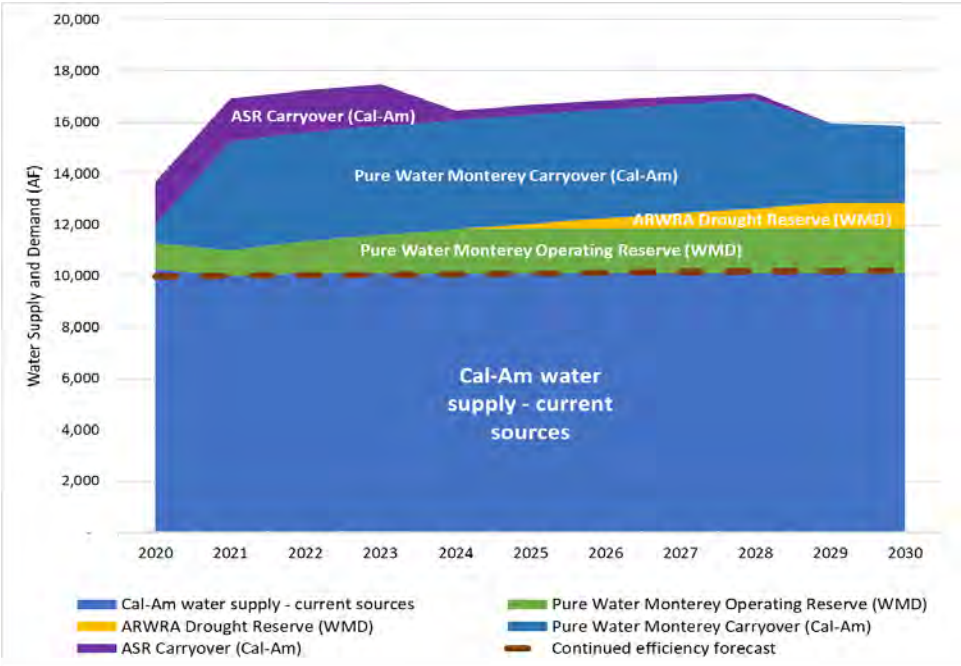


Figure 1: Cal-Am Monterey Main System current supply sources, forecast demand, and potential buildup of Seaside Basin groundwater reserve, 2020-2030

4. **Under a 5-year regional drought, mandatory restrictions are put in place that are not reflected in any demand forecasts.**
It is a certainty that under a severe drought, mandatory irrigation restrictions and other demand management measures will be put in place to reduce outdoor and other non-essential uses, over and above what Cal-Am already implements. Restrictions would not be limited to Cal-Am but will be mandated for all water providers in the drought-stricken region. These demand reductions are not reflected in any forecast or supply analysis and would certainly contribute to Cal-Am's ability to manage demand through the drought while complying with the CDO. As noted in WaterDM's April expert report the Monterey region has been regarded as a model for water conservation programs for many years. There are extensive on-going water conservation programs currently implemented across the Monterey Peninsula and California and these effective measures will reduce per capita demand into the future.

   The State of California has implemented a series of laws and directives to ensure future water efficiency across the state including Assembly Bill 1668 and Senate Bill 60. These laws and directives effectively mandate an ongoing reduction in per capita use. Cal-Am's continued compliance with these regulations and its active efforts to reduce customer water demand in the future are likely to gradually further decrease per capita water use across the service area.

Summary

In the dire event of a regional five-year drought that starts in 2020, Cal-Am's current sources of supply for the Monterey System, without desalination or the Expansion, are diversified and relatively drought

resilient. Mandatory demand restrictions beyond what Cal-Am implements ordinarily are not reflected in current forecasts and would further reduce demand and help extend Cal-Am's groundwater reserve supplies.

Analysis of supply deliveries through recent drought conditions shows that Cal-Am can comply with the CDO in 2022 without the desal plant or the expansion.

The fastest and least environmentally damaging way to bring a new water supply to the Monterey Peninsula is the Pure Water Monterey Expansion.

Sincerely,



Peter Mayer, P.E.
Principal

Second Supplemental
Expert Report and Recommendations of

Peter Mayer, P.E.

Regarding Water Supply and Demand in the California American Water Company's Monterey Main System

Prepared for:

The Marina Coast Water District

September 11, 2020

WaterDM
DEMAND MANAGEMENT



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SCOPE OF INVESTIGATION

This report is intended as an second supplement to the report WaterDM submitted to the Marina Coast Water District on April 21, 2020 and supplemental report WaterDM submitted on July 1, 2020 that expanded on the research, analysis, and forecasts prepared for the original report.

For this second supplement, I was specifically asked to respond to recent statements, opinions, and presentations offered by the California-American Water Company ("Cal-Am"), its consultants, and surrogates as they relate to future water supply and water demand of the Cal-Am Monterey Main system.

My opinions are based on my understanding of the information available as of the date of this report and my experience evaluating municipal and industrial water supplies and demands and conservation measures. In forming my opinions, I also considered the documents, testimony, and other materials listed in Appendix A. Should additional information become available to me, I reserve the right to supplement this report based on any additional work that I may conduct based on my review of such materials.

FINDINGS

As result of my review of the items listed in Appendix A and other related and relevant documents and reports, my own independent analysis, and my expertise in municipal and industrial water use, water management, and engineering, I offer the following responses to recent statements and opinions from Cal-Am:

1. **Cal-Am and its surrogates have offered numerous misleading statements and opinions when discussing supply and demand in the Monterey Main System. All of Cal-Am's apocalyptic claims are founded upon its inflated, unrealistic, and contradictory demand forecast.**

The strong recommendation from the staff of the California Coastal Commission to reject Cal-Am's proposed groundwater desalination project has pushed Cal-Am to double down on fictious and ominous claims of "water rationing" in 2022[1,2], economic doom and gloom[3], and threats to affordable housing and to any additional housing.[4] None of these claims are rooted in reality because the entire justification for the desalination project is predicated upon Cal-Am's inflated future demand forecast (Figure 1). Cal-Am and its surrogates are offering misleading statements rather than facts.

Neither the desalination plant nor the proposed Pure Water Monterey Expansion will be online and able to produce water by 2022. Thus, Cal-Am must comply with the cease-and-desist order (CDO) in 2022 without either project. Analysis completed by WaterDM shows this is possible in 2022 with existing, available supply sources.

Analysis conducted by WaterDM[5,6] shows that Cal-Am's demands have reduced greatly over the past 20 years, as shown in Figure 1. As a result of these reductions, with careful management Cal-Am has sufficient supplies to comply with the CDO, even under drought conditions. Cal-Am's claims of dire supply conditions in 2022 are not supported by the facts because all of their dire predictions are based on the unrealistic demand forecast shown in red in Figure 1, which is not a reasonable or accurate representation of current or future demand. In fact, Cal-Am's July 2019 CPUC filing projected demand for 2022 at 9,789 AF, not 12,350 AF.

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[1] Gary Cursio, Government Affairs Liaison , MCHA, statement at Monterey Peninsula Chamber of Commerce Business Roundtable – 9/8/2020.

[2] California American Water Coastal Presentation to Coast Commission Hearing 9.17.20, slide #7.

[3] California American Water Coastal Presentation to Coast Commission Hearing 9.17.20, slide #13.

[4] Kevin Dayton, Government Affairs Liaison, Monterey Peninsula Chamber of Commerce statements at Monterey Peninsula Chamber of Commerce Business Roundtable – 9/8/2020

[5] WaterDM. April 2020. Expert Report and Recommendations of Peter Mayer, P.E. Regarding Water Supply and Demand in the California American Water Company's Monterey Main System.

[6] WaterDM. July 2020. Supplemental Expert Report and Recommendations of Peter Mayer, P.E. Regarding Water Supply and Demand in the California American Water Company's Monterey Main System.

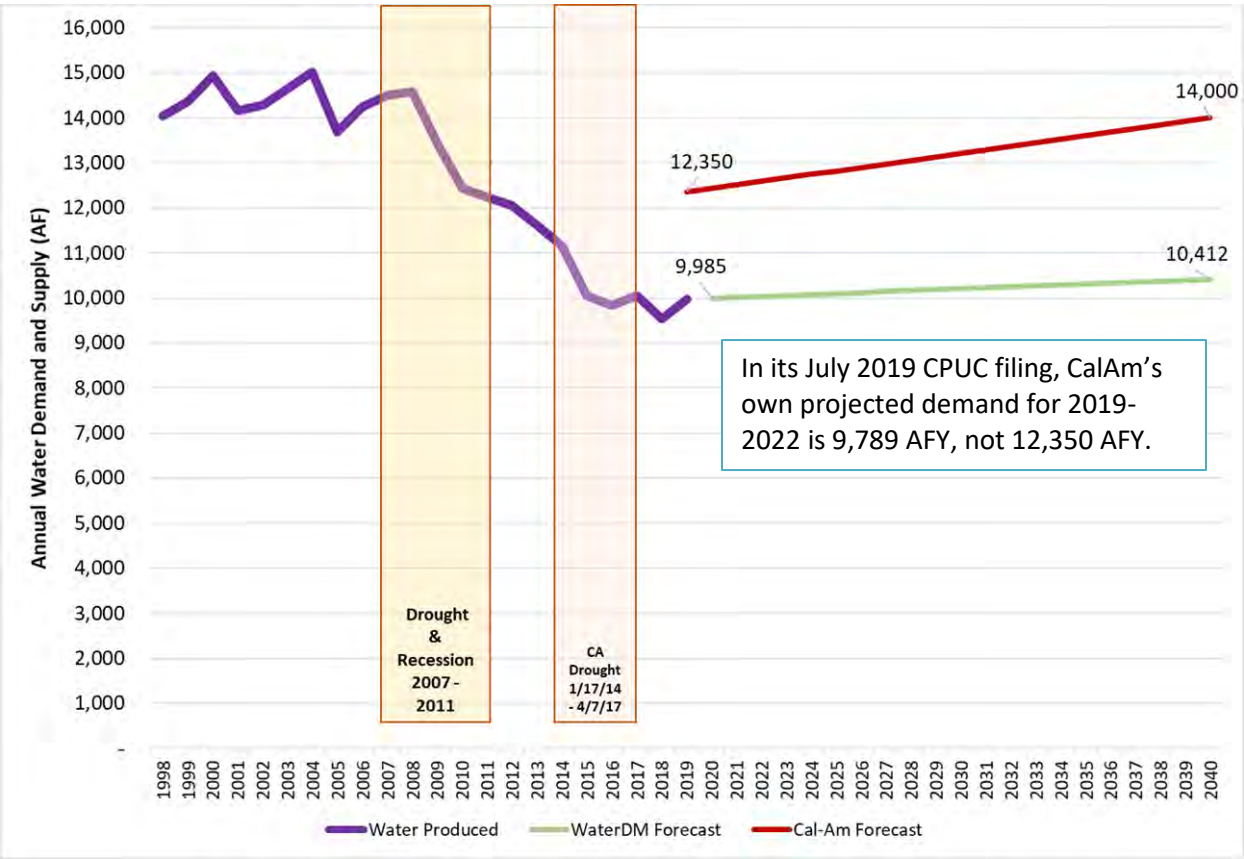

Figure 1: WaterDM and Cal-Am forecasts of future average annual production

Housing construction and affordable housing in particular will not be impacted if the desalination plant is not approved. Cal-Am's statements are misleading on the issue of housing as well. Most of the new housing, and in particular the new affordable housing, that will be constructed in the region in the near future will be built in the City of Marina, outside of the Cal-Am service area, not in Monterey or Carmel.

WaterDM's demand forecast shown in Figure 1 is based on the Associated Monterey Bay Area Governments (AMBAG) 2018 forecast of future population growth for the Cal-Am service area, and it includes all forecasts for future development across all sectors.

WaterDM also conducted an analysis to determine the reliable water sources available to Cal-Am for the Monterey Main system over the next five to ten years that will allow Cal-Am to eliminate its unlawful water diversions from the Carmel River in accordance with provisions of the CDO from the State Water Resources Control Board.

As shown in WaterDM's July supplemental report, in 2022 and going forward under the assumption of full compliance with reduction of Carmel River diversions under the CDO, Cal-Am will have 10,100 AF per year of water supply plus the buffer of banked storage in the Seaside

Basin. Figure 2 shows the combination of the available annual water supply and buildup of banked storage reserve along with the continued efficiency forecast and the impact of two hypothetical droughts in 2024 and 2029. This analysis illustrates how the buildup of storage provides a reserve for Cal-Am to draw upon if necessary.

WaterDM's analysis of Cal-Am's water sources included the historic impacts of the most recent drought periods (2007 – 2011 and 2014 – 2017) and represent a firm yield estimate of available supply. Under drought conditions Cal-Am's legal supplies include the Carmel River, from which Cal-Am will still be entitled to 3,376 acre-feet (AF) in 2022 and beyond plus an additional 300 AF from Carmel River – Permit 21330. Cal-Am also has other sources that are largely not drought impacted including: Seaside Basin Native Groundwater, ASR recovered water, the Sand City Desalination plant, and the Pure Water Monterey recycling facility. Cal Am also has banked carryover water in storage in the Seaside Basin.

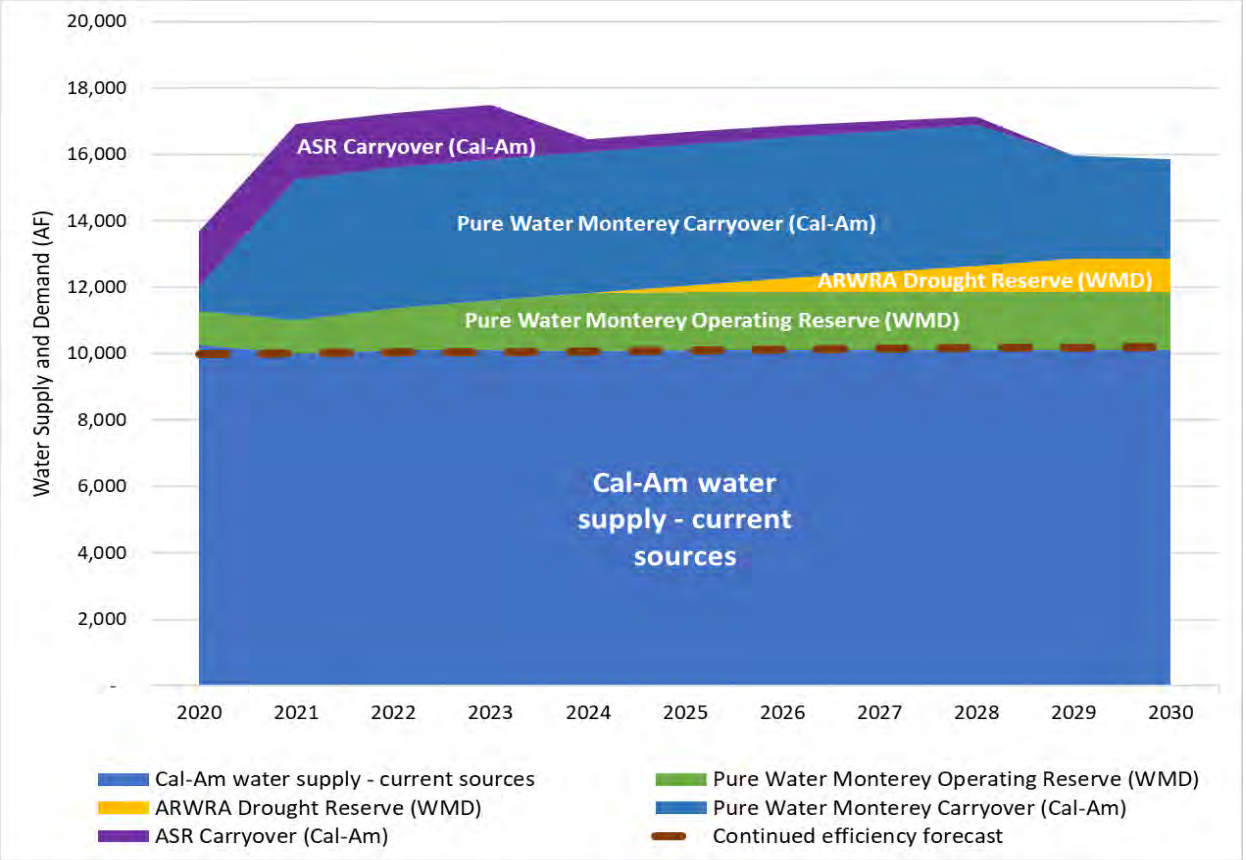

Figure 2: Cal-Am Monterey Main System current supply sources, forecast demand, and potential buildup of Seaside Basin groundwater reserve, 2020-2030

Neither the groundwater desalination project nor the Expansion will be online in 2022 when full compliance with the CDO is mandatory. Figure 2, which closely matches Cal-Am's July 2019 forecast, represents the most-likely future water supply scenario for Cal-Am. With careful

management, Cal-Am can enter 2022 with more than 6,800 AF of banked water in the Seaside Basin.

Cal-Am's misleading claims of supply shortage and rationing are predicated on a level of demand which simply does not exist today as shown in Figure 1. Cal-Am's reported demand in 2020 is trending lower than other recent years. Cal-Am's own July 2019 forecast projects a 2022 level of demand (9,789 AF) that can be met with existing supplies even as Cal-Am eliminates its illegal withdrawals from the Carmel River and complies with the CDO.

2. Cal-Am incorrectly discounts the capacity of its own Aquifer Storage and Recovery (ASR) system during normal and drought years.

Cal-Am participates in an aquifer storage and recovery (ASR) project that allows for the capture of excess Carmel River winter flows through wells along the river. This project operates with four ASR well sites capable of both injection and extraction. Ownership and operation of this source water project has various components split between Cal-Am and the Monterey Peninsula Water Management District.[7]

In its increasingly desperate attempt to bolster support for its groundwater desalination project, Cal-Am has provided incorrect and misleading information about the performance and capacity of its own ASR system.[8] In fact, WaterDM's estimate of 1,300 AF of annual ASR is conservative and it could be considerably higher.

At the outset Cal-Am neglects to mention in its review of historical ASR production that while the first ASR injection/extraction well was in commercial operation in 2005, the fourth ASR well, ASR-4, was not in commercial operation until Water Year 2017. Water Year 2017 was the first year that all four ASR wells were fully utilized. Furthermore, the Hilby Pump Station and Monterey Pipeline (critical components for maximizing ASR recovery) were placed into service in January 2019. Thus the full capacity of the ASR system cannot be adequately estimated from an analysis of prior years and Cal-Am is intentionally misleading on this point.

There are two water rights that support the ASR system: Permit 20808A which allows maximum diversion of 2,426 AF and Permit 20808C which allows up to 2,900 AF for a total potential maximum annual diversion of 5,326 AF.[9] But in reality Cal-Am will only be able to divert, inject, and store the maximum permitted volume in the wettest of years.

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[7] California-American Water Company. 2019. (U-210-W) Update to General Rate Case Application, A.19-07-004. Direct Testimony of Christopher Cook. (p.7)

[8] California American Water Coastal Presentation to Coast Commission Hearing 9.17.20, slide #7; California American Water Peer Review of Supply and Demand for Water on the Monterey Peninsula, Hazen and Sawyer, August 11, 2020.

[9] Monterey Peninsula Water Management District. 2020. Supply and Demand for Water on the Monterey Peninsula prepared by David Stoldt. (3-13-2020, 12-3-2019, and 9-16-2019)

Based on long-term historical precipitation and streamflow data, which includes drought hydrology, the ASR system is designed to allow an average of 1,920 AF per year to be recovered. In Figure 2,WaterDM assumes a far more conservative 1,300 AF of ASR production per year for 2020 – 2030. With the addition of the Pure Water Expansion, Cal-Am will have additional opportunity to inject and store water in the Seaside Groundwater Basin which would allow for increased annual recovery over time.

Cal-Am is allocated 28,777 AF of total storage in the Seaside Groundwater Basin.[10] Careful management of the Seaside Groundwater Basin and optimizing the storage opportunities it provides will help ensure a long-term reliable supply for the Cal-Am Monterey service area. In the future, Cal-Am could withdraw 1,920 AF (or more) of banked ASR storage on a regular basis.

3. Cal-Am has a reliable and diverse water supply and can comply with the CDO in 2022.

The analysis conducted by WaterDM shows that Cal-Am's demands have reduced greatly over the past 20 years and as a result, Cal-Am has sufficient supplies to comply with the CDO, even under drought conditions. In 2022, when Cal-Am must reduce diversions from the Carmel River in compliance with provisions of the cease-and-desist order from the State Water Resources Control Board[11] the combination of available, reliable water supplies for the Monterey Main system totals 10,100 AF. In WaterDM's April 21, 2020 report demand was forecast to be 10,098 AF in 2025 under the most likely scenario and Cal-Am's own forecast put 2022 demand at 9,879 AF.

Cal-Am can build up reserve storage in the Seaside Basin which provides banked water to draw on if it becomes necessary. This storage will help balance supply to meet variable demands in the coming years, but Cal-Am must also carefully manage demand in the Monterey Main system to ensure that it balances with available supply through all months of the year. Proven demand management tools should also be implemented as quickly as possible.

As shown in Figure 2, by the end of 2020 Cal-Am will have more than 3,394 AF banked in groundwater storage and this will grow to 7,144 AF in 2022. This storage reserve is available to help Cal-Am manage through a period of drought.

Suggestions by Cal-Am that groundwater desalination is necessary to increase the diversity of its water supply[12] are puzzling because Cal-Am's supply sources are already diverse – without

[10] Seaside Basin Watermaster Annual Report – 2019, December 5, 2019

[11] The original order, issued in 1995, determined that Cal-Am was extracting over 14,000 acre-feet per year from the river when it had a legal right to 3,376 acre-feet. The Board determined that these excess diversions were adversely affecting the river's population of federally-threatened Central Coast steelhead. The Board ordered Cal-Am to develop or purchase alternative water supplies so it could end its excess diversions. Subsequent orders issued by the Board have included additional requirements, with Cal-Am currently required to end its excess diversions and be able to rely on other sources of water by December 2021.

[12] California American Water Presentation to Coastal Commission Hearing 9.17.20, slide #15.

desalination. Figure 3 shows Cal-Am's available supplies in 2022 from all sources which include surface water (36%), native ground water (15%), recycled water (35%), banked ASR (13%), and desalination (1%). This analysis shows Cal-Am already possess a distinctly diverse water supply without desalination.

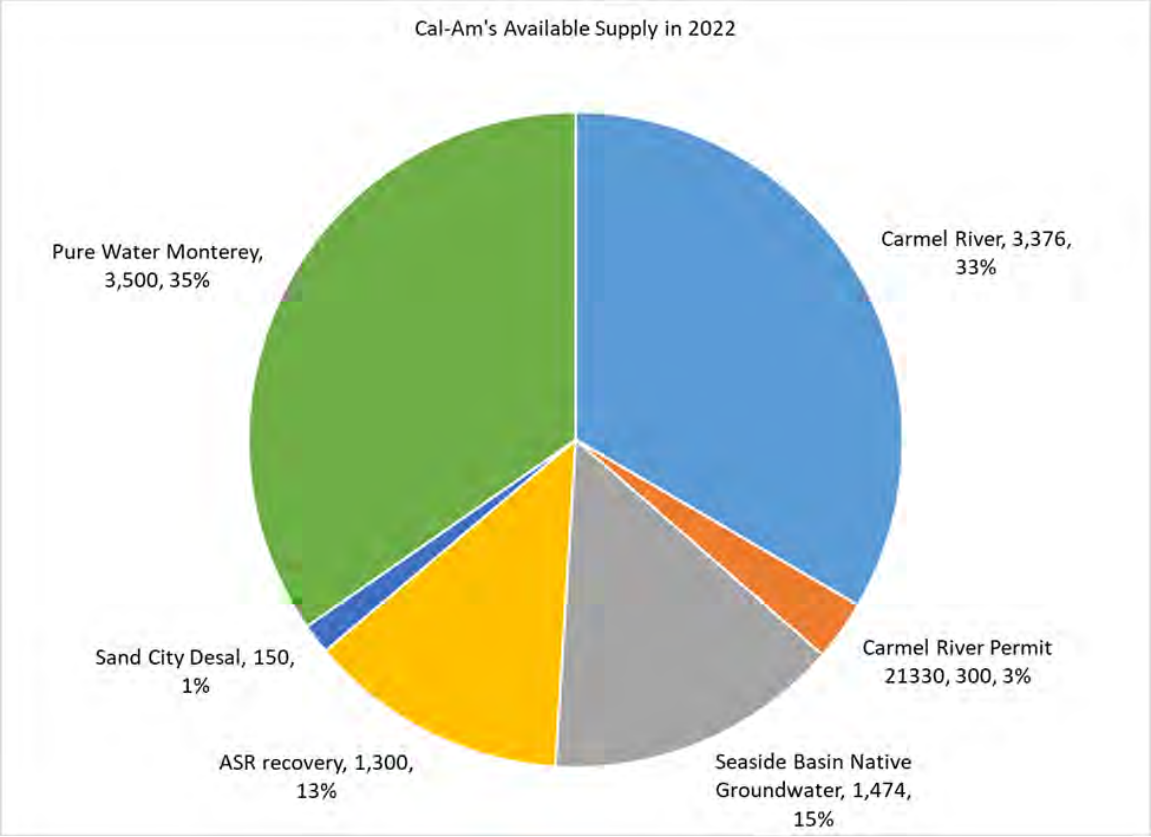

Figure 3: Cal-Am's available supply in 2022

4. **Cal-Am repeatedly confuses and conflates peak demand and annual demand planning requirements and has offered numerous misleading statements about California codes and standards and AWWA water planning guidance.**

Cal-Am continues to confuse and conflate requirements for meeting the peak demand and annual demand planning practices in their statements and communications. Planning the infrastructure and treatment capacity requirements for a community to meet the peak day and peak hours of demand is distinctly different from planning for an adequate long-term water supply for the same community. Cal-Am's faulty premises and errors are addressed in detail in WaterDM's April expert report (pp. 37 – 41). WaterDM's analysis adhered to all applicable codes and industry standards and practices. With or without desalination or the Expansion, Cal-Am is currently complying and can continue to comply with California Waterworks Standards and CPUC General Order 103-A.

SUMMARY

Cal-Am has put forward many misleading statements and opinions when discussing supply and demand in the Monterey Main System. Cal-Am's claims of dire supply conditions in 2022 are not supported by the facts because all of their dire predictions are based on the unrealistic demand forecast, which is not a reasonable or accurate representation of current or future demand. In fact, Cal-Am's July 2019 CPUC filing projected demand for 2022 at 9,789 AF, not 12,350 AF.

Cal-Am incorrectly discounts the capacity of its own Aquifer Storage and Recovery (ASR) system during normal and drought years. Based on long-term historical precipitation and streamflow data, the ASR system is designed to allow an average of 1,920 AF per year to be recovered. Cal-Am neglects to mention in its review of historical ASR production that while the first ASR injection/extraction well was in commercial operation in 2005, the fourth ASR well, ASR-4, was not in commercial operation until WY 2017. WY 2017 was the first year that all four ASR wells were fully utilized, thus the full capacity of the ASR system cannot be adequately estimated from an analysis of prior years.

The analysis conducted by WaterDM shows that Cal-Am's demands have reduced greatly over the past 20 years and as a result, Cal-Am has sufficient supplies to comply with the CDO, even under drought conditions. In 2022, when Cal-Am must reduce diversions from the Carmel River in compliance with provisions of the CDO, the combination of available, reliable water supplies for the Monterey Main system totals 10,100 AF. In WaterDM's April 21, 2020 report demand was forecast to be 10,098 AF in 2025 under the most likely scenario and Cal-Am's own forecast put 2022 demand at 9,879 AF.

Suggestions by Cal-Am that groundwater desalination is necessary to increase the diversity of its water supply are puzzling because Cal-Am's supply sources are already diverse – without desalination.

Cal-Am continues to confuse and conflate requirements for meeting the peak demand and annual demand planning practices in their statements and communications. Cal-Am's faulty premises and errors are addressed in detail in WaterDM's April expert report. WaterDM's analysis adhered to all applicable codes and industry standards and practices. With or without desalination or the Expansion, Cal-Am is currently complying and can continue to comply with California Waterworks Standards and CPUC General Order 103-A.

Cal-Am has a reliable and diverse water supply and can comply with the CDO in 2022.

Appendix A – Materials Considered[13]

California American Water Coastal Presentation to Coast Commission Hearing 9.17.20.

California American Water Peer Review of Supply and Demand for Water on the Monterey Peninsula, Hazen and Sawyer, August 11, 2020.

California-American Water Company. 2019. (U-210-W) Update to General Rate Case Application, A.19-07-004. Direct Testimony of Christopher Cook. (p.7)

Cursio, G. Government Affairs Liaison , MCHA, statement at Monterey Peninsula Chamber of Commerce Business Roundtable – 9/8/2020

Dayton, K. Government Affairs Liaison, Monterey Peninsula Chamber of Commerce statements at Monterey Peninsula Chamber of Commerce Business Roundtable – 9/8/2020

Monterey Peninsula Water Management District. 2020. Supply and Demand for Water on the Monterey Peninsula prepared by David Stoldt. (3-13-2020, 12-3-2019, and 9-16-2019)

Seaside Basin Watermaster Annual Report – 2019, December 5, 2019

WaterDM. April 2020. Expert Report and Recommendations of Peter Mayer, P.E. Regarding Water Supply and Demand in the California American Water Company's Monterey Main System.

WaterDM. July 2020. Supplemental Expert Report and Recommendations of Peter Mayer, P.E. Regarding Water Supply and Demand in the California American Water Company's Monterey Main System.

[13] Materials Considered also includes all materials cited in the footnotes of this Report.

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.

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.

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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

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,

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

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.

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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,

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.

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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,

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,

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 of 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 equities, 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 lead 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 M1W 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 M1W 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 M1W 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

06/18/2020 10:16 AM 16025350921 14159045400 pg 7 of 8

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.

Water Sources	AFA								
	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6	Scenario 7	Scenario 8	Scenario 9
	Desal/ No PWME/ Full ASR	Desal/ No PWME Half ASR	Desal/ No PWME No ASR	No Desal/ PWME/ Full ASR	No Desal/ PWME/ Half ASR	No Desal/ PWME/ No ASR	No Desal/ No PWME/ Full ASR	No Desal/ No PWME/ Half ASR	No Desal/ No PWME/ 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								
CPUC Original Estimate (AFA) [2346]	15,296	100%	96%	92%	74%	70%	65%	59%	55%	51%
MPWMD - Revised HIGH Estimate (AFA) [2456]	12,287	124%	119%	114%	92%	87%	81%	74%	68%	63%
MPWMD - Revised LOW Estimate (AFA) [2456]	10,884	141%	135%	129%	104%	98%	92%	83%	77%	71%

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.

II. 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.

III. Scenario 7 is most reflective of current state -- no desal, no PWM Expansion or likely to occur given decision by M1W 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.

IV. Only with desal can CPUC's original or revised demand estimates, or MPWMD's revised high estimate, be satisfied.

---

[1] M1W 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: 1,014 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 Major Observations above.

[4] CPUC estimates predated recent State mandatory new housing requirements, while MPWMD included 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 estimates.

[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

June 15, 2020

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

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Carmel River	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376
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Totals	**15,296**	**14,646**	**13,996**	**11,294**	**10,644**	**9,994**	**9,044**	**8,394**	**7,744**

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---

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[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 relalignments.

Th3a & 4a

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

California-American Water

SUPPORT LETTERS

Packet 2
Updated
September 9, 2020

Luster, Tom@Coastal

From: THOMAS <tbpelikan@comcast.net>
Sent: Wednesday, September 09, 2020 1:24 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

To: Honorable Chair Padilla & Commissioners

Two fish (steelhead) swim into a concrete wall. One turns to the other and says... Dam!

It has been a great step forward to remove the San Clemente dam and provide miles of new spawning river environment. But, to carry on watershed repair we need multiple sources of new non-Carmel River water so there is water available for habitat restoration and improvement.

As a board member of CRSA I highly recommend the Coastal Commission board approve the proposed desalination project for the Monterey Peninsula even though the staff report recommends against it. We live next to the Pacific Ocean. There is no other sustainable water source for us. We're just moving the chairs around on the Titanic with the other alternatives.

We seriously doubt that Pure Water Monterey Phase II will provide enough water for the Monterey Peninsula once the development/growth flood gates are opened. The economic/political pressures are just too great and as usual there will be lots of money made at the cost of further environmental destruction. And, if we are to believe science, we are in megadrought cycle that is worsened by human activities. (https://fishbio.com/field-notes/the-fish-report/tales-dry-times-human-effects-historic-drought-cycles August 31, 2020 www.fishbio.com)

So, I plead that you ask all those really smart people who wrote 154 page report denying
a desalination project make some helpful positive suggestions how to modify the plan so that it can be approved and implemented. We need some alternatives fast. How about some smaller modular less problematic city desal units locally located such as the old Monterey sewage treatment plant, the proposed but potentially rejected site but with different water sources, fix and use Marina desal unit...

Please give us and the Carmel River steelhead this desalination plan or a modification that will work for the Coastal Commission, the Monterey Peninsula and the Carmel River watershed and steelhead.

Thomas Pelikan, Ph.D.
24468 San Mateo Ave.
Carmel, CA 93923
831-601-8270
tbpelikan@comcast.net
Board Member CRSA

Sent from Xfinity Connect App

Brian LeNeve
P.O. Box 1012
Carmel, CA 93921
brian@brianleneve.com
831-601-9762

Honorable Chair Padilla and Commissioners
California Coastal Commission
45 Fremont, Suite 2000
San Francisco, CA 94105-2219

September 8, 2020

RE: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Honorable Chair Padilla and Commissioners:

My Name is Brian LeNeve and I was one of the parties who appealed the Marina Planning Commissions denial of the Coastal Development Permit to Cal Am for the slant wells in Marina. I have attended every meeting where this subject has come up including the hearing in Half Moon Bay where I sat with 4 friends all day hoping to get a chance to speak. When in the late afternoon the commission decided to give a bus load of speakers preference so they could get home in time, it made it impossible for the five of us to speak as we also had other commitments that required us to leave before 5:00. It was very unfortunate you allowed some speakers favorable time slots to the disadvantage of all others and I hope you will take that into consideration when arranging speakers this time.

I was very disappointed in reading your staff report where they recommend denial of the permit. I find it hard to believe your staff recommends that the peninsula rely on a project (Pure Water Monterey Phase II) that:

1: Does not have a certified EIR.
2: Whose Board of Directors twice voted not to certify the EIR.
3: Whose Board of Directors has repeatedly stated the project was designed as a backup to the proposed desal project.
4: Whose Board of Directors has stated several times the permit for the waste water is not secured.
5: That leaves the peninsula without a backup water source when something fails.
6: That has not yet produced a drop of water and cannot guarantee it will produce as promised. Phase I has not so far.
7: That takes water from sources that would eventually end up in the Salinas River Lagoon providing water for that eco-system, and not evaluate the impacts to that environment.
8: That is not expandable making another project in the near future a necessity.
9: That leaves the Peninsula without a drought-proof water supply.
10: That takes water from the Salinas Valley that could be used to solve its critically over-drafted basin.

11: That wastes the $100,000,000.00 already spent on the proposed desal plant.
12: That will require another $100,000,000.00 to be spent in the near future to get us to where we are now.
13: That will require more money to build the actual desal plant in the future than it would cost now.
14: That assumes an average of 1,300-acre feet of water from ASR when it has never averaged that amount. The average has been less than half of the 1,300-acre feet projected by your staff and in the drought years it produces no water at all. Many scientists believe we are starting a mega-drought now.
15: That could cause further environmental damage to the Carmel River and its steelhead if and when the recycle project fails to produce the amount of water promised or ASR does not produce as staff projects, and not evaluate that damage with other environmental damages.
16: **That just does not actually solve the water shortage on the Monterey Peninsula.**

I find it hard to believe your staff ignored the State Water Resources Control Board when they told you the desal is needed.

I find it hard to believe your staff ignored the CPUC when they told you the desal plant is needed.

I find it hard to believe your staff ignored the EPA when they say the steelhead are in real danger.

I find it hard to believe the Coastal Commission required Cal Am to develop a desal plant supplied by slant wells and then state that the slant wells are not the way to go.

In my opinion there are a lot of people advocating for the second phase of Pure Water Monterey whose main objective is the take over of Cal Am. I believe you have been given information that paints Pure Water Monterey in a favorable light and misrepresents the water supply and demands of the peninsula. I believe those people think a take-over of Cal Am will be financially feasible if Cal Am is not permitted to build the desal plant, but will not be feasible if the people on the peninsula also have to finance the amount of a desal plant. My worst nightmare is in three years Monterey Peninsula Water Management District (the agency that would take over Cal Am) comes to the people on the peninsula and says: I am sorry we were wrong on the amount of water we can produce and we were wrong on the amount of water needed and we now must build a desal plant to meet demand.

I strongly request you approve the Coastal Development Permit for Cal Am and let the peninsula breath a collective sigh of relief knowing that we now have water and have water for the future.

Sincerely,

Brian LeNeve

Luster, Tom@Coastal

From: ingramgp <ingramgp@ix.netcom.com>
Sent: Wednesday, September 09, 2020 11:17 AM
To: CalAmMonterey@coastal
Subject: Letter Re CalAm Desal for September 17, 2020
Attachments: Coastal Comm Ltr for 9-17-20.pdf

September 8, 2020

VIA EMAIL : CalAmMonterey@coastal.ca.gov

Steve Padilla, Chair and Commissioners

California Coastal Commission

ATTN: Tom Luster

455 Market Street Suite 300

San Francisco, CA 94105

RE: DE NOVO APPEAL and CONSOLIDATED COASTAL DEVELOPMENT PERMIT
Appeal No. A-3-MRA-19-0034 (California American Water Company, et. al., Monterey Co.)
Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.)

LETTER OF SUPPORT FOR APPROVAL OF APPEAL AND ISSUANCE OF A CONSOLIDATED PERMIT FOR CAL-AM DESAL PROJECT

Dear Chair Padilla and Commissioners:

For over 40 years, the Monterey Peninsula has had insufficient water capability/supply to appropriately and adequately serve immediate and long-term needs for a reliable and sustainable water supply to protect the Carmel River, area residents, the local economy, and the general Peninsula environment.

The desalination project has been thoroughly studied and determined reliable and sustainable. In contrast, the Pure Water Monterey (PWM) project has been partially studied and has already been shown unreliable and highly questionable with respect to sustainability. At best, and even with expansion, PWN may be able to function as originally intended ---- solely as a component of the desal project.

Given the unknowns and complexities of climate change, COVID-19, and other potential unforeseen or unknown issues in the future, we do not need additional delays or another 40 years of politics, inadequate water supply, and continued damage to the Peninsula's environmental and economic resources.

Please approve the appeal and approve and issue the permits required for the desal project.

Thank you.

Candace Ingram

Candace Ingram
441 Gibson Avenue
Pacific Grove, CA 93950
ingramgp@ix.netcom.com



September 8, 2020

Hon. Steve Padilla and Commissioners
California Coastal Commission
Att: Tom Luster
455 Market Street, Suite 300
San Francisco, CA 95105

Honorable Chair Padilla and Commissioners:

I am writing in support of the desalination project in Monterey County. I appreciate the challenge you have to navigate a contentious decision such as this. My personal support for this project is grounded in my service to Castroville as Pastor of North County Christian Center for the past eleven years, and as a community advocate. I have personally witnessed the struggles many families in Castroville have to survive economically. They often are employed in low-wage jobs and live in residences that house more than one family due to high rent and lack of affordable housing in our region. Many of these struggling individuals and families are constituents of my church.

You have opportunity with this decision to offer some real relief to a significantly disadvantaged population that resides in the largest unincorportated commercial center in the County. While other communities are well-represented by well-financed governmental agencies and leaders, Castroville's official advocates are few. Because of this, frequently throughout the years the community's infrastructural needs have been minimized or insufficiently addressed. Perhaps the most critical infrastructural need is our water supply due in large part to salt water intrusion that has compromised most of the water wells in the community. Please understand, the situation is not some potential future crisis, but an actual immediate problem that requires intervention. The consequences of an inadequate and delayed response will be quite severe for some of the most vulnerable.

In light of this real-time crisis, I urge you to approve the desal project which will provide a long-term sustainable resource to an historically significant and long under-valued community.

Sincerely,

Rev. Richard Coffelt, D.Min.

Luster, Tom@Coastal

From: Sue McCloud <cloud93921@aol.com>
Sent: Wednesday, September 09, 2020 9:31 AM
To: CalAmMonterey@coastal
Cc: Luster, Tom@Coastal
Subject: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

September 9, 2020

Subject: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Honorable Padilla, Chair and Commissioners. California Coastal Commission:

I speak to you as one who has been involved in the water issue since 1995—12 years of which were as Mayor of Carmel-by-the-Sea. Due to pending surgery, I am unable to be present but did wish to bring forth a developing issue with major impact on the decision before you today.

This new issue was brought about in large part by the impact of Covid 19. The front page of the Wall Street Journal, Section B of August 15-16 has the banner headline of "The Silicon Valley Exodus". More dramatic was the termination by Pinterest of their 88 Bluxome Project , south of Market St. in San Francisco, for which they had to pay a termination fee of $89.5 million.

As the article expanded on this development, it noted that even though rents have dropped in many of the most expensive parts of the Bay Area, Menlo Park (home to Facebook), Cupertino (home to Apple) and Mountain View (home to Google), there is a changing work quotient that one can work from home resulting in a tech worker exodus to work remotely. Our Monterey County area is already seeing this growth.

Carmel's real estate market has been hit by a shortage of builders causing a dramatic impact on new construction and remodels in both the commercial and residential districts. The point of this turn of events is that all projections for new water have been overtaken by these events and are fast becoming history as they are too low. Water projections need to be increased in light of the amount of water required for the homes being built. Existing homes are being sold even during remodeling for double the original sale price. How long this will be sustained is anyone's guess, but the point is that circumstances have changed dramatically and thereby accelerated projected water needs. How this impacts the whole water district is probably not yet known, but what is known are the projections that are underway to start to develop the former Fort Ord.

In conclusion, it appears that the underlying projects in the larger Monterey Peninsula/County are being accelerated and increased in a scope that will exceed projected water availability! In sum, the ability to protect the Carmel River, to protect

residents as climate change and drought scenarios become more prevalent, and to meet unforeseen and evolving water needs (to include fire-fighting) for the Monterey Peninsula and surrounding area cannot be met without a desal project.

Sue McCloud

Cc: Tom Luster

Luster, Tom@Coastal

From: Bob Bourke <rebourke2003@yahoo.com>
Sent: Tuesday, September 08, 2020 9:28 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

California Coastal Commission
Honorable Chair Padilla and Commissioners

Dear Mr. Padilla and Commissioners

As a proud member of the Carmel River Steelhead Association I'd greatly appreciate your vote to proceed with construction and operation of a full scale desalinization plant in Monterey County. CRSA lists a dozen good reasons why the county should proceed with this project, but I'll not repeat these here as I'm sure you've seen them in multiple letters already. Instead I'd like to offer you my perspective from a life time of work as an biologist and environmental scientist.

I worked in Hawaii for 42 years ('75 - '17) and retired to Pacific Grove - as this is where I first learned to explore tide pools and scuba dive. Hawaii has fresh water supply problems also. And, like Monterey, made investigations into the feasibility of desalination in the 1990's, without ever making the final decision to construct a plant. While efficiency of desal plants have increased by about 50% since the '90's, the cost of construction in Hawaii is now almost 10 times higher. It doesn't look like they will implement this elegant solution in the near future. Moving forward NOW to construct this important infrastructure will be much less expensive than waiting another decade. Timing of construction with likely upcoming Federal support for infrastructure improvement projects could result in significant fiscal savings for our citizens.

The need for desalinization is inevitable. Water conservation initiatives, recycling water, and recapturing runoff, are also necessary but these actions are all based upon a fixed (or more likely dwindling with climate change) supply. Desalinization is the only alternative that actually increases the supply of fresh water over the long term. Please consider a long term solution for our urban drinking water needs.

Aloha

Bob Bourke
122 19th St.
Pacific Grove, CA 93950

808 256 2057

Luster, Tom@Coastal

From: Frank Emerson <frank.t.emerson@gmail.com>
Sent: Tuesday, September 08, 2020 8:33 PM
To: Steve Park
Cc: CalAmMonterey@coastal
Subject: Re: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

And you too Steve. Thanks to everyone who writes and gives comments to the Commission!

On Tue, Sep 8, 2020, 8:03 PM Steve Park <stevepark@razzolink.com> wrote:
Excellent Frank! Thank you for your CRSA support at all the different levels.
Steve

Sent from my iPad

> On Sep 8, 2020, at 11:08 AM, Frank Emerson <frank.t.emerson@gmail.com> wrote:
>
> Frank Emerson
>
> 501 Lighthouse Ave. #6
>
> Monterey, CA 93940
>
> September 8, 2020
>
> Via Email: CalAmMonterey@coastal.ca.gov
>
> Hon. Steve Padilla, Chair and Commissioners
> California Coastal Commission
>
> Attn: Tom Luster
> 45 Fremont, Suite 2000
> San Francisco, CA 94105- 2219
>
> Re: Support for California American Water's Monterey Peninsula Water Supply Project

Honorable Chair Padilla and Commissioners:

Respectfully, I urge approval of the CalAm Desalination Project, despite staff's recommendation. I have been working as an unpaid volunteer for over 30 years to save the Carmel River Steelhead. Though speaking for myself I can say our group has devoted thousands of hours rescuing stranded juvenile steelhead, 12,000 this year alone. Hundreds of thousands over the years. We are a grassroots effort, we advocate and raise money to save the Carmel River and the Watershed itself. Our Steelhead are a Federally ESA listed species that are endangered because of illegal dewatering of the river. This decade-long problem results in total drying of the main channel and spawning tributaries, poor rearing conditions in the Carmel Lagoon and chronic groundwater overdraft. For decades our coastal community has used our limited aquifer and river as the sole source of freshwater. By all measures this has failed to be sustainable, not only regards extreme environmental degradation to our watersheds, but indeed as a reliable water supply.

As a member of the angling community with many connections within recreational angling I can tell you the loss of the fishery is not minor. Not to the store owners, tackle manufacturers, hotels, restaurants and anglers who benefit from the resource. Nor to our Tribal Communities who have lost a cultural, economic and spiritual connection to their fishery and land that sustained them for centuries. A central activity of the Esselen, and other coastal tribes, was the annual fishery. As an advisor to the Tribe on Steelhead issues I cannot speak for them but can tell you the lost fishery is a major issue for their members. California anglers also have been very disappointed by the inability of the community to come together and solve the water supply problems and restore the Carmel River Fishery. The Endangered Species Act requires recovery of Carmel River Steelhead. Anglers have public trust resource rights and an expectation that the State will ensure this fishery is here for our community and future anglers.

Opponents are now trying to once again stop the new water supply. Monterey Desal is a truly alternate water source that is not dependent on fickle winter rains, direct diversions from the Carmel River and chronically over drafted aquifers. Only the drought proof source can return enough flow to our beautiful river to restore the habitat of wildlife and fish. The claim by opponents that reclaimed waste and more diversions from the Carmel River, at any time of the year, can replace Desal is a false promise. It is unreliable, untested and insufficient to solve the problem of chronic groundwater overdraft that has plagued the entire watershed. Long term residents who grew up here are weary of the empty promises and failure of local agencies. I am writing to urge you to support and approve the required Coastal Development Permit for California American Water's Monterey Peninsula Water Supply Project.

This project has been designed in an environmentally-responsible manner. It is in fact a major improvement over outdated water policies in California that continue chronic overdraft of our watersheds and aquifers at great cost to local rivers and wildlife. It utilizes a state-of-the-art subsurface intake well system and a commingled brine/wastewater discharge, a desalination technology that minimizes marine impacts and is preferred by the State Water Board, Monterey Bay National Marine Sanctuary and many ENGO's.

Pure Water Monterey was determined by the CPUC in its decision to approve the Monterey Peninsula Water Supply Project to be of inadequate size to meet the terms of the Cease and Desist Order and the long-term water demands of the Monterey Peninsula.

The construction schedule for the project requires work begin as soon as possible in order to meet the Cease and Desist Order deadlines. Your review of this important project cannot be delayed. The solution is long, long overdue and the opponents that would have you continue to delay will perpetuate loss of listed species and jeopardize recovery that is required under the ESA.

Conservation alone cannot replace the shortfall between Cal Am's water supplies and anticipated future demands. Nor will the untested scheme proposed by opponents.

I respectfully ask that the Commission approve Cal Am's application for a Coastal Development Permit at the earliest opportunity.

Sincerely,

Frank Emerson

September 8, 2020

Monterey, CA 93940

<Emerson Desal SupportLetter (2).docx>

Luster, Tom@Coastal

From:	Andy Walker <acwgolfer@yahoo.com>
Sent:	Tuesday, September 08, 2020 6:45 PM
To:	CalAmMonterey@coastal
Cc:	Rebecca Walker
Subject:	Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Attention: California Coastal Commission/Honorable Chair Padilla and Commissioners,

We believe the best solution for providing an alternate water source for the Monterey Bay area is a new desalination plant currently awaiting a permit from the California Coastal Commission.

A desalination plant is the only viable source of water that can be expanded to meet the needs of the area. The Pure Water project of recycling waste water is not expandable and should only serve as a backup to the a desalination plant.

We would like to strongly encourage the California Coastal commission to issue a Coastal Development Permit to California American Water so that slant wells can be installed from the land to under the ocean as required to support the desalination project.

We appreciate your immediate attention in this matter.

Sincerely,

Andrew and Rebecca Walker
Carmel Residents
26625 Bonita Way, Carmel, CA. 93923

Luster, Tom@Coastal

From: Donna Singmaster <donna@singmaster.com>
Sent: Tuesday, September 08, 2020 1:46 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

To:
California Coastal Commission
Honorable Chair Padilla and Commissioners

Dear Honorable Chair Padilla and Commissioners,

I am writing to ask you to issue a Coastal Development Permit to California American Water to build the desalination plant.

I welcome the Pure Water Monterey recycling projects.
It is unclear if their projects provide enough to reduce the pumping of the Carmel River to legal limits.
If we have only Pure Water Monterey, we have no back-up.

It is my understanding your staff concluded there would be less overall environmental damage from Pure Water Monterey.
It is also my understanding that in their assessment, they:
1) did not consider the environmental damage to the Salinas River Lagoon
2) did not consider the harm to the Carmel River if Pure Water Monterey cannot produce enough.

I urge you to permit both projects.
Having **both the desalinization plant and Pure Water** recycling should provide enough water in our area for decades, and through droughts.

It is important for the California Coastal Commission to ensure we **prepare for the worst and hope for the best.**

Thank you,
Donna Singmaster
Pebble Beach, CA
Donna@Singmaster.com

Unrelated to the above:
1) Thank you for closing the beaches this past weekend.

2) Congratulation to Honorable Chair Padilla for surviving COVID-19

Related to the Above:

From National Geographic in 2015:

https://www.nationalgeographic.com/news/2015/2/150212-megadrought-southwest-water-climate-environment/

Worst Drought in 1,000 Years Predicted for American West
Global warming to cause historic "megadrought" by century's end.

3 MINUTE READ

BY BRIAN CLARK HOWARD, NATIONAL GEOGRAPHIC

PUBLISHED FEBRUARY 12, 2015

LARGE PARTS OF the U.S. are in for a drought of epic proportions in the second half of this century, scientists warn in a new study that provides the highest degree of certainty yet on the impact of global warming on water supplies in the region.

The chances of a 35-year or longer "megadrought" striking the Southwest and central Great Plains by 2100 are above 80 percent if the world stays on its current trajectory of greenhouse gas emissions, scientists from NASA, Columbia University, and Cornell University report in a study published Thursday in the new open-access journal *Science Advances.*

If countries reduce their emissions to current "middle of the road" targets, the chances of a megadrought hitting the Great Plains drop to between 60 and 70 percent. But they remain nearly 80 percent for the Southwest.

That's because rising temperatures spurred by the greenhouse effect result in more evaporation and less precipitation for the region, which is already relatively dry. "Even at the middle-of-the-road scenario, we see enough warming and drying to push us past the worst droughts experienced in the region since the medieval era," said Benjamin Cook, the study's lead author and a scientist at NASA's Goddard Institute for Space Studies in New York.

Why It Matters

Drought often has significant impacts on agriculture, ecosystems, and city water supplies. "We see some of those impacts going on now in California," said Cook, referring to the ongoing drought that is the worst in that state's recorded history.

In fact, 11 of the past 14 years have seen drought in much of the American West, from California across to Texas and Oklahoma, according to the U.S. Drought Monitor.

In their study, Cook's team used 17 computer models of droughts and three models of soil moisture to predict the likelihood of dryness over the next century. After they found a high degree of agreement among the models, they applied them to data gathered from tree rings going back to about the year 1000.

They found that the megadrought that struck the region in the 1100s and 1200s—which has been tied to the decline of the ancient Pueblo peoples, or Anasazi, of the Colorado Plateau—was likely not as severe as the one expected in the near future.

"Even when selecting for the worst megadrought-dominated period, the 21st-century projections make the megadroughts seem like quaint walks through the Garden of Eden," study co-author Jason E. Smerdon of Columbia University's Lamont-Doherty Earth Observatory said in a statement.

The Big Picture

The megadrought predicted for the U.S. seems to be part of a "northward creeping of desert bands" in other subtropical regions, especially in the Mediterranean and southern Africa, said Tom Painter, a snow and drought scientist with NASA's Jet Propulsion Laboratory in Pasadena, California, who was not involved with the study. That shift is clearly related to changes in air circulation caused by global warming, but the precise mechanics are "fuzzy," Painter said.

The new study is the latest in a series over the past decade highlighting the challenge facing people in the American West, where strategies for coping with drought, such as irrigation and water conservation, have a long history. "The real challenge is whether we can take strategies we have now and apply them to the more severe droughts that are likely in the future," Cook said.

"Over the past year, water managers and the public have started paying more attention to the possibility of a megadrought," said Painter. "Water demand has

passed supply in some areas. Throwing 30 years of drought on top of that means we're going to have to change the way we live out here."

Luster, Tom@Coastal

From: Frank Emerson <frank.t.emerson@gmail.com>
Sent: Tuesday, September 08, 2020 11:08 AM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit
Attachments: Emerson Desal SupportLetter (2).docx

Frank Emerson

501 Lighthouse Ave. #6

Monterey, CA 93940

September 8, 2020

Via Email: CalAmMonterey@coastal.ca.gov

Hon. Steve Padilla, Chair and Commissioners
California Coastal Commission

Attn: Tom Luster
45 Fremont, Suite 2000
San Francisco, CA 94105- 2219

Re: Support for California American Water's Monterey Peninsula Water Supply Project

Honorable Chair Padilla and Commissioners:

Respectfully, I urge approval of the CalAm Desalination Project, despite staff's recommendation. I have been working as an unpaid volunteer for over 30 years to save the Carmel River Steelhead. Though speaking for myself I can say our group has devoted thousands of hours rescuing stranded juvenile steelhead, 12,000 this year alone. Hundreds of thousands over the years. We are a grassroots effort, we advocate and raise money to save the Carmel River and the Watershed itself. Our Steelhead are a Federally ESA listed species that are endangered because of illegal dewatering of the river. This decade-long problem results in total drying of the main channel and spawning tributaries, poor rearing conditions in the Carmel Lagoon and chronic groundwater overdraft. For decades our coastal community has used our limited aquifer and river as the sole source of freshwater. By all measures this has failed to be sustainable, not only regards extreme environmental degradation to our watersheds, but indeed as a reliable water supply.

As a member of the angling community with many connections within recreational angling I can tell you the loss of the fishery is not minor. Not to the store owners, tackle manufacturers, hotels, restaurants and anglers who benefit from the resource. Nor to our Tribal Communities who have lost a cultural, economic and spiritual connection to their fishery and land that sustained them for centuries. A central activity of the Esselen, and other coastal tribes, was the annual fishery. As an advisor to the Tribe on Steelhead issues I cannot speak for them but can tell you the lost fishery is a major issue for their members. California anglers also have been very disappointed by the inability of the community to come together and solve the water supply problems and restore the Carmel River Fishery. The Endangered Species Act requires recovery of Carmel River Steelhead. Anglers have public trust resource rights and an expectation that the State will ensure this fishery is here for our community and future anglers.

Opponents are now trying to once again stop the new water supply. Monterey Desal is a truly alternate water source that is not dependent on fickle winter rains, direct diversions from the Carmel River and chronically over drafted aquifers. Only the drought proof source can return enough flow to our beautiful river to restore the habitat of wildlife and fish. The claim by opponents that reclaimed waste and more diversions from the Carmel River, at any time of the year, can replace Desal is a false promise. It is unreliable, untested and insufficient to solve the problem of chronic groundwater overdraft that has plagued the entire watershed. Long term residents who grew up here are weary of the empty promises and failure of local agencies. I am writing to urge you to support and approve the required Coastal Development Permit for California American Water's Monterey Peninsula Water Supply Project.

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Pure Water Monterey was determined by the CPUC in its decision to approve the Monterey Peninsula Water Supply Project to be of inadequate size to meet the terms of the Cease and Desist Order and the long-term water demands of the Monterey Peninsula.

The construction schedule for the project requires work begin as soon as possible in order to meet the Cease and Desist Order deadlines. Your review of this important project cannot be delayed. The solution is long, long overdue and the opponents that would have you continue to delay will perpetuate loss of listed species and jeopardize recovery that is required under the ESA.

Conservation alone cannot replace the shortfall between Cal Am's water supplies and anticipated future demands. Nor will the untested scheme proposed by opponents.

I respectfully ask that the Commission approve Cal Am's application for a Coastal Development Permit at the earliest opportunity.

Sincerely,

Frank Emerson

September 8, 2020

Monterey, CA 93940

Luster, Tom@Coastal

From: Steve Park <stevepark@razzolink.com>
Sent: Monday, September 07, 2020 9:31 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Help Needed

Our best chance to save the Carmel River Steelhead

The Carmel River Steelhead Association (CRSA) is asking all members to write the State Coastal Commission and demand the commission issue a Coastal Development Permit to California American Water (Cal Am). That permit would allow Cal Am to install slant wells from land to under the ocean and provide water for a new and needed desal plant.

Everything CRSA does to help steelhead, from habitat improvements, to barrier removal, to river clean up, to fish rescues are only a way to maintain a viable population of steelhead until water is restored to the river. Without adequate water we will never recover steelhead and as long as we have illegal pumping, we will never have adequate water.

In 1994 CRSA filed a complaint with the State Water Resources Control Board (SWRCB) about Cal Am pumping water without a legal permit and damaging the steelhead population. That action ultimately led to the SWRCB issuing Water Order 1995-0010 telling Cal Am to diligently implement a new water source. In the following 25 years many attempts have been made to secure a new water source but none have been found or developed that eliminates Cal Am over-pumping the Carmel River. Most of the projects failed because of the involvement of people with different agendas, not the lack of technology. The result is that for 25 years the steelhead of the Carmel River have declined and been a pawn in all of the bickering.

Water One (the sewerage processing plant near the Material Recovery Facility) and Monterey Peninsula Water Management District (MPWMD) are in the process of completing a project to take waste water and turn it into drinking water. This project is called Pure Water Monterey but, as of this date, houses on the peninsula have not received any of that water and it is not positive how much water the project will actually produce. At best it will still leave us over 2,000-acre feet

short of what is needed to reduce pumping on the Carmel River to legal limits and help to recover steelhead.

Once again, there are people with different agendas and opinions fighting over different proposals. Not only are there different proposals, this time MPWMD and other groups are working to force Cal Am to sell its company on the Monterey Peninsula to MPWMD. It is this added dimension that is causing more problems and, in my opinion, affecting the thought process.

Cal Am is trying to build a desal plant near the Material Recovery Facility near Marina, and Water One with MPWMD are proposing a second phase of Pure Water Monterey. In all fairness there are arguments to be made for both proposals, but CRSA supports the desal plant because we believe it is the only project that will continually provide enough water into the next decades and through droughts. Some people believe we are starting a mega-drought now, and desal is the only project that is expandable.

The only argument for the recycled water project in lieu of desal is that recycled water will cost less now. However, if it cannot produce what it has promised (and so far, phase I has not) it will cost a lot more by delaying a desal plant that actually can produce what is needed.

Arguments for desal and against only recycled water

1. The Board of Directors of Water One have stated many times that Pure Water Monterey Phase II was designed and should be considered as a backup to the desal plant.
2. If the desal plant is built, Pure Water Monterey would be a backup should something go wrong.
3. If we only have Pure Water Monterey Phase II there will be no backup when something goes wrong and people will demand to start over-pumping the Carmel River again.
4. The Water One Board of Directors have voted twice not to approve the EIR for Phase II.
5. The Water One Board of Directors have stated the permit for the water to be used in Phase II has not been secured.
6. Any waste water taken from the lower Salinas Valley for Pure Water Monterey Phase II would end up in the Salinas River Lagoon providing non-salt water for that environment and benefit any steelhead still in the Salinas River.
7. The Salinas Valley is a critically over-drafted basin and any water taken for Pure Water Monterey could be used to reduce the overdraft of the Salinas Valley Ground Water Basin.

8. The proposed desal plant is expandable. Pure Water Monterey is not expandable and the volume is not guaranteed.
9. Pure Water Monterey **may** provide enough water to replace illegal water diversions from the Carmel River now, but at some time "now or in the near future" we will again need more water and as Pure Water Monterey is not expandable we would still have to build a desal plant at a lot more cost because of inflation.
10. There has been $100-million spent on this proposed desal plant that will be wasted if it is not completed and a desal plant in built in the future will have to spend another $100-million to get us to where we are now and then more to actually complete the plant than it would cost now.
11. One of the criticisms of the proposed desal plant is that due to climate change there will be coastal erosion making the proposed slant wells eroded into the ocean in 20 years and the wells will have to be relocated with no place identified. Yet the proponents of Pure Water Monterey Phase II say at best in 20 years we will need a new water source and nothing is identified.
12. The staff report to the Coastal Commission concluded there would be less overall environmental damage from the recycled water project than the desal plant but they did not consider environmental harm to the Salinas River Lagoon in their analysis and they also did not consider any harm to the Carmel River if the recycled water project cannot produce what is necessary.

For all of the above reasons we are asking all members to write to:

California Coastal Commission
Honorable Chair Padilla and Commissioners

I support this letter as it is written. I am a member of CRSA and the current president of CRSA. I completely support recycling of anything and I encourage innovative technology especially in the West where the future of water is in the crisis stage. However, I simply cannot watch human kind wipe out another animal species in this case the Carmel River Steelhead. This is a magnificent California coastal sea run rainbow trout who is hardy and determined to survive. The continued pumping of the Carmel River will, in the end, take this species from threatened to extinct.

Sincerely,
Steve Park
President

Sent from my iPad

Luster, Tom@Coastal

From: Paul Wible <pwible@comcast.net>
Sent: Monday, September 07, 2020 7:28 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

CalAmMonterey@coastal.ca.gov

California Coastal Commission
Honorable Chair Padilla and Commissioners

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Please consider these factors with your vote and ave our river and fish.

Respectfully,

Paul Wible
Resident of
Carmel by the Sea

Luster, Tom@Coastal

From: Loren Walden <lorenwalden@gmail.com>
Sent: Monday, September 07, 2020 1:18 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Honorable members of the California Coastal Commission,

We write this letter to you in support of the desalination operations and ask that you continue progress to get this done without further delay.

The waste treatment plant alone is not enough of a **long-term** backstop to keep from drawing upon the Carmel River, its tributaries, and ground water resources.

This project is too politicized - only when the facts and truth and science is adhered to can you get this done. HELP US! Our tributaries are bone dry! Come and see for yourselves! We will show you how bad it is in person if you want a guide. We need to stop pulling from the watershed in the valley! The waste water conversation is terrific and we applaud it - but is not enough.

Data will support your decision to approve the desalination and we residents of Carmel Valley and generations to come will benefit from your decisiveness.

Don't delay approving the desalination project any longer. This has gone on long enough.

Loren & Erica Walden
48 Calle de Los Ositos
Carmel Valley

--
Loren Walden
lorenwalden@gmail.com
415.203.8088

Luster, Tom@Coastal

From: Randy Lamont <rmlamont@comcast.net>
Sent: Monday, September 07, 2020 10:03 AM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Dear California Coastal Commission and the Honorable Chair Padilla and Commissioners,

I strongly urge you to issue a Coastal Development Permit to California American Water (Cal Am). We must allow Cal Am to install slant wells from the land to under the ocean to provide water for a new and desperately needed desalination plant.

Sincerely,

Randy Lamont
Member, Carmel River Steelhead Association

Luster, Tom@Coastal

From: Serradell, Amanda <Amanda.Serradell@montagehealth.org>
Sent: Friday, September 04, 2020 12:08 PM
To: CalAmMonterey@coastal
Subject: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit
Attachments: Monterey Health Ltr re CCC Hearing 09.17.20.pdf

Good afternoon,

Please see attached for a letter regarding Appeal No. A-3-MRA-19-0034 from Dr. Steven Packer, President/CEO of Montage Health.

Thank you,
Amanda

Amanda Serradell
Sr. Executive Assistant to Dr. Steven Packer, President & CEO
Community Hospital of the Monterey Peninsula
P.O. Box HH
Monterey, California 93942
(831) 625-4503 - Phone
(831) 625-4948 – Fax

MONTAGE Health

Confidentiality Notice: This is a transmission from Montage Health. This message and any attached documents may be confidential and contain information protected by state and federal medical privacy statutes. They are intended only for the use of the addressee. If you are not the intended recipient, any disclosure, copying, or distribution of this information is strictly prohibited. If you received this transmission in error, please accept our apologies and notify the sender. Thank you.

MONTAGE Health

September 4, 2020

Via Email: CalAmMonterey@coastal.ca.gov

Hon. Steve Padilla, Chair and Commissioners
California Coastal Commission
Attn: Tom Luster
455 Market Street, Suite 300
San Francisco, CA 94105

Re: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Honorable Chair Padilla and Commissioners:

I am writing to urge you to support and approve the required Coastal Development Permit for California American Water's Monterey Peninsula Water Supply Project.

The Monterey Peninsula Water Supply Project is California American Water's answer to the State Water Resources Control Board's 2009 Cease and Desist Order, which limits pumping from the Monterey Peninsula's primary water source, the Carmel River, and requires a replacement water source be on-line by December 31, 2021.

Approval of this project will protect the Carmel River and its threatened species; and by providing a sustainable long-term water supply and alternative source to the river, will allow the Monterey Peninsula community to comply with state regulations.

The project has been the subject of an extensive, six-year environmental review by state and federal agencies and was unanimously approved by the California Public Utilities Commission (CPUC) in 2018.

The project utilizes a subsurface intake well system and a commingled brine/wastewater discharge, a desalination technology that minimizes marine impacts and is preferred by the State Water Board, Monterey Bay National Marine Sanctuary and your agency. The project's subsurface intake wells will also be located on a disturbed former industrial site, reducing impacts to biological resources.

Under the State Water Board's order to cease diversions from the Carmel River, Cal Am must ramp down its withdrawals from the river, which would result in severe water restrictions, including possible water rationing, unless a long-term permanent replacement source is put in place. The expansion of Pure Water Monterey does not have a clear path to being developed anytime soon and was determined by the CPUC in its decision to approve the Monterey Peninsula Water Supply Project to be of inadequate size to meet the terms of the Cease and Desist Order and the long-term water demands of the Monterey Peninsula.

Failure to complete the project in a timely manner would be harmful for the Monterey Peninsula community.

The construction schedule for the project requires work begin as soon as possible in order to meet the Cease and Desist Order deadlines. Your final decision on this important project cannot be delayed without implications.

For years, our community has faced stringent water supply restrictions that have necessitated drastic water conservation measures, prohibited new service connections and increases in existing water use, limited economic growth and severely limited opportunities for affordable housing in the region. Faced with these constraints, local businesses and residents have become leaders in the state in water conservation. However, given the already low water usage rate, conservation alone cannot replace the shortfall between Cal Am's water supplies and anticipated future demands.

The benefits of the Project are clear. We ask that the Commission approve Cal Am's application for a Coastal Development Permit..

Sincerely,

Steven Packer, MD
President / CEO
Montage Health

Luster, Tom@Coastal

From: Energy@Coastal
Sent: Friday, September 04, 2020 9:25 AM
To: CalAmMonterey@coastal
Subject: Fw: - Gordon Mortensen Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

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From: Gordon Mortensen <admin@watersupplyproject.org>
Sent: Thursday, September 3, 2020 8:20 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>; Energy@Coastal <EORFC@coastal.ca.gov>
Subject: Re: - Gordon Mortensen 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,

Gordon Mortensen

Street Address: 4153 Crest Rd
City: Pebble Beach
State: CA
Zip Code: 93953

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gordonmortensen@comcast.net
73.70.93.248

Luster, Tom@Coastal

From: Energy@Coastal
Sent: Friday, September 04, 2020 9:25 AM
To: CalAmMonterey@coastal
Subject: Fw: - William Riegel Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

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From: William Riegel <admin@watersupplyproject.org>
Sent: Wednesday, September 2, 2020 7:40 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>; Energy@Coastal <EORFC@coastal.ca.gov>
Subject: Re: - William Riegel 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
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Please support this desalination project to ensure our water future. Thank you for your consideration.

Sincerely,

William Riegel

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September 3, 2020

Hon. Steve Padilla, Chair and Commissioners
California Coastal Commission
Att: Tom Luster
455 Market St., Ste. 300
San Francisco, CA 94105

VIA: E-mail to CalAmMonterey@coastal.ca.gov

RE: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Honorable Chair Padilla and Commissioners:

Monterey County Farm Bureau represents family farmers and ranchers in the interest of protecting and promoting agriculture throughout our County. Since 1917, Farm Bureau strives 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.

Our organization was an intervening party in the California Public Utilities Commission proceeding for the approval of the Monterey Peninsula Water Supply Project (Project) Certificate of Public Convenience & Necessity issued by the commission in October 2018. From the beginning of this regulatory approval process, our organization and others expressed numerous concerns over the source water intake facility to be located at the CEMEX property just north of the City of Marina, and the potential impacts of the Project on the groundwater aquifers upon which our members rely for their livelihoods. Our organization and others actively engaged with California American Water (Cal Am) and other stakeholders to scientifically determine whether and how the Project may affect the groundwater basin and our members' water rights. We formed the Hydrogeologic Working Group to model the groundwater basin and the Project, and pressed Cal Am to make project design and operational modifications to minimize and eliminate impacts to groundwater. We also negotiated agreements to ensure that third party groundwater rights would not be impacted and that the Project would be operated consistent with the Monterey County Water Resources Agency Act.

With this letter, we continue to express our support for the Cal Am desalination facility, and expressly, the issuance of the Coastal Development Permit for the source water intake facility. Monterey County Farm Bureau has a vested interest in the Project and its potential impacts to the groundwater basin, and we are convinced that the scientific record supporting this Project, developed over a seven year period and involving literally dozens of the State's leading hydrogeologists and modelers (independent from Cal Am) undeniably supports approval of the Project.

Background and History

Monterey County Farm Bureau (MCFB) represents 375 family farms and has constituent members that own or manage over 250,000 acres of farm and ranch lands in our County; this represents a substantial portion of the irrigated farmland of the Salinas River watershed area of the Salinas Valley, also known as the 'Salad Bowl of the World.' Producing over

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150 different food products and crops annually, the economic value of these agricultural products exceeded $4.4 billion[1] in 2019, outdistancing all other economic sectors of Monterey County.

Moreover, economic impacts of agricultural activities in Monterey County were updated to $11.7 billion, demonstrating the dependence that the region has on the success of local Agriculture.[2] With this comes the reliance on groundwater for irrigation of the crops that are produced; thus, our organization's keen interest in anything that may impact or harm the Salinas Valley Groundwater Basin and its resources.

It was this concern about groundwater resources that caused MCFB to enter into the California Public Utilities Commission (CPUC) proceeding as an intervener in Spring 2012, shortly after Cal Am filed their petition for a Certificate of Public Convenience and Necessity (CPCN). MCFB's main concern was the intended placement the source water wells facility directly over the 180-foot aquifer of the Salinas Valley Groundwater Basin where it extends out under the Monterey Bay; the protection of water rights, exportation of fresh water from the Salinas Valley aquifer, and seawater intrusion impacts were of paramount concern to our organization and, particularly, to our members who are overlying water rights holders and users in the coastal zone area.

To protect our interests, as part of an initial settlement agreement,[3] MCFB, along with Salinas Valley Water Coalition (SVWC), supported the creation of the Hydrogeologic Working Group (HWG), to work independently on potential impacts the source water wells could have on the Salinas Valley aquifer. An invitation to participate was extended to all interveners of record at the time of the formation of the HWG; only SVWC along with Cal Am participated materially and financially, with support from MCFB.[4] The results of the HWG review process and work was presented in a findings document to the CPUC in 2017.

To address the issue of any freshwater extractions that may come from the source water well facility, MCFB and SVWC initiated discussions with Cal Am and other interveners to develop a return water flow settlement that would satisfy the water rights issue and the Monterey County Water Resource Agency Act (Agency Act) regulatory provisions (i.e. no exportation of groundwater from the Salinas Valley Groundwater Basin outside of the basin). This led to a mutually beneficial settlement agreement[5] (Return Water Flow Settlement) where all parties were satisfied with the outcome, including a number of water rights attorneys who crafted the language.

[1] Monterey County Crop Report, produced by County of Monterey Agricultural Commissioner's Office, June 2020.
[2] Economic Contributions of Monterey County Agriculture, produced by County of Monterey Agricultural Commissioner's Office, July 2020.
[3] 'Large Settlement Agreement' submitted to the CPUC by the majority of interveners in July 2013. Interveners participating: California-American Water Company, Citizens for Public Water, City of Pacific Grove, Coalition of Peninsula Businesses, County of Monterey, Division of Ratepayer Advocates, LandWatch Monterey County, Monterey County Farm Bureau, Monterey County Water Resources Agency, Monterey Peninsula Regional Water Authority, Monterey Peninsula Water Management District, Monterey Regional Water Pollution Control Agency (now known as Monterey One Water), Planning and Conservation League Foundation, Salinas Valley Water Coalition, Sierra Club, and Surfrider Foundation.
[4] MCFB did not claim intervener compensation during the CPUC proceeding and could not participate financially in the HWG.
[5] 'Settlement Agreement on MPWSP Desalination Plant Return Water' submitted to the CPUC in June 2016 by California-American Water Company and interveners Coalition of Peninsula Businesses, LandWatch Monterey County, Monterey County Farm Bureau, Monterey County Water Resources Agency, Monterey Peninsula Regional Water Authority, Planning and Conservation League Foundation, and Salinas Valley Water Coalition.

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Water Rights & Source Water

Much has been made of the water rights issues associated with the desalination source water well facility; many community members and activist organizations maintain that any extraction from the Salinas Valley Groundwater Basin is a violation of water rights law. This is, in fact, not correct; the Agency Act, while strictly prohibiting the exportation of groundwater extracted from the basin to any other use outside of the basin area itself, does allow for beneficial uses of all extracted water *within* the basin area.

Cal Am admits that there is a reasonable expectation that a small amount of source water extracted for the desalination process will be of a content somewhat less in salinity than normal seawater; this is to be expected because the area of the proposed source water wells is substantially seawater intruded and has been for many decades. Subsurface water in the area north of Marina has been shown on maps of the Monterey County Water Resource Agency as showing higher levels of salinity, and has been confirmed by the number of irrigation wells in the area that are showing elevated salinity levels.[6]

This indicates, as supported in the Environmental Impact Report (FEIR/FEIS) for the CPUC decision, that seawater intruded areas of the subsurface (Dune Sand aquifer) have variable water conditions and quality. In no way is there indication that freshwater from inland areas of the Salinas Valley Groundwater Basin will be 'sucked into' the source water cone of impact; contrarily, the hydrologic studies in the FEIR/FEIS indicate that the source water wells, through continuous extractions, may actually improve seawater intrusion by holding this higher salinity water closer to the coast rather than allowing further advancement inland.

As one of the major concerns during the initial stages of this proceeding, MCFB sought to protect the water rights of overlying land owners adjacent to the proposed source water facility. Because of the potential to create a cone of depression in that area, impacts to water rights holders of the Salinas Valley Groundwater Basin could create undesirable consequences due to the subsurface extractions. Ultimately, this is not an identified impact to the groundwater basin found in the FEIR/FEIS, and certainly does not impact the City of Marina's water supply wells as those are of some distance away from the source water well facility *and in deeper levels of the aquifer.*

Working with Cal Am in the early stages of the CPUC proceeding, the proposed Project was modified to include multiple monitoring wells to determine groundwater levels in the immediate area of the source water well facility, with information supplied to the Monterey County Water Resources Agency for verification. In addition, mitigation measures to ensure that any impacts occurring in future years of operation of the source water wells facility are in place to protect water right holders; this applies to any overlying landowner or municipal water purveyor with water rights that shows the source water intake extractions are causing or inflicting harm. Thus, the City of Marina's water supply is similarly protected by these monitoring and mitigation measures.

Further, there is no credible evidence that can be supplied to show that either water rights or drinking water supplies of local water users will be impacted by the source water intake wells. The policy discussion of this CCC coastal permit should focus on the facts of this application, not the emotional and political rhetoric that many of the activist organizations use as a tactic to dissuade the issuance of the final permit for this Project. The CCC staff report repeats

[6] Monterey County Water Resources Agency, Seawater Intrusion Monitoring Program webpage with maps: https://www.co.monterey.ca.us/government/government-links/water-resources-agency/programs/seawater-intrusion-monitoring

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many of these unsubstantiated arguments and contends that these are indeed fact when they are clearly not facts as supported by the extensive documentation of this Project. The FEIR/FEIS prepared for the CPUC process is one of the most heavily researched and exhaustive impact reports prepared for any Project of this type, considering many of the issues that all interveners brought before the CPUC in testimony and briefings on the environmental concerns; the Large Settlement Agreement issues were all resolved through this extensive environmental review to the satisfaction of participating intervener organizations.

The monitoring and mitigation measures satisfied the question surrounding groundwater impacts to water rights holders in the coastal zone area of the Salinas Valley Groundwater Basin; the Return Water Flow Settlement addresses the remaining water rights issue of exportation of freshwater, as discussed in this next section of this letter.

Return Water Flow Settlement

MCFB entered into negotiations with several interveners (and their attorneys) to create language for the return water flow of fresh water extracted during the source water extraction process for desalination. Cal Am has characterized this fresh water component as approximately 7% or less of the seawater extracted from the Dune Sands aquifer on any given day,[7] and the EIR modeling shows it could be in the range of 1% to 12% with the higher range expected at pumping start up and then lowering overtime.

MCFB's primary concern was with fresh water extraction (really, brackish water due to seawater intrusion) related to the Agency Act which protects the groundwater basin *legislatively* from any water exports. The Agency Act's requirement that all fresh water extracted from the basin must remain in the basin mandates that extracted fresh water must be returned for beneficial use in the basin; the settlement constrains this return flow to be *in-lieu* of other groundwater pumping within the basin. This indicates that the return water flow must supplement (and replace) other supplies within the basin that are sourced from the groundwater itself.

MCFB asserts that the best choices for this return water flow are the Castroville Community Services District (CCSD) that is challenged with degrading groundwater quality, and the Castroville Seawater Intrusion Project (CSIP) that provides irrigation water to 12,000 acres of farmland in the coastal zone where seawater intrusion has made groundwater unusable for crop production. Both of these beneficial uses of return flow water would reduce reliance on marginal quality coastal groundwater and minimize extractions in these areas (*in-lieu* concept in place). In addition, the return flow water would curtail the need for very deep aquifer wells (for both municipal and irrigation uses) in the Salinas Valley Groundwater Basin in the coastal zone area, protecting this valuable resource in perpetuity.

Under the Return Water Flow Settlement, water would be delivered to CCSD and CSIP prior to any desalinated water delivered to the Monterey Peninsula; this indicates that Cal Am's source water intake extractions will have a net-zero impact on Salinas Valley Basin Groundwater extractions, and makes the basin whole and the Project legally feasible by avoiding any potential conflicts with the Agency Act. By delivering return water flows to these groundwater basin users prior to the Monterey Peninsula, there is a starting point of 'surplus or credit' avoiding net basin exportation.

The Return Water Flow Settlement contemplates a win-win-win solution for this difficult legal constraint for Cal Am, tangentially benefiting CCSD, CSIP, and the Salinas Valley aquifer. Many in the community have characterized this

[7] Results of the test well and the amount of fresh water extracted are available on the project's website: https://www.watersupplyproject.org/test-well

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settlement action as a subsidizing of drinking water for the CCSD and irrigation water for CSIP, when in fact the *in-lieu* clause of this settlement agreement is simply exchanging one set of extraction circumstances that yields a better quality of water, and maintains the same amount of groundwater extractions overall (an overall goal of the Sustainable Groundwater Management Act of 2015). Because of the Agency Act, this assures that the small portions of Salinas Valley Groundwater Basin extractions of brackish water, unusable at that quality for any beneficial use, become a valuable and useable resource of higher quality for the benefit of groundwater basin users currently impacted by seawater intrusion.

The CPUC decision to award the CPCN to Cal Am included the Return Water Flow provisions, which fully satisfies the Agency Act requirements, recognizing that there are multiple wins in this elegant solution. CCC staff fails to recognize the advantages of this multi-benefit solution in their Project analysis.

Hydrogeologic Working Group Findings

At the outset of the HWG meetings, there was skepticism that the source water well facility could be configured in such a way as to avoid severe impacts to the Salinas Valley Groundwater Basin. Concerns focused on exasperating seawater intrusion in the north Marina coast area by establishing a large cone of depression, triggering in-land underground water flows from further distances within the basin, thereby violating both overlying landowner water rights and the Agency Act.

The intent was to find the best science, through an independent review by experts in their field of hydrology with specific experience and knowledge of the Salinas Valley Groundwater Basin, to determine the potential impacts of the source water well production. Collaborating with Cal Am's experts allowed for frank and honest discussion of the issues and review of available data, and the result was a report to the CPUC that indicated that brackish water will be removed from the shallow aquifer through the source water extraction process, improving seawater intrusion in the area of the source wells. The FEIR/FEIS supports these findings of the HWG and corroborates the positive impacts that the source water extraction process could have on the Salinas Valley Groundwater Basin and seawater intrusion.

Detractors of the desalination process would place harm on any water resources used for this Project, including extractions from the historically contaminated Dune Sand aquifer; the CPUC findings do not support this hyperbole. In fact, both the State Water Resources Control Board and the CCC recommended the subsurface well intakes as the optimal process for extracting source waters for desalination, noting that this virtually eliminated the entrainment issue associated with open ocean water intakes. After eight years of data collection, including numerous years of test well operation, the directives put forward by these two State agencies were upheld demonstrating that source waters could be extracted with minimal impacts to surrounding groundwater and other environmental concerns.

It seems incongruent that the CCC staff, as one of the agencies with a sub-surface intake policy for desalination extraction wells, would then confuse issues by recommending a denial of the permit that utilizes the very extraction process the policy recommends. The environmental issues listed in the staff report are, at best, minimal in impact and do not adequately reflect the policy of the CCC.

After careful review of the test well data, and the findings of the HWG, MCFB moved to a conclusion that the desalination source water wells facility portion of the Monterey Peninsula Water Supply Project can be operated with

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no impact or less than significant impact to the Salinas Valley basin's groundwater, as supported in the FEIR/FEIS.[8] The evidence is clear.

Portfolio Project Approach of Monterey Peninsula Water Supply Project

When initially entering into the CPUC proceeding as an intervener, MCFB understood the Project description to include a portfolio of projects, to ensure not only adequate supply but redundant operational protections for service disruptions. This portfolio included desalination, aquifer storage and recovery (ASR), and reclaimed water from the Monterey One Water purification project (Pure Water Monterey). MCFB is on record as supporting this portfolio approach at a number of occasions throughout the CPUC proceeding.

Several intervener and community organizations, and now CCC staff, are now calling for reliance on a single water source for the majority of the Monterey Peninsula's water supply through expansion of the Pure Monterey Water project. CCC staff fails to recognize that the original portion of this project is over a year behind schedule, over budget, and has yet to deliver any potable water supply to the Monterey Peninsula (and only recently completed the reserve portion of the water supply to be stored in the Monterey sub-basin). Due to these key points, the expansion of the Pure Water Monterey project was effectively put on hold by the Monterey One Water Board of Directors earlier this year. There is no physical demonstration yet that the Pure Water Monterey project can deliver on the production numbers promised.

Moreover, two State agencies have formalized their support of the desalination Project (State Water Resources Control Board and CPUC) through extensive review of all issues and environmental concerns over the past eight years. This stands in stark contrast to the CCC staff recommendation that now goes against those two State agencies' support position when the policies for desalination are aligned and the applicant has complied with those same policies, at considerable expense.

Regardless of claims to the amounts of water the Pure Water Monterey project or its expansion could ultimately supply, the key point for MCFB is that the Monterey Peninsula would be solely dependent on a single water project to provide potable water for the majority of its demand. It remains our contention that Pure Water Monterey source waters are interruptible due to a number of considerations, and any one of these interruptions could impact the ability of the project to delivery on its promise.

Thus, reliance on a single water supply project is a short-sighted approach to solving a long-term water supply for a region that has been challenged to find adequate water supplies for decades.

By relying on a portfolio approach, redundancy of projects would ensure that any one project that fails to meet its supply demands could be supplied by another project of the portfolio; if any of these projects needs to contemplate a longer service interruption, other projects of the portfolio could plan ahead to meet demand, or meet demand in emergency situations.

MCFB supports the portfolio approach as the best way to ensure that the Monterey Peninsula maintains an adequate and reliable water supply for decades to come. Detractors from this portfolio approach only seek to control growth and

[8] "MPWSP source water would include some brackish groundwater from the SVGB." Monterey Peninsula Water Supply Project FEIR/FEIS, Chapter 2.5.1 Salinas Valley Groundwater Basin Return Water, page 2-23.

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development by using water as a weapon, condemning the Monterey Peninsula community to several more decades of intermittent water shortages and a lack of affordable and market rate housing development, lots of record, and change of use for economic expansion.

Environmental Concerns with the CEMEX Location

Our expressed concern is that CCC staff puts forward a logic that the CEMEX sand mining site, already *disturbed earth*, can be fully restored to its pristine condition prior to the advent of the mining facility, or presumably, European settlement of the Monterey coastal region. This rationalization continues to negate the development of many necessary coast public projects, whether roadway capacity expansion, facilities that enhance recreational use, or in this instance, the development of a reliable water supply resource.

The CEMEX site was the chosen location for this type of source water well facility as it is already disturbed earth with an established access road and other infrastructure in place. To put forward an ideal concept that the entire CEMEX site can be restored to pristine condition, mainly for recreation, fails to take advantage of the availability of current conditions.

We find it very incongruent that CCC staff would recommend denying the very type of source water well facility, on a plot of disturbed earth, when agency policy supports multiple public benefits. Recreational use and other restoration processes can certainly be worked around the small wellhead structures this Project would eventually install and utilize.

We urge consideration by CCC Commissioners that the CEMEX site is indeed the ideal location for this type of source water well facility, including the hydrologic features that lie directly beneath.

CPCN Issuance

In their decision to approve the Project and issue the CPCN, the CPUC Commissioners affirmed that the groundwater basin surrounding the source water intake wells would be adequately protected from harm; monitoring wells will ensure that early signs of any impacts will be detected. The FEIR/FEIS was exhaustive on this subject and represents a substantial amount of work involving historical data and modeling. The Return Water Flow Settlement ensures that any freshwater removed as a result of source water extractions will be returned to the Salinas Valley Groundwater Basin *in-lieu*. Moreover, the Project is drought-proof.

MCFB supported the issuance of the CPCN; our concerns have been satisfied to a positive outcome within that proceeding.

Conclusion

So, why does MCFB care so much if the permit for the source water well facility is issued or not? Being good neighbors and friends to those on the Monterey Peninsula who continue to argue over their water resources, our organization knows full well what a long-term, reliable water supply solution means to the community overall. Our experience with water supply development in the Salinas Valley stands in marked contrast to the acrimony that the Monterey Peninsula continues to retread each time a water supply project is proposed. Voting down a replacement dam and a prior desalination facility ensured that the acrimony would continue for many more decades and limit any development due to the cease-and-desist order in place.

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The truth is that any delay in finding a long-term water supply solution for the Monterey Peninsula continues these arguments into the next generation; the greater economic vitality of the entire County is dependent on having adequate water supplies for both agricultural irrigation, tourism, economic growth, and housing development. A lack of a solution that provides these resources for the coming decades will only continue the infighting that has made the Monterey Peninsula the dysfunctional area of the Monterey County economy.

Salinas Valley landowners and water users have spent multiple decades and hundreds of millions of dollars developing their water resources, building two reservoirs (Nacimiento and San Antonio), the Salinas Valley Water Project, and the Castroville Seawater Intrusion Project. These projects have been constructed and financed by bringing together the greater community to manage water resources in a sustainable manner, allowing for a robust agricultural sector to flourish and expand. The Salinas Valley community has taken charge of their water resource destiny and successfully developed a reliable water supply system.

The Monterey Peninsula has continued to ignore potential projects as solutions to their water supply resources in these same intervening decades. Fighting over these projects has wasted hundreds of millions of dollars and forces the solution into the future where costs will certainly continue to escalate. Continued acrimony over various aspects of the Monterey Peninsula Water Supply Project only serve as delays to finding a solution. It's time that the Monterey Peninsula's water supply he made reliable by meeting current and future demand, and that Monterey County has significant and stable water resources for all regions of our County. Now is the time for a positive decision by the final State agency to support a reliable, well designed, and beneficial water supply project.

MCFB supports the issuance of the Coastal Development Permit for the source water intake wells of the Monterey Peninsula Water Supply Project in the coastal Sand Dune aquifer of Monterey County.

It's time to move this desalination Project across the finish line and ensure that the Monterey Peninsula has a long-term, reliable and redundant water supply for decades into the future. Reliance on a single water resource should be eliminated as a choice in such an important region for environmental, residential, commercial, and tourism sectors when a portfolio of projects can ensure that the community will not have to suffer through another period of water shortages and a continuing cease-and-desist order. This will then place the Monterey Peninsula on the same level of sustainable water supply that the Salinas Valley basin has invested in and assured for itself.

MCFB thanks the CCC Commissioners for their thoughtful consideration of this Coastal Development Permit; it's time to conclude the endless acrimony and move forward with a reliable water supply resource for the Monterey Peninsula.

Sincerely,

Norman C. Groot
Executive Director

cc: California Governor Gavin Newsom

Th3a & 4a

A-3-MRA-19-0034 / 9-19-0918

California-American Water

SUPPORT LETTERS

Packet 3
Updated
September 11, 2020

Kim DiBenedetto
26426 Oliver Road
Carmel, CA 93923

September 10, 2020

Via Email: CalAmMonterey@coastal.ca.gov

Hon. Chair Steve Padilla and Commissioners
California Coastal Commission
Attn: Tom Luster
45 Fremont, Suite 2000
San Francisco, CA 94105- 2219

Re: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Hon. Chair Padilla and Commissioners:

As a resident of the Monterey Peninsula I wish to express my strong support for the desalination plant that will be constructed by California American Water. Our Peninsula continues to suffer a water shortage, and a building moratorium for far too long. The key to affordable housing not only in our area but in our state is inventory. Each year we need to produce 300,000 units of new housing just to keep up with the population growth. Today we currently average under 100,000 statewide. The lack of water in our area keeps prices inflated and hurts the very people who service our economy by making them drive long distances for work.

The very fact that the Coastal Commission approved the test wells demonstrates the effort that California American Water has put into the project. Now with new data that suggests that Aquifer Storage and Recovery (ASR) may never produce more than the current five-year average of 1,164 acre feet or that the Pure Water Monterey main project is behind, over budget, and may never produce more that 2/3rds of the water projected, demonstrates the necessity and overwhelming need for an operating desalination project now, not ten years from now. Ten years from now will only increase costs and drive people away from our beautiful scenic coastline because they cannot afford to live here.

The desalination project is the only part of the portfolio that is drought resistant. The desal plant will make it possible for business to recover from the Covid-19 disaster, public officials to make smart land use decisions and communities to build the housing we need to support our firefighters, teachers, and other workers by lifting the moratorium we have been living under since 2010. Please support and approve California American Water's permit request that is before you.

Respectfully,

Kim DiBenedetto

Carmen Martin, MA
26384 Carmel Rancho Lane
Suite 200-H
Carmel, CA 93923

September 15, 2020

Via Email: CalAmMonterey@coastal.ca.gov

Hon. Steve Padilla, Chair and Commissioners
California Coastal Commission
Attn: Tom Luster
45 Fremont, Suite 2000
San Francisco, CA 94105- 2219

Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Hon. Chair Padilla and Commissioners:

For the last 30 years struggle over growth and development has distorted the consideration of any new water supply project on the Monterey Peninsula. I've lived here since 1980 and each water supply project that might lift this community above virtual permanent drought has been fought by those who claim social justice while simultaneously working to keep "those people" from their neighborhoods.

In the early 1990's the Water Management District spent millions of dollars studying the water "situation" when obvious technical solutions were at hand. Instead, Water Management District in-fighting and lackluster leadership allowed the no-growthers in the community to kill two drought proof water supply projects – the desal project and the dam.

Now many of those same individuals and organizations who used social justice in the past are using it today as a weapon against the current desal project. These same entities and individuals would work to kill any project that might provide enough water to build both affordable housing and infill projects on lots that have been empty for the last 30 years.

Now even the Water Management District is getting into the no-growth act. They recently sent a letter to the commissioners saying that they no longer support the desal project. They have spent millions of our property tax and ratepayer dollars on unfulfilled water projects, but now in the eleventh hour they decide desal not needed?

In a recent poll 72% of respondents said that they supported the desal project and so the letter sent by the Water District certainly does not reflect the consensus of the community. Since there are several members of the District's board of directors who support the purchase of CalAm, it is all too apparent the goal is to kill the desal to reduce the purchase price. It's unconscionable that the desal would be used for this purpose.

It is especially egregious since the opponents to the desal project claim "social justice" as the reason for their opposition. The Coastal Commission must apply social justice concepts across all of the communities on the Monterey Peninsula including Carmel Valley, not only for the City of Marina.

Social justice demands that enough water is produced to enable the construction of sufficient housing units to provide homes for people employed on the Peninsula who are "those" people the desal opponents are trying keep out of their neighborhoods. Reject this approach and approve the desal permits.

Thank you,

Carmen Martin

DAVID E. CHARDAVOYNE, P.E., BCEE

57 Cielo Vista Drive
Monterey, CA 93940-6072

Mobile: 210.722.8226
E-mail: dchardavoyne@ymail.com

September 11, 2020

VIA EMAIL [CalAmMonterey@Coastal.CA.Gov]

California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105-2219

Re: Support for Cal-Am's Monterey Peninsula Water Supply Project

Dear Chair Padilla and Commissioners:

As the former recent General Manager of Monterey County Water Resources Agency for 7 years, following 22-year career being in responsible charge of water utility systems across the United States, I am intimately familiar with the dire water situation on Monterey Peninsula and the options available for its resolution.

As a utility professional, I am convinced that the correct and most feasible solution for Monterey Peninsula's current water situation is construction and operation of the desalination project already approved by the California Public Utilities Commission. I've studied the numbers in the past; no amount of overstating supply by some and understating demand by others should be allowed to enter into your Commissions' approval process.

Accordingly, I strongly urge you to immediately approve the Coastal Development Permit for the Cal-Am Desalination Project.

Sincerely

David E. Chardavoyne

PEBBLE BEACH
COMPANY

September 10, 2020

Via Email: CalAmMonterey@coastal.ca.gov

Hon. Steve Padilla, Chair and Commissioners
California Coastal Commission
Attn: Tom Luster
455 Market Street, Suite 300
San Francisco, CA 94105

Re: Appeal No. A-3-MRA-19-0034; Approve Cal-Am Desal Project Permit

Honorable Chair Padilla and Commissioners:

Pebble Beach Company (PBC) would like to join with the broad coalition of governments, businesses, residents, and environmental organizations in support of the Monterey Peninsula Water Supply Project. We urge you to approve the required Coastal Development Permit for the project.

The Monterey Peninsula community has been at work for more than 40 years to develop a long-term, sustainable, drought resistant water supply for the Monterey Peninsula. The comprehensive, six-year environmental review for the Monterey Peninsula Water Supply Project was completed by state and federal agencies and unanimously approved by the California Public Utilities Commission in 2018. Objections raised by project opponents, including groundwater impacts, environmental justice, water rights, and project alternatives - to name a few - were all exhaustively analyzed, and ultimately dismissed. The question of how much water the Monterey Peninsula requires has also been carefully studied, deliberated, and ultimately settled by the California Public Utilities Commission in 2018. The decision before you today is the crucial, final step of approval needed to bring the Water Supply Project to fruition.

REAL ESTATE DIVISION
4005 Sunridge Road, Pebble Beach, California 93953

PBC has a long history of leading the golf industry and Monterey Peninsula with innovative and responsible water resource management. In the early 1990s, we financed and developed the $70M Pebble Beach water reclamation project – today this project supplies 100% of the water needed to irrigate all the golf courses in the Del Monte Forest. To date, we've saved more than 7.07 billion gallons of potable water for the Monterey Peninsula. Needless to say, we're staunch supporters of recycled water, and now have almost three decades of experience relying on recycled water. Importantly, we've learned that the supply of recycled water is extremely dependent upon the community's potable water use that, in turn, supplies the "raw product" for the reclamation process. As residents and businesses conserve more and more potable water, (as we have been doing on the Peninsula for years now), they, in turn, generate less and less waste water to be recycled. From our own 30-year experience, we know firsthand that the supply of recycled water is neither constant nor guaranteed over time. In addition to the long-term impact of conservation, the supply of recycled water also shrinks dramatically during times of drought. Neither of these issues afflicts the Cal-Am desalination project before you today: Unlike reclamation, it is entirely independent of the impacts of conservation and drought. For that reason, Cal-Am's project is essential. Recycled water alone simply cannot meet the Monterey Peninsula's water supply needs on a sustainable, long-term basis.

PBC would also like to call your attention to pages 115-132 of the Coastal Commission Staff Report. Collectively referred to as "Updates," the Staff Report relies on the incorrect, misleading findings of the Monterey Peninsula Water Management District's projections of future water supply and demand. Unfortunately, the Staff Report fails to consider numerous agency and public comments, including those of the State Water Resources Control Board, all of which discredit the Water Management District assumptions and findings. Specifically with respect to PBC, the Staff Report falsely assumes that we will not use our full water entitlement and, along with other questionable assumptions, erroneously calculates a reduced water demand for the greater Monterey Peninsula. PBC's vested right to use our water entitlement has been consistently upheld by every concerned agency, and we intend to fully utilize the entitlement. In fact, we've already used or allocated for use all but 60 acre-feet (out of our total 365 acre-foot entitlement). We bring this error to your attention for two reasons: (1) false assumptions call into question the overall credibility and integrity of the report, and (2) we sincerely hope that the Coastal Commission will not allow erroneous data and incorrect assumptions to influence your decision-making today. We believe the supply and demand numbers presented by MPWMD are erroneous and fail to take into account the complexity of water dynamics here and the long- and short-term needs of the community.

We also believe that the current MPWMD Board has an inherent conflict of interest because several if not a majority of board members have avowedly been pursuing a public buy-out of

Cal-Am. Torpedoing Cal-Am's desalination project will make that goal much more attainable. Instead of focusing on a hostile takeover of Cal-Am, the entire MPWMD Board should be laser-focused on the agency's primary mission: To create a reliable long-term water supply to meet the needs of the Monterey Peninsula. For that reason alone, we urge you to rely on the much more comprehensive and unbiased study of our water supply and demand approved by the California Public Utilities Commission with far more rigorous analysis and public review.

PBC strongly believes that we need both desalination and recycled water to provide our community with a long-term, adequate, secure, and flexible water supply. We are approaching the finish line to resolve our community's long-term water supply crisis, after 40 years in pursuit of that goal. We urge you to support the project to the fullest extent of your powers.

Sincerely,

PEBBLE BEACH COMPANY

David L. Stivers, President

Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

James Kendall <jkendall@mahoneycommercial.com>

Fri 9/11/2020 10:36 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

To whom it may concern,

I am in favor of the Cal Am Desal Plant. This community will wither up and die on the vine (pardon the pun) without it. Please allow us to utilize the greatest water supply on earth and convert it into water for human uses.

Thank you,

James Kendall
DRE #02010395

W: (831) 646-1919 Ext. 112

C: (831) 275-0129

E: jkendall@mahoneycommercial.com

www.mahoneycommercial.com

501 Abrego St. | Monterey, CA 93940

MAHONEY
& ASSOCIATES
COMMERCIAL REAL ESTATE

I have not verified any of the information prepared by other parties and contained/attached in this email transmission. Please satisfy yourselves as to the issues discussed in these documents.

Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Jeff Mitchell <jeff.mitchell@kion546.com>

Fri 9/11/2020 10:36 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

I am in total support of the Monterey Peninsula Water Supply Project. This is the only way we will be able to have a sustainable water source without rationing. I urge support of it.

Best,

Jeff Mitchell
Local Sales Manager
KION 5/46 CBS
Telemundo 23
Central Coast CW
NPG Digital
831.521.9228 (mobile)

1550 Moffett St. Salinas, CA 93905

AGC CALIFORNIA

September 11, 2020

Via Email: CalAmMonterey@coastal.ca.gov

Hon. Steve Padilla, Chair and Commissioners
California Coastal Commission
Attn: Tom Luster
455 Market St., Suite 300
San Francisco, CA 94105

Re: Approval of the Cal Am Desal Project Permit

Hon. Chair Padilla and Commissioners:

The Associated General Contractors of California represents approximately 1,000 general contractors, subcontractors, and suppliers who work on projects ranging from $100,000 to over $100 billion across the state. We believe the construction industry is vital to the success of the Monterey Peninsula. Together, our members actively create opportunities to build and strengthen our region. On behalf of AGC of CA, I am writing to express our continued support of the Monterey Peninsula Water Supply Project and the issuance of the Coastal Development Permit.

The Monterey Peninsula has faced drastic water conservation measures due to stringent constraints on water supply. While Monterey District customers have become leaders in the State regarding water conservation, the current shortfalls and demands on water supply cannot be met solely through conservation. A new supply of water must be provided to meet the current and future demands of the community. Moving forward with the desalination project will meet these demands and will protect and promote the overall livelihood of the region and its economy.

The approval of the project permit will also allow for compliance of the cease and desist order issued by the State Water Resources Board to halt the utilization of the Carmel River to serve the Peninsula. The project will not only ensure the protection of the Carmel River and its threatened species, but will also provide a sustainable, long term water supply that is built in an environmentally responsible manner which

AGC CALIFORNIA

incorporates state of the art design and desalination technology to reduce the impact to biological resources.

As the benefits of the Monterey Peninsula Water Supply Project are clear, AGC of California asks that the Commission move forward with the project and the proceed with the issuance of the Coastal Development Permit.

Sincerely,

Rosa Trevizo
Regional Government Affairs Manager
Associated General Contractors of California

TROUT UNLIMITED
Tim Frahm
California Central Coast Steelhead Coordinator

9/11/20

Via Email: CalAmMonterey@coastal.ca.gov

Hon. Steve Padilla, Chair and Commissioners
Atten; Tom Luster, staff
California Coastal Commission
45 Fremont, Suite 2000
San Francisco, CA 94105- 2219

Re: Support for California American Water's Monterey Peninsula Water Supply Project

Hon. Chair Padilla and Commissioners:

This letter conveys the comments of Trout Unlimited on the Coastal Development Permit for California American Water's Monterey Peninsula Water Supply Project.

Trout Unlimited (TU) is America's largest and oldest coldwater fish conservation group. Since 1959 TU has worked across the country to conserve, protect and restore native trout, salmon and steelhead, and their watersheds.

Specifically, on the Monterey Peninsula, our goal is to recover steelhead on the Carmel River.

In the 2013 *South-Central California Coast Steelhead Recovery Plan* prepared by the National Marine Fisheries Service, the Carmel River steelhead run is identified as a Core 1 population, which is the highest priority for recovery in the plan.

The Carmel River however, is dramatically impacted (impaired) by water diversions, primarily for domestic water use. The California State Water Resource Control Board has determined that until those diversions are abated, steelhead population in this river will have no chance to reach recovery numbers.

This proposed de-salinization facility is part of a portfolio of projects (including recycled water, strict conservation efforts and conjunctive use projects) which will allow the greater Monterey Bay area to abate river diversions and still provide adequate domestic water. It is the only component of this portfolio that is drought impervious and which can provide continuing sources of domestic water during periods of extended low rainfall and climate change.

In July 2020, responding to the Governor's Executive Order N-10-19, the State of California published the California Water Resilience Portfolio report. An excerpt from the Executive Summary includes:

> *Because no single solution can fully address the state's water challenges, the portfolio embraces a broad, diversified approach. Goals and actions are organized into four categories:*
>
> *Maintain and diversify water supplies*
> *Protect and enhance natural ecosystems*
> *Build connections*
> Be prepared

The Executive Summary of the Portfolio report ends with:

> *Carrying out this portfolio will require a new emphasis on cooperation across state agencies and with regional groups and leaders. Likewise, this portfolio will advance Newsom Administration priorities to build climate resilience across all sectors and make possible opportunity and prosperity for all Californians. This water resilience portfolio will serve as an important step toward achieving these ambitious goals.*

We believe that this project achieves the goal of diversifying water supplies, protects and enhances the Carmel River and helps this region prepare for drought and climate change for this coastal region of California.

This project will increase the quality, quantity, and stability the Carmel River streamflow and improve conditions for threatened steelhead and other species while sustaining the economic health and well-being of Monterey County's diverse residents, communities and businesses.

We strongly recommend that the Commission approve Cal Am's application for a Coastal Development Permit.

Sincerely,



Tim Frahm
California Central Coast Steelhead Coordinator

Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Cindy Merzon <cindy_merzon@calcoastal.org>

Fri 9/11/2020 11:29 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Good Afternoon,

On behalf of Monterey County businesses, I am writing to encourage you to support and approve the Cal Am Desal Project Permit. Jobs, economic recovery and affordable housing opportunities require an adequate, reliable water supply. It's time to stop delaying the only option on the table that is capable of meeting the terms of the Carmel River cutback order and supply our community with a long-term sustainable water source.

I urge you to support local business and economic needs for our community by approving the Project Permit for the Cal Am Desal Project.

Best,



Cindy Merzon, *Director*

Cal Coastal Small Business Development Center
tel: 831 676 2022
website: CalCoastalSBDC.com
address: 106 Lincoln Ave., Salinas, CA 93901

Connect with us!

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215 W Franklin St, Suite 312
Monterey, CA 93940

September 11th, 2020

Chair Steve Padilla
California Coast Commission
45 Fremont St, Ste 2000
San Francisco, CA 94105

Dear Chair and Members of the Commission:

The people of the Monterey Peninsula need water. Yet we have been denied and delayed by many bureaus and lawyers for decades, blocking what we need.

Your staff has had input on this project for years. It was your staff that first recommended slant wells for our desalination plant. Yet now we are told by your staff they do not recommend the project.

I am concerned that water is used as a weapon in our area. There are voices calling for delay due to technical, cost and need reasons, when in fact, these voices do not want the people of the Monterey Peninsula to have ample water. Specifically, I call out the Public Water Now PAC as an operator in bad faith. Please do not let your agency or your staff be infected with their lies.

This project has faced a Byzantine history of permit processing. It is time for that process to end. Please do what you can to help the people of the Monterey Peninsula to obtain the water needed for our health, our hygiene, our gardens and our economy.

Please vote to approve the desalination project before your commission.

Sincerely,

Jeff Gorman, Candidate
United States Representative, CA 20

A-3-MRA-19-0034 Approve Cal Am Desal Project Permit

Smith, Joe <joe.smith@Sothebyshomes.com>

Fri 9/11/2020 11:23 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

To whom it may concern,

I have lived on the Monterey Peninsula all of my life. I remember when the Monterey Peninsula Water Management District was formed to get us more water. All they have done is get us less water. I urge to you approve a permit immediately for this project to move forward. The people of the Peninsula have waited too long for a water project to give us the water that is needed for the current population, business growth, and fill in development for lots of record. Without this project the main tax income from visitors will be affected in a negative way. That will affect all residents.

I urge your approval of the permit

Joseph B Smith
602 Congress Ave.
Pacific Grove, CA 93950

Wire Fraud is Real. Before wiring any money, call the intended recipient at a number you know is valid to confirm the instructions. Additionally, please note that the sender does not have authority to bind a party to a real estate contract via written or verbal communication.

MONTEREY COUNTY

WATER RESOURCES AGENCY

PO BOX 930
SALINAS, CA 93902
P: (831) 755-4860
F: (831) 424-7935

BRENT BUCHE
GENERAL MANAGER

STREET ADDRESS
1441 SCHILLING PLACE, NORTH BUILDING
SALINAS, CA 93901

September 11, 2020

Honorable Steve Padilla, Chair and Commissioners
California Coastal Commission
Attention: Tom Luster
455 Market Street, Suite 300
San Francisco, CA 94105

Via Electronic Mail: CalAmMonterey@coastal.ca.gov

Re: Monterey Peninsula Water Supply Project

Dear Commissioners,

The Monterey County Water Resources Agency ("MCWRA") has a long-celebrated history utilizing recycled water. In collaboration with our sister agency, Monterey One Water ("M1W"), the Monterey County Water Recycling Projects ("MCWRP") have delivered over 250,000 ac-ft of recycled water to the agricultural lands around the town of Castroville over the past two decades. The implementation of the MCWRP has allowed MCWRA to reduce groundwater pumping in the area and slow seawater intrusion. However, seawater intrusion continues to progress and Castroville's municipal water supply is one of the most impacted. Without a reliable municipal supply, residents, businesses, and industries in the coastal communities of the northern Salinas Valley cannot thrive. The Monterey Peninsula Water Supply Project addresses the water supply needs of the Monterey Peninsula with the additional benefit of providing a long-term sustainable water supply for the severely disadvantaged community of Castroville. For the reasons discussed below, MCWRA reiterates its support for Cal-Am's Monterey Peninsula Water Supply Project.

The Monterey Peninsula Water Supply Project's Compliance with the Agency Act

In 2016, several parties (MCWRA, Cal-Am, Coalition of Peninsula Businesses, Landwatch Monterey County, Monterey County Farm Bureau, the Monterey Peninsula Regional Water Authority, Monterey Peninsula Water Management District, M1W, Planning and Conservation League Foundation, and the Salinas Valley Water Coalition) entered into a Return Water Settlement Agreement ("RSWA"), which addresses a concern raised early on about the location of the slant wells for the desalination plant, which overlay the western portion of the Salinas Valley Groundwater Basin ("SVGB"). Specifically, the issue was whether the production source water for the Monterey Peninsula Water Supply Project would conflict with the anti-export provision of the Monterey County Water Resources Agency Act ("Agency Act") and infringe upon the groundwater rights of those in the SVGB. Specifically, Section 52-21 of the Agency Act states that no SVGB groundwater may be exported for any use outside the SVGB.

In order to meet the requirements of the Agency Act, Cal-Am committed, through the RWSA, to make available for delivery "Return Water" equal to the percent of SVGB groundwater, as distinguished from seawater in the source water. The MCWRA Board of Supervisors approved the RWSA, thereby finding that the Monterey Peninsula Water Supply Project does not violate the Agency Act. MCWRA is entitled deference in its interpretation of the Agency Act. The California Public Utilities Commission agreed with MCWRA and approved the RWSA, finding it was reasonable, consistent with the law (including the Agency Act), in the public interest, and fully supported by the record. Coastal Commission staff failed to recognize the benefits of the RWSA solution, and MCWRA urges the Coastal Commission to consider the past findings that the Monterey Peninsula Water Supply Project is compliant with the Agency Act.

Pure Water Monterey Project and Expansion Project

When the MCWRP were designed over twenty years ago, it was assumed that the amount of wastewater flowing into the treatment plant would increase over time and provide additional recycled water for use in the region. This assumed increase in flows has not materialized and in fact has declined, mainly due to water conservation measures being implemented by residents, businesses, and the agricultural industry. The overall trend is for the use of water conservation measures to increase in the future, which will most likely further diminish inflows.

For the past five plus years, MCWRA has worked collaboratively with M1W on the establishment of new source waters for both the Castroville Seawater Intrusion Project growers and the Pure Water Monterey Project. However, MCWRA did not support certification of the Final Supplemental Environmental Impact Report ("FSEIR") on expansion to the Pure Water Monterey Project. The Expansion Project's new source waters have not been quantified sufficiently for MCWRA to agree that there is an adequate amount of treated wastewater to meet current contractual obligations, as well as additional demand. Furthermore, there are too many unanswered questions regarding the availability and rights to source waters, future operations, and the resulting adverse impacts for MCWRA and its stakeholders. The M1W Board of Directors recognized these constraints and chose to not certify the FSEIR. MCWRA strongly believes that the now tabled Expansion Project will not serve as a sustainable water supply for the Monterey Peninsula.

MCWRA is committed to assist in securing a long-term sustainable water supply for the Monterey Peninsula and Salinas Valley communities. In that regard it is the MCWRA's conclusion that currently the Monterey Peninsula Water Supply Project is the only project that addresses that interest. MCWRA urges the Coastal Commission to issue the Coastal Development Permit for the Monterey Peninsula Water Supply Project.

Sincerely,

Brent Buche
General Manager

cc: Paul Sciuto, General Manager - Monterey One Water
Eric Tynan, General Manager - Castroville Community Services District
Dave Stoldt, General Manager – Monterey Peninsula Water Management District
Keith Van der Matten, General Manager – Marina Coast Water District

H2O - Our Future

A group of concerned citizens who live and work within the MPWMD jurisdiction

To – California Coastal Commission

Subject Staff – Report: De Novo Appeal and Consolidated Coastal Development Permit

Appeal No: A-3-MRA-19-0034

4 pages including this cover.

H2O - Our Future

PO Box 668 Monterey Calif. 93942

Hon. Steve Padilla, Chair & Commissioners
California Coastal Commission
Attn: Tom Luster 455 Market St, Suite. 300
San Francisco. Calif., 94105

Sent VIA – Email to calammonterey@coastal.ca.gov

Re: Appeal No. A-3-MRA-19-0034

Honorable Chair Padilla & Commissioners,

" H2O – Our Future" is a grass roots organization which has sprung up over the last several months. Our current following is over 10,000 and growing daily. We are a group of concerned citizens, ratepayers, and organizations who live, work, and depend upon the economic vitality of the area covered by the Monterey Peninsula Water Management District and the Cal Am service area. Many of our members have been actively involved in one way or another with the ongoing water issues which plague the area of concern. We have come together because the government agency created to address and solve our water problems has failed us and our water purveyor has been subjected to numerous restrictions, regulations, and conditions, which if not met, will continue to and will increasingly have an adverse effect on our lives.

A committee of the group has read and analyzed the Staff report and we submit these comments for your consideration.

Sea Level Rise – We understand that sea level rise is a concern and needs constant monitoring and evaluation but during the life of the wells and the need for relocation in the future it is only speculation that the wells could be at increased risk from this issue. We must note that major infrastructure projects are always in need of periodic maintenance, upgrade, and possible relocation. If the Commission would consider direct ocean intake as approved in southern California this concern would be greatly reduced and in fact would eliminate some other issues.

Groundwater Resources – We believe the independent Hydrogeologist's report speaks for itself regarding the accusations that Marina's water would be at risk. This has been proven to not be the case. Therefore all the concern and testimony in the past and coming in the future regarding this issue is moot and should no longer be an issue.

Wetlands - This is of concern but believe monitoring after operation of the wells would be advisable. Staff seems to put a lot of emphasis on these wetland and vernal pools. With all the land to the north of the proposed site in dunes and crops we contest what wetlands? Same for all the lands to the east which are currently being converted to cropland we ask what wetlands? The only wetlands of concern are within the City limits of Marina which are relatively far from the well sites and according to the hydrology study are not connected to groundwater. We believe Staff needs to look at what is taking place in real time instead of trying to portray a situation which no longer exists. This will be a recurring theme in our letter.

Terrestrial ESHA - As stated above, things must be looked at in real time and in historical context. To portray something as being pristine and almost virgin like when it has been extremely impacted for over 100 years is heinous. The 35 acres of concern have been in a state of extensive use for over 100 years and are not the habitat of any of the listed species. Conditions change on a daily basis within the operations area of the sand plant and this is not conducive to providing habitat. To be slightly facetious we are sure some bird habitat will be disturbed when the sand plant buildings are removed. Are these to remain? Lastly, for all the time and effort spent on this element of the report does anyone realize that most if not all of the area to provide the well sites is currently under a new mound of sand approximately 30 feet in height? Yes, this area has been covered with a huge mound of sand for reclamation purposes when the plant is closed. The ground habitat that may have been there is gone.

Fill in Coastal Waters – In order for the project to move forward modifications to the existing outfall needs to be done. We believe this is minimal to its effects to the ocean and along with the placement of buoys be allowed.

Project Alternatives - Many of the group who reviewed the Staff report are longtime residents of the area with extensive experience and knowledge of what has taken place over the years regarding our water situation. In 1997 Assemblyman Keeley interfered with the legislated remedy to address our water problems, the creation of the MPWMD, by submitting AB 1182. This legislation was to direct the CPUC to study and provide an alternative to a Carmel River dam in case a dam project did not go forward. The dam was going to provide 24,000 acre feet of water to not only supply our communities with what they needed for present use but into the future. It also was going to provide water for habitat and restoration of the impacted Carmel River. Needless to say this threw the future of our community into the hands of State bureaucrats with no need of a solution and no sense of urgency. They finally came to a decision in 2018. Now we have an alternative to an alternative and the amount of water is being reduced at every turn.

The reason for Staff putting so much time and effort into this element is it is required but if was mainly a result of the unveiling of the Stoldt (GM MPWMD) Supply and Demand report. We can't make this any clearer; we don't want to live the next 20-30 years as we have the last 44. The PW expansion would be a great project to pursue once the Cal Am project is in place. This would provide redundant back up for any of the sources of water which may not be able to provide water as planned.

Stoldt's report and Staff's analysis does not take into account the effects of limited water over a 40 period of time on our communities and economic vitality. According to US Census figures there has been net zero population growth over the 40 years in the communities where the Census can accurately make a count. The unincorporated area of our area of concern is hard to determine but should follow the trend within the verifiable Census areas. We will pursue this theme in the next section.

Environmental Justice – What justice has there been over the last 40 years? **None**. Communities of concern are spread unevenly throughout the whole of the affected area we are discussing, not just the ones identified in the Staff report. The water inequity has caused housing prices to go up. Limited supply with great demand equals an increase in price. Our area is an economic hub which supplies jobs

Letter and Resolution supporting Cal Am desalination project approval

Michael La Pier <mike@montereyairport.com>

Fri 9/11/2020 11:09 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

2 attachments (467 KB)

Resolution No. 1723.pdf; 20180904 CPUC Desal Support Resolution.pdf;

Good afternoon,

On behalf of the Monterey Peninsula Airport District, I would like to re-submit the attached letter of support and adopted resolution supporting the approval of the proposed Cal Am desalination project by the California Coastal Commission. These documents were previously submitted in 2018 after approval and adoption by the Board of Director of our organization.

Please consider them part of the public record for the Coastal Commission associated with the Thursday September 17, 2020 meeting in which this matter will be considered.

Thank you.

Michael La Pier, A.A.E.
Executive Director
Monterey Regional Airport
200 Fred Kane Dr. Suite 200
Monterey, California 93940
(831)648-7000
mike@montereyairport.com

RESOLUTION NO. 1723

A RESOLUTION OF THE MONTEREY PENINSULA AIRPORT DISTRICT IN SUPPORT OF THE AMERICAN WATER WORKS COMPANY DESALINATION PROJECT

WHEREAS, water is a precious commodity necessary to sustain life, vegetation, and the lifestyle of the region; and

WHEREAS, the Monterey region has a history of chronic water shortage; and

WHEREAS, in 2006, a Court ruling ordered the reduction of water pumping from the Seaside Aquifer, and in 2009, the State of California issued a Cease and Desist Order imposing a great reduction of water withdrawals from the Carmel River; and

WHEREAS, the Monterey region must find an alternative water supply or face severe water rationing, which would have an extremely negative impact on the local economy and those living in the area; and

WHEREAS, the American Water Works Company ("Cal Am") has proposed a desalination project that would produce an estimated 6,900 acre feet of high quality potable water per year; and

WHEREAS, the proposed Cal Am desalination project will also support the regional Groundwater Replenishment Project, which would recharge the Seaside groundwater basin by injecting high quality purified water; and

WHEREAS, the proposed Cal Am desalination project is sustainable, drought-resistant and would improve and protect drinking water supplies, while also diversifying the community's water supply portfolio for a more secure water supply.

WHEREAS, the Board of Directors of the Monterey Peninsula Airport District believes that the Cal Am desalination project is one component of many which will help solve the regional water crisis, will have a positive effect on the local economy and those living in the area, and will produce economic viability and sustainability for the Monterey Regional Airport.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: the Board of Directors of the Monterey Peninsula Airport District supports the Cal Am desalination plant and believes that the proposed desalination project should be implemented as soon as possible to protect drinking water supplies, which will ultimately protect the region and its economy.

BE IT FURTHER RESOLVED that the Board of Directors of the Monterey Peninsula Airport District encourages the California Public Utilities Commission and all other regulatory agencies with jurisdiction over the proposed Cal Am desalination project to expedite its approvals for the desalination project to enable the local community to have a secure and diversified water supply portfolio.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 15th day of August 2018, by the following roll call vote:

AYES:	**DIRECTORS:**	Cursio, Leffel, Nelson, Sabo, Chair Miller
NOES:	**DIRECTORS:**	None
ABSTAIN:	**DIRECTORS:**	None
ABSENT:	**DIRECTORS:**	None

Signed this 15th day of August 2018

Carl M. Miller, Chair

ATTEST

Michael La Pier, AAE
District Secretary

MONTEREY
REGIONAL AIRPORT

BOARD OF DIRECTORS
Carl Miller, Chair
Mary Ann Leffel
William Sabo
Matthew Nelson
Gary Cursio

EXECUTIVE STAFF
Michael La Pier, AAE
Executive Director
Scott Huber
District Counsel

September 4, 2018

Alice Stebbins
CPUC Public Advisor's Office
505 Van Ness Avenue
San Francisco, CA 94102

RE: Proceeding # A. 12-04-019

Dear Ms. Stebbins:

On behalf of the Monterey Peninsula Airport District I am pleased to provide your organization with a Resolution of Support of the American Water Works Company Desalination Project. This Resolution was adopted unanimously by the Board of Directors at their August 15, 2018 Regular Board meeting.

The Monterey Peninsula Airport District is a Special District formed by the State of California in 1946. As owners and operators of the Monterey Regional Airport, the five-member Board of Directors is charged with managing the affairs of the Airport through its Executive Staff. As part of that effort, the Board and Staff have committed to the future development of the Airport to serve our region through the promotion of convenient air service and quality facilities. We believe that for the District to meet its goals, a viable and sustainable water supply must be available. The proposed desalination project in our view represents the best available option to ensure the creation of that supply. It is for that reason the Board of Directors chose to make its position known formally in the context of the resolution attached.

We would ask that our Resolution of Support be made part of the Record regarding this proceeding and strongly encourage a favorable decision on the part of the California Public Utilities Commission.

Cordially,

Monterey Regional Airport

Michael La Pier, A.A.E.
Executive Director

Enclosure: Resolution No. 1723 of the Monterey Peninsula Airport District

cc: Michael Picker, President
Carla J. Peterman, Commissioner
Liane M. Randolph, Commissioner
Martha Guzman Aceves, Commissioner
Clifford Rechtschaffen, Commissioner

T (831) 648-7000
F (831) 373-2625
W www.montereyairport.com
200 Fred Kane Drive, Suite 200
Monterey, CA 93940

September 10, 2020 AGENDA ITEM #: Th3a & Th4a

California Coastal Commission
455 Market Street, Suite 228
San Francisco, CA 94105-2219

Dear Commissioners:

RE: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Submitted via e-mail to: CalAmMonterey@coastal.ca.gov

CalDesal is a non-profit association that educates and advocates for the increased use of brackish and seawater desalination along with salinity management as part of a diverse, secure, and high-quality supply to help meet California's water needs.

We were pleased to see the inclusion of desalination along with salinity management as proposed solutions in Governor Newsom's recently released Water Resilience Portfolio. Maintaining existing supplies and diversifying additional supplies is the first of four core goals of the Portfolio and desalination is identified as one piece to enhance regional water supply through diversification.

The Monterey Peninsula Water Supply Project would serve to diversify water supplies and help the region tackle challenges like the need for affordable housing. It would also meet the terms of the Carmel River cutback order. The Project would address the water supply crisis in the Monterey Peninsula, supplying the local community with a long-term reliable desalinated source of water supply.

Desal is a climate change-resilient, drought-proof, and pure water supply that can serve as part of a larger water supply portfolio based on a local area's specific challenges. The time is right for the Monterey Peninsula Water Supply Project to help meet those regional needs. We hope you will support it. Thank you for the opportunity to comment.

Sincerely,

Wendy Ridderbusch

Wendy Ridderbusch, Executive Director
CalDesal
2520 Venture Oaks Way, Suite 150
Sacramento, CA 95833

CC: California Coastal Commission Staff

Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Martin Perez <martin@acemb.com>

Fri 9/11/2020 11:47 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

MARTIN H. PEREZ, SET
NICET IV
PRINCIPAL



E martin@acemb.com
T 831 646 3330 **F** 831 646 3336
60 Garden Court, Suite 210
Monterey, CA 93940

Th3a & 4a

A-3-MRA-19-0034 / 9-19-0918

California-American Water

SUPPORT LETTERS

Packet 3
Updated
September 11, 2020

Luster, Tom@Coastal

From: Grant Leonard <leonardgt@yahoo.com>
Sent: Wednesday, August 26, 2020 10:56 AM
To: Energy@Coastal
Subject: Public Comment on September 2020 Agenda Item undefined 3a - Appeal No. A-3-MRA-19-0034 (California American Water Company, et. al., Monterey Co.)

Dear Commissioners,

Please consider this guest commentary that was printed in the Monterey Herald as my written comment for Appeal No. A-3-MRA-19-0034. The town of Castroville is a severely disadvantaged community, but we are willing to work with our neighbors to find a sustainable water solution for all our communities.

It is worth noting that the proposed alternative, the expansion of Pure Water Monterey, 1. would take water from Castroville, 2. is not funded, 3. had its draft EIR rejected by the Board of Monterey One Water, and 4. does not have a commitment for more source water from the Salinas Valley. The expansion of Pure Water Monterey is a paper alternative, not a real alternative.

Thank you,
Grant Leonard
Board Chair
North County Recreation and Park District

Desalination: The Castroville Connection

For people who do not spend their spare time following the Monterey Peninsula water saga, one of the more curious things about the CalAm Monterey Peninsula Water Supply Project is why Castroville has anything to do with the project. You'd be forgiven if you thought that the desalination project to bring water to the Monterey Peninsula only involved the CalAm, the Monterey Peninsula cities, and the Pacific Ocean.

However, Castroville, the Artichoke Center of the World, now finds itself at the center of the Desalination project. The reason is rather technical, but basically this is because the desalinated water will be pumped from the coastal dunes between the ocean and the farm fields north of Marina, and a certain percentage of the desalinated water is anticipated to come from the Salinas Valley groundwater basin. State law requires that water from the groundwater basin be used within the area of the groundwater basin, so that percentage of the desalinated water cannot go to the Monterey Peninsula.

Castroville, the small, agriculturally focused community in North County, is the logical recipient of the water from the groundwater basin. Castroville is within the groundwater basin, and Castroville suffers from water insecurity due to saltwater intrusion from the ocean. While the Monterey Peninsula is lacking water due to a state order to protect the Carmel River, Castroville faces a very real future of contaminated drinking water due to seawater intrusion.

The Monterey Peninsula Water Supply Project, as currently designed (and already approved by the California Public Utilities Commission) would answer the long standing water needs for both the Monterey Peninsula and Castroville. The Carmel River would no longer be over pumped, and the community of Castroville would no longer face the threat of salty drinking water in our homes.

But Castroville is not merely benefiting from this project, we are also helping to make it a reality by building the critical infrastructure to bring the desalinated water to Castroville. The Castroville Community Services District is a committed partner in the effort, agreeing to funding an approximately $3 million pipeline to Castroville from the desalination plant in Marina. This is no small effort for Castroville, which is determined to be either economically disadvantaged or severely economically disadvantaged depending on which State or Federal metric you use. The willingness to contribute millions of dollars to desalination speaks to the community's desire to be good partners on this water solution in spite of the community's economic challenges.

Castroville has a long history of partnering on innovative water solutions. The Castroville Seawater Intrusion Project(CSIP), has been providing recycled water for agricultural use since 1998. CSIP is supported by the Salinas Valley Water Project's rubber dam on the Salinas River, which provides seasonally stored water that is used with CSIP to reduce agricultural pumping, thereby delaying further seawater intrusion into our groundwater supply. Castroville knows the value of finding new, sustainable water sources because we've seen them work before.

The Monterey Water Supply Project offers yet another innovative approach to reduce seawater intrusion into Castroville's groundwater supply, while also meeting the water needs for residents of both the Monterey Peninsula and Castroville. That is why both the Castroville CSD and the North County Recreation and Park District submitted letters supporting the project to the California Coastal Commission. Our hard working, aspiring community is ready to partner on this project and see fresh water flow to homes from Carmel to Castroville.

Grant Leonard
Board Chair
North County Recreation and Park District

MONTEREY PENINSULA CHAMBER OF COMMERCE

September 11, 2020

2020 BOARD OF DIRECTORS

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Rayne Technology Solutions

VICE CHAIR OF ECONOMIC VITALITY
JENNIFER KUYPER
Pacific Valley Bank

VICE CHAIR OF EDUCATION + WORKFORCE DEVELOPMENT
PHYLLIS GRILLO
CSUMB

VICE CHAIR OF FINANCE
DJ (DJUNA) MUNIZ
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KION-Telemundo-Central Coast
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JOY ANDERSON
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JACQUIE ATCHISON
Arts Council for Monterey County

KEVIN CAUSEY
Montage Health Foundation

ELIZABETH DIAZ
Armanasco Public Relations

JONATHAN GEISLER
Geisler3

ILEEN GROVES
Bookkeeping Central

ADAM HUGHES
MBS Business Systems

DAWN MATHES
Pebble Beach Company

CLARISSA ROWE
Monterey County Bank

ALEXANDER C. WINKLE
Schwartz Law Group, Inc.

FRANK GEISLER
President and CEO

California Coastal Commission
455 Market Street, Suite 300
San Francisco, CA 94105

Re: Public Comment on September 2020 Agenda Item 4a - Application No. 9-19-0918

Dear Commissioners:

The Monterey Peninsula Chamber of Commerce has a vision that "champions Monterey County as an engine of innovation and prosperity." Restricted and inadequate water supply has compromised the economic and social well-being of the people of the Monterey Peninsula.

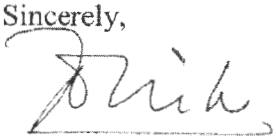
The California Coastal Act states the following:

> …existing developed uses, and future developments that are carefully planned and developed consistent with the policies of this division, are essential to the economic and social well-being of the people of this state and especially to working persons employed within the coastal zone.

This legislative intent is something the California Coastal Commission must address as it considers actions to permit a desalination plant to increase Monterey Peninsula water supply. The need for "water credits" from the Monterey Peninsula Water Management District (MPWMD) discourages private and public proposals and approvals for new residential units, including units that are affordable for teachers, nurses, and the households of service workers in the hospitality industry that dominates the local economy.

Attached are some findings that the California Coastal Commission should take into account as it considers the economic and social well-being of the people of the Monterey Peninsula and especially to working persons.

Sincerely,



Frank Geisler
CEO

Annual Population Decline 2018-2020

City	2018	2019		2020	
Seaside	34,382	33,047	↓	33,537	
Monterey	28,473	27,992	↓	28,170	
Pacific Grove	15,807	15,360	↓	15,265	↓
Carmel	3,967	3,939	↓	3,949	
Del Rey Oaks	1,727	1,674	↓	1,662	↓
Sand City	393	383	↓	385	
Total	84,749	82,395		82,968	

Public School Enrollment Decline

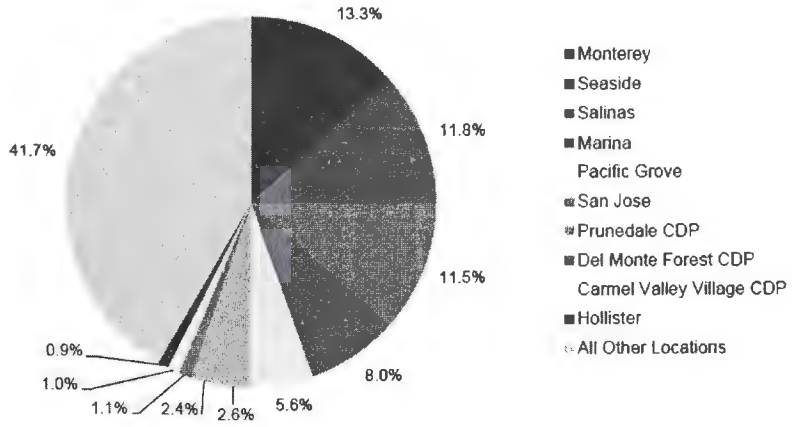
District	2018-2019	2019-2020	2020-2021
Monterey Peninsula USD	10,111	9,833	9,373
Pacific Grove USD	2,035	1,981	1,911
Total	12,146	11,814	11,284

Lack of Progress on Regional Housing Needs Allocation

City	Very Low Income % Complete	Low Income % Complete	Moderate Income % Complete	Above Moderate Income % Complete	RHNA TOTAL	TOTAL UNITS	TOTAL RHNA REMAINING
Carmel	0.00%	0.00%	0.00%	53.85%	31	7	24
Del Rey Oaks	0.00%	0.00%	0.00%	0.00%	27	0	27
Monterey	12.10%	0.00%	1.68%	27.21%	650	95	555
Pacific Grove	0.00%	0.00%	33.33%	35.42%	115	24	91
Sand City	0.00%	0.00%	0.00%	17.39%	55	4	51
Seaside	0.00%	0.00%	4.17%	4.88%	393	11	382
Total					1271	141	1130

86.7% of Monterey Workers Live Elsewhere

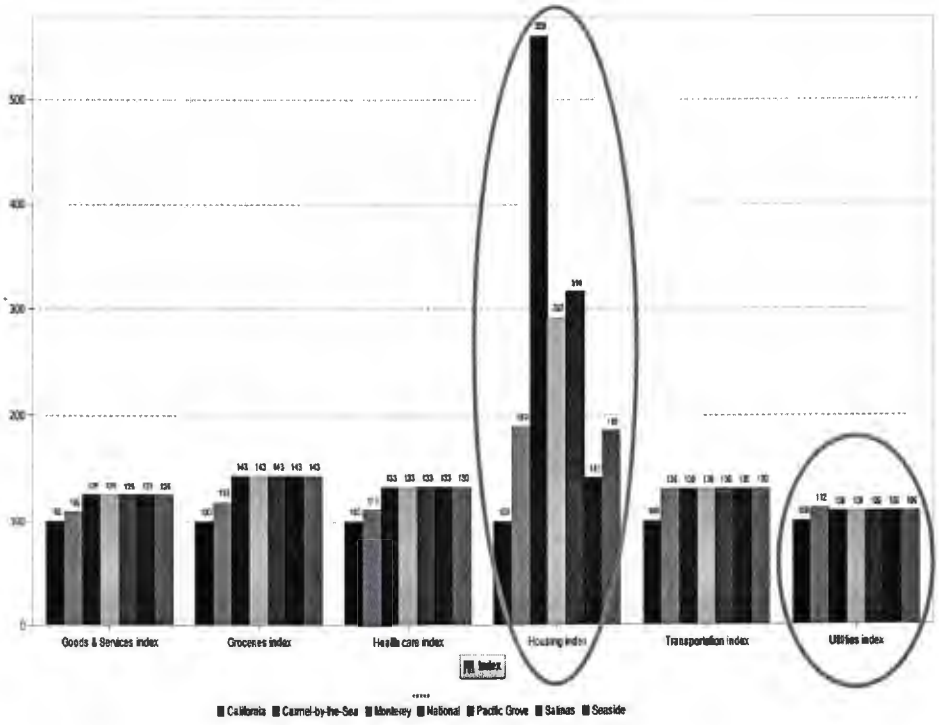
Figure 4
City of Monterey Worker Origin (Where Workers Live)



Source: U.S. Census OnTheMap; EPS.

Housing Is Worst Cost Burden for Monterey Peninsula

Exhibit A3-8
Breakdown of Cost of Living Index in Six Monterey Cities (2013-2015)



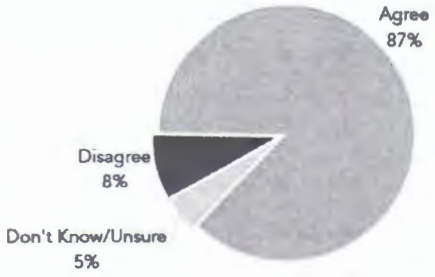
Perception of Shortage of Rental Housing

Core Values

VIEWS ON SHORTAGE OF AVAILABLE AND AFFORDABLE HOUSING

Do you agree or disagree that...There is a significant shortage of available and affordable rental housing in the Monterey area.

Significant Shortage of Rental Housing



DS&C THINK NO FORWARD

10

VOTER SURVEY
MONTEREY PENINSULA UNIFIED SCHOOL DISTRICT

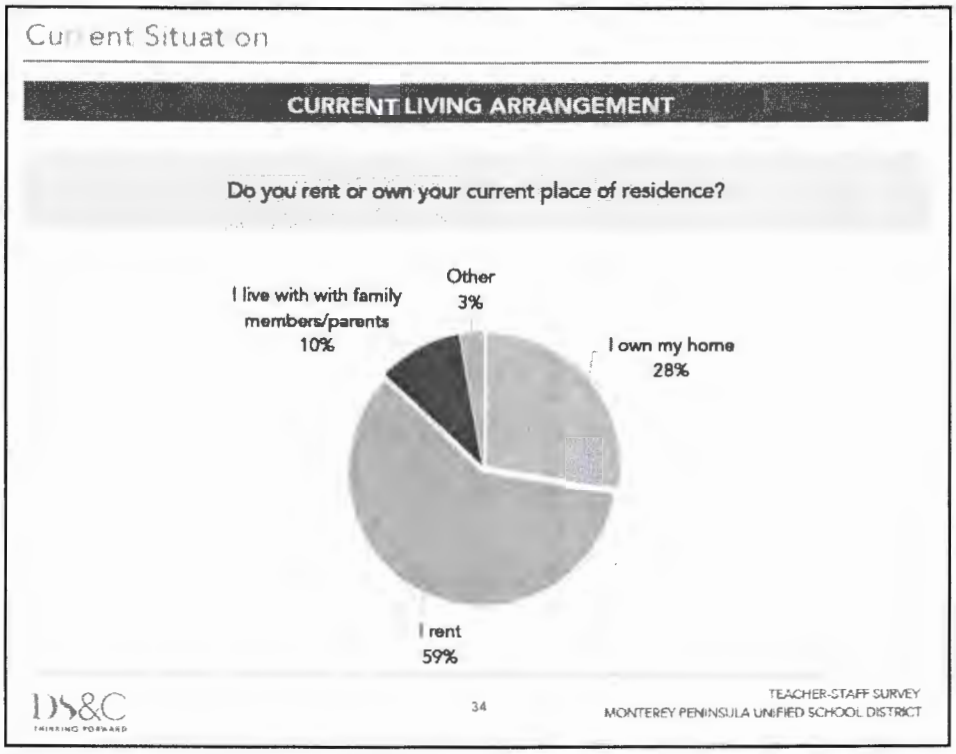
Housing Is the #1 Problem

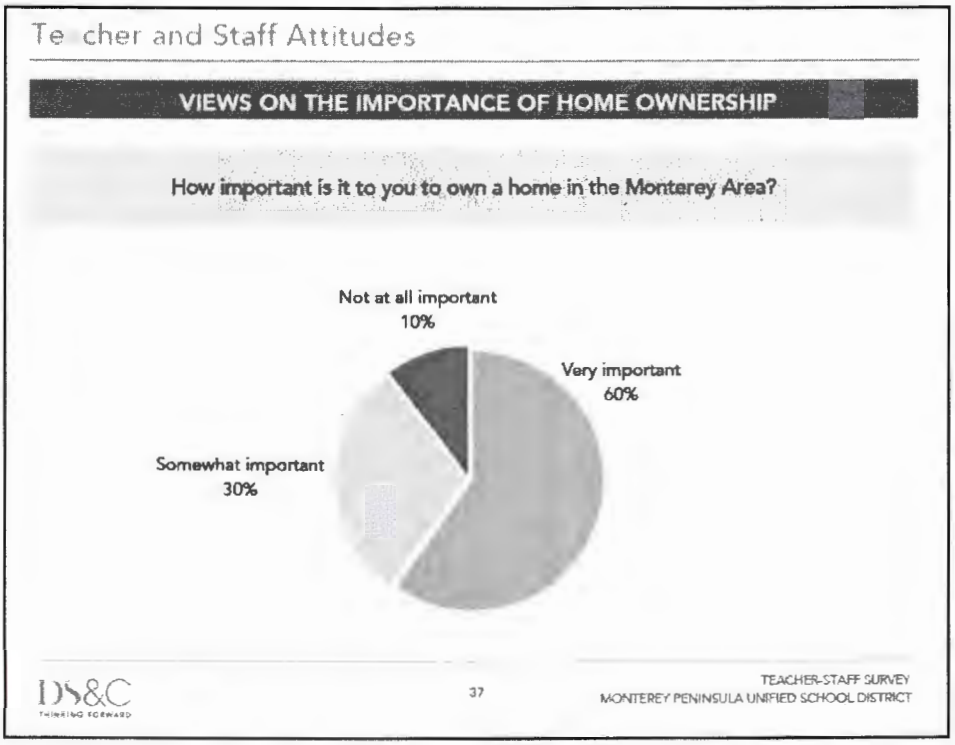
FAIRBANK, MASLIN, MAULLIN, METZ & ASSOCIATES **220-5600-WT** **PAGE 4**

8. Now I'm going to read you a list of things some people say may be problems facing Monterey. For each, please tell me whether you think it is an extremely serious problem, a very serious problem, a somewhat serious problem, or not a problem for Monterey residents. **(RANDOMIZE)**

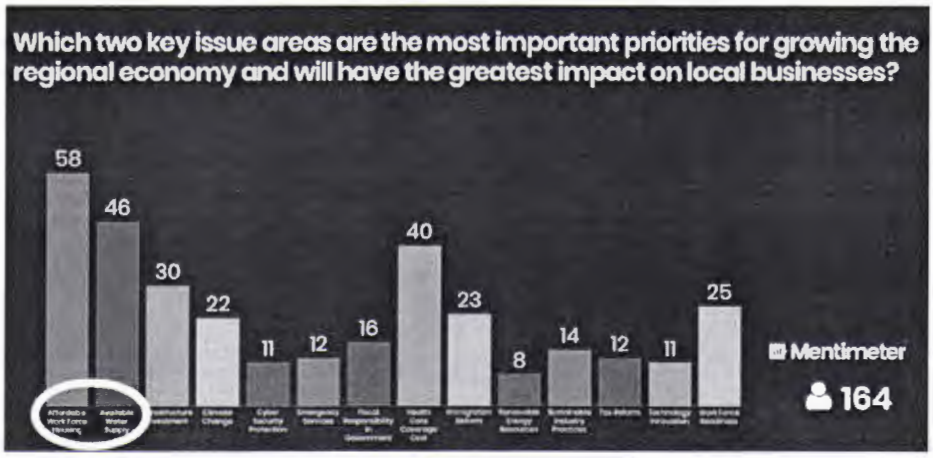
		EXT SER	VERY SER	SMWT SER	NOT A PROB	(DON'T READ) DK/NA	*EXT/ VERY SER*
[ ]a.	(T) Crime	8%	15%	42%	32%	4%	*22%*
[ ]b.	(T) City streets in need of repair	17%	23%	38%	21%	1%	*40%*
[ ]c.	(T) Waste and inefficiency in City government	15%	21%	29%	13%	22%	*36%*
[ ]d.	(T) The amount you pay in local taxes	13%	17%	32%	33%	5%	*30%*
[ ]e.	(T) Traffic congestion	20%	20%	36%	23%	1%	*40%*
[ ]f.	(T*) The aging condition of community centers and the Monterey Sports Center	4%	9%	31%	46%	11%	*13%*
[ ]g.	The aging condition of the police and fire stations	8%	14%	32%	28%	17%	*22%*
[ ]h.	The cost of housing	47%	29%	17%	7%	1%	*76%*
[ ]i.	Homelessness	40%	34%	23%	3%	1%	*74%*
[ ]j.	The need to underground utilities	24%	26%	27%	15%	8%	*50%*
[ ]k.	The aging condition of the library	6%	14%	36%	33%	11%	*19%*

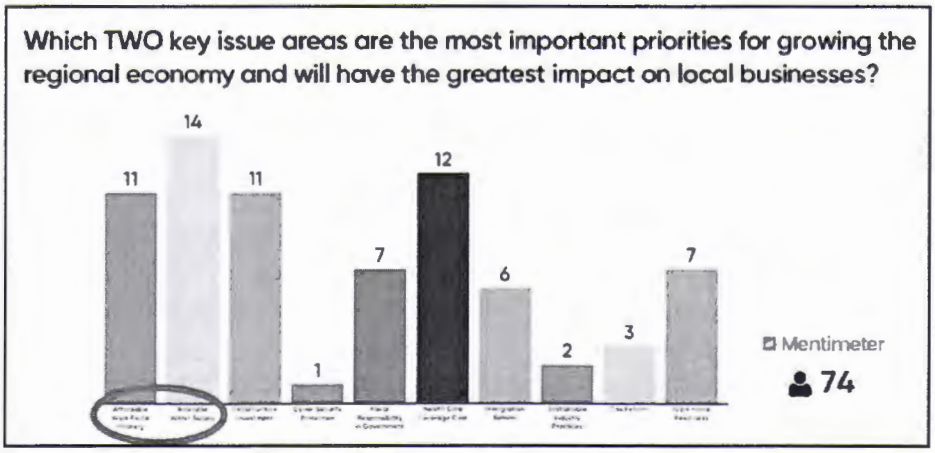
Monterey Peninsula USD Teachers and Staff - Homeownership Dreams, Harsh Reality

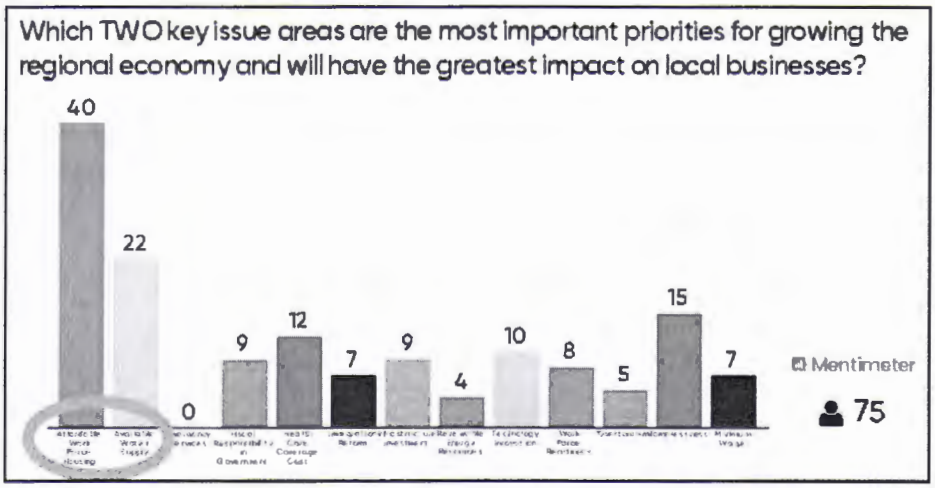




Electronic Surveys of Monterey Peninsula Chamber of Commerce Annual Leadership Conference Attendees: 2017, 2018, 2019 - Housing and Water Supply Ranks







Endnotes

Annual Population Decline 2018-2020	California Department of Finance Population Estimates for Cities, Counties, and the State http://www.dof.ca.gov/Forecasting/Demographics/Estimates/e-1/
Public School Enrollment Decline	Monterey Peninsula USD Back To School Enrollment Update https://drive.google.com/file/d/14GMafsh_RQ-Nru7eQACs1VgSinmLvRIh/view Pacific Grove USD Review of District Enrollment Projections for Day 6 of school for 2020-21 https://www.pgusd.org/documents/Board/Board-Agendas--Packets/Board%20Packet%20FINAL%2009-03-20.pdf California Department of Education Demographics: DataQuest - Data Requests https://www.cde.ca.gov/ds/da/
Lack of Progress on Regional Housing Needs Allocation	California Department of Housing and Community Development Regional Housing Needs Allocation and Housing Elements - 5th Cycle Annual Progress Report Permit Summary https://www.hcd.ca.gov/community-development/housing-element/docs/Annual_Progress_Report_Permit_Summary.xlsb
86.7% of Monterey Workers Live Elsewhere	Monterey Fort Ord Property - Site Opportunity and Feasibility Analysis https://monterey.org/Portals/0/Policies-Procedures/Planning/WorkProgram/FortOrd/18_0510_EPS_Memo.pdf
Housing Is Worst Cost Burden for Monterey Peninsula	Broad Based Asset Inventory for the City of Monterey https://monterey.org/Portals/0/Newsroom/2019/18_0401_BBAI_Final.pdf
Perception of Shortage of Rental Housing	Monterey Peninsula USD Voter and Staff Survey Results https://montereypeninsula.agendaonline.net/public/Meeting/Attachments/DisplayAttachment.aspx?AttachmentID=1089578&IsArchive=0
Housing Is the #1 Problem	City of Monterey Ballot Measure Survey http://www.isearchmonterey.org/OnBaseAgendaOnline/Documents/ViewDocument/ATTACHMENT.PDF.pdf?meetingId=4421&documentType=Agenda&itemId=11851&publishId=9788&isSection=false
Monterey Peninsula USD Teachers and Staff - Homeownership Dreams, Harsh Reality	Monterey Peninsula USD Voter and Staff Survey Results https://montereypeninsula.agendaonline.net/public/Meeting/Attachments/DisplayAttachment.aspx?AttachmentID=1089578&IsArchive=0

MCAR

The Honorable Steve Padilla, Chair, and Members
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, California 94105

September 15, 2020

Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Transmitted by e-mail to: CalAmMonterey@coastal.ca.gov

Dear Chair Padilla and Commissioners,

MCAR represents our 1,300 members who live and work in Monterey County. We consider the lack of available housing as the most important problem facing the citizens who live and work in Monterey County and on the Monterey Peninsula.

After a decade of support for the portfolio approach to water supply projects - Aquifer Storage and Recovery (ASR), Monterey 1 Ground Water Recharge (GWR) and the desalination project, the Monterey Peninsula Water Management District (MPWMD) decided in a 4-to-3 vote to no longer support the desalination project.

Making this worse is the data the MPWMD produced purportedly showed that the community does not need a drought proof water supply for the future. We have no idea how this conclusion was reached in that the data is not clear. With ASR producing a fraction of its projected output (1164 acre feet average over the last five years), and the new revelation that the Monterey 1 GWR project may never provide more than 2,200 acre feet per year; a denial of the desalination permits will create a serious water shortage even without a drought. Both of these projects were supposed to produce much more water. The Monterey 1 GWR expansion project is not viable – since there is no water source available for such a project.

The shortage of water continues to create a social justice issue in every community located on the Monterey Peninsula. High rents and long commute times are a fact of life for people of color who work on the Monterey Peninsula, but can't live here, because of the lack of available housing.

Denying the permits plays into the hands of the anti-housing special interest groups who are at the forefront of the effort to kill the current desalination project like the projects they defeated in 1993 and 1995.

The Coastal Commission could signal a real interest in social justice across all the communities located on the Monterey Peninsula by approving the permits which will provide just enough water to create affordable housing necessary for those engaged in industries such as medical, hospitality and agriculture.

The construction of the desalination plant will also allow for the recovery of businesses decimated by the Covid 19 recession and provide water for expanded and intensified business use which now banned by the State Water Resources Control Board.

Please approve the coastal development permits for the California American Water desalination project.
Sincerely,

Suzanne Menendez-Herbst
President

REALTOR® is a registered mark which identifies a professional in real estate who subscribes to strict Code of Ethics as a member of the NATIONAL ASSOCIATION OF REALTORS®

Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Weyant, Mary K. <Mary.Weyant@ExpressPros.com>

Fri 9/11/2020 9:30 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

1 attachments (225 KB)

OutlookEmoji-1589230761669b85d22b8-beae-4b43-b547-27f5d8af2f1a.png;

Good afternoon,

I support the Desalinization plan.

My home address is:

739 Mermaid Avenue

Pacific Grove, CA 93950

Thank you,

Mary Weyant | Owner

Express Employment of Monterey County

209 Pearl in Monterey

45 W Alisal in Salinas

Office: 831-920-1857

[1589230761669]

Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Alex W <alexander.charles.winkle@gmail.com>

Fri 9/11/2020 9:13 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Good afternoon,

This email is to support the Desal Project. Water is an ongoing concern for the development and economic growth/sustainability of the region. Without water we cannot properly address the ongoing housing issue which includes essential service employees who cannot find housing while they work in our community. Water also continues to be a barrier for small businesses who want to start or grow within our community.

Jobs, economic recovery and affordable housing opportunities require an adequate, reliable water supply. It's time to stop kicking the can down the road on the only option on the table that is capable of meeting the terms of the Carmel River cutback order and supplying our community with a long-term sustainable water source.

Best,
Alexander C. Winkle
Monterey Resident
Member of Monterey Peninsula Chamber of Commerce
263 Monroe Street
Monterey, CA 93940

INNS BY THE SEA

HALF MOON BAY
CYPRESS INN ON MIRAMAR BEACH

CARMEL-BY-THE-SEA
CANDLE LIGHT INN
CARRIAGE HOUSE INN
SVENDSGAARD'S INN
WAYSIDE INN

September 11, 2020

The Honorable Steve Padilla, Chair, and Members
California Coastal Commission
45 Fremont Street, Ste. 2000
San Francisco, California 94105

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

Honorable Chair Padilla and Commissioners:

When I moved to the Monterey Peninsula thirty years ago, in 1990, this region was suffering from a seven-year drought. I recall there was water rationing and punitive surcharges for the water needed to operate our hotels. Over the ensuing years, residents and businesses worked hard to conserve water, and now our community has the lowest per capita water use in the state.

However, this has not solved our water problem. With the cease-and-desist order placed on the Carmel River, there has been a unified effort over the past eleven years to create a long-term sustainable water supply. To date, the only plan that can meet the demand determined by the CPUC (14,000 afy) is the Monterey Peninsula Water Supply Project including the construction of a desalinization plant. I urge you to approve the permit that will allow this project to move forward.

Alternative projects that have been proposed are based on questionable claims that water demand for the district is some 40% less than what the CPUC has estimated. I believe these low estimates were manipulated in order to ensure the 2018 ballot Measure J succeeds in having the water district buy out Cal-Am. This measure would only be feasible if it resulted in cheaper water for the district's consumers, and proponents of the measure know the promise of cheaper water cannot be achieved if the desalinization plant is constructed. Unfortunately, the MPWMD has made a choice to pursue this political agenda - one that would leave residents and businesses critically short of our future water needs.

Water which costs a bit more is better than not enough. The Monterey Peninsula Water Supply Project is the only viable solution available to deliver enough water for the welfare of our residents and businesses and satisfy the need for affordable workforce housing. It is also the only sustainable water supply project that can protect us from the next seven-year drought.

Please grant the Coastal Development Permit necessary to allow us to solve our long-standing water problem here on the Monterey Peninsula.

Yours sincerely,

Mark Watson
General Manager

Jeff Davi, California Real Estate Commissioner, Retired
P. O. Box 2350
Monterey, CA 93940

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

September 11, 2020

The Honorable Steve Padilla, Chair, and Members
John Ainsworth, Executive Director
Tom Luster, Senior Environmental Scientist
California Coastal Commission
45 Fremont Street, Ste. 2000
San Francisco, California 94105

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

Dear Chair Padilla, Honorable Coastal Commission Members, and Staff:

You all have a critical decision to make on September 17, 2020 and I encourage you to vote to approve the Coastal Development Permit for the Monterey Peninsula Water Supply Project!

I am very fortunate to be a third Generation native of the Monterey Peninsula; as such I have lived through our community's water problems for the past 50 years.

I literally grew up on and off water rationing. I remember when we didn't have a "Monterey Peninsula Water Management District." We put our faith in the State Legislature more than four decades ago to create that water district to help us address and solve our water problem.

As a community we still have not solved our water problem, but we are finally only one vote away from a solution, and that vote is yours.

The CPUC, the State Water Resources Control Board, The Supreme Court, and every previous regulatory permit has been obtained. Even your body in the past agreed that the Monterey Water Supply Project is the only viable solution to addresses the problem sufficiently.

No other alternative solves our water problem once and for all- regardless of what is being presented by the detractors of this project.

A little historical perspective: my community is notorious for getting very close to a solution/project and then pulling the plug, each time citing a myriad of reasons crafted solely to kill that solution/project. This occurred in the 1990's over a Carmel River Dam, and it happened again years later over two other desal projects. Ironically, one of the reasons the detractors gave to kill the Carmel River Dam, was to wait for desal, and of course once desal came, they found reasons to oppose those projects, and they are doing it again now, over the Monterey Water Supply Project.

Time after time as soon as we get close to a project, the "no growth" activists align themselves with any and all opposing groups in order to methodically kill the project. Yes, this is happening again right now over this project, they have aligned themselves with the community of Marina, and now they are fighting this project at every level, with the only goal of ensuring it doesn't get approved by you at the September 2020 hearing.

Some of the City of Marina residents are raising social justice concerns to explain why this project should not be built, while other communities like Castroville could raise social justice issues for not building it! Who are you to believe? In all sincerity, neither-- the problem we have is bigger than Marina or Castroville; it's the entire Monterey Peninsula, which includes both Marina and Castroville.

We need this project for many reasons, the State Cease and Desist Order being one. We want to address our water problems for the long-term and we want to avoid ever having to be in rationing again. We want to avoid ridiculous policies that involve having businesses truck in ice from outside the area, or not allowing restaurants to be located in buildings that are not already restaurants. Think about the irony in that, the only commercial buildings where we can locate a restaurant in our community are buildings where a restaurant had to fail before. Wow! So are we to assume that all restaurants close because of bad operators? Never due to a bad location? I have been in real estate my entire life, and we all know the adage, "location, location, location."But on the Monterey Peninsula we can only have a restaurant go into a place where a restaurant previously failed--not where a Blockbuster video closed up, or a Circuit City closed up. So those sites sat vacant for months in our community, while restaurant after restaurant opens up and fails time after time because the use, cannot change or be moved due to our local water credit system. Wow!

Some of the rules our community has constructed to restrict water are ludicrous, equally so are the clever ways we have found to try get around them and try to live a normal life as it relates to water. We are like no other community I know. When I tell visitors or prospective clients about our rules and restrictions, they cannot believe this is happening in a coastal community of California.

Our State and the Monterey Peninsula is facing a significant housing shortage because of decades of underbuilding and (extremely modest Monterey Peninsula) population growth. We have failed to address our needs locally and statewide, but here the difference is that other parts of the state have managed for the most part to address water, while the Monterey Peninsula cannot say that.

The Monterey Peninsula has spent the last four decades fighting about it. We need to join in our Governor's mandate to create more housing for the people who live in our communities. The only way to truly address the "housing issues" in our state is simply to build more of it. In our community we cannot provide housing without water, and we will not have water without the Monterey Peninsula Water Supply Project.

Do not be fooled by the statements that we have a recycled water project that we can use, or that can be expanded-- that is not enough water. Yes, we have a recycled project and it is currently running more than 40% under projections; its expansion EIR was never certified by its lead agency. The other project is the aquifer storage project -- that is also dramatically underperforming. We need desal to pick up the slack of these underperforming projects so we get out of water poverty.

Some solutions being talked about at the state level to address our housing shortage include allowing accessory dwelling units (ADU's) which are basically "granny units." Our community could do a lot to address our housing shortage just by adding Accessory Dwelling Units to existing homes, but we can't do that without water. The Monterey Peninsula Water Project will allow us to approve and create these sort of housing solutions that have been needed for years.

So I am asking --wait, not asking, begging you, just as I did in 2018 at the CPUC hearing in San Francisco, and last November at your hearing-- for this body to make the right decision for our community that has been unable to make the right decision for itself since the 1980's. Vote to approve the Coastal Development Permit for the Monterey Peninsula Water Supply Project once and for all!

Sincerely,



Jeff Davi,
Third Generation Monterey Peninsula Resident
Retired California Commissioner of Real Estate

MONTEREY COUNTY

Monterey County Board of Supervisors

John M. Phillips
Supervisor District 2

Josh Stratton
Chief of Staff

Claudia J. Link
Policy Analyst

Monica S. Hale
Executive Assistant

P.O. Box 787
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831-755-5022
831-633-0201
District2@co.monterey.ca.us

September 11, 2020

Hon. Steve Padilla, Chair and Commissioners
California Coastal Commission
Attn: Tom Luster
455 Market Street, Suite 300
San Francisco, CA 94105

RE: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Chair Padilla, Staff and Commissioners:

My name is John Phillips, and I am the Monterey County Supervisor for District 2, the Northern part of the County. I am also the sole County representative on the Monterey One Water (M1W) Board. My district, in the area I have lived for almost fifty years, includes the town of Castroville, an extremely disadvantaged community where the water supply is being severely negatively impacted by saltwater intrusion.

The desal project will provide much needed, reliable potable water to Castroville and surrounding areas, but that will not happen if Coastal Commission staff recommendation is followed.

The staff report concludes that based on this recent unverified and factually unsupported water demand analysis, that the expansion of the Pure Water Monterey Water recycling project will now provide sufficient water to meet the demand for the entire Monterey Peninsula. That just isn't so, and that isn't just my opinion. I refer you to the letter you received from the Monterey County Water Resources Agency which comes to the same conclusion.

The CPUC rejected expansion as an alternative-as did the M1W Board. The Pure Water Monterey project is not yet operational as we had hoped. There are significant and ongoing problems with the Pure Water treatment, including significant water chemistry issues. The injection wells for the treated water are not functioning properly and Pure Water Monterey is unable to deliver the originally projected water volumes. At this point, we do not know if Pure Water Monterey will ever function as designed, let alone be capable of delivering expanded volumes of water. We are now in the process of trying to rebuild two shallow wells that collapsed and are now

preparing to drill two additional deep wells at a considerable expense. A majority of our Board has concerns and questions about the viability of the expansion project including the availability of source water that have been contested by the Monterey County Water Resources Agency and the City of Salinas.

The M1W Board conducted a thorough examination of the EIR prepared for the Pure Water Monterey Expansion Project and found numerous deficiencies – namely that it failed to do a cumulative impacts analysis of the expansion project and the desalination project. Instead the EIR claimed that if the expansion project were built and the desal project came along subsequently, the expansion project would be mothballed. This is an absurd statement, particularly as the ratepayers of M1W would be on the hook for the capital expense of the project regardless.

Beyond the operational issues, Pure Water Monterey is simply not capable of becoming the water supply for the entire Monterey Peninsula. In addition to the inadequate environmental analysis, there is no agreed upon source water for the expansion of Pure Water Monterey and neither the Monterey County Water Resources Agency nor the City of Salinas have agreed to supply the water for the Pure Water Monterey expansion.

In my considered opinion, M1W is not legally, financially, or physically capable of becoming the sole water purveyor of the Monterey Peninsula. Please don't be misled by representations to the contrary.

Sincerely,

John Phillips
Supervisor, 2nd District
County of Monterey, Board of Supervisors

Steve & Bonnie Adams

27585 Via Sereno
Carmel, CA 93923

September 10, 2020

Via Email: CalAmMonterey@coastal.ca.gov

Hon. Steve Padilla, Chair and Commissioners
California Coastal Commission
Attn: Tom Luster
455 Market Street, Suite 300
San Francisco, CA 94105

Re: Appeal No A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Hon. Chair Padilla and Commissioners:

Please approve California American Water's application for a Coastal Development Permit for the Monterey Peninsula Water Supply Project.

We have lived in Carmel for 30 years and were so frustrated to learn that the staff of the Coastal Commission is recommending denial of the project. We have watched the intensive EIR process and community outreach for the past 10 years – not to mention all the years before that watching project after project fail – cripple our community.

There is now a portfolio of projects that will provide water to allow us to meet the conditions of the CDO. These are desal, reclaimed water and ASR. Of these, the main component, the one that will provide a sustainable long-term water supply, is desal. Reclaimed water and ASR are both important but are dependent on rainwater and source water both of which are not guaranteed. Pure Water has yet to produce water and the expansion project doesn't have an approved EIR.

Without desal which offers a reliable water supply, there will be no workforce housing and a curtailed tourism industry which is already struggling from the pandemic devastating our local economies. We are looking at severe rationing if the milestones of the CDO are not met. Our community has already conserved beyond any other county in California. Additional rationing will affect our quality of life.

Please don't push this on to another generation to have to expend time and even more money examining unfounded alternatives. We are so tired of the long drawn out political battle. We are at the finish line. It is time for you to do the right thing and approve the Monterey Peninsula Water Supply Project on September 17th. Our community depends on it.

Sincerely,

Steve & Bonnie Adams

Sean Damery
P.O. Box 80
Carmel Valley, CA 93924

September 11, 2020

Hon. Steve Padilla, Chair and Commissioners
California Coastal Commission
Attn: Tom Luster
455 Market Street, Suite 300
San Francisco, CA 94105

Subject: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

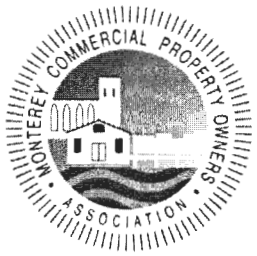
Honorable Chair Padilla and Commissioners,

Greetings from Carmel Valley. My name is Sean Damery and I am the Regional Vice President for Ensemble Hotels and General Manager of Bernardus Lodge & Spa. This letter is to share with you my support of the Monterey Peninsula Water Supply Project. Water is a challenge on the peninsula that not only affects us as individual residents but as business owners and operators. Our vibrant hospitality industry brings revenue to the county – a benefit to all – resulting better schools, roads, and quality of life. To maintain and support these necessities, we have to allow our hospitality industry to grow. Currently, the hospitality industry is limited by an inability to expand or remodel. This is preventing not only job growth but limits our opportunity to bring more revenue to the county via transient occupancy tax and transient dollars that spread throughout small businesses in the community.

I appreciate your time and please approve the desalination plant project for the betterment of the community and to support successful growth.

Thank you,

Sean Damery
Regional Vice President and General Manager
Bernardus Lodge & Spa



MONTEREY COMMERCIAL
PROPERTY OWNERS ASSOCIATION

September 11, 2020

The Honorable Steve Padilla, Chair, and Members
John Ainsworth, Executive Director
Tom Luster, Senior Environmental Scientist
California Coastal Commission
45 Fremont Street, Ste. 2000
San Francisco, California 94105

John.Ainsworth@coastal.ca.gov, Tom.Luster@coastal.ca.gov , CalAmMonterey@coastal.ca.gov

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

Dear Chair Padilla, Honorable Coastal Commission Members,

The Monterey Commercial Property Owners Association was founded in the 1970's as a group of people who take a caring role in the city of Monterey to support the work done by the city and actively provide for communication between the City Government and the community at large.

In 2012 the community of the Monterey Peninsula proposed a water supply project to finally reduce the over-pumping of the Carmel River. The project had been negotiated and signed by an array of stakeholders including water related entities (MPWMD), municipalities, environmental organizations, local activist; an impressive list of signers demonstrating a broad consensus. For far too long the community had taken excess water from the river and now it was time to begin to produce the water by other means.

For a community that thrives on a stunning coastline, historic farming production from rich farm valley soil and mountain ranges carved by rivers of rainfall it is highly appropriate that the same community should stop harming the environment by damaging the Carmel River. That the project also allows the environmental devastation of the last sand-dredging operation on the West Coast to be repurposed as a component of the solution furthers the environmental goal of the community. Adding to the environmental goals of the project, recycled water would be a major component of the water supply. The anchor of the project was a desalination plant for those times when rainfall is

not sufficient, when river flow is not present and the community still requires water to meet the needs of the people. The cost of water was being shifted from the health of the Carmel River to the people who use water.

Subsequent to recently adopting a position that desal was not needed, the MPWMD has prepared to go back to the State Water Resources Control Board to ask to eliminate the conditions of the cease-and-desist order and continue over-pumping of the Carmel River setting a clear precedent of future expectations; when we need water we will turn to the Carmel River for supply. This points to the precise danger of not approving the desal wells. Recycled water alone fails to meet needs of this community.

The Monterey Peninsula does not exist in a bubble as evidenced by the vehicle, airplane and bicycle traffic coming and going constantly. Workers, students, leisure-seekers, tourists, many people from the region and beyond come and go every day. Having a reliable and sufficient water supply for the Monterey Peninsula is good for the entire region while having a failed system causes harm not just on the Peninsula but beyond to the surrounding communities as well. Some of these communities themselves are building new subdivisions as they pump water directly from the aquifers of the Salinas Valley. Meanwhile in Monterey building has come to a stop for years. Help the Monterey Peninsula reach a point where we are providing the housing supply needed by our community and doing so in an environmentally responsible manner. Please approve the desalination plant wells so we can do so.

John Steinbeck championed the everyday man and the beauty of this region when he wrote Cannery Row. *"The Carmel is a lovely little river. It isn't very long but in its course it has everything a river should have. It rises in the mountains, and tumbles down a while, runs through shallows, is damned to make a lake, spills over the dam, crackles among round boulders, wanders lazily under sycamores, spills into pools where trout live, drops in against banks where crayfish live. In the winter it becomes a torrent, a mean little fierce river, and in the summer it is a place for children to wade in and for fishermen to wander in. Frogs blink from its banks and the deep ferns grow beside it. It's everything a river should be."*

Please look beyond the Staff Report and allow the desalination plant to move forward. It is time for this community to live up to its responsibilities to respect the Carmel River as we have been asking to do for many years.

Sincerely,

John Tilley

John Tilley
Monterey Commercial Property Owners Association

Scott Dick, Ed.D.
PO Box 484
Carmel Valley, CA 93924

September 15, 2020

Via Email: CalAmMonterey@coastal.ca.gov

Hon. Steve Padilla, Chair and Commissioners
California Coastal Commission
Attn: Tom Luster
45 Fremont, Suite 2000
San Francisco, CA 94105- 2219

Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Hon. Chair Padilla and Commissioners:

For the last 30 years struggle over growth and development has distorted the consideration of any new water supply project on the Monterey Peninsula. The drought in the 1970s exacerbated this conflict such that members of the California Legislature created the Monterey Peninsula Water Management District (District). The District's sole mission is to create, develop or purchase a sustainable, drought-proof water supply[1].

In the early 1990's the District studied and spent the funds necessary to move forward on a desalination plant. The need for a drought resistant water supply was acknowledged even before the State Water Resources Control Board (SWRCB) encumbered CalAm with the cease and desist order CDO 95-10.

However, the messages sent to the public by the District were confusing at best and disingenuous at worst. The resulting public sentiment created such a negative narrative that the 1993 election for funding the desalination plant failed mostly due to the resistance to the possibility of development.[2] Among the opponents of the desalination plant was the chair of the District who fought the desal plant in favor of the proposed Los Padres dam.

In 1995 the dam project was again fought by special interest groups opposed to growth. Their intentional strategy was outlined in a journal article published years later that labeled the dam as the "developers" dam. The intent was to marshal wide-spread opposition to its construction and this strategy was successful. In interviews conducted later, the leader of the opposition credited the defeat of the dam with the scare campaign that painted the project as the "developer's dam" which if constructed would create a future "San Jose by the Sea."[3]

It seems obvious that opposition to a sustainable and drought resistant water supply has always been based on opposition to growth. It seems to still be the case in 2020 as well.

After a decade of support for a portfolio of water supply projects – including desal, the District recently voted 4 to 3 to send a letter to the Coastal Commission staff removing that support based on a faulty supply and demand study created by the General Manager (GM) of the District who is neither an engineer or a hydrologist.

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[1] Appendix A, page 1: Title - Monterey Peninsula Water Management District (highlighted portion) page 1 of Civil Grand Jury report.

[2] Appendix B: *Heuer Will Campaign against Desal Project Approval.*
Appendix C: *Desal Advocate Not Giving Up Hope; Says Dam's Cost Could be Too High.*
Appendix D: Fran Farina (District board of director), *Meeting with PUC Staff* notes.

[3] Appendix E, pages 5 & 6, Extract from *Coalition building between Native American and environmental organizations in opposition to development, the case of the new Los Padres Dam project, Sep, 1998.*

One can only speculate why now after 10 years they would oppose the desalination plant. Perhaps it is either because they are invested in the purchase of California American Water and see the construction as a threat to that purchase.[4]

Or they oppose growth and a functioning water supply such as a desalination plant that would provide a path to growth. However, they seem to have forgotten that the purpose and only reason for the existence of the organization is to provide a viable and drought proof water supply project.

This is especially egregious since the opponents to the current desal project claim "social justice" as the reason for much of their opposition. The coastal commission must apply social justice concepts across all of the communities on the Monterey Peninsula, not just for the City of Marina.

Aggregate social justice across the Peninsula demands that enough water is produced by a portfolio of projects to enable the construction of sufficient housing units to provide homes for people employed in the hospitality, agricultural and medical services industries as well provide for the recovery of businesses shuttered or shattered due to the Covid-19 "recession."

The community has for almost 30 years suffered water poverty that has created ludicrous conditions for residents and businesses alike. For example, in early 2018 a business applied for a use permit to operate a juice bar in an empty storefront in Monterey. The applicants had to agree to such conditions as all the fruit used shall be washed and cut in their San Jose location and then transported to Monterey. They also had to agree that all ice required in the store would be trucked in from other locations.[5] In that case in February 2018, staff of the DISTRICT recommended against allowing "intensification of use" due to several arguments related to the lack of water. The staff report said:

> "…the ongoing lack of available water is a hardship experienced by many property owners and prospective businesses within the District." Also, …"The ongoing water supply shortage on the Peninsula has severely limited the ability of both property owners and potential tenants to find a location with enough available onsite water to conduct business…"[6]

Nothing has changed with the water supply from then to now. Apparently the staff in 2018 did not know that the GM of the DISTRICT decided the "ongoing lack of available water" was no longer a hardship. Does this mean the juice bar can make its own ice? Of course not, because the water referenced by the GM in his supply and demand analysis doesn't exist. New data on water production from both ASR and GWR shows the water produced will fall short of the supply projections by several thousand acre feet per year – even without a drought.

Now, is the time is to end both social justice inequities and what in essence are land use decisions by water strangulation. Please issue the permits necessary for the construction of the desalination plant.

Respectfully,

Scott Dick

Dr. Scott Dick

---

[4] Many elected officials in Monterey County, including city council members and mayors supported the recent Measure J, the initiative to study the feasibility of purchasing California American Water.

[5] Appendix H, page 16 & 17. Item: *Public Hearing, 11. Consider Application for Variance to allow Non-Residential Group II Water use capacity at 458-460 Alvarado Street, Monterey (APN:00-572-029).* 2018.

[6] Ibid.

APPENDIX A

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

ISSUE

Does the Monterey Peninsula Water Management District contribute fair value to taxpayers for the taxes, fees, and charges it collects?

INVESTIGATION

The Monterey Peninsula Water Management District (MPWMD) was formed June 6, 1978 by enabling legislation in Statutes of 1977, Chapter 527, found in West's California Water Code Appendix Chapter 118.

For 20 years the MPWMD has been subject to pressure groups attempting to produce adequate water through studies, investigations, and regulations responding to the State Public Utilities Commission (PUC) and State Water Resources Control Board.

In the last ten years, despite having collected $34,065,000, of which $14,000,000 was for capital projects and methods to provide and improve adequate water supplies, MPWMD has made little progress based on the 1998 MPWMD Annual Report. This is an expenditure of $303 for every man, woman, and child in MPWMD.

MPWMD has imposed stringent regulations and rationing requirements on citizens; however, there is little reduction in water use, and its major proposals for a tax-supported dam and desalinization plant were defeated by the electorate.

Within the boundaries of MPWMD, there are private water companies which have provided, and continue to provide, water service to citizens and businesses.

Further, MPWMD overlaps a portion of the Monterey County Water Resources Agency (Agency) and has had to share responsibility for stream maintenance and aquifer control with both the Agency and private water purveyors.

The PUC requires that private water purveyors proceed to supply water at appropriate prices to residents by either building a dam, importing water, or developing additional legal supplies of water.

THE WEEKLY SUN Water - Issue | People - MPWMD JAN. 14, 1993, PAGE 5

Vote Planned in June

Heuer Will Campaign against Desal Project Approval

By Stan Hall

With the grand jury's criticism heavy in the air, directors of the water management district got ready Monday to ask citizens to approve a desalination plant on Monterey Bay although their senior member said he would actively oppose it.

"I will urge a no vote," Dick Heuer of Carmel Valley said during a board study session to provide the district's staff direction on how to proceed with the vote on June 8.

The key remaining step is to get the city councils of Carmel, Monterey, Pacific Grove, Seaside, Sand City and Del Rey Oaks to agree to be included in the water district's so-called improvement zone No. 5 by March 1.

Any city opting out would not receive any additional water from the desal plant, although its residents still would have to pay higher user fees, reflecting the 'drought protect" existing user would get because of it.

The proposed zone would cover the most heavily populated areas within the water management district's boundaries. Despite his personal opposition, Heuer said he would urge all cities to agree to be included so that their citizens could vote on the project and expressed confidence all would go along. As a general rule, anyone who pays water bills to Cal-Am, Water West or Seaside would be inside the zone boundaries.

After the meeting, Heuer, as he has before, said he would oppose desal's approval in June because he felt the district's first priority should be a new dam.

"I expect I will actively campaign against it," Heuer told the *Sun*. "If this vote is successful, I'm confident it will kill what I've worked for for nearly 10 years"—a new dam on the Carmel River.

As he has before, Heuer argued that approval and construction of a desal plant, which would provide 1,500-acre-feet of water a year for new growth and intensified use, would leave residents no reason to approve around $100 million for a new Los Padres dam. Water from the desal project will meet the demands from additional growth that will be permitted on the peninsula, but it will not provide the environmental benefits that a dam will, he said.



DICK HEUER

Chairman Dale Hekhuis and director Ken Long, who will succeed Hekhuis at the board's Jan. 28 meeting, in particular, challenged Heuer's opposition. They often cited the grand jury's recent criticism that the water district hasn't provided any new supplies in its 12 years of existence and recommendation that if it doesn't do so soon, it should be abolished.

Heuer argued that the district should know by 1994 whether it has a chance to win approval for a new day. "It's premature to make a choice between the two projects," he said.

"It's premature to say that we'll know about the dam in 1994," Long countered.

Noting that the district never had put a specific project before the voters for their approval before, Hekhuis said, "The grand jury report made it very clear that we need to do something to show people that we're able to produce a new project."

"It's not enough just do do something," Heuer said, "we need to do the right thing."

Mayor David Pendergrass of Del Rey Oaks, an appointed member of the board, sided with Long and Hekhuis. "The district has got to get off the dime," he said. "The public which lives here can't go on with moratoriums and more moratoriums." He referred to the water district's building moratorium which is beginning in its third year.

"We need to make sure this is a place to work, not just retire," Pendergrass said.

General Manager Jim Cofer said the district hoped to have selected a contractor for the desal plant in Seaside by the time the vote is held and "have real cost data for the public to see." He suggested the project will come in under $30 million, and Andy Bell, the district's engineering manager, agreed with him.

Bell said the district had been very conservative in its cost estimates and also included contingencies which would likely not be a part of the final contract.

Cofer said whether the plant would be privately financed or financed with public bonds still had not been determined, but he suggested bond financing would prove to be cheapest.

Officials from the water district are scheduled to visit each of the six city councils within the next month to explain the need to form improvement zone 5. While the cities have the option of agreeing to go along with it or not, the unincorporated parts of Monterey County which lie within the proposed boundaries can be included solely on a vote of the district's directors, Counsel David Laredo said.

Sun 9/30/93 Water - Desal

Desal Advocate Not Giving Up Hope; Says Dam's Cost Could be Too High

By Stan Hall

One of the peninsula's leading advocates of using desalinated sea water said he doesn't think the idea is dead despite voter rejection of a proposed plant on Monterey Bay in June.

Director Dale Hekhuis of the Monterey Peninsula Water Management District (MPWMD) suggested that residents might look at desalination differently after final cost figures are available for a proposed new Los Padres Dam.

Hekhuis, who championed desal personally while he was chairman of the water management district in 1992, noted that estimates of the cost of a new dam ranged from $100 million to $125 million.

"I think the cost of the dam will become a very serious question," Hekhuis told The Sun. He also suggested that the water management district might not be able to win the approvals it needs to build the proposed 24,000 acre-foot reservoir on the Carmel River or could face longer delays in winning approval than it now anticipates.

In a telephone interview, Hekhuis made it clear he was not giving up support for the proposed new dam, but wanted to see better cost figures "so we can make a true comparison between the dam and desal."

He noted that at $42 million, construction of the proposed Hatton Canyon Freeway would be one of the most expensive, if not the most expensive, projects ever undertaken on the peninsula.

"The dam could cost two to three times as much," he said. "I think we must look at how much paying power we, as a people, have. There's an upper limit to what we can afford, and it hasn't been fully discussed yet.

"When it comes to the dam, we need an informed dabate about what proportion of our financial capability we want to devote to one project," added Hekhuis, a retired financial executive with General Electric.

Hekhuis' fellow water board director, Dick Heuer, who led the fight against approval of desal, said he thought Hekhuis was wrong if he was suggesting that desal could substitue for a dam.

"Desal doesn't solve all our problems," he said. "It has no environmental benefits.

"Why would people vote for desal if they didn't get any additional water to use from it—if it had to be used to reduce pumping from the Carmel River?" Heuer asked. He was referring to a possible ruling by the State Water Resources Control Board in response to complaints that the river aquifer has been overpumped causing environmental damage. The board has heard testimony on the complaints, but there's no indication when it might rule.

"I think it will be approved," Heuer said of a vote on the dam. Then he added a moment later, "Nobody knows how the people are going to vote."

He said if voters should reject a proposal to finance the dam, the community then could turn to an alternative like desal.

Hekhuis said a committee formed to promote desal, the Committee for a Secure Water Supply, still is active. Hekhuis and Bob Franco, former mayor of Del Rey Oaks who served on the water board as the mayors' representative, head the group.

"We're going to hold off (any action) until the EIR goes through the process and the cost is better known," Hekhuis said.

By a 14,258-12,481 margin, voters turned down a proposed $22 million plant in Sand City which could produce up to 3 million gallons of drinking water a day. The water management district had proposed the desal plant as a part of a two-pronged strategy that called for additional water from desal in the short run and a longer-term increase from a new dam.

APPENDIX C



MEETING WITH PUC STAFF

APRIL 23, 1996

SWRCB Order No. WR 95-10 (JULY 6, 1995)

Replace 10,730 AFA (69% of supply)
Borrowed water (11,285 AFA) ends October 1, 1997
Only 1137 AFA in pre-1914 water rights available for use outside Carmel Valley plus 4000 AFA from Seaside. Additional 2179 AFA from Los Padres for use in Carmel Valley only

Water for Lots of Record and Intensification

New Los Padres Project Permits

Issued and in public domain
Any change can endanger permit viability and add time
CEQA compliance with MPWMD and PUC as co-lead agencies

Financing Project

Need for independent analysis to determine most cost effective method. Selection of consultant by PUC with evaluation/comments from MPWMD and Cal-Am

Public Opinion

Belief that small projects can solve water problems
Fear of growth
Disinformation campaigns
POWR Initiative

Recycled Paper

that. The prophecies tell us that the Red, Black, Yellow, and White nations will come together" (T.L.B. Nason, personal communication, December 29, 1995). In central coast of California cultural renewal activities and in the struggle against the New Los Padres Dam project, a strategy of deliberately reaching out to non-natives is being followed. Anne Marie Sayers (personal communication, November 3, 1995), prominent Costanoan/Mutsun tribal leader, stated at a Native American organized anti-dam gathering, "We are allowing people to become aware of our existence. We educate people of our existence. We are all Native Americans, now let us unite and become one earth and one people."

Esselen groups, with their non-native supporters and environmental and neighbourhood organizations, formed an effective coalition that defeated the proposed New Los Padres Dam. However, the arguments of the predominantly environmentalist groups and the Native American groups differed in important respects. Whereas the Esselen were opposed to building a dam in this particular place because of the threat to their sacred sites, the environmental groups were opposed to any dam, on the grounds that increasing the water supply would lead to more development and growth on the Monterey Peninsula. What were some of the pivotal issues in the struggle against the New Los Padres Dam Project? One of the most fundamental disputes was the issue of growth.

KEY ISSUES FOR THE NEW LOS PADRES DAM OPPOSITION MOVEMENT

Environmental Dam or Developers' Dam?

The water district, following the voters' rejection of the desalination plant in 1993, concluded that there was no alternative solution to the peninsula's water problems other than the construction of the dam. The features of the dam that they chose to emphasize in public meetings and communications to the media were that it would provide a secure water supply in times of drought and that it would be environmentally beneficial. When I met with Henrietta Stern, senior planner for the water district, she emphasized to me a number of times that it was an environmental dam. "The key is restoring stream flow in the Carmel River," she told me (H. Stern, personal communication, January 18, 1995). In an article published in a local newspaper, Stern (1994) made this argument about the benefits of the dam:

> How will the dam affect the environment? The NLP project would provide year-round stream flow to the Carmel River Lagoon [at the mouth of the river] in 75 percent of water years. It would benefit about 24 miles of riverbank vegetation and wildlife, steelhead habitat, recreational and aesthetic resources, and the Carmel River Lagoon in nearly all years. (p. 6)

However, the environmental benefits of the dam were simply not believed by the Sierra Club and Citizens for Alternative Waters Solutions (CAWS) activists, and they sought to publicly discredit them. In an interview with Gruber, chair of the Sierra Club's New Los Padres Dam subcommittee, he told me: "We're calling it the *developers' dam*. It'll lead to 14,000 new homes being built. In the drought years, they'll suck up the extra water that is supposed to restore the river. Every development around here is called an environmental development" (D. Gruber, personal communication, October 12, 1995). This last comment referred to the fact that in the Monterey Bay area, controlled-growth advocates and elected repre-

sentatives had been so successful in restricting development projects that such projects needed to be packaged in ways that made them more palatable to the public. Presenting them as environmental was one strategy; a similar manoeuvre, used elsewhere, was presenting them as promoting the performing arts (see Whitt, 1987). Richard Gendron (1996) has explored this approach in neighboring Santa Cruz County, which he described as "the developer's canny tactic of using an arts-based growth strategy as a means of . . . driving a wedge into a progressive coalition that has successfully opposed every large-scale development in the previous 20 years" (p. 551). The Sierra Club and CAWS activists were not deceived by such canny tactics and focused on the growth potential of the dam. For them, it was unquestionably not an environmental dam. One of the Sierra Club campaigners, Arthur Mitteldorf (1995), wrote in the club's local magazine:

> Environmentally, the worst solution to the water shortage problem on the Monterey Peninsula is the proposed 24,000 acre feet New Los Padres Dam. It would provide excess water, that essential missing ingredient for sprawling growth. You can safely bet that it would not rescue the almost depleted steelhead population. (p. 7)

Gruber (1995a) wrote in the Sierra Club's local newsletter, "We disbelieve the arguments that the flow from the dam would restore damage to the lower river" (p. 28), whereas another activist in the Sierra Club, Mark Langner (1995a), concluded, "The Water District's interest in the environment is sudden and questionable. The proposed dam is definitely not an environmentally friendly project" (p. 4). Sierra Club and CAWS campaigners emphasized that the water district's own Environmental Impact Report made clear the dam's potential for growth. In that report, it states, "If the long-term water supply project is not built, growth that is now planned for the peninsula would be constrained . . . it is clear that expansion of the water supply system would remove one obstacle to district growth" (Monterey Peninsula Water Management District, 1994a, chap. 19, p. 1). The additional water supply would make possible "roughly a 20 percent increase in housing, population and water demand" (Monterey Peninsula Water Management District, 1994a, chap. 19, p. 5). It is not that the Sierra Club was against any development. Gruber told me, "Most everybody agrees we can't just chop off and say nobody can come in, but we should have moderate, thoughtful development" (D. Gruber, personal communication, February 16, 1996). Their opposition to the dam was based on the belief that it would not result in thoughtful development and that, in Gruber's words: "The first order of benefit was not to the river; the first order of benefit was to development" (D. Gruber, personal communication, February 16, 1996). On the basis of this analysis, the Sierra Club strategy in mobilizing opposition to the project was to emphasize the growth potential of the dam. The success of this strategy is illustrated by the fact that the latest dam proposal for the Carmel River (following the rejection of the New Los Padres Dam by voters) is being presented by the water district as the no-growth dam.

The Annual Death of the Carmel River

A second major dispute concerned the fact that the lower course of the Carmel River dries up every year, causing damage to vegetation and wildlife, including the steelhead fish run. For the Esselen, this was a desecration of the river, and it was also the reason for lawsuits complaints from both the Sierra Club and the California

CITIZENS FOR ALTERNATIVE WATER SOLUTIONS

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SIERRA CLUB FOUNDED 1892

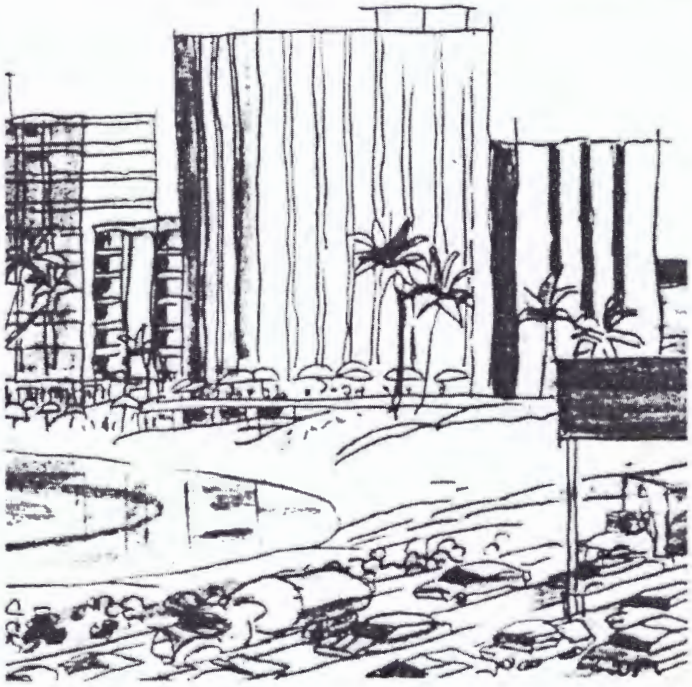
CARMEL CA 93923-9529

VENTANA CHAPTER, SIERRA CLUB

COMMITTEE FOR DAM ALTERNATIVES

The Real Guide to THE DAM

- *14,000 More Houses*
- *Increased River Damage*
- *Worse Water Rationing*
- *50% Higher Water Bills*
- *San Jose-by-the-Sea*



Questions? Look Inside! →

THE DAM

The dam is first and foremost a development project, enabling growth for tourism, golf courses and housing. In moderation, that would be acceptable. As proposed, the changes imposed upon the region would be spectacular.

What will the dam do?

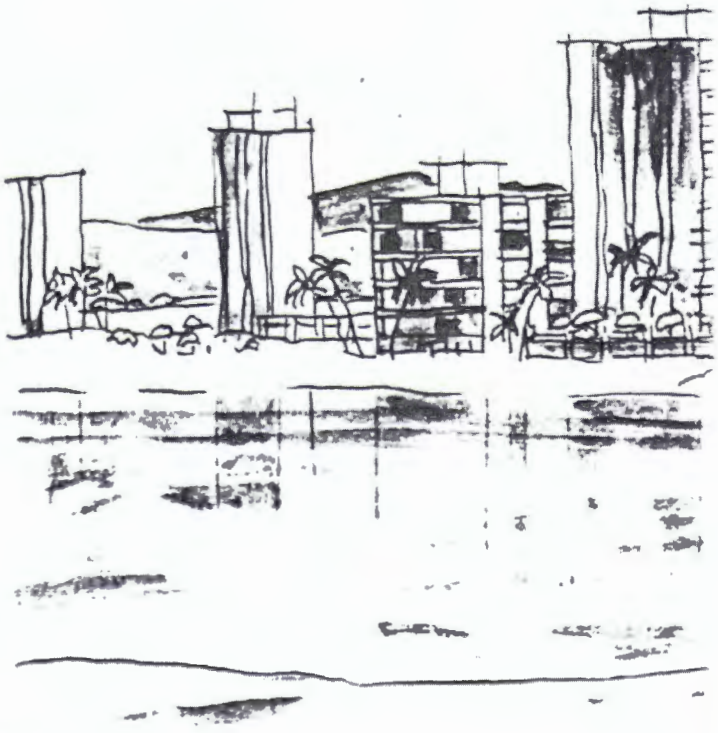
- **Allow at least 20% new growth,** the equivalent of adding a city the size of Seaside.
- **Destroy 3 1/2 miles of river bank habitat.**
- **Cost $350 million dollars;** if you pay $60 now, you will pay at least $90 in the year 2000.

Will it solve environmental problems?

- **In a word, NO.** In fact, in spite of the claims of the Water District, evidence indicates that the dam would worsen environmental problems.
- 3 1/2 miles of **pristine river would be drowned.**
- **The banks of the lower river,** damaged by overpumping, would be exposed to worse conditions than now, because the dam allows 14,000 new users of the system. This means that in extended drought years when the dam is empty (known as "revert" conditions), 14,000 new users would be using the same water supply we have now. This also applies to drought reserve: many more users, but no new water during extended droughts.
- **More traffic.** More people will be attracted here to live and to use the new tourist facilities; therefore, more traffic.
- **Degraded air.** This would be one result of the increased population and traffic.
- **Faulty data.** Estimated flows in the river were based on faulty hydrological data. Dry year flows are wrong, and overestimate the amount of water available. The river banks will suffer for this.
- **Fish harmed.** Steelhead trout would be trapped and trucked around the dam. Experts say this is not likely to work well. The natural spawning beds of the fish would be destroyed, and genetic diversity weakened.

What about Growth?

- There is provision in the project for **3,380 acre feet of new growth.** That could translate into 14,000 new homes, based upon typical water usage, or the equivalent combination of apartments, houses and commercial uses.
- It is probable that **even more water** from the dam would go to growth after the rules are forgotten.
- Growth is the **reason for the dam;** it doesn't solve any long-term environmental problems, and fails to supply drought reserve.



Are there alternatives?

There are. No one of those alternatives alone will supply the water necessary to repair the river and allow for moderate growth, but a *palette* of them, a combination, would. Among those alternatives are:

- **Desalination**
- **Retrofitting current plumbing**
- **Reducing water pressure**
- **Dual plumbing systems**
- **Storm water collection systems**

Water Board Chair Fran Farina said in her 1991 ballot statement, *"I believe desalination could meet the needs of this community if a dam were not approved by the permitting agencies."*

Would the dam provide flood protection?

No. The Water District says as much. Moreover, the dam would even worsen flood conditions in some circumstances, according to the environmental report.

Why It's Called "The Developer's Dam"

Development interests which made large contributions (as of Sept. 93) to the committee supporting the Dam:

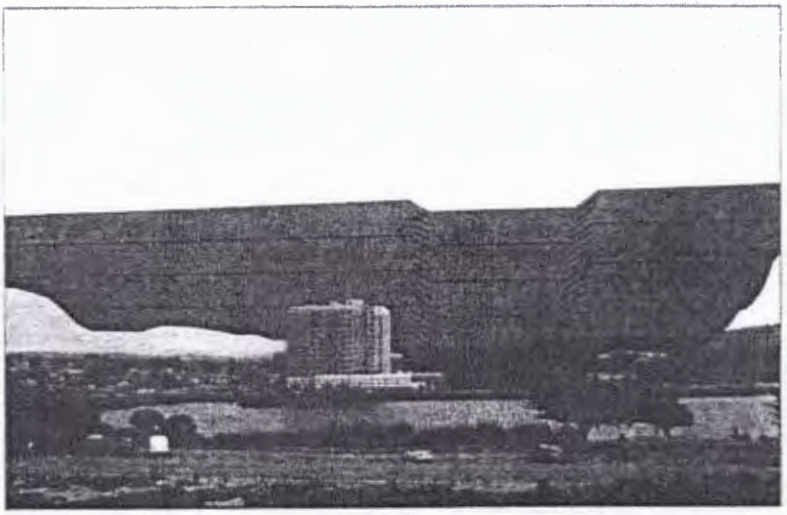
Paul Davis (Architect)	$20,000 (Loan)
Monterey Marriott Hotel	$1,000
Mahoney-Tancredi (Realtors)	$1,000
Inns By the Sea	$1,000
Pebble Beach Company	$1,000
MPBXPAC (Builder's Exchange)	$1,000
Rancho Cañada Golf Club	$1,000
Quail Lodge, Inc.	$1,000
Cannery Row Co.	$1,000

"Environmental Dam," or a dam for developers, golf courses and growth? We suggest you read the list and decide for yourself.

There are better alternatives for our water supply than a dam. I'm voting "NO" to save our quality of life—Clyde Roberson, Former Mayor, City of Monterey

Would Cal-Am build the dam?

Would Cal-Am build the dam if the voters turned it down? **No.** Cal-Am answers to the PUC, a political body. Water board member and dam proponent Jim Hughes said, *"I think the dam is dead if there is a no vote. The PUC is a political animal and won't cram a dam down the throats of residents."*



TO HELP GET AN IDEA OF THE SIZE OF THIS PROJECT, VISUALIZE THE DAM BEHIND THE NEW EMBASSY SUITES HOTEL. IT WOULD BE MORE THAN TWICE AS TALL AS THE HOTEL, 282 FEET, AND A QUARTER OF A MILE LONG.

Would you buy a pig in a poke?

The wording of the ballot measure limits the cap amount of the bond measure, but it leaves the method of financing up to the Water District. Basically, you would be giving them power of attorney to charge you whatever is necessary. Do you trust them this much? What happens if the project costs more than 116.5 million dollars? Do we stop building mid-way through? Listen to the words of Mark Riesner, author of *Cadillac Desert*:

> *Dams are less safe than they say, cost more than they say, and produce less than they say.*

"They," of course, are the developers and special interests who actually benefit from such projects.

DON'T ALLOW AN UNNECESSARY AND GROWTH-INDUCING DAM;

VOTE NO ON MEASURE "C"

THE DAM

Published by: Citizens for Alternative Water Solutions, P.O. 1426, Carmel Valley, CA 93924, FPPC #850231; Ventana Chapter Sierra Club, PO Box 1667, Carmel, CA 93921; Citizens for Dam Alternatives, 3368 Taylor Rd, Carmel, CA 93923

Monterey County, Calif.-Area Water Chairman Keeps Focus, Favors Slow Growth

Monterey County Herald

January 28, 2003, Tuesday

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Length: 1253 words

Byline: By Dennis Moran

Body

No one can say for sure that the Monterey Peninsula's water district will exist a year from now -- but its new board chairman intends to keep it focused on a new water supply.

Alexander Henson, elected board chairman last month, wants to see the Monterey Peninsula Water Management District put a seawater-desalination project up to a public vote in March 2004. The proposed plant would be built in Sand City and would provide only enough water to meet a state order to drastically reduce draws from the ***Carmel River***.

In other words, it's a no-growth project. That would naturally suit Henson, an environmental attorney who heads what he terms a slow-growth majority on the water board. And he believes the fastest way to get a water project approved and built is to take the explosive growth issue out of the equation. The pro-growth crowd can get more water later from another desalination plant proposed by the state for Moss Landing, Henson says.

First things first, he says, and that means satisfying the 7-year-old state order to leave more water in the ***river***.

"History has shown that if a water supply project has a growth component, the majority of people on the Peninsula won't vote for it," Henson says. Voters in 1995 turned down a proposal for a new ***dam*** on the ***Carmel River*** because it would have provided water for more housing, Henson and others believe.

The California-American Water Co., the Peninsula's provider, has since come back with a no-growth ***dam*** proposal, but many believe it's a dead issue due to opposition from state and federal agencies charged with protecting two threatened species that live in the ***river***, the steelhead and red-legged frog.

For a March 2004 vote on a water project to be binding, district consultants would have to finish an exhaustive environmental review of the desal proposal by September, district officials say. The project also will need cost and financing figures for voters to mull. Board members will find out Thursday if it's a doable timeline.

Meanwhile another clock may be ticking. Voters in November overwhelmingly recommended that the water district be dissolved, and backers of the measure have been lobbying state Sen. Bruce McPherson to introduce legislation to replace the water board with a joint-powers authority of mayors.

Those who want the district dissolved fault it for failing to develop a new water source in its 24 years of existence. Ironically, Henson says that getting rid of the district now would further delay a water project by negating the district's ongoing preparatory work.

For that reason he doesn't think it will happen.

The vote "reflected the electorate's unhappiness that the district has been unable, to date, to accomplish a major water-source project," Henson said. "My answer to that vote is to get a water-supply project online. Should we just fold up our tent and wait two to four years for a joint-powers authority to get back to where we are now?"

To get one water project the district is required to study several alternatives. It's a cycle of costly and lengthy engineering studies, environmental reviews and cost analyses the district has trod before, only to have proposals stymied by environmental roadblocks, voted down by the public or, many observers swear, boondoggled by shifting water-board politics.

This time around, Henson believes the slow-growth water board majority has its hands firmly on a divining rod pointing to new water.

Board member Alvin Edwards, not a member of that majority, believes more public input is needed on the various options before one is selected for a binding public vote. Instead of a binding ballot measure in March 2004, Edwards wants an advisory public vote in November of this year on all the alternatives, along with a ballot question on whether the district should seek enough water to provide for growth.

"I just want to know which way the people want to go," Edwards says.

"Do they want desal or do they want a ***dam***? I know they want to solve the problem, but how much are they willing to pay? Let the people answer some of the questions we've been fighting with on the board."

The ***dam*** still has passionate adherents who note how much cheaper it would be than desalination and who say it would enhance, and not harm, ***river*** habitats. In 1998, the last time the district had detailed cost-comparison figures, it was estimated that the ***dam*** would increase an average monthly water bill by $ 18.64, compared to $ 43.50 for a desalination plant.

But improving technology has been driving down cost estimates for desal in recent years, and several proposed plants are under consideration in California.

If the water board survives efforts this year to do away with it, it could be subject to another policy shift in November -- the terms of environmentalists Henson, Molly Erickson and Kris Lindstrom are up for election then. Edwards believes those three have been too uncompromising on such issues as water-credit transfers to be re-elected. "I don't think they'll be there," he says.

Henson generated controversy during the board's first meeting after the public no-confidence vote when he proposed that the district look into taking over Cal-Am's local operation.

That could be done by a process of eminent domain, by which a public agency can condemn and appropriate private property deemed to be in the public interest. Other communities in California and other states are looking into doing that with Cal-Am or its parent company, American Water Works.

Henson believes it could result in fewer rate increases for customers, since the water district does not have stock shareholders for whom profits are needed. Also, Henson is rankled by what he terms uncooperation from Cal-Am, particularly on what action the company will take on the state's desalination proposal for Moss Landing. Taking over the company would eliminate uncooperation, Henson notes.

The state Public Utilities Commission last summer released a report recommending a $ 100 million desalination plant for Moss Landing.

Water board members generally admired the proposal but some said that another agency, possibly the state itself, should take the lead in shepherding it through. Board members also waited to see whether Cal-Am would support the project and withdraw its application for a ***dam***, and meanwhile the board put on hold certain elements of its own water-source process.

Cal-Am hasn't made that decision yet, and Henson believes the company is stalling.

FINDINGS

1. MPWMD income has totaled $34,065,000 for the last ten years.

2. MPWMD has collected the following fees, connection charges, and property taxes in the last ten years:

Property Taxes	-	$ 6,050,000
Connection Fees	-	$10,020,000
User Fees (Water)	-	$12,221,000
Miscellaneous Fees	-	$ 5,774,000

3. MPWMD has spent the following in the last ten years:

Studies, Services, and Supplies	-	$15,084,000
Personnel (Regulations/Planning)	-	$14,272,000
Related Projects	-	$ 1,636,000

4. MPWMD staff has grown to 25 people.

5. Through recent legislation involving MPWMD, its water users are about to pay for a new study, costing up to $700,000, reviewing all previous studies. Additionally, there are costs associated with involving the staffs of MPWMD, PUC, and State Water Resources Control Board.

RECOMMENDATIONS

The 1999 Monterey County Civil Grand Jury recommends:

1. In conjunction with the Monterey County Local Agency Formation Commission, the Board of Supervisors (BOS) initiate efforts to:

a. comply with the requirements of State of California Government Code Section 56000-56780 (Cortese-Knox Act of 1985);

b. seek consensus of Cities within the boundary of MPWMD;

c. encourage repeal of MPWMD enabling legislation by the California Legislature, if deemed necessary; and

d. take steps necessary to dissolve and liquidate MPWMD.

2. Upon dissolution of MPWMD, the BOS turn over the responsibilities to the Monterey County Water Resources Agency.

3. Upon dissolution of MPWMD, the BOS designate the County Planning and Building Inspection Department, and the respective Cities designate their City Building Departments to enforce necessary water management regulations.

4. Consider the possibility of buying water from the State Water Project at San Luis Reservoir and pumping to the Monterey Peninsula.

RESPONSES REQUIRED

Monterey County Board of Supervisors

Findings 1 through 5

Recommendations 1 through 4

Monterey Peninsula Water Management District

Findings 1 through 5

Recommendations 1 through 4

SOURCES OF INFORMATION

1. Monterey County Board of Supervisors

2. MPWMD and 1998 Annual Report

3. Pacific Research Institute Report, dated July 1999, entitled, "Ending California's Water Crisis"

4. California-American Water Company Staff

5. Monterey County Local Agency Formation Commission Staff

6. Visits and interviews with Directors, Staff, Taxpayers, Water Users, and Citizens within MPWMD

7. Office of County Counsel

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6. Visits and interviews with Directors, Staff, Taxpayers, Water Users, and Citizens within MPWMD

7. Office of County Counsel

ITEM: **PUBLIC HEARING** **APPENDIX H (and CONT. ON PAGE 17)**

11. CONSIDER APPLICATION FOR VARIANCE TO ALLOW NON-RESIDENTIAL GROUP II WATER USE CAPACITY AT 458-460 ALVARADO STREET, MONTEREY (APN: 001-572-029)

Meeting Date:	**February 22, 2018**	**Budgeted:**	**N/A**
From:	**Dave Stoldt, General Manager**	**Program/ Line Item No.:**	**N/A**
Prepared By:	**Stephanie Locke**	**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.

SUMMARY: Anthony G. Davi, Sr. is requesting Board approval of a variance from Rule 24-B to allow commercial Group II water use in a Group I space at 458-460 Alvarado Street (Site) in Monterey without requiring water from the City of Monterey's Allocation (**Exhibit 11-A**). The Site currently consists of two retail spaces. Non-Residential Group I uses include retail, office, warehouse, gym, bank, etc. Mr. Davi states that he has been unable to rent either of his spaces in the last 14 months to a business that qualifies for the District's Group I Water Use Factor and now faces potential loss of insurance. All inquiries have been food-related Group II businesses. Mr. Davi is requesting that the Board allow him to rent both spaces as Group II, because Group II is more desirable for the downtown Alvarado Street location. District research shows that Group II businesses use more water than Group I and includes uses such as coffee shops, bakeries, ice cream shops, delis and pizzerias. Presently, no additional water is available on Site or approved from the City of Monterey to allow this Intensification in Use.

District Rule 90 allows for consideration of a variance from the Rules and Regulations when there are Special Circumstances[1] or Undue Hardship[2]. The Board may, after holding a public hearing, in specific cases, grant a variance from any provision of the standards incorporated into the Rules and Regulations whenever it finds: (a) that Special Circumstances exist in a particular case, and (b) that practical difficulties or Undue Hardship would result from the strict interpretation and enforcement of any such standard, and (c) that the granting of such a variance would not tend to defeat the purposes of these Rules and Regulations. The Board may place conditions upon such variances.

RECOMMENDATION: Staff recommends the Board deny the variance and adopt the Findings of Denial (**Exhibit 11-B**). District Rule 20, Permits Required (**Exhibit 11-C**), requires a Water Permit for any Change of Use or any expansion of a Non-Residential use to a more intensive use as determined by Rule 24, Table 2, Non-Residential Water Use Factors (**Exhibit 11-D**). Rule 23-A-1-g (**Exhibit 11-E**) states that when an application involves an Intensification of Use, the increase in Capacity shall deducted from a Jurisdiction's Allocation or a Water Entitlement as indicated on the Water Release Form. The City of Monterey has not authorized additional water to the Site. When the Jurisdiction is opposed to assigning water to a property, the business cannot obtain a Water Permit. Further, the ongoing lack of available water is a hardship experienced by many property owners and prospective businesses within the District. Finally, staff believes granting a variance would create an unfair precedent and would be in violation of District Rules 20, 23, and 24.

DISCUSSION: Mr. Davi approached the District in December 2016 regarding a proposed tenant "Tea Zone & Fruit Bar" for his Group I space. The business was described as a juice bar with smoothies and tea. After reviewing information about other Tea Zone locations, including a visit to a Tea Zone & Fruit Bar location in the San Jose area, staff determined use was Group II and would require water from the City of Monterey's Allocation before a Water Permit could be issued.

The difficulty in finding tenants for Group I commercial space is not unique to 458-460 Alvarado Street. It's a problem pervasive due to the area's lack of water, the Cease and Desist Order against California-American Water Company, and store-based retailers versus e-commerce, etc. This situation is commonplace among property owners and potential tenants, especially in the Cities of Monterey and Pacific Grove where there is no water available from Water Entitlements or Allocations. The problem is so significant that the Monterey County Weekly published an article on January 11, 2018, highlighting the lack of available Group II spaces, with as many as 17 businesses applying for one vacant Group II location (**Exhibit 11-F**).

The ongoing water supply shortage on the Peninsula has severely limited the ability of both property owners and potential tenants to find a location with enough available onsite water to conduct business. In adopting Option V of the Water Allocation Program EIR in 1991, the Board made a finding to allocate only water that presently exists. Most Jurisdictions have previously allocated their water, leaving little for potential development. A small quantity of water remains in the City of Monterey's Allocation and is distributed periodically at its discretion.

EXHIBITS

11-A Application for Variance
11-B Draft Findings of Denial
11-C District Rule 20, Permits Required
11-D District Rule 23, Action on an Application for a Water Permit
11-E District Rule 24, Table 2, Non-Residential Water Use Factors
11-F Monterey County Weekly January 11, 2018 article "*Cachagua General Store, Pig Wizard and Katie's Cold Press Fight to Find a Place to Serve People*"

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[1] "Special Circumstances" are defined as unusual, uncommon, peculiar, unique or rare situations that require Board consideration.
[2] "Undue Hardship" is a condition that exists when compliance with a rule, regulation or condition poses significant difficulty when considered in light of unique circumstances related to the application.

September 11, 2020

The Honorable Steve Padilla, Chair, and Members
John Ainsworth, Executive Director
Tom Luster, Senior Environmental Scientist
California Coastal Commission
45 Fremont Street, Ste. 2000
San Francisco, California 94105

Dear Chair Padilla, and Honorable Coastal Commissioners,

Since 1978, The Cannery Row Company has promoted and encouraged visitation to and appreciation of the California coastline. For approximately the same amount of time, futile endeavors to solve our water supply problem have prolonged the disruption of the Carmel River and now the impending breach the CDO.

The community came together to adopt a three prong approach in creating a resilient and environmentally sensitive solution to our water needs. Desal is a critical component of that solution and ensuring continued compliance with the State Water Resources Control Agency's Cease and Desist Order. Approval of Monterey Peninsula Water Supply Project will protect and promote the Monterey Peninsula's economy by providing a path for lifting the moratorium on new service connections for the first time since 2010, benefiting the economy and recovery of the tourism industry, the main economic driver for the Monterey area, providing an opportunity for new housing and to pursue the State's goals of shared prosperity and economic inclusion that cannot be achieved otherwise.

The draconian measures that would be triggered by a violation of the CDO will severely impact the Monterey Peninsula's economic future and all efforts of moving California forward for all.

We strongly encourage you to grant the coastal development permit and allow the Monterey Peninsula Water Supply Project to proceed and ensure economic vitality and equitable opportunities for all community members on the Monterey Peninsula.

Sincerely yours,

Theodore Balestreri II
VP Hospitality Operations

Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Jerry Edelen <jeryedel71@gmail.com>

Fri 9/11/2020 8:20 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Honorable Chair Padilla and Commissioners,

I am Jerry Edelen, one of the Founding Mayors of the Monterey Peninsula Regional Water Authority.

The Authority was formed 7 years ago by the 5 mayors of the Monterey Peninsula to secure a permanent source of water for the Monterey Peninsula by building a Desalination Plant which would be our last chance to avoid a water catastrophe.

CAL AM was chosen to build the Desal Plant; and the Authority and Cal-Am asked the State Water Resources Control Board for permission to use open water intakes. The Board ruled that we could not and that instead, we had to try slant wells, even though these wells:

Had never been done before,

Were more expensive,

And by their very nature, processed brackish water rather than fresh sea water.

Despite all odds, CAL-AM was successful in building a slant well. However, now, because brackish water rather than sea water is being processed, there is a movement to shut this program down.

This is patently unfair. Millions of dollars and years have been spent being forced to comply with the orders of one State Board, only to have the possibility of another State Commission destroy all that effort.

Please allow the Monterey Peninsula to solve its water shortage once and for all by approving this project. It is our last chance.

Thank you for your consideration.

(signed)

--

Jerry B. Edelen,
75 Carlton Place
Del Rey Oaks, CA
(831) 269-9250 (cell)

September 11, 2020

Via Email: CalAmMonterey@coastal.ca.gov
Honorable Steve Padilla, Chair and Commissioners
California Coastal Commission
Attn: Tom Luster
45 Fremont, Suite 2000
San Francisco, CA 94105- 2219

Re: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Honorable Chair Padilla and Commissioners:

As a resident of the Monterey Peninsula I want to express my strong support for the California American Water desalination plant. It seems we have been living with a severely strained water supply forever.

There have been numerous attempts to provide our Peninsula with a new water supply and for one reason or another they all were stopped. Cal Am's desalination plant is long term answer to a water supply we so desperately need.

It is my understanding that the State is promoting water supply solutions that use what I believe is called a portfolio approach to a sustainable long-term water supply. It seems to me the Monterey Peninsula could be the perfect example of supporting our States goal.

With the Desalination plant we will have three separate sources of water including; 1) Aquifer Storage and Recovery; 2) Pure Water Monterey's re-cycled water project; 3) Cal Am's desalination plant. This is the time to finally let our Peninsula take control of it's water future and give us a diverse water supply we can depend on.

Please support California American Water's permit request that is before you.

Respectfully,

Elizabeth P. Williams

Elizabeth P. Williams
3537 Trevis Way
Carmel, CA 93923
831-595-2060
docnw@aol.com

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

September 10, 2020

The Honorable Steve Padilla, Chair, and Members
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, Tom.Luster@coastal.ca.gov and CalAmMonterey@coastal.ca.gov

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

Dear Chair Padilla, Honorable Coastal Commission Members, and gentlemen:

The Coalition of Peninsula Businesses shares the Commission's goal of bringing the public to the Monterey Peninsula to enjoy the ocean and the beautiful coast. This depends on sufficient water for coastal accommodations and workforce housing.

The Coalition of Peninsula Businesses (CPB) urges you to consider the following facts and evidence in making your decision. We urge you to allow the Monterey Peninsula Water Supply Project - a much-needed sufficient water supply project - to go forward.

Only six years ago, you unanimously approved a permit for a test well for this project in order to judge whether slant wells – requested by you – would be feasible. The Coalition and many others – including, importantly, Marina Mayor Bruce Delgado - wrote you in support of the test well.

Pure Water Monterey Expansion (PWME) is not likely ever to be built – there is a serious dispute about whether there is source water for processing and the Monterey One Water (M1W) Board has declined to certify the project Supplemental Environmental Impact Report. Even if it is constructed, there is no reason to believe it will produce water at the level expected or whether the water production, even if consistently achieved, would be sufficient to satisfy demand. PWME is not a feasible alternative to desal.

The water supply/water demand numbers in the Monterey Peninsula Water Management District (MPWMD) report (*Supply and Demand for Water on the Monterey Peninsula*) have been questioned and contradicted by the California Public Utilities Commission (CPUC) and State Water Resources Control Board (SWRCB), two agencies with the expertise and the authority to judge those numbers. The Coalition's analysis shared with you on June 17th and June 19th demonstrates that the MPWMD report numbers themselves indicate that without desal there is not sufficient water to meet Peninsula demand.

- All water supply sources in the report are assumed to operate at maximum capacity, 100% of the time, which is extremely unlikely.

- Aquifer Storage Recovery (ASR) has only reached the capacity anticipated twice in the past 15 years. There is no reason to believe that it will ever reach that production figure year-in and year-out. Its average production is half of the max amount assumed in the MPWMD report.

- Pure Water Monterey (PWM) is underperforming and over a year behind schedule. Its current production is less than two thirds of what was anticipated. (3500afa committed v current production of 2300afa). It's extremely risky to assume its longer-term performance will be trouble free, as is assumed in the report.

If the community is to go forward without desal and the alternative projects favored in the staff report continue to falter, Cal Am will be left with no option but to violate the CDO by exceeding pumping limits on the Carmel River and to over-pump the Seaside Basin. Without desal, there is no assurance as to short or long-term water supply sustainability or sufficiency.

It's important for the Commission to also understand some of the local political backdrop that in our assessment has influenced the position of those who claim a desal solution isn't needed:

- ✓ A ballot measure - Measure J - passed in 2018, required MPWMD to analyze the 'feasibility' of buying all of Cal Am assets (i.e. buying out Cal Am). Measure J passed with the campaign promise that buying out Cal Am would make water cheaper.

- ✓ Unfortunately, Measure J created a mandate for MPWMD to make the purchase price of Cal Am as low as possible, which means eliminating a desal plant from the price. It's our belief that the scenario presented to you in which the Peninsula's water supply would be adequate for years without desal – is designed to further this goal.

The widely supported three-legged stool (a portfolio of projects) approach to our water supply problem would provide critically needed redundancy and sufficiency and there is no reason to abandon these sound principals now. The fact that PWM combined with PWME does not provide sufficient water is reason enough to reject PWME as a substitute for desal.

The staff report expresses concern about litigation - but not does not disclose that almost all the litigation was filed by one entity – Marina Coast Water District (MCWD) - that lost every single case that has been decided.

Claims of harm to Marina drinking water and the Marina aquifer ignore all the evidence, including the Coastal Commission's own study, that show no harm occurs (the Commission's report indicates the desal project would have 'limited to negligible effects' - see report summary at page 4).

Marina and Marina Coast Water District were offered numerous opportunities to participate in crafting the project, including the return water agreement, and consistently refused to engage. The damage done to Castroville if the desal plant and the return water agreement are not realized will be enormous.

For all the reasons outlined above, please grant the Coastal Development Permit necessary to allow this water supply project to proceed. Please allow this closure to the Monterey Peninsula's four decades of agonizing attempts to solve its water supply problem and four decades-long attempt to stop the environmental damage to the Carmel River.

Sincerely,





Jeff Davi, Co-chair

John Tilley, Co-chair

Arleen Hardenstein
2281 Prescott Ave.
Monterey, CA 93940
October 17, 2019

Via Email: CalAmMonterey@coastal.ca.gov

Hon. Chair Steve Padilla and Commissioners
California Coastal Commission
Attn: Tom Luster
45 Fremont, Suite 2000
San Francisco, CA 94105- 2219

Re: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Hon. Chair Padilla and Commissioners:

As a lifelong resident of the Monterey Peninsula I wish to express my **strong support** for the desalination plant that will be constructed by California American Water. Our Peninsula continues to suffer a water shortage, and a building moratorium for far too long. I have lived through many cycles of drought on this Peninsula, including the cycle that forced us to go into water rationing in the 70's. This desal plant is the opportunity to give our Peninsula a consistent water supply that we can rely on.

The desalination plant along with Pure Water Monterey's recycled water project, and aquifer storage and recovery will give us a drought resistant, sustainable water supply. From what I read the state strongly supports this approach and that is exactly what should happen.

The desalination project is the only part of the portfolio that is drought resistant. The desal plant will perhaps make it possible to finally build the housing we need to support our firefighters, teachers, and other workers by lifting the moratorium we have been living under since 2010.

There is no doubt that our weather patterns are only going to become dryer and warmer. This causes great concern with the sustainability of the new recycled water project. If our global warming conditions continue to accelerate at the rapid pace we've been seeing, Pure Water Monterey may not have a water source to recycle from in a few years.

Please support California American Water's permit request that is before you. It is the ONLY RIGHT thing to do for the Monterey Peninsula communities that have been working towards this goal for the last 10 years. **Vote yes – in support of the Desal project**.

Respectfully,

Arleen Hardenstein

Arleen Hardenstein

Shanee Barker
1367 Harding Street
Seaside, CA 93955

Honorable Chair Padilla and Commissioners,

Please support and approve California American Water's permit request that is before you.

The desalination project is the only part of the Monterey Peninsula water portfolio that is drought resistant. The desal plant will make it possible for business to recover from the Covid-19 disaster, public officials to make smart land use decisions and communities to build the housing we need to support our firefighters, teachers, and other workers by lifting the moratorium we have been living under since 2010.

New data suggests that Aquifer Storage and Recovery (ASR) may never produce more than the current five-year average of 1,164 acre feet or that the Pure Water Monterey main project is behind, over budget, and may never produce more that 2/3rds of the water projected, demonstrates the necessity and overwhelming need for an operating desalination project now, not ten years from now.

I am asking as a mother of young children, so their future may be free from the water rationing that took place on the Monterey Peninsula in the 1970's. I am asking as a peer of other young adults who are effortlessly trying to gain economic opportunity in the region that currently has no drought resistant and sustainable water source, stretched thin workforce and no path forward for affordable housing.

Please do what is best for the next generation and approve the California American Water permit request.

Respectfully,



Shanee Barker

Tommy Barker
1367 Harding Street
Seaside, CA 93955

Honorable Chair Padilla and Commissioners,

Please support and approve California American Water's permit request that is before you.

The desalination project is the only part of the Monterey Peninsula water portfolio that is drought resistant. The desal plant will make it possible for business to recover from the Covid-19 disaster, public officials to make smart land use decisions and communities to build the housing we need to support our firefighters, teachers, and other workers by lifting the moratorium we have been living under since 2010.

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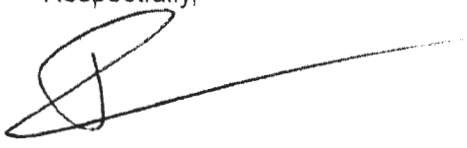
Please do what is best for the next generation and approve the California American Water permit request.

Respectfully,



Tommy Barker

Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Mary Skipwith <runmaryrun2@yahoo.com>

Fri 9/11/2020 7:07 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Mary Skipwith
308 17th Street
Pacific Grove

VIA EMAIL

September 11, 2020

California Coastal Commission

Re: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Honorable Chair Padilla and Commissioners,

I am writing to you as a former City Councilmember of the City of Pacific Grove, former boardmember of the Monterey Peninsula Water Management District and a local resident and business owner.

As a member of this community both personally and professionally, I can attest from personal experience that our community needs a new and RELIABLE water source. In order to fulfill the State Order to stop taking water from the Carmel River and in order to address other environmental concerns, a well thought out desal project that is designed to be as environmentally sensitive as possible is the best solution for our region.

Do not be swayed by a very vocal but *small* portion of our community who wish to use access to water as a means of preventing growth or other development. We have our local governments and agencies to control the direction of our development. We need access to water for our basic needs and for our community's ability to support jobs, housing and economic recovery. This is the project that a majority of our community supports.

Please approve the Cal Am Desal Project Permit. WE NEED A LOCAL, RELIABLE, DROUGHT-PROOF WATER SUPPLY. Our recycled water project is an important addition to our "suite of solutions" but is it NOT a permanent replacement source for river water.

The Monterey Peninsula Water Supply Project is the only project that will solve the decades long water shortage for our local community

Please approve the Cal-Am Desal Permit.

Sincerely,
Michelle Knight, PhD.
1691 Sunset Drive, Pacific Grove, CA 93950

WALD RUHNKE & DOST
ARCHITECTS LLP

2340 Garden Road
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Monterey, CA
93940-5347
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September 11, 2020

California Coastal Commission

Re: Appeal No. A-3MRA-19-0034; Approve Cal Am Desal Permit

Honorable Chair Padilla and Commissioners,

I was disappointed to read Coastal Commission staff's claims regarding Environmental Justice and the desal project's disproportionate impacts on lower income communities. The reality is lower income families are unable to access water to add bathrooms, ADU's, develop their vacant properties, develop businesses within their communities and are too often hindered or prevented from development due to lack of available water supplies. Affordable housing, student housing and the like are also unable to develop due to a lack of water supply, which limits our housing supply and in turn forces higher rents regionally.

On the other hand, the wealthy in our communities benefit from being able to purchase water (Malposo and Orosco water) for expanding or developing their properties and in many instances have adequate land to drill wells or find other means to source water. There already is inequities in the way the water is distributed in our region. Development of a sustainable water supply is the solution to better balance these inequities.

After decades of proposals, research, reports, studies it is now time to get serious about solving our water problems for everyone. The only viable, reliable and ready to go project is the Cal Am desal project. Please approve this project so that we can begin providing water to everyone.

Sincerely,
Wald, Ruhnke & Dost Architects, LLP



Henry Ruhnke
Principal

Andrew Clarke
926 Angelus Way
Del Rey Oaks, CA 93940

September 10, 2020

Via Email: CalAmMonterey@coastal.ca.gov

Hon. Steve Padilla, Chair and Commissioners
California Coastal Commission
Attn: Tom Luster
45 Fremont, Suite 2000
San Francisco, CA 94105- 2219

Re: Support for California American Water's Monterey Peninsula Water Supply Project

Hon. Chair Bochco and Commissioners:

I am writing to urge you to approve the Coastal Development Permit for California American Water's Monterey Peninsula Water Supply Project (MPWSP) that is desperately needed to provide a long term solution to the Monterey peninsula. As a former member of the Monterey Peninsula Water Management District, I am very well aware of the water issues facing our community and what we need to do to get that resolve those issues.

The MPWSP is a critical part of the solution needed to answer to the State Water Resources Control Board's (SWRCB) 2009 Cease and Desist Order, which limits pumping from the Monterey Peninsula's primary water source, the Carmel River. This water project, in conjunction with the continued water conservation efforts of the Monterey peninsula will help us meet the SWRCB's requirement for a replacement water source to be on-line by December 31, 2021.

A lot of attention has been given to an alternate project, "Pure Water Monterey" which recently came on line with a limited replacement supply. As with any projects, the design production can vary widely from the actual capacity. The current design for the Pure Water Monterey project is that it can produce up to 3,500 acre feet of water per year. However, a number of technical issues have been encountered with the project and it is expected to only produce about 2,000 acre feet of water this year. A little over half of the design capacity. This project, as well as the proposed expansion, rely heavily on runoff capture to meet the design capacity. As we are all aware, when it does not rain, water does not flow and this will not meet the needs of our community.

Your approval of this project will help protect the Carmel River and will allow the Monterey Peninsula community to comply with state regulations. The community has come together to bring the Carmel River back to its former glory and protect all of the plants and animals that rely on that environment.

The project has been the subject of an extensive environmental review by state and federal agencies and was unanimously approved by the California Public Utilities Commission (CPUC) in

Andrew Clarke
926 Angelus Way
Del Rey Oaks, CA 93940

2018. This project is not without its opponents but has been exhaustively reviewed in the 13,000-page EIR/EIS and found to be in compliance with all laws and regulations. In fact, the California Supreme Court recently denied a parties petitions for writ of review of the CPUC's approval, upholding the EIR and the CPUC's decision.

The project has been designed in an environmentally-responsible manner. It utilizes a state-of-the-art subsurface intake well system and a commingled brine/wastewater discharge, a desalination technology that minimizes marine impacts and is preferred by the SWRCB, Monterey Bay National Marine Sanctuary and your agency. The project's subsurface intake wells will also be located on a disturbed former industrial site, reducing impacts to biological resources.

Without the approval of this Coastal Development permit, our community may face severe water restrictions, including possible water rationing, unless a long-term permanent replacement source is put in place. Our communities other water potential water supply projects, including the expansion of Pure Water Monterey, have not completed the required environmental review and has not been approved by the CPUC which is required for California American to integrate it into its water supply.

The timing of this approval is critical as failure to complete the project in timely manner would be harmful for the Monterey Peninsula community and the environment. The construction schedule for the project requires work begin as soon as possible in order to meet the Cease and Desist Order deadlines. Your review of this important project cannot be delayed.

My time serving on the MPWMD I worked very hard to get a new water supply online but was not successful. Approval of this project will help our community have the necessary water we need to provide economic opportunities that we have been held back from for the past 25 years. Our community has become the gold standard in the state in water conservation. However, given the already low water usage rate, conservation alone cannot replace the shortfall between California American's water supplies and anticipated future demands.

The benefits of the Project are clear. I ask that the you approve California American's application for a Coastal Development Permit at the earliest opportunity.

Sincerely,



Andrew Clarke

Walt Duflock
PO Box 82
San Ardo, CA 93450

Dear Honorable Chair Padilla and Commissioners,

My name is Walter Duflock and I am a fifth-generation family farmer from the Salinas Valley.

I am writing to urge you to support and approve the required Coastal Development Permit for California American Water's Monterey Peninsula Water Supply Project.

The Monterey Peninsula Water Supply Project is California American Water's answer to the State Water Resources Control Board's 2009 Cease and Desist Order, which limits pumping from the Monterey Peninsula's primary water source, the Carmel River, and requires a replacement water source be on-line by December 31, 2021.

Approval of this project will protect the Carmel River and its threatened species; and by providing a sustainable long-term water supply and alternative source to the river, will allow the Monterey Peninsula community to comply with state regulations.

The project has been the subject of an extensive, six-year environmental review by state and federal agencies and was unanimously approved by the California Public Utilities Commission (CPUC) in 2018. The objections you will hear raised by opponents, including water rights, groundwater impacts, environmental justice, community values and review of alternative projects were exhaustively reviewed in the 13,000-page EIR/EIS and ultimately dismissed. The California Supreme Court recently denied Marina's and Marina Coast Water District's petitions for writ of review of the CPUC's approval, upholding the EIR and the CPUC's decision.

The project has been designed in an environmentally-responsible manner. It utilizes a state-of-the-art subsurface intake well system and a commingled brine/wastewater discharge, a desalination technology that minimizes marine impacts and is preferred by the State Water Board, Monterey Bay National Marine Sanctuary and your agency. The project's subsurface intake wells will also be located on an already disturbed former industrial site, reducing impacts to biological resources.

Under the State Water Board's order to cease diversions from the Carmel River, Cal Am must ramp down its withdrawals from the River, which would result in severe water restrictions, including possible water rationing, unless a long-term permanent replacement source is put in place. The expansion of Pure Water Monterey has not completed CEQA review and was determined by the CPUC in its decision to approve the Monterey Peninsula Water Supply Project to be of inadequate size to meet the terms of the Cease and Desist Order and the long-term water demands of the Monterey Peninsula.

Failure to complete the project in timely manner would be harmful for the Monterey Peninsula community and the environment. The construction schedule for the project requires work begin as soon as possible in order to meet the Cease and Desist Order deadlines. Your review of this important project cannot be delayed.

Monterey County's future depends on additional investment in our water, transportation and housing infrastructure. Our community has faced stringent water supply restrictions that have necessitated drastic water conservation measures, prohibited new service connections and increases in existing water use, limited economic growth and severely limited opportunities for affordable housing in the region. We've seen a housing crisis emerge locally as students, workers and families struggle to find any housing, affordable or not. We understand that access to water is becoming more challenging and valuable, and this source would give us a new supply source that provides predictable and continuous access. This plant provides the best long-term solution to the Peninsula's water supply developing a stable, consistent and readily available water source.

Our water needs on the Monterey Peninsula will continue to grow regardless of housing development, business growth and hospitality demands. This last year has shown the instability that a changing climate adds to an already stressed amount of resources. We are not drought ready. We are not prepared with the proper degree of water storage. We do not have a modern water management plan. We are losing access to water and it is time to take a step in the correct direction towards a solution.

We need to find a solution to this problem. While some in our communities are staunch water conservationists, Monterey County's demand for water will only continue to rise. However, given the already low water usage rate, conservation alone cannot replace the shortfall between Cal Am's water supplies and anticipated future demands.

The benefits of the Project are clear. We ask that the Commission approve Cal Am's application for a Coastal Development Permit as soon as possible.

Sincerely,

Walter Duflock

San Bernardo Rancho

SAGE
150 Main St #130
Salinas, CA 93901
September 11, 2020

Dear Honorable Chair Padilla and Commissioners,

I am writing to urge you to support and approve the required Coastal Development Permit for California American Water's Monterey Peninsula Water Supply Project.

The Monterey Peninsula Water Supply Project is California American Water's answer to the State Water Resources Control Board's 2009 Cease and Desist Order, which limits pumping from the Monterey Peninsula's primary water source, the Carmel River, and requires a replacement water source be on-line by December 31, 2021.

Our Peninsula has struggled for decades to supply its constituents with desperately needed water. This Project is a key pillar of the Monterey Peninsula Water Supply Project and without it we have at the very best a tenuous solution. This is the only Project that creates a reliable water source regardless of drought, limited wastewater flows and agricultural drain flows.

In the Salinas Valley, our wastewater flow is a potential water source for the future. Relying upon a solution which is predicated on the same or more wastewater being available in the future is a flawed and harmful perspective. At present, there is little to no chance that our flow will increase and a much stronger chance that in the future our farmers will need more of their wastewater.

Climate change and an evolving series of challenges to our ecosystem and society are more prevalent than ever. From the perspective of our Governor's office, the only option is to begin baking climate resiliency into our infrastructure planning. Climate Resiliency is shaping our state's infrastructure investment and planning. This is showcased by Governor Newsom's Water Resilience portfolio and its subsequent guidance. We support initiatives that help our communities respond to change. The State's guidance includes 'maintain and diversify water supplies,' 'build connections' and 'be prepared.' Setting a one project solution to the Peninsula's needs does not fulfill these suggestions. Further the document recommends the need to plan for prolonged droughts and "develop strategies to protect communities and fish and wildlife in the event of a drought lasting at least six years."

Approval of this project will protect the Carmel River and its threatened species; and by providing a sustainable long-term water supply and alternative source to the river, will allow the Monterey Peninsula community to comply with state regulations.

In addition to the environmental impact the Project would have, the social justice impact will potentially be even greater. As stated in the findings and reported on by the

Monterey Herald, "there's a consensus among housing advocates and city housing staff that the moratorium on new water hookups is a significant factor in preventing more affordable housing to be built." We understand that the expansion's current supply and demand expectations for the needs of the Peninsula take into account the current number of hookups, not new hookups. We believe that our communities in Monterey County should and need to have the opportunity to live where they work.

Monterey County's future depends on additional investment in our water, transportation and housing infrastructure. This future has only become more complicated as our industries, municipalities and constituents struggle from the COVID pandemic's economic impact.

Our community has faced stringent water supply restrictions that have necessitated drastic water conservation measures, prohibited new service connections and increases in existing water use, limited economic growth and severely limited opportunities for affordable housing in the region. We've seen a housing crisis emerge locally as students, workers and families struggle to find any housing, affordable or not. We understand that access to water is becoming more challenging and valuable, yet this source would give us continuous access. This plant provides the best long-term solution to the Peninsula's water supply developing a stable, consistent and readily available water source.

Failure to complete the project in timely manner would be harmful for the Monterey Peninsula community and the environment. The construction schedule for the project requires work begin as soon as possible in order to meet the Cease and Desist Order deadlines. Your review of this important project cannot be delayed.

We need to find a solution to this problem. While our communities have become staunch water conservationists, our needs will only continue to rise. However, given the already low water usage rate, conservation alone cannot replace the shortfall between Cal Am's water supplies and anticipated future demands.

The benefits of the Project are clear. We ask that the Commission approve Cal Am's application for a Coastal Development Permit at the earliest opportunity.

Sincerely,

Joe Desmond SAGE
Executive Director

I support the CalAm Desal Plant

Karen Oneal <monterey2u@sbcglobal.net>

Fri 9/11/2020 6:22 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

The peninsula needs safe, secure water supply for generations. There are far too many flaws with the One Water project.

Karen O'Neal
Monterey Bay Renters Coalition
831-915-0750

Appeal No. A-3-MRA-19-0034; APPROVE CAL AM DESAL PROJECT PERMIT (submitted Sep 10, 2020)

Tom Rowley <TomR2004@hotmail.com>

Fri 9/11/2020 6:12 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>
Cc: Tom Rowley <TomR2004@hotmail.com>

TO: Honorable Chair Padilla & Commissioners,

INTRODUCTION: The Staff Report relies on inaccurate data and baseless propaganda for its analysis and conclusions. The permit request from CAW should be approved and construction of the critically needed desalination plant allowed to move forward ASAP based on the FACTS I've listed below:

(1) Proposed Expansion of Pure Water Monterey (PWM EXP) is NOT feasible because reliable source waters for recycling are not currently available. NOTE: The Supplementary EIR for the PWM EXP was NOT approved by Monterey One Water ("Sewer Board") for sound environmental reasons, and furthermore comments submitted for the Sup EIR during its review reveal that an EIS is likely to be required under Federal Law (NEPA) to address discharge of harmful brine into the Monterey Bay National Marine Sanctuary rom the proposed PWM EXP.

(2) Existing Production of Recycled Water from Pure Water Monterey (PWM) is NOT reliable and cannot be counted on for annual MP water needs. NOTE: Currently a request is out for Contractor bids for an additional 1,000-foot injection well; please refer to Monterey County Herald legal notices 9/08/2020. Also, repeated under-estimation of true costs of the PWM project have been sounded by officials at the Sewer Board and MPWMD "since day one" of the Groundwater Recycling (GWR) proposal.

(3) The MPWMD was created by a vote of Monterey Peninsula (MP) citizens in 1978, and by law -- it is only a water "management" agency -- it is NOT a land use authority like a City and County! NOTE: Under its current GM David Stoldt, the WMD has issued multiple "phony" water demand studies for the MP land use jurisdictions (Unincorporated areas of the MP + the Six Cities: Monterey, Pacific Grove, Carmel, Del Rey Oaks, Seaside, & Sand City) -- Please observe that All of these areas contain large groups of citizens from ALL socio-economic groups, but not one of these land use jurisdictions has approved the data in those studies; please refer to the water demand data contained in the EIR for the Monterey Peninsula Water Supply Project (MPWSP), which was approved unanimously by the CPUC in September 2018 after 6 + years of analysis by hydrological experts, including multiple years of production from a test slant well authorized by the CCC -- your Agency.

(4) Aquifer Storage & Recovery (ASR) is NOT a guaranteed annual supply of potable water because it relies on injection of water from "excess" winter flows from the Carmel River. NOTE: Rainfall data from the 1840s to today reveals that "dry" years (less than 18 to 20 inches rainfall) occur in the Carmel Valley watershed in 7 of 10 years! (ASR is the second limited source of potable water in addition to the PWM discussed above.)

(5) Alleged or Claimed Damage to the Water Supply of Marina is NOT based on facts, as proven per the exhaustive and comprehensive EIR/EIS for the MPWSP. NOTE: Repeated and blatant "propaganda" by groups like Public Water Now (PWN) and the MCWD claiming social injustice and alleged harm to MP citizens should be totally rejected by the Commission -- it is obvious to all MP citizens (& me) that have been monitoring the much delayed progress toward completion of all 3 components of the MPWSP that

this propaganda is totally bogus and that the CCC staff was "suckered" into believing harm when in fact the MPWSP will benefit ALL socio-economic groups on the MP!

(6) The ONLY WATER SUPPLY PROJECT that can provide a "long-term sustainable annual water supply" of potable water for all citizens and land use jurisdictions on the MP is from the proposed desalination plant. NOTE: ALL three components of the MPWSP (3-legged stool) are needed for back-up and to meet the annual water needs of the MP, including vital allocations to effect a recovery form the ongoing pandemic recession -- to include water for new / expanded small businesses (the back-bone of jobs on the MP separate from the hospitality industry) PLUS for all types of housing -- especially affordable low income housing and work force housing.

Finally, "Thank You" to all the Commissioners for your impartial and fair consideration of the facts I've stated above -- my statements are based on my personal observations during thousands of hours attending MPWMD and water-related meetings at the various Cities and Monterey County during my over 45 years residency on the MP. These statements do not necessarily reflect the comments or the opinions of the organizations I've listed below.

Tom Rowley, 2004 Marsala Circle, Monterey, CA 93940 / Home Office TEL during SIP: (831) 373-5204 / e: TomR2004@hotmail.com
Realtor / Property Manager / JD (CA DRE Lic # 975775), Mbr MB NM Sanctuary Advisory Council, Mbr CAR / MCAR, Mbr MPCC, Mbr MCHA, V-P MPTA,
President Fishermen Flats HOs & Residents Association, and proud to be a new member of "H2O -- OUR FUTURE"

Via Email: CalAmMonterey@coastal.ca.gov

Sept. 10, 2020

Hon. Dayna Bochco, Chair and Commissioners
California Coastal Commission
Attn: Tom Luster
45 Fremont, Suite 2000
San Francisco, CA 94105- 2219

Re: Support for California American Water's Monterey Peninsula Water Supply Project

Hon. Chair Bochco and Commissioners

Ensuring a long-term sustainable water supply has been the single most significant issue on the Monterey Peninsula for decades. I support the Monterey Peninsula Water Supply Project that will be before you in September, 2020.

As one who was born on the Peninsula and has lived most of my life here, I have experienced this first hand, through droughts and water rationing. My family was among the tens of thousands of local residents who experienced mandatory water rationing as far back to the mid-1970's through early 1978 and again from 1989 to 1991. There have been many other limitations on water usage that adversely affect our community.

After a long career in law enforcement, I was elected to the Monterey City Council in 2014 and again last year I was re-elected by my community. As I walked throughout Monterey's neighborhoods during campaigns I spoke with residents and businesspeople alike, and a constant theme about long-term water solutions registered with me. There is widespread unhappiness about water restrictions that impact my residents and we, as the Monterey Community need a reasonable Desal solution which has been studied to death and past the highest environmental hurdles. I still hear about how my community is desperate for a sustainable solution that can be counted on to improve lives and help support jobs. This is the closest we've come and this is the best opportunity to bring a reasonable solution , please don't disappoint us. We need housing and without the desal supply we fail further behind.

As a five-year member of the Monterey City Council, I serve on various regional boards and hear countless times from residents – those from cities and from unincorporated areas – that their inability to obtain a new water meter or a permit for a change or business improvement has been far more than an inconvenience. It has handicapped people in their day-to-day lives and prevented them from improving their homes or employ more people and improve our community. For many, it has meant being unable for decades to add a bathroom for a growing family, expand a business and make it more viable, or create more much needed housing and jobs.

Commercial buildings, which formerly housed vibrant businesses, stand vacant because through the years adaptation of commercial locations is necessary and expected. Without the desal component of the Monterey Water Project there is no long-term improvement that is guaranteed to be sustainable. A reasonably sized Desal supply from the Pacific Ocean provides what my community needs. Some buildings have been vacant for many years, and empty lots remain that way because water meter permits cannot be obtained.

There have been countless studies and investigations concerning water usage and how to achieve the best solution, but no community consensus has ever been reached; there are too many opinions. There have been many divergent proposals by well-meaning and dedicated people and you'll hear of some that have already been considered and deemed not sustainable. Doesn't the examination and carefully evaluated project, through the California Water Resources count for something after all these years of study. The only agreement is that a remedy is needed, now more than ever.

What you now have before you, I believe, is the best opportunity to resolve this vital matter through the Monterey Peninsula Water Supply Project, which offers a three-pronged portfolio:

- Desalination, using subsurface technology as directed by the California Coastal Commission
- Aquifer Storage and Recovery (ASR), which is when "excess" Carmel River winter flows, under state and federal oversight, are treated and transmitted to wells in the Seaside Groundwater Basin.
- Sewage Treatment, another part of the solution.

The Monterey Water Project would ensure a strong, viable, and, more importantly, much-needed source of new water. But, without an approved desalination plant the statement of long-term sustainability rings hollow. Desalination coupled with the other design elements is essential to the Monterey region's long-term water needs. With a three-pronged portfolio our total system would truly be sustainable! Rain, ASR and the Carmel Valley River can not bring us to a complete and sustainable supply system.

This project has been carefully scrutinized and studied in a six-year environmental review conducted by state and federal agencies. The California Public Utilities Commission has approved it unanimously. Mitigation measures were imposed to reduce the project's environmental impacts as much as possible. The Monterey Water Project is environmentally responsible and includes leaving additional water in the Carmel River to protect and preserve fish, a longstanding issue. It would abide by the State Water Resources Board's order to halt diversions from the Carmel River and it would replace water supplies in the Monterey District which includes many of our neighboring cities.

If we don't allow this much-needed water supply project the greater Monterey Peninsula and the environment will suffer. Those who live within the Monterey District have been diligent in reducing their water usage. However, more is needed than these self-imposed

restrictions. History has taught us rain is infrequent and storage is limited. The desal aspect enables the region to create the storage solution through the ASR system to enable a healthier Seaside Aquifer under appropriate scrutiny. Without the desal project the water supply will fall very much short of the water demand. The Monterey Water Project would allow for the lifting of the moratorium, in effect for the past nine years, and a moderate amount of new service connections. Our economy would be bolstered, additional jobs created, and a path would be established for new and much-needed housing, including low-cost housing and Accessory Dwelling Units, (ADU's). All of these require more water.

As an elected official, I have a duty to seek more affordable housing for the residents of Monterey and the greater Peninsula. Without the Monterey Water Project this is impossible. Give us the ability to start saying YES to smart and reasonable projects for our community. The City of Monterey's General Plan calls for additional housing, and state-mandated Regional Housing Needs Allocation, (RHNA) require it. Without new meters and water supplied by the three-prong portfolio approach new housing here is illusive.

I ask that the members of the Coastal Commission approve California American Water's application for a Coastal Development Permit in a timely fashion.

In *East of Eden*, John Steinbeck, writes about the neighboring Salinas Valley, which has had its own water concerns, penned these words:

And it never failed that during the dry years the people forgot about the rich years, and during the wet years they lost all memory of the dry years. It was always that way.

Through the Monterey Peninsula Water Supply Project that is before you, it no longer has to be that way.

Please know that this is exceedingly critical for the City of Monterey and the entire Peninsula and I ask that you approve the Monterey Peninsula Water Project.

Thank you for your consideration.

Ed Smith

Councilmember City of Monterey
(831) 601-5013

City of Monterey
580 Pacific Street
Monterey, CA 93940

Carol Duncan
Carmel Valley Village

September 15, 2020

Via Email: CalAmMonterey@coastal.ca.gov

Hon. Chair Steve Padilla and Commissioners
California Coastal Commission
Attn: Tom Luster
45 Fremont, Suite 2000
San Francisco, CA 94105- 2219

Re: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Hon. Chair Padilla and Commissioners:

As a resident of the Monterey Peninsula I wish to express my strong support for the desalination plant that will be constructed by California American Water. Our Peninsula continues to suffer a water shortage, and a building moratorium for far too long. For generations, we have kicked the can down the road, only increasing costs to the community. Now the California state mandate to add ADU's is not possible with no new water available, businesses struggle to find spaces with adequate water, homeowners are unable to remodel or update, and vacant lots sit unimproved when there is dire need for more housing.

The desal plant will make it possible for business to recover from the Covid-19 disaster, public officials to make smart land use decisions and communities to build the housing we need to support our firefighters, teachers, and other workers by lifting the moratorium we have been living under since 2010.

Please support and approve California American Water's permit request that is before you.

Respectfully,

Carol Duncan

Bart J. Bruno
Post Office Box 545, Pebble Beach, CA 93953

September 10, 2020

California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105

Re: Monterey Peninsula Water Supply Project

Chair Padilla and Members of the Commission,

I am once againg writing in support of Cal-Am's proposed desalination plant in Marina. The completion of this water supply project is very important for our community.

I serve as a Director of the Del Monte Forest Property Owners Association (DMFPOA) and as a member of Land Use Advisory Committee for the Pebble Beach area. I serve on the Pebble Beach Architectural Review Board and on the DMFPOA's Equestrian & Hiking Trails and the Roads & Traffic committees. Professionally, I am a registered Civil Engineer.

My volunteer involvement in the community makes me keenly aware of the issues surrounding our community's water supply. Without exaggeration, I can say that every facet of life on the Monterey Peninsula is affected by our limited water supply. It should not be this way. The time has come to fully address this basic resource need for current and future generations.

There is a critical need for workforce housing in our community. The lack of workforce housing and traffic congestion is intertwined. It is impossible to address this need without an adequate water supply. Completion of the proposed desalination plant will finally allow the peninsula to begin to address these problems. Pebble Beach was able to complete a much needed workforce housing project but only because it had an independent water source. That sort of opportunity is not available to other communities on the peninsula because of the lack of water supply.

We need the desalination plant that is being proposed. Some are saying that it is too big. Nonsense. To argue that other projects could address our needs is shortsighted. These alternatives will not produce enough water to address both current and future demand. We have to look beyond today.

Please approve the coastal development permit so that the building of the desalination plant can proceed.

Sincerely,

Bart J. Bruno

via email, CalAmMonterey@Coastal.Ca.Gov

Monterey Peninsula Taxpayers Association
PO Box 15 – Monterey – CA – 93942
Established 1965

September 10, 2020

Hon. Steve Padilla, Chair & Commissioners
California Coastal Commission
Attn: Tom Luster
455 Market St, Ste 300
San Francisco, CA 94105

Subject: Appeal No. A-3-MRA-19-0034, Approve Cal Am Desal Project Permit

Dear Chair Padilla & Commissioners:

The Monterey Peninsula Taxpayers Association was formed in 1965 to advocate for the interests of taxpayers on the Monterey Peninsula in combating an attempt to purchase the local water agency. We have remained active in water issues to this day, we are not a *johnny come lately*.

We read with dismay the staff report. They are recommending denial based on what they claim is an environmentally superior alternative. Their analysis is fundamentally flawed. The staff chose to ignore multiple sister agencies as well as the agency who is responsible for that alternative. They ignored:

California Public Utilities Commission – They reviewed all viable alternatives and certified the EIR/EIS for the Monterey Water Project. After exhaustive hearings they set the amount of required to satisfy the Cease and Desist Order and have ruled that the proposed Pure Water Monterey Expansion does not provide enough water.

State Water Resources Control Board – Their order reducing pumping from the Carmel River demands construction of Cal Am's desal plant and they have stated that the demand analysis and information provided on the potential to expand Pure Water Monterey does nothing to change that.

Cal EPA – Jared Blumenfeld the Secretary for Environmental Protection recently addressed the Commission and indicated that the Monterey Water Project is the only project which will rejuvenate the Carmel River.

Monterey One Water – They are the body running the Pure Water Monterey project, they declined to certify the Pure Water Monterey Expansion project in large part due to the lack of water for the project. All water proposed for the project comes from outside

the Monterey Peninsula from the Salinas Valley which has its own major water problems and will need this water. Needless to say, the Salinas Valley is adamantly against this water coming to the Peninsula.

Instead of listening to the above agencies, the Coastal Commission Staff based their recommendation on comments made from two agencies whose credibility is suspect at best.

City of Marina & Marina Coast Water District – Marina was offered a seat at the table to receive the return water from the project early on but declined. They have done everything in their power to try to kill the project. They have filed 10 lawsuits questioning the legality of a multitude of issues and have **lost every one** of those that have been decided.

Monterey Peninsula Water Management District – Up until about a month ago they had been officially on record as supporting the Desal Project. They were active participants before the CPUC and SWRCB in determining the mix of projects as well as the water needs. Now for political reasons they have abandoned their mission of augmenting the water supply and have decided to become a land use agency. They have no legal basis for involvement in land use issues. Determining water demand is the purview of the Cities and County. The City Managers of all Peninsula Cities do not agree with the District's water demand numbers and the Districts numbers do not take into account State ADU mandates or water for affordable housing.

In short, the only project which provides for a sustainable long-term water supply for the Monterey Peninsula is the Desal project.

The Desal project is the only project which will satisfy the terms of the Cease and Desist Order.

The Pure Water Monterey project (original phase) is woefully behind schedule and grossly over budget and has not been proven to be viable yet staff suggests expansion of this project is a better alternative.

If the Desal project is not approved, the Monterey Peninsula will run foul of the Cease and Desist Order in Fall of 2021 which will result in a 40% cut back in water use and there are not currently any viable alternatives.

We urge you to APPROVE the Cal Am Desal Project Permit.

Sincerely,



Rick Heuer
President

Cypress Pacific Investors, LLC

Post Office Box 400, Marina, CA 93933

September 9, 2020

California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105-2219

Via Email - CalAmMonterey@Coastal.Ca.Gov

Re: Support for Cal-Am's Monterey Peninsula Water Supply Project

Chair Padilla and Commissioners,

I am writing in support of the desalination plant in Marina and ask that you approve the Coastal Development Permit. It is a much needed solution that will benefit the community beyond just providing water.

Almost daily, the issue of affordable housing is in the news. Governor Gavin Newsom has been very vocal about this and has signed bills that will help to compel the cities to tackle the lack of affordable housing. The issue of water and housing go hand-in-hand on the Monterey Peninsula. Lack of a water supply has exasperated the housing supply shortage.

For nearly 20 years, Cypress Pacific Investors, LLC, has developed in-fill housing units in the City of Marina and on the Monterey Peninsula. Many of our units are affordable by design. We have built homes with accessory dwelling units (ADU's) long before it became the "innovative" option to add much needed housing in California. Developing affordable workforce housing is something we know a lot about.

The Monterey Peninsula has fallen behind on meeting their state mandated housing goals. Even small infill projects cannot proceed due to the lack of water. The need for more workforce housing is very apparent every morning as the highway is clogged with people trying to commute to work on the peninsula. Other nearby cities, especially Marina, should not have to make up the peninsula's shortfall. Approval of the desalination plant will put us on a path towards solving this problem.

Please don't be distracted by those who point to an expansion of the recycled water project as an adequate solution. To try to make their argument work, they claim that the demand for water has been overstated. It has not. In fact, the current demand figures do not take into account the demand that will be created by the trend towards developing ADU's. We probably will need more water; definitely not less.

Please approve the coastal development permit so that the building of the desalination plant can proceed.

Sincerely,

Peter J. Taormina
Managing Member

CHAMBER OF COMMERCE
& TOURIST CENTERS

September 10th, 2020

Hon. Steve Padilla, Chair and Commissioners
California Coastal Commission
Attn: Tom Luster
455 Market Street, Suite 300
San Francisco, CA 94105

Re: Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Hon. Chair Padilla and Commissioners:

I am writing on behalf of 400 Pacific Grove Chamber of Commerce Members and our Board of Directors to urge you to support and approve the required Coastal Development Permit for California American Water's Monterey Peninsula Water Supply Project.

The Monterey Peninsula Water Supply Project is our community's desperately needed solution to the State Water Resources Control Board's 2009 Cease and Desist Order, which strongly limits pumping from the Monterey Peninsula's primary water source, the Carmel River. Under the order, Cal Am must ramp down its withdrawals from the River to no more than 3,376 AF annually.

In their review of the project, the California Public Utilities Commission noted that average water demand for our community is 12,270 AF annually, without considering the need for extra water to facilitate economic growth, municipal general plan buildouts and development of vacant legal lots of record, among other needs. Hence the project application sized the project at 14,275 AF per year, to allow room to meet anticipated future water demand. Without approval of this project, at 14,275 AF, our community would be subject to severe water restrictions and strangled economic growth, including possible water rationing, unless a long-term permanent replacement supply begins delivering by December 31, 2021 under the timeline imposed by the State's Cease and Desist order.

A Pure Water Monterey Expansion Project that excludes a desal plant leaves our community with insufficient water, providing little over 11,000 acre feet per year, right at the edge of Staff's projected demand. But Staff's supply numbers assume that 1,300 acre feet will always be available from Aquifer Storage and Recovery. In the past 15 years, that full amount has been available only twice. The average is less than 700 acre feet annually, and in years of drought, zero water from ASR has been available. If ASR

supplies are reduced in times of drought, which is inevitable given historical trends and the increasingly relevant effects of climate change regionally, the Peninsula will not have enough water to meet demand. The Pure Water Monterey Expansion Project therefore leaves us in our current situation, and will only exacerbate conditions of highly suppressed demand, a moratorium on all new water connections, no new development, and the possibility of continued illegal diversions in times of drought, or if any existing water supply, such as ASR, falls short. We cannot afford continued uncertainty over our water supply.

Furthermore, the ongoing coronavirus pandemic has made our business community and many of our residents severely economically vulnerable. The economic damage of the current crisis may persist for years, having a certain and reliable water supply will allow our business community to stabilize itself economically, both now and long after the current crisis is over. Finally, at a time when all ratepayers must pay for water using increasingly smaller budgets due to drops in business and operating income, a long-term reliable supply that our community can depend on is needed now more than ever. The objections you will hear raised by opponents, including water rights, groundwater impacts, environmental justice, community values and review of alternative projects were exhaustively reviewed in their 13,000-page EIR/EIS and ultimately dismissed.

For years, our community has faced stringent water supply restrictions that have necessitated drastic water conservation measures, prohibited new service connections and increases in existing water use, limited economic growth and severely limited opportunities for affordable housing in the region. Faced with these constraints, local businesses and residents have become leaders in the state in water conservation. However, given the already low water usage rate, conservation alone cannot replace the shortfall between Cal Am's water supplies and anticipated future demands. The benefits of the Project are clear. We ask that the Commission approve Cal Am's application for a Coastal Development Permit. After decades of struggle over water, our community needs to be able to put this issue behind us for the long-term.

Sincerely,

Moe Ammar
President, Pacific Grove Chamber of Commerce

Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Alexander Gray <alexanderjgray@comcast.net>

Thu 9/10/2020 9:41 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>
Cc: Pat Gray <pat@patgrayincolor.com>

Alexander & Patricia Gray
40 Ford Road
Carmel Valley, CA 93924-9509

We are also owners of a rental property:
23435 Telerana Way
Carmel, CA 93923

We would like to **strenuously** object to the Coastal Commission staff's recommendation to deny the CalAm permit application for the proposed desal plant.

Local leaders and CalAm have worked for decades to ensure a reliable source of water for the Monterey Peninsula and its associated communities. The proposed desal plant does exactly that, even in years of extreme drought, which climate change makes more likely moving forward. While we are no fans of CalAm, we genuinely believe that the Peninsula needs this desal project and that CalAm has done everything conceivable to demonstrate the project's justification and environmental sustainability, demonstrated yet again with the slant-well test results.

This has led to approvals and up to and including the CPUC, and success prevailing against numerous and ill-considered lawsuits. Now, at the 11th hour, will the CCC staff really derail this critical project over illusory environmental concerns? Will not a desal plant be better than the existing cement plant? How many times do we really need to question previous environmental studies and re-litigate old lawsuits?

And should not property values and the continued economic vitality of the Monterey Peninsula region be part of the decision making process? We believe that is certainly the case and that Commission staff has ignored this consideration and therefore failed to make a prudent and balanced decision.

Please vote to approve this desperately needed project.

Respectfully,

-- Alexander and Patricia Gray
-- 510-593-6509 and 650-417-5902

support desal plant

wwiggwam@aol.com <wwiggwam@aol.com>

Thu 9/10/2020 9:22 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Please support Cal -Am's Desal Plant for the Monterey Peninsula!

Cornelius and Amy Wigg
50+ year residents and property owners
8 Greenock Pl
Del Rey oaks, CA 93940

Appeal No. A-3-MRA-19-0034; Approval of Cal-Am Desal Project Permit

Fred Meurer <meurer@meurermuni.com>

Thu 9/10/2020 8:53 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Honorable Steve Padilla, Chair and Commissioners
California Coastal Commission
Attn: Tom Luster
455 Market Street, Suite 300
San Francisco, Ca. 94105

Subject: Appeal No. A-3-MRA-19-0034; Approval of Cal-Am Desal Project Permit

Honorable Chair Padilla and Commissioners,

I am writing to urge you to reject the staff recommendation and APPROVE the coastal development permit for California American Water's Monterey Peninsula Supply Project

My name is Mary Ann Carbone. I am the Mayor of Sand City and have City Council authority to speak in favor of the Cal Am coastal permit application. The desalination plant is essential to the Peninsula developing a portfolio of water supply projects that offer a mix of sources and capacities that would be resilient to drought, mechanical failure and necessary maintenance. The portfolio consists of our small Sand City desalination plant, Carmel River Groundwater; Aquifer Storage and Recovery; the Pure Water Monterey sewage reclamation; and, the key Cal Am desalination plant. This portfolio would be cost effective and would be adequate for meeting the member agencies' general plans and housing needs.

The portfolio concept was developed by the Monterey Peninsula Water Authority made up of the Mayors of the 6 Peninsula Cities. This Agency was created by the Mayors after the Monterey Peninsula Water Management District failed to develop a water supply system to meet the regions needs and after the desalination project development that was put together with Marina Coast Water District (MCWD) failed. This failure occurred after Marina Coast could not meet its contractual requirements. The portfolio concept was developed through extensive public outreach and public hearings held by the Authority, technical analysis and rigorous review by all of the Federal and State Agencies with oversight.

If you follow your staff's recommendation, the Peninsula will be sentenced to another decade of water poverty. Our region has failed to agree on a water supply to replace our draw on the Carmel River watershed since 1977. Sand City built its own desalination plant to be sure we could serve the needs of our community, but the whole Peninsula must be

economically vibrant if any of us are going to have successful communities. We are all tied together.

The lack of adequate water has deprived our region of an adequate supply of housing for all but the rich. This is the ultimate **social injustice** to the poor, the working poor and the middle class. The result of not having enough water and adequate affordable housing can be seen in the number of schools on the Peninsula that have been shuttered. This has happened due to the lack of housing being developed to meet the needs of our workforce in hospitality, education and public agencies.

Your staff is also justifying denial of desalination in favor of a potential project called Pure Water Monterey Expansion that does NOT have an approved environmental document. I am a member of the Monterey1Water Board. I voted with the Board majority to deny certification of the Expansion Project environmental document because it did not adequately address issues raised by NOAA, the City of Salinas, and the Monterey County Water Resource Agency. Even if certified and built, the proposed project would provide adequate water and would discontinue the Peninsula's water poverty and the injustice that goes with it. Also, it relies on a source water supply that the Salinas Valley needs for meeting its requirements under the State Groundwater Sustainability Act and fails to provide the overall drought protection and reliability the portfolio concept offers.

I am also a member of the Seaside Basin Water Master Board. Our Chairman has outlined the damage that would be done to the Seaside Aquifer if the desalination project is denied. We cannot afford to risk seawater intrusion into the Seaside Basin due to a lack of supply.

Marina's claims of damage to their water supply has been shown to be unfounded by your analysis as well as all of the previous hydrogeology work done by the other State and Federal Agencies. The staff report does not mention that Marina was offered the opportunity to participate in the project and potentially be the recipient of the basin water produced by the desalination plant. They declined to participate and that resulted in the basin water being provided to Castroville, a disadvantaged community. Castroville will suffer considerable damage and social injustices if this water supply is denied through Commission denial of the Cal Am application.

The desalination project and water portfolio are part of providing a balance between cost, environmental impacts, and the human need for a reliable water supply. Please reject the staff recommendation and **APPROVE** the project application. The future of the Monterey Peninsula is absolutely dependent on a water supply that allows us to meet the current affordable housing needs and the future housing needs of the working class. As a retired construction laborer, I know from firsthand knowledge the negative impact the

water shortage has had on the working people that provide the essential services so necessary for a successful community.

Respectfully Submitted,

Mary Ann Carbone
Mayor of Sand City

Appeal No.A-3-MRA-19-0034 : Approval Cal Am Desal Project Permit

Fred Meurer <meurer@meurermuni.com>

Thu 9/10/2020 8:39 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Honorable Steve Padilla, Chair and Commissioners
California Coastal Commission
Attn: Tom Luster
455 Market Street, Suite 300
San Francisco, Ca. 94105

Subject: Appeal No. A-3-MRA-19-0034 : Approval Cal Am Desal Project Permit

Honorable Chair Padilla and Commissioners,

I am writing to urge you to deny the staff recommendation and APPROVE the coastal development permit for California American Water's Monterey Peninsula Supply Project

My name is Chuck Della Sala. I have been involved in the Peninsula's search for a new water supply as a property owner, city planning commissioner, City Council member and Mayor of Monterey. As mayor, I helped form the Peninsula Water Authority with the other 5 Peninsula cities' mayors. I was the initial chairman of the public process that led to the concept of a water supply portfolio of: Carmel River Groundwater; Aquifer Storage and Recovery; the Pure Water Monterey sewage reclamation; and, the anchor project of a desalination plant. The portfolio offered a mix of sources and capacities that would be resilient to drought, mechanical failure and planned maintenance. The portfolio would be cost effective and adequate for the member agencies' general plans and housing needs. This portfolio concept was developed as a result of extensive public outreach and public hearings, technical analysis and rigorous review by all of the federal and state agencies with oversight.

Our region has been searching for the "perfect" water supply to replace our draw on the Carmel River Watershed since 1977. The Monterey Peninsula Water Management District has chased dams, water hyacinths, conservation, aquifer storage, treated sewage and multiple attempts at desalination. They have spent hundreds of millions of rate payer dollars in pursuit of the ephemeral perfect project. Just as they would get close to success, they would reach for an even more "perfect", potentially less expensive project. The result this search has been years of failure to find the more "perfect" water project. This has resulted in water poverty for the region, and a crushing shortage of housing for the poor, the working poor and the middle class. Even new doctors and lawyers cannot find quality "affordable" housing. Young families cannot afford to live here, our schools are closing for lack of students and the teachers that we do have, cannot find a home near where they work. It is getting harder and harder for businesses, universities, and the military to do business on the Peninsula due to a lack of workforce housing.

We are on the cusp of having a project portfolio approved that is drought proof and that makes the State Water Resource Control Board happy because of the benefits to the Carmel River. The CPUC is happy as it has issued a Certificate of Public Convenience and Necessity and the challenge to that decision was denied hearing by the Supreme Court.

The project is now before you for issuance of a coastal permit for a slant well field for the desalination plant feed water. Your commission required that slant wells be tested. The tests showed that the wells work without negative impact to others. Now your staff is recommending denial of the slant wells because of the potential impacts that 1/4 acre of well heads might have on environmentally sensitive

habitat in the 400 acre CEMEX industrial sand mine site and potential drawdown of vernal ponds that no one has proven are fed by groundwater.

Your staff is also recommending denial of desal in favor of a potential project called Pure Water Monterey Expansion. After supporting desal through most of the public process, political winds and board membership changes have caused the Water Management District to once again, look for a "more perfect" project by a potential expanded Pure Water Monterey component of the portfolio and removal of the desal plant.

This potential project SFEIR was not certified by the Monterey1 Water Board because it did not adequately address issues raised by NOAA, City of Salinas and the Monterey County Water Resource Agency. Even if certified and built, it would yield a water supply system that maintains water poverty on the peninsula, is not drought proof and relies on a source water supply that the Salinas Valley needs for meeting its requirements under the State Sustainable Groundwater Management Act.

Additionally, the coastal impacts of the well field are inconsequential when compared to the impacts of the Peninsula once again being denied an adequate and resilient water supply. Such a supply is offered by the portfolio of desal, aquifer storage and Pure Water that has been developed through years of public hearings, technical analysis, federal and state environmental analysis and regulatory oversite and approval by all federal agencies through NOAA and every state agency but yours.

Please deny the staff recommendation and approve the project application.

Chuck Della Sala
Former Mayor of Monterey

Appeal No.A-3-MRA-19-0034 : Approval Cal Am Desal Project Permit

Fred Meurer <meurer@meurermuni.com>

Thu 9/10/2020 8:28 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Honorable Steve Padilla, Chair and Commissioners
California Coastal Commission
Attn: Tom Luster
455 Market Street, Suite 300
San Francisco, Ca. 94105

Subject: Appeal No. A-3-MRA-19-0034 : Approval Cal Am Desal Project Permit

Honorable Chair Padilla and Commissioners,

I am writing to urge you to reject the staff recommendation and APPROVE the coastal development permit for California American Water's Monterey Peninsula Supply Project

My name is Sam Farr. I was a member of the election Team along with Peter Douglas and Bill Press that passed Proposition 20 in 1973. I organized and led the campaign bike ride from Lands' End in San Francisco to Balboa Park in San Diego to bring attention to the lack of "coast access". Later, as a Monterey County Supervisor, I served on the Central Coast Regional Commission where I initiated the LCP's for Big Sur, Carmel Highlands, Pebble Beach and the rest of unincorporated Monterey County. This was done in 1976, the year of the drought.

I went on to serve 6 years as a Monterey County Supervisor, 13 years in the California Assembly and 24 years as the Congressman representing the Central Coast of California. During my 50+ years of public service, I have been a staunch advocate for the protection of the environment, environmental laws and regulations and the creation of multiple National Monuments and Parks. I have been an equally staunch advocate for the creation of adequate housing for our poor, our working poor and our working middle class.

My bottom line up front- In this case, I weigh the greatest good as being the creation of a water supply portfolio that is anchored with a desalination plant to provide a water supply with drought protection, a production capability that can respond to the critical workforce housing needs of the Monterey Peninsula, and that has to date been approved by all reviewing Federal and State Agencies in their technical studies and environmental documents and found to be the superior environmental option.

of water and it had to tear down the dam-all to be paid for by the company and passed on to rate payers.

After examining all alternatives for new sources of water and in consultation with the State and Federal agencies, including the Coastal Commission, it was decided that salt water desalination was the best alternative. The process was started and terms were set by the regulators. Legal setbacks occurred and lawsuits were filed, long delays followed.

As water rates increased, the economic viability of alternatives became possibilities. Politics also started changing with new pressures on MPWMD to examine buying out Cal Am. The desalination project was held hostage, because its operation would drive up the cost of buying out the company.

Even though the Cal Am test wells met or exceeded every condition placed on it and is ready to be put into production, every possible way is being used to stop it, mostly to make Cal Am cheaper for buy out-ignoring the real need for that desalinated water.

I urge you to reject your staff recommendation, as our Regional Coastal Commission did several times when I was on it back in the 1970's, for the following reasons:

1. To meet affordable housing goals and needs. The alternatives will not produce enough water to meet housing goals or housing needs. Not a single entity has committed any new water to affordable housing construction. Without the desalination wells project, water will continue to be scarce and only the rich will benefit.

2. Negative environmental impacts. The Monterey Bay brine disposal issues have been addressed to the satisfaction of the Marine Sanctuary. In this case dilution is the solution.

On shore the desalination plant wellhead site is located on the most disturbed shoreline spot on Monterey Bay-the longest running sand mining site in California. Sand mining has stopped, but left behind an industrial waste site. No activity can make it worse.

3. Economics. Yes it costs money, so did tearing down the San Clemente dam even with help from the Coastal Conservancy, NOAA (for fish protection) and the Carmel River reparations fund. Rate payers paid as well. The question commissioners ought to ask is what will be the cost of having no affordable workforce housing in the area that is totally dependent on the tourism industry?

Back to where I started, working to enact new ideas to make the Coast accessible, with passage of the Coastal Act in 1972. Accessibility to our beautiful coast now depends on a service industry that can live near their jobsite. Interpretation of the Coast-like the Aquarium; marine education instruction, like Hopkins Marine Station employees; Coastal

Dunes State Park employees; the BLM's Rocks and Island Monument (that I created while in Congress) employees. The list goes on especially for lower income staff and employees.

The point is that we have a critical housing shortage on the Monterey Peninsula for all but the wealthy. We know it, but cannot do anything about without new water supplies. So far all the recent small increases in water have not produced any affordable housing. No jurisdiction is willing to commit new water to affordable housing if it's a scarce amount of water. Without enough water to build affordable housing, the entities that we rely on for coastal access and interpretation are not going to have the people to do the work. Further traffic gridlock is also going to be a detriment to visitor servicing entities and coastal access.

We need enough water to meet legal obligations and to support sound public policy- the ONLY guarantee for that water is with the Cal Am Desalination Project. It is time to approve the project and move forward.

Sincerely,

Congressman Sam Farr (Retired)

Renee Garner
686 San Juan Grade Road
Salinas, CA 93906

September 10, 2020

Via Email: CalAmMonterey@coastal.ca.gov

Hon. Steve Padilla, Chair and Commissioners
California Coastal Commission
Attn: Tom Luster
45 Fremont, Suite 2000
San Francisco, CA 94105- 2219

Re: Support for California American Water's Monterey Peninsula Water Supply Project

Hon. Chair Padilla and Commissioners:

I am writing to you as a resident of Salinas, California and I wish to express my total support for the California American Water desalination plant. I spend hours during the week tied up on Highway 68 and Highway 1 with my car idling in traffic.

There are many causes, but the biggest one is the lack of available housing on the Peninsula. We need more housing everywhere, however whenever a housing unit is proposed on the Peninsula, the first question asked; is where is the water going to come from. The pollution from the commute, the waste of hours and the lack of workforce housing is an environmental and economic disaster.

The desalination plant is the key part of the three-pronged approach to solving our water needs, because it is the only drought resistant water supply in the portfolio.

It is easy to just focus on the needs of citizens on the Peninsula, but it's worth repeating that it is a county-wide issue and lack of water on the Peninsula affects all of us here in Monterey County.

I ask that you please issue the California American Water permit for the slant wells for the desalination plant.

Respectfully,

Renee Garner

Appeal No. A-3-MRA-19-0034 : Approval Cal Am Desal Project Permit

Fred Meurer <meurer@meurermuni.com>

Thu 9/10/2020 8:05 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Honorable Chair Padilla and Commissioners,

I am writing to urge you to reject the staff recommendation and APPROVE the coastal development permit for California American Water's Monterey Peninsula Supply Project

My name is Fred Meurer. I am the Chairman of the Monterey Bay Defense Alliance (MBDA). We are a nonprofit 501 c (3) whose mission is to protect and grow the national security and defense organizations stationed in the Monterey Bay Region.

I served 20+ years in the Army as a Corps of Engineer officer, with my final tour as the Director of Public Works and Housing. My very first meeting as the Director in September of 1981 was to discuss a permanent water supply for the Army assets on the Monterey Peninsula. After retiring from the Army, I went to work for the City of Monterey. I served as Director of Engineering and Maintenance for 5 years and as City Manager for over 22 years. 32 years after that first meeting on water, my last meeting as City Manager in December of 2013 was still on the same subject- a sufficient water supply for the Monterey Peninsula. Since my retirement, I have been consulting with the Military Services on the issues of critical infrastructure and partnerships with local agencies.

The major national security activities on the Monterey Peninsula are the Naval Postgraduate School (NPS), the Defense Language Institute (DLI), Fleet Numerical Meteorology and Oceanography Center (FNMOC), the Navy Research Lab (NRL), the Defense Manpower Data Center (DMDC), the Center for Homeland Security and Defense and the US Coast Guard Station Monterey.

These activities play a critical role in the Nation's national security, homeland security and economic security capabilities. It is essential that we do everything we can to make these activities as mission effective, cost effective and mission resilient as we can. These missions are critical to our defense, but they also infuse billions of dollars of economic activity into our local and state economy. It is also important to know that they have been reviewed for closure or realignment in each of the six base closure rounds since 1988. In 1991, Ft Ord was selected for closure.

All of our national security activities are totally mission dependent on large numbers of civilian instructors, professors, analysts, engineers, scientists and other professional support personnel who are almost all government employees. The defense activity employment issues involved with recruiting and retaining a highly qualified military and civilian workforce are not unlike the private sector and other public sector employers-quality schools, quality and affordable housing and a quality living and working environment. The lack of an adequate water supply to build meaningful numbers of workforce housing units makes it increasingly difficult to recruit and retain the talent necessary to accomplish these military missions.

The military missions change and grow as they respond to international threats. The installations that support these missions must have the infrastructure needed to support and grow these ever changing missions. Specifically, they must have a water supply that is reliable, responsive to mission growth needs and resilient to drought and other potential interruptions. The current water supply system does not meet these needs and neither does a water supply with only a Pure Water Expansion and not a desalination component.

The staff recommendation to deny a permit for the desal plant's slant wells would perpetuate this unacceptable situation. The staff proposed a water solution, whose sponsor refused to certify its EIR, provides no flexibility for future mission growth and does not meet Defense Department expectations for infrastructure resilience.

I encourage you to approve the Cal Am Coastal Development application.

Regards,

Fred Meurer
Chair, Monterey Bay Defense Alliance

fadf

Jim Wagoner <wagoner66gt@sbcglobal.net>

Thu 9/10/2020 6:52 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Hi,

My name is Jim Wagoner and my family and I live here in Pacific Grove. I grew up in this area, attended High School in Salinas, and have been involved in the communities as both a "local" and as a "visitor".

I'm an Engineer by profession. The situation of a limited resource requires focused problem-solving. The lack of a guaranteed supply of water has put so many restrictions onto the multiple communities, both residential and commercial it is difficult to see why people don't understand an obvious problem as well as the limited options. For those of us who believe the global impact on our environment is real, we need to be putting our resources into solid solutions that can be counted upon.

The Carmel River is not a guaranteed supply and has many other challenges. The technology of desalination is well proven and can be done in a way to both solve the problem and do so in a way to protect the environment.

Please approve the desal project.

Thank you,
Jim Wagoner

Ripple Ave, Pacific Grove

Build the Desalination Plant now

Nicholas Delis <9half@att.net>

Thu 9/10/2020 6:09 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

As residents we support moving forward immediately. Stop avoiding the facts. With our state burning up,
after the election a million new illegal citizens will be legal residents of California.
There will soon be a HUGE WATER SHORTAGE. The environment correct action is to build the plant.
Nick & Stepanie Delis

Sent from my iPhone

PEBBLE BEACH
COMPANY

September 10, 2020

Via Email: CalAmMonterey@coastal.ca.gov

Hon. Steve Padilla, Chair and Commissioners
California Coastal Commission
Attn: Tom Luster
455 Market Street, Suite 300
San Francisco, CA 94105

Re: Appeal No. A-3-MRA-19-0034; Approve Cal-Am Desal Project Permit

Honorable Chair Padilla and Commissioners:

Pebble Beach Company (PBC) would like to join with the broad coalition of governments, businesses, residents, and environmental organizations in support of the Monterey Peninsula Water Supply Project. We urge you to approve the required Coastal Development Permit for the project.

The Monterey Peninsula community has been at work for more than 40 years to develop a long-term, sustainable, drought resistant water supply for the Monterey Peninsula. The comprehensive, six-year environmental review for the Monterey Peninsula Water Supply Project was completed by state and federal agencies and unanimously approved by the California Public Utilities Commission in 2018. Objections raised by project opponents, including groundwater impacts, environmental justice, water rights, and project alternatives - to name a few - were all exhaustively analyzed, and ultimately dismissed. The question of how much water the Monterey Peninsula requires has also been carefully studied, deliberated, and ultimately settled by the California Public Utilities Commission in 2018. The decision before you today is the crucial, final step of approval needed to bring the Water Supply Project to fruition.

REAL ESTATE DIVISION

4005 Sunridge Road, Pebble Beach, California 93953

PBC has a long history of leading the golf industry and Monterey Peninsula with innovative and responsible water resource management. In the early 1990s, we financed and developed the $70M Pebble Beach water reclamation project – today this project supplies 100% of the water needed to irrigate all the golf courses in the Del Monte Forest. To date, we've saved more than 7.07 billion gallons of potable water for the Monterey Peninsula. Needless to say, we're staunch supporters of recycled water, and now have almost three decades of experience relying on recycled water. Importantly, we've learned that the supply of recycled water is extremely dependent upon the community's potable water use that, in turn, supplies the "raw product" for the reclamation process. As residents and businesses conserve more and more potable water, (as we have been doing on the Peninsula for years now), they, in turn, generate less and less waste water to be recycled. From our own 30-year experience, we know firsthand that the supply of recycled water is neither constant nor guaranteed over time. In addition to the long-term impact of conservation, the supply of recycled water also shrinks dramatically during times of drought. Neither of these issues afflicts the Cal-Am desalination project before you today: Unlike reclamation, it is entirely independent of the impacts of conservation and drought. For that reason, Cal-Am's project is essential. Recycled water alone simply cannot meet the Monterey Peninsula's water supply needs on a sustainable, long-term basis.

PBC would also like to call your attention to pages 115-132 of the Coastal Commission Staff Report. Collectively referred to as "Updates," the Staff Report relies on the incorrect, misleading findings of the Monterey Peninsula Water Management District's projections of future water supply and demand. Unfortunately, the Staff Report fails to consider numerous agency and public comments, including those of the State Water Resources Control Board, all of which discredit the Water Management District assumptions and findings. Specifically with respect to PBC, the Staff Report falsely assumes that we will not use our full water entitlement and, along with other questionable assumptions, erroneously calculates a reduced water demand for the greater Monterey Peninsula. PBC's vested right to use our water entitlement has been consistently upheld by every concerned agency, and we intend to fully utilize the entitlement. In fact, we've already used or allocated for use all but 60 acre-feet (out of our total 365 acre-foot entitlement). We bring this error to your attention for two reasons: (1) false assumptions call into question the overall credibility and integrity of the report, and (2) we sincerely hope that the Coastal Commission will not allow erroneous data and incorrect assumptions to influence your decision-making today. We believe the supply and demand numbers presented by MPWMD are erroneous and fail to take into account the complexity of water dynamics here and the long- and short-term needs of the community.

We also believe that the current MPWMD Board has an inherent conflict of interest because several if not a majority of board members have avowedly been pursuing a public buy-out of

Cal-Am. Torpedoing Cal-Am's desalination project will make that goal much more attainable. Instead of focusing on a hostile takeover of Cal-Am, the entire MPWMD Board should be laser-focused on the agency's primary mission: To create a reliable long-term water supply to meet the needs of the Monterey Peninsula. For that reason alone, we urge you to rely on the much more comprehensive and unbiased study of our water supply and demand approved by the California Public Utilities Commission with far more rigorous analysis and public review.

PBC strongly believes that we need both desalination and recycled water to provide our community with a long-term, adequate, secure, and flexible water supply. We are approaching the finish line to resolve our community's long-term water supply crisis, after 40 years in pursuit of that goal. We urge you to support the project to the fullest extent of your powers.

Sincerely,

PEBBLE BEACH COMPANY

David L. Stivers, President

Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Timothy Errington <erringtonimages@gmail.com>

Thu 9/10/2020 5:16 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

California Coastal Commission
Honorable Chair Padilla and Commissioners

Honorable Chair Padilla and Commissioners,

I am writing to urge you to approve the Coastal Development Permit sought by California American Water to build the proposed desalination plant.

While I believe the Pure Water Monterey recycling project is an important step, it is unclear that it will provide a sufficient supply in order to reduce the pumping of the Carmel River to legal limits.
Without the desalination plant we have no back-up to the Pure Water Monterey project.

I understand Coastal Commission staff concluded there would be less overall environmental impact from Pure Water Monterey, however their assessment did not include the environmental impact to the Salinas River Lagoon or the harm to the Carmel River if the Pure Water Monterey project cannot produce sufficient supply.

I believe both projects are vital to the Monterey Peninsula and should be permitted.
We should not become complacent since we are not currently in drought conditions but longer more severe droughts are on the horizon. Having both the desalination plant and Pure Water recycling should provide enough water to our area for decades.

It is important for the California Coastal Commission to recognize and ensure we are prepared for the future.

Thank you,
Timothy M. Errington
Pebble Beach, CA
831-293-4570

--
Timothy Errington
erringtonimages.com

Utility Workers Union of America, AFL-CIO

Local 511

September 10, 2020

VIA EMAIL CalAmMonterey@coastal.ca.gov

The Honorable Steve Padilla, Chair and Commissioners
California Coastal Commission
Attn: Mr. Tom Luster
455 Market Street
San Francisco, CA 94105

RE: APPEAL NO. A-3-MRA-19-0034; APPROVE CAL AM DESAL PROJECT PERMIT

Honorable Chair Padilla, Commissioners and Staff:

On behalf of the Utility Workers Union of America Monterey Local, I write to encourage the Coastal Commission to grant California-American Water's (Cal-Am) application for a Coastal Development Permit for the Monterey Peninsula Water Supply Project.

Water supply is an important issue to the Monterey Peninsula, especially to our members who live and work here. This new plant would create new jobs for highly skilled union workers. This project would help local water users, help the Carmel River, and help working families.

Following the failure of multiple other proposals for creating a new water supply, in 2012, California American Water submitted an application to the California Public Utilities Commission (CPUC) for the Monterey Peninsula Water Supply Project. The CPUC and Monterey Bay National Marine Sanctuary subsequently spent 6 ½ years reviewing potential environmental impacts. A joint Environmental Impact Report/Environmental Impact Statement was certified by the CPUC in September 2018.

The deadline for California American Water to cease unauthorized diversions from the Carmel River is December 31, 2021. We believe your approval of this project is the best chance the community has for solving its decades-long water supply issues and improving habitat for endangered and threatened species.

Our members urge the Commission to reject staff's recommendation and allow development of this project to proceed to create new job opportunities for working families and restore the Carmel River.

Sincerely,

Andrew Kolonics
President, Local 511

Scudder Roofing Co
P.O. Box 2596 Monterey, California 93942-2596 (831) 373-7212

September 8th, 2020

California State Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, California 94105-2219
CalAmMonterey@Coastal.Ca.Gov
Re: Letter in Support of the Monterey Peninsula Water Supply Project

Dear Chair Padilla and Commissioners,

The along awaiting long term Water Supply (desalination) project is now in your hands. You hold the future of either a prosperous community or a community in decline, it is up to you. I strongly encourage the Commission to approve Cal Am's application for the Coastal Development Permit. Completion of this desalination plant, in conjunction with other water sources, will help our community meet its current and future water supply needs, and protect the natural resources that we all cherish.

Scudder Roofing and Scudder Solar have been a family-owned business located in Marina for over 37 years, we employ over 80 people. Our workforce lives in Marina, Monterey, Salinas, and the surrounding communities. The residents and businesses in Marina, and the other Monterey Peninsula cities and towns, as well as the Salinas and South County, are all interconnected. The lack of a reliable water supply is not only devastating to the future or our communities (families) and the environment, the lack of a reliable water source adversely impacts the economic stability of all the communities. The success of the peninsula directly impacts all these other communities. We cannot fall victim to the naysayers. We cannot allow further degradation to our rivers beds, our water table, and our resources that inadequate water supply creates.

The time is now. Completion of the proposed desalination plant is key to solving the local water supply problem. For too many years our community has lived with the threat of droughts, water shortfalls, moratoriums, and devastating fires. Lack of water is bad for the environment and adversely affects the overall quality of life of the people who call this region home.

Some have recently pointed to an expansion of the Monterey One recycled water project as an alternate solution. This is not a solution it is only a distraction and an expensive Band-Aid to an already overwhelmed water system. Our community has talked about having an adequate water supply project for over 45 years and over this time the environment has suffered as well as the quality of life in our communities. Citizens have suffered long enough. The Coastal Commission has a great opportunity to take the lead on this and make something positive happen. Now is the time for leadership. You have a great opportunity to solve one of our major challenges the water shortage. Please take charge and do the right thing for the community and the future.

Please approve Cal Am's request for a coastal development permit and let's get this project underway.

Sincerely, Peter H Scudder

Approve the CalAm DeSal project

Bruce Smith <bruceds@pacbell.net>

Thu 9/10/2020 3:22 AM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Monterey/Santa Cruz Counties
Building & Construction Trades Council

11445 Commercial Parkway, Castroville, CA 95012
Phone 831.884-8413
Email: Office@MSCBCTC.com
www.MSCBCTC.com
FPPC No. 850048

John Papa
President

Mark Van Den Heuvel
Vice President

Rod Smalley
Treasurer

Steve MacArthur
Recording Secretary

Manuel Pinheiro
CEO

September 7, 2020+

Honorable Steve Padilla
Chair and Commissioners
California Coastal Commission
Attention: Tom Luster
455 Market Street, Ste 300
San Francisco, California, 94105

Dear Honorable Chair and Commissioners of the California Coastal Commission,

I write to you today on behalf of Monterey/Santa Cruz Counties Building Construction and Trades Council, regarding the Cal-Am desalinization plant project in Marina, California. It is extremely important that this project gets your blessing and approval to move forward as all our affiliates in the Building Trades are awaiting your great decision.

I personally have lived in Monterey County for 58 years. My first 28 years I lived in Pacific Grove, CA and 16 years in Seaside, CA. So, my first 44 years of my life has been with Cal-Am Water as our water supplies. I recall vividly in 1977, we customers were restricted to 50 gallons of water per day, per person. We need a water supply today and the customers of Cal-Am water are concerned thinking "Do we go back to 1977?" If you could imagine yourself as these customers and think about the challenges they've had to face without a proper water supply and no desalinization plant. You are hindering economic growth for the youth in Cal-Am's jurisdiction. The youth's future can come to a stand still to the point where a business or residence is not able to add (one) single bathroom to their establishment.

For the last sixteen years my family and I have lived in Marina, California. I consider myself domicile to the Monterey Peninsula. It is crucial and important that on September 17, 2020, that this project gets your blessing and gets approved.

Fraternally Yours, In Solidarity,

Manuel R. Pinheiro

Manuel R. Pinheiro, C.E.O

Boilermakers #549
Bricklayers #3
Carpenters #505
Carpenters #605
Carpet, Lin. & Soft Tile #12
Elevator Constructors #8
Glaziers #1621
IBEW #234
Insulators & Asbestos #16
Ironworkers #155
Ironworkers #377
Laborers #270
Millwrights #102
OP & CMIA #300
Operating Engineers #3
Painters & Tapers #272
Plumbers & Steamfitters #62
Roofers & Waterproofers #95
Sheet Metal Workers #104
Sprinklerfitters #669
Teamsters #890
UA #355

Appeal No. A-3-MRA-19-0034; Approve Cal Am Desal Project Permit

Luke Proskine <lproskine@makenacap.com>

Wed 9/9/2020 11:47 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

California Coastal Commission
Honorable Chair Padilla and Commissioners:

I am a Carmel Valley property owner and resident and I am strongly in support of issuing a Coastal Development Permit to California American Water (Cal Am). We need to protect our local environment, endangered species, and water sources by finding an alternative use that makes sense. Time for us to think about the long-term. Thank you.

Best,
Luke Proskine
415.250.3895 (cell)

8990 Carmel Valley Road, Carmel Valley

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Carmel River Watershed Conservancy
PO Box 223833, Carmel, CA 93922

Board of Directors:
Michael Waxer, Past President
Lorin Letendre, President
Paul Bruno, Vice President
Abbie Beane, Executive Director
Andy Magnasco, Treasurer
Jennifer Duggan, Secretary
Catherine Stedman
Scott Hennessy
Jen Hunter

September 11, 2020

To: California Coastal Commission
From: Abbie Beane, CRWC Executive Director
Re: Support for the Monterey Peninsula Desalination Project

Honorable Chair Padilla and Commissioners,

The Carmel River Watershed Conservancy (CRWC) was created in 2000 to advance the restoration of the Carmel River Watershed and the recovery of the threatened South Central Coast Steelhead. We led the development of a Watershed-wide Assessment and Action Plan, and we now chair the Carmel River Task Force comprising all the federal, state, and local government agencies and non-profits with an interest in the restoration of the Carmel River and its threatened species. We are uniquely situated to represent the interests of our watershed and its threatened species.

That restoration and the steelhead recovery plan will not succeed unless there is more water in the Carmel River and its aquifer that have been over-pumped for decades. This Desalination Project is critically needed to increase in-stream flows and to meet the Peninsula's long-term water supply needs. It provides a new local, reliable, drought-proof water supply. Being drought-proof is critically important as the Monterey Peninsula has periodically suffered many years of drought that would nullify the use of aquifer storage and recovery (ASR) and storm water recycling as alternative water supply sources. These sources should be supplemental to the desalination plant. CRWC argues that the Peninsula will need at least 14,000 acre feet of water annually, as the CPUC has calculated, to meet future water demand. This number is almost 3,000 acre feet higher than the amount of water that would be provided under a best-case scenario without desal and only an expanded recycled water project and ASR. The Pure Water Monterey (PWM) project also recently claimed to have rights to new wastewater sources. Both the Monterey County Water Resources Agency and City of Salinas, however, have argued that these sources may lead to seawater intrusion in the Salinas Valley or may be claimed for agricultural uses. These entities have therefore asked Monterey One Water to deny certification of PWM's supplemental EIR.

The Desalination Project has been designed in an environmentally-responsible manner, has been the subject of a seven-year review and incorporated all feasible mitigation measures, and was approved by the CPUC. It utilizes a state-of-the-art subsurface intake well system and a commingled brine/wastewater district, a desalination technology that minimizes marine impacts, and it is preferred by the State Water Board and the Monterey Bay National Marine Sanctuary. The Project's subsurface intake wells will also be located on a disturbed former

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industrial site, reducing biological impacts. Coastal Commission staff has found that this project will cause adverse wetland impacts and construction impacts on Environmentally Sensitive Habitat Area, however, Cal-Am has prepared findings to mitigate these impacts.

Failure to complete the Project to provide an alternative water supply for the region in a timely manner would be harmful for Cal-Am's customers, the Monterey community, and especially the Carmel River and its aquifer.

For years, the Monterey community that Cal-Am serves has faced stringent constraints on water supply that have necessitated drastic water conservation measures and have limited economic growth in the region. Faced with these constraints, Monterey District customers have become leaders in the State in water conservation. However, given the already low water usage rate, conservation alone cannot replace the shortfall between Cal Am's water supplies and anticipated future demands. A new supply, like this Project, is needed.

Finally, the staff recommendation contends that the desalination plant presents environmental justice concerns. Risking a lack of water for the Peninsula and in the Carmel River watershed presents its own set of environmental justice concerns. There are many low-income populations in East Carmel Valley that rely on wells and on a healthy watershed to prevent destructive wildfires. Furthermore, there are residents who are new to the area and must rely on some development, through renovations or rental income, in order to afford the area's high cost of living. Currently these residents are not allowed to develop without available water credits.

Both the desalination plant and ASR will face hurdles, so we feel it is irresponsible to pursue only one option for meeting Peninsula water supply demands and cessation of pumping on the Carmel River.

The benefits of the Project to the Carmel River Watershed are clear. We ask that the Commission reject staff's recommendation and approve Cal Am's application for a coastal development permit at the earliest opportunity.

Sincerely,

Abbie Beane
Executive Director

Gary and Doreen Cursio
10522 York Rd.
Monterey, Ca 93940

Date: September 9, 2020

Via Email: CalAmMonterey@coastal.ca.gov

Hon. Dayna Bochco, Chair and Commissioners
California Coastal Commission
Attn: Tom Luster
45 Fremont, Suite 2000
San Francisco, CA 94105- 2219

Re: Support for California American Water's Monterey Peninsula Water Supply Project

Hon. Chair Bochco and Commissioners:

Please approve California American Water's application for a Coastal Development Permit for the Monterey Peninsula Water Supply Project.

I have lived on the Monterey Peninsula for 18 years. Being totally dependent on local rainfall and receiving the majority of our water from the Carmel River whose resources are over-strained, we have been under strict conservation measures for literally decades.

Our community has fought and fought over the best way to solve our water problems. Half the community wants no solution because they are afraid it will lead to growth and the other half wants a right-sized, long-term legal water supply. The voices that truly care about the health of the river also support a solution.

In 2009, the State Water Resources Control Board stepped in and put us under a Cease and Desist Order because we can't agree. They believed the added pressure and threat of devastating consequences would push us to complete a project.

We need your help to resolve our water issues. Cal Am's desal project is environmentally friendly. It won't harm Marina. This is a red-herring designed to stop the project. Recycled water is not drought proof. We don't need to put another generation through the time and expense of examining unfounded alternatives. Please approve this project – our community depends on it.

Sincerely,



Gary & Doreen Cursio

Support MPWSP

Gary Cursio <cursiogary@gmail.com>

Thu 9/10/2020 2:47 PM

To: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

1 attachments (340 KB)

G&D.pdf;

See Attached

Luster, Tom@Coastal

From:	john derrick <admin@watersupplyproject.org>
Sent:	Tuesday, September 01, 2020 7:28 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: - john derrick 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,

john derrick

Street Address: 24429 portola ave
City: carmel
State: ca
Zip Code: 93923

(831) 250-5711
jederrick@icloud.com

73.170.160.190

CASTROVILLE COMMUNITY SERVICES DISTRICT

P.O. BOX 1065
OFFICE: 11499 GEIL STREET
CASTROVILLE, CA 95012
FAX (831) 633-3103

24-HOUR TELEPHONE: (831) 633-2560

July 21, 2020

Mr. John Ainsworth
Executive Director
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105
Via Email

RE: Application No. 9-19-0918 and Appeal No. A-3-MRA-19-0034 (California American Water Company)

Dear Mr. Ainsworth:

On behalf of the Castroville Community Services District, we are writing to encourage the California Coastal Commission to support the Coastal Development Permit for California American Water Company's proposed desalination facility for the following reasons:

- Pure Water Monterey expansion (PWMx) is not a feasible alternative to the MPWSP desalination facility. The initial Pure Water Monterey (PWM) recycle water facility is already facing major cost and performance delays including two shallow wells failing and the two remaining deep wells pumping a fraction of projected injection rates. The PWMx cannot be constructed in 20 months as claimed by those opposing the MPWSP due to fatal flaws in water rights, water quality, existing plant performance, in addition to required Monterey Bay National Marine Sanctuary's permits and Federal NEPA permits from NOAH.

- PWMx will have a greater adverse environmental impact than the proposed desalination facility; due to increased concentrate from the expansion project and adverse effects on the Salinas Ag community, Castroville and others which need the proposed PWMx source water to offset sea water intrusion in North Monterey County's 180'-400' aquifer.

- PWMx will not be enough to lift the Cease and Desist Order (CDO) on the Peninsula. Based on the current Pure Water Monterey (PWM) project, which is experiencing extensive problems with injection, treatment, financing and cost escalation. It is highly speculative to put faith in an expansion of a project, that to date, has failed to show it is a reliable, long-term water supply.

- The report titled "*Supply and Demand for Water on the Monterey Peninsula*" adopted by the MPWMD on May 18, 2020, which claims the PWM expansion could provide a new water supply sufficient to meet the future needs of the Peninsula for the next 20 to 30 years defies common sense and multiple peer reviews by the CPUC. SWRCB and others. This claim by the MPWMD that both proposed water supply projects meet the current and future needs of the Peninsula is highly suspect. While the CPUC has already issued a CPCN permit for the MPWSP, the PWMx has not secured financing, a water purchase agreement or even a certified Environmental Impact Report

- Based on the performance and cost increases incurred by the current PWM project, any expansion will result in more delays in meeting the CDO. These delays mean it will not be on-line until years after the already permitted MPWSP. Meanwhile, these delays will result in M1W and CalAm rate payers suffering severe financial hardship when the water purchase agreement and CDO are not met.

- Castroville is a 100% severely disadvantaged community that provides labor for many businesses and residences on the Peninsula. Due to the severe restrictions on water supply, affordable housing cannot be built on the Peninsula, instead it is being disproportionately developed in Castroville. The result is that water restrictions prevent building affordable housing near where these folks work. This lack of water for affordable housing results in more traffic, air pollution, water pollution and overall environmental degradation to our environment

- This Water poverty is caused in large part, by some paid "Intervenors", creating water scarcity to limit growth and deny low-income affordable housing

- In addition, only the MPWSP helps stop seawater intrusion by intercepting the seawater at the coast, drawing brackish water back and allowing wells to be turned off directly in front of the intrusion. PWMx does not provide any of these benefits. In fact, it exacerbates sea water intrusion in the 180'- 400' pressure aquifer by taking water that should be sent to the existing Castroville Sea Water Intrusion Project

- Finally, MPWSP (desal), PWM (recycle) and ASR (aquifer storage and recovery) represent the original "three- legged stool" approach that has been determined, after years of study, community input and millions of dollars to be the only secure, reliable, drought proof and long-term water supply for the Peninsula

Thank you for your consideration of the Castroville Community Services District's concerns.

Sincerely,

Adriana Melgoza, President
Castroville Community Services District

Cc. Congressmen Panetta, Assembly Member Stone, Senator Monning
SWRCB, CPUC

North County Recreation & Park District
We create community through people, parks, and programs

July 8, 2020,

Hon. Dayna Bochco, Chair and Commissioners
California Coastal Commission
Attn: Tom Luster
45 Fremont, Suite 2000
San Francisco, CA 94105- 2219

RE: Staff report regarding permit for the Proposed Monterey Peninsula Water Supply Project

Dear Commissioners:

On behalf of the North County Recreation and Park District, I write to express our support for Monterey Peninsula Water Supply Project.

The North County Recreation and Park District (NCRPD) is approximately 46 square miles, serving the communities of Castroville, Elkhorn, Moss Landing, Oak Hills and Rancho Moro Cojo, as well as unincorporated areas within Northern Monterey County. We currently operate the North County Recreation Center, Cato-Phillips Park, Crane Street Park, Japanese School Park, Rancho Moro Cojo Park, and the Moro Cojo Nature Trails.

We are also the primary provider of youth, adult, and senior programs for North County. Each year we serve over a thousand youth, and hundreds of adults and seniors, many of whom are low income. Our parks provide open, green spaces for our community to walk, run, and play, and community center hosts dozens of community events and private parties annually.

The NCRPD's vision is to build community through people, parks and programs. Our mission is to:

- Strengthen community image and sense of place
- Support economic development
- Strengthen safety and security
- Promote health and wellness
- Foster human development
- Increase cultural unity
- Protect environmental resources
- Provide recreational experiences
- Facilitate community problem solving

The NCRPD Board of Directors is writing to offer our support for the Monterey Peninsula Water Supply Project. In addition to meeting the Monterey Peninsula's water needs, this project will benefit Castroville by providing additional water to the community, thereby reducing Castroville's dependency on well water from the critically over drafted Salinas Groundwater Basin, which in turn will help reduce the rate of seawater intrusion into the groundwater of Castroville.

North County Recreation & Park District
We create community through people, parks, and programs

Castroville is a disadvantaged community, as defined by the California Environmental Protection Agency's CalEnviroScreen 3.0 analysis tool, which analyzes socioeconomic and pollution burden data for community census tracts statewide. Continued contamination of our groundwater by seawater intrusion is a very real danger, and one that will only exacerbate the economic and environmental challenges we face.

We are encouraged by actions of our partner agency, the Castroville Community Service District (Castroville CSD) to ensure that any amount of fresh water incidentally captured in the desalination process will be retained in Salinas basin. This requires a significant investment from the Castroville CSD, including a $2.8 million pipeline to bring the water to Castroville. However, benefits are well worth the investment because this project will:

- Provide a long term, drought proof water supply to the peninsula, allowing compliance with the Cease and Desist Order,
- Allow wells directly in the path of the seawater intrusion to reduce or completely stop pumping, thus preventing the advancement of seawater further into our common basin,
- Provide Castroville, CSIP and possibly others a secure long term, drought proof water supply,
- Intercept the incoming seawater before it can further intrude our water supply and even help draw back some of the seawater already in the basin.

The NCRPD Board believes in working collaboratively to solve local and regional problems, which is why we support the Monterey Peninsula Water Supply Project. The project offers clear environmental benefits to the Monterey Peninsula and the Salinas Valley groundwater basin, and it will ensure a safe and sustainable water source for the disadvantaged community of Castroville.

We encourage the Coastal Commission to approve any required permits for this needed project.

Sincerely,

Grant Leonard
Board President

Th3a & 4a

A-3-MRA-19-0034 / 9-19-0918

California-American Water

CORRESPONDENCE -- SUPPORT LETTERS

PACKET IV

Posted Sept. 16, 2020

MONTEREY COUNTY

BOARD OF SUPERVISORS
Chris Lopez, Chair - Third District Supervisor

168 WEST ALISAL STREET, 3rd FLOOR
SALINAS, CA 93901
DISTRICT3@CO.MONTEREY.CA.US
TELEPHONES: (831) 755-5033
385-8333
FAX: (831) 796-3022

September 11, 2020

Chair Padilla, Staff and Commissioners:

I am writing you today as an individual who spends his days problem solving on behalf of his community. I am proud to be the current Chair of the Monterey County Board of Supervisors, and even more so to have been born and raised in the district I am lucky enough to represent. This district and its people, are the reason I wake up every morning and go to work, knowing my constituents need someone looking out for their interests.

The water woes of the Peninsula are not new by any stretch of definition. The impact of the lack of meaningful action to create a new and sustainable water source on the other hand has been significant in the areas I represent. Due to the lack of a water supply on the Coast, the Salinas Valley is tapped for the vast majority of future growth of housing in our region. That pushes up the cost of housing for our skilled farmworkers who work extremely hard to put food on our nations table. This leads to increased traffic, and dense housing situations that have helped fuel the Covid19 pandemic in my communities. The numbers of cases in my community paint this picture much more clearly than any other statistic available. Latinos make up nearly 80% of all the Covid19 cases in my community and the industry hardest hit has been agriculture, with nearly 23% of the cases in Monterey County self-identifying as working in the industry.

I share these numbers in hopes that you will look at our larger picture issues in Monterey County to inform the decision you make about the future of the Cal Am Desal Project. Moving forward with the project today means more housing, and especially affordable housing, which can be built near the coast where our tourism industry thrives. Approval of this project will allow hospitality employees to live near work, reduce congestion and pollution, and safeguard ag land. All of this can be accomplished while not threatening or relying on the water we need to grow the crops that feed our nation, or subjecting our farmworkers to even further concentration into current limited housing. All of this can help reduce pandemics like Covid-19.

Using the Pure Water Monterey project as a justifiable alternative is unrealistic and puts the long-term burden of expectation of water delivery on the Salinas Valley. I question whether this violates other non-export policies from our basin and puts at risk the nation's food supply.

Please look beyond the local NIMBY politics and flip flopping from local agencies. Make a decision that solves a problem, rather than kicking it down the road. Don't put a band aid on a problem that will continue to lead to legal battles down the road. The long-term threat of this decision to my community and the work we do to feed the world is real. We, and our forefathers, have made significant decisions to create the water source we depend on today, dating as far back as seventy years ago when we created

our two water dams (Nacimiento and Lake San Antonio). We continue to tax ourselves to maintain and upkeep the system that makes our entire region an agricultural powerhouse, but also creates sustainable drinking water replenishment in the Salinas Valley while battling saltwater intrusion.

Don't kick this can down the road, solve the problem by allowing the creation of a new water source. Don't create a band-aid that is put on the backs of my communities, threatening their most critical resource, causing continued competition for housing resources, as they work to feed the nation.

Sincerely,

Chris Lopez
Monterey County Supervisor
Third District

Seaside Groundwater Basin Watermaster
P.O. Box 51502, Pacific Grove, CA 93950
watermasterseaside@sbcglobal.net
(831) 641-0113

Paul Bruno, Coastal Subarea Landowners, Chairman
Dan Albert, City of Monterey, Vice Chairman
John Gaglioti, City of Del Rey Oaks, Treasurer
Mary Adams, Monterey County/Monterey County Water Resources Agency
Mary Anne Carbone, City of Sand City
Christopher Cook, California American Water
Wesley Leith, Laguna Seca Subarea Landowners
Ian Oglesby, City of Seaside
George Riley, Monterey Peninsula Water Management District

August 12, 2020

Mr. John Ainsworth, Executive Director
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105

Re: Monterey Peninsula Water Supply Project – Support

Dear Mr. Ainsworth:

The Seaside Groundwater Basin Watermaster is tasked by the Court to administer the Seaside Basin. Our board is comprised of elected officials and others who each have a role in the protection and management of the basin.

Today I once again write to urge your approval of Coastal Development Permit (CDP) for California American Water Company's (CAW) Monterey Peninsula Water Supply Project (MPWSP). In October of 2019, our board approved a resolution in support of the MPWSP. That resolution was presented to the Coastal Commission at its prior hearing on the project.

As the Coastal Commission is well aware, the MPWSP is necessary to meet the long-term water demands of the Monterey Peninsula. No other project has been identified to reliably meet the communities' water needs sufficiently to get the community out from under the State Water Board's Cease and Desist Order. The MPWSP also will provide much needed protections to one of the Peninsula's other critical water supply sources, the Seaside Groundwater Basin.

- Without the quantities of supplemental supplies from the MPWSP, CAW and other Seaside Basin pumpers may not be able to meet the pumping reductions called for in the Seaside Basin Decision.
- The MPWSP supply is necessary to meet the replenishment obligations required in the Seaside Basin Decision, and to avoid the undesirable consequences of overdraft, and seawater intrusion.
- Without the quantity of supplemental supplies provided by the MPWSP, the Seaside Basin Watermaster cannot achieve the protective water levels (PWL) for the Basin that have been identified as necessary to avoid seawater intrusion and irreversible loss of Basin storage.
- If Seaside Basin storage is lost or reduced as a result of seawater intrusion, other existing water supplies - such as native groundwater, Aquifer Storage and Recovery, and Pure Water Monterey – are in serious jeopardy, as seawater intruded aquifers cannot be used for groundwater storage.
- The MPWSP is necessary to provide the Seaside Basin with the replenishment needed for reliable protection against seawater intrusion.

It is imperative that the Coastal Commission and other stakeholders understand what is truly at stake for the Seaside Basin and the water supplies that are dependent on the health and security of the Basin. The Seaside Basin is perhaps the most critical water supply resource for the Monterey Peninsula. The Basin provides more than 3,000-acre feet of native groundwater annually for

municipal uses in CAW's Monterey and Laguna Seca Districts and to the Cities of Seaside and Sand City, and also is used for other beneficial uses in the Basin. The Basin also provides critical groundwater storage for CAW's Aquifer Storage and Recovery (ASR) diversions from the Carmel River, and provides storage and treatment of recycled water for Monterey One Water's Pure Water Monterey (PWM) Project. The loss of Seaside Basin storage as a result of overdraft and seawater intrusion would have a catastrophic impact on these crucial existing water supplies, not only for CAW's customers on the Monterey Peninsula, but for the other municipal and irrigation users in Monterey County.

The Seaside Basin Decision, as amended in February 2007, allocates the yield of the Seaside Basin to municipal and overlying groundwater users according a formula and schedule set forth in the Decision. The Decision requires gradual reduction in total Basin production in order to reduce Basin pumping to Natural Safe Yield, which was determined to be approximately 2,900 acre-feet in 2007. Municipal pumpers that exceed their Natural Safe Yield allocations are required to replenish the Basin for such overproduction, even if that overproduction is authorized under the Decision. The Decision also obligates Watermaster to study and manage conditions in the Basin and, to the extent Watermaster finds that pumping may result in Material Injury to the Basin, and to request relief from the Court to avoid or mitigate Material Injury to the Basin and its users. The Decision defines Material Injury to include impacts such as seawater intrusion, water quality degradation and subsidence.

Under the Decision, CAW currently is obligated to replenish approximately 700-acre feet per year (afy) over a 25-year period in order to offset its overproduction. This replenishment will be accomplished by "in lieu recharge" of the Basin, i.e., CAW reducing its authorized pumping by 700 afy and allowing that unpumped groundwater to remain in groundwater storage. For planning purposes, Watermaster has assumed that the MPWSP will deliver approximately 700 afy to satisfy CAW's replenishment obligation, in-lieu of exercising its pumping rights. The Commission's evaluation of water supply and demand cannot merely assume CAW's yield allocation under the Decision (approximately 1,800 afy, reduced to 1,500 afy in 2021), but must also consider an additional 700 afy necessary to satisfy replenishment obligations under the Decision. Water supply and demand analyses that do not consider this replenishment obligation as a water demand (or as a reduction in the available Seaside Basin native groundwater supply) are ignoring potential Material Injury to the Seaside Basin.

In addition to administering the Natural Safe Yield of the Seaside Basin Decision, Watermaster has been carefully studying and evaluating seawater intrusion risks and potential management actions to avoid the disastrous consequences of seawater intrusion into the Seaside Basin. As described in the attached memorandum from Watermaster's Technical Program Manager, Robert Jaques, increasing groundwater elevations in the Seaside Basin aquifers across the coastal front has been identified by Watermaster's technical experts as a prudent and necessary action to prevent seawater intrusion into the Basin's aquifers. Based on our analysis of water elevations in several key coastal wells, Watermaster has found that higher groundwater elevations are needed in both the Paso Robles (shallow) and Santa Margarita (deep) aquifers to reduce the risk of seawater intrusion. To achieve these protective water levels (PWL), Watermaster has found that approximately 1,000 afy of additional replenishment is required over a 25-year period. The MPWSP is the only possible supplemental water project before us that is capable of supplying the additional water needed to allow Watermaster to sustain PWL in the Basin.

Sincerely,

Paul B. Bruno, Chairman

Seaside Basin Watermaster
P.O. Box 51502
Pacific Grove, CA 93950
(831) 641-0113

MEMORANDUM

TO: Chairman of the Board of Directors of the Seaside Groundwater Basin Watermaster

FROM: Robert Jaques, Technical Program Manager

DATE: August 11 , 2020

SUBJECT: Recharge Water Is Needed to Protect the Seaside Groundwater Basin Against Seawater Intrusion

---

To our Technical Advisory Committee, I recently presented an analysis of groundwater modeling work and other reports pertaining to proposed projects that would supply water to help stabilize groundwater levels in the Basin. The Committee unanimously approved the analysis and recommended that it be presented to the Board of Directors.

Background & Discussion

The Seaside Groundwater Basin Adjudication Decision, which established the Watermaster in 2006, had as its primary purpose reducing pumping from the Basin in order to stabilize groundwater levels to prevent seawater intrusion. The Seaside Basin is a critical source of water supply for the Monterey Peninsula. The management actions in the Decision reflect the fact that the Basin had been over-pumped for many years prior to the issuance of the Decision, but does not contain express requirements for water levels to be raised. It only required that pumping be reduced to keep groundwater levels from continuing to fall. We now know that groundwater levels in the Basin have continued to fall in some areas despite implementation of the Decision-required pumping reductions, and that even if they stabilized at current levels they would be well below sea level in some parts of the Basin.

Protective Water Levels (PWLs) were developed for four wells located near the coast in the Coastal Subarea of the Basin. If the groundwater level is at or above the PWL at a given location, it means that seawater cannot intrude into that area because the groundwater level is sufficiently above sea level to prevent that from happening. Currently, groundwater levels at all of the wells in the deep (Santa Margarita) aquifer are below their respective PWLs, and only one of the groundwater levels is above its PWL in the shallow (Paso Robles) aquifer. Our hydrogeologic consultants have told us with

certainty that persistence of groundwater levels below PWLs will lead to seawater intrusion into the Basin. Loss of groundwater storage to seawater intrusion will be very difficult, if not impossible, to reverse. While it is not possible at this time to accurately predict when that could occur, groundwater levels need to rise above PWLs to ensure protection of the aquifers.

The only way to achieve PWLs is to inject more water into the Basin than is taken out, so that the Basin is permanently recharged and not just used as a temporary storage vessel (which is the case with the existing Pure Water Monterey Project and the proposed Pure Water Monterey Expansion Project).

Principle Conclusions from the Analysis

If the Desalination Plant is Not Constructed and There is No Expansion of the Pure Water Monterey Project (Under this scenario the only project constructed is the original 3,500 AFY PWM Project)

- There is negligible net change in groundwater levels because on average the amount of water that is replenished is quickly extracted and not left in the Basin.
- PWLs will not be achieved.
- The Basin will not be protected against seawater intrusion.

If the Desalination Plant is Not Constructed and the Pure Water Monterey Expansion Project is Constructed (Under this scenario both the original PWM Project and the PWM Expansion Project would be in operation)

- The groundwater modeling for the original PWM Project used the same Cal Am water demand figures that were used in the EIR/EIS for the MPWSP. The groundwater modeling performed for the PWM Expansion Project used water demand figures developed by MPWMD that are several thousand AFY lower than the demand figures that were used when the modeling was done for the original PWM Project.
- Even using the lower water demand figures mentioned above, PWLs will not be achieved and the Basin will not be protected against seawater intrusion with the Expanded Pure Water Monterey Project because additional replenishment water will not be available for the Seaside Basin.
- If the higher and more conservative original water demand values were used in the PWM Expansion Project modeling, that modeling would show an even greater threat of seawater intrusion because additional replenishment water will not be available for the Seaside Basin and pumping from the Basin would need to be greater to meet the higher demands.

Additional Replenishment Water Will be Needed to Achieve Protective Elevations

- Previous modeling indicates injecting on the order of 1,000 AFY of additional water into the Seaside Basin for 25 years, along with the existing Cal Am replenishment obligations and the original PWM Project and either the desalination plant or the PWM Expansion Project, may be necessary to achieve protective elevations at all Basin locations within 25 years.

- Groundwater modeling that incorporates the actual projects that are to be constructed, i.e. either the desalination plant or the PWM Expansion Project, would need to be performed to refine the amount of additional injection water that would be needed.
- In its initial years of operation the desalination plant will have unused capacity that could potentially provide some of this replenishment water.
- If the desalination plant is constructed, a smaller PWM Expansion Project could likely provide the additional water needed to achieve protective elevations.

CAL AM Auto Letters

1

Re: - Scott Sweeney Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Scott Sweeney** <admin@watersupplyproject.org> via jotform.com

reply-to: goscotty@msn.com

to: luke.gianni@amwater.com,
ExecutiveStaff@coastal.ca.gov,
CommissionerExParte@coastal.ca.gov,
Stephen.Padilla@coastal.ca.gov,
Donne.Brownsey@coastal.ca.gov,
Effie.Turnbull-Sanders@coastal.ca.gov,
Sara.Aminzadeh@coastal.ca.gov,
Caryl.Hart@coastal.ca.gov,
Erik.Howell@coastal.ca.gov,
Roberto.Uranga@coastal.ca.gov,
Carole.Groom@coastal.ca.gov,
ccc@daynabochco.com,
mike.wilson@coastal.ca.gov,
Katie.Rice@coastal.ca.gov,
Linda.Escalante@coastal.ca.gov,
catherine.stedman@amwater.com,
info@watersupplyproject.org

date: Aug 2, 2020, 8:41 PM

subject: Re: - Scott Sweeney Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff

mailed-by: jotform.com

security: Standard encryption (TLS) Learn more

: Important according to Google magic.

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,

Scott Sweeney

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

(831) 2406414
goscotty@msn.com

104.176.50.59

2

Re: - Myles Flores Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Myles Flores** <admin@watersupplyproject.org> via jotform.com

reply-to: mylesflores12@gmail.com

to: luke.gianni@amwater.com,
ExecutiveStaff@coastal.ca.gov,
CommissionerExParte@coastal.ca.gov,
Stephen.Padilla@coastal.ca.gov,
Donne.Brownsey@coastal.ca.gov,
Effie.Turnbull-Sanders@coastal.ca.gov,
Sara.Aminzadeh@coastal.ca.gov,
Caryl.Hart@coastal.ca.gov,
Erik.Howell@coastal.ca.gov,
Roberto.Uranga@coastal.ca.gov,
Carole.Groom@coastal.ca.gov,
ccc@daynabochco.com,
mike.wilson@coastal.ca.gov,
Katie.Rice@coastal.ca.gov,
Linda.Escalante@coastal.ca.gov,
catherine.stedman@amwater.com,
info@watersupplyproject.org

date: Aug 2, 2020, 11:33 PM

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

mailed-by: jotform.com

security: Standard encryption (TLS) Learn more

: Important according to Google magic.

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

3

Re: - Eric Sobolsice Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from:	**ERIC SABOLSICE** <admin@watersupplyproject.org> via jotform.com
reply-to:	esabolsice@gmail.com
to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org
date:	Aug 7, 2020, 9:31 AM
subject:	Re: - ERIC SABOLSICE Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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

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

Sincerely,

ERIC SABOLSICE

Street Address: 95 SAN BENANCIO RD
City: SALINAS
State: CA
Zip Code: 93908
Country: United States

(346) 2054015
esabolsice@gmail.com

73.70.40.202

4

Re: - Sam Teel Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Sam Teel** <admin@watersupplyproject.org> via jotform.com

reply-to: samteel@comcast.net

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org
date:	Aug 11, 2020, 12:30 PM
subject:	Re: - Sam Teel Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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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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,

Sam Teel

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

(831) 5219565
samteel@comcast.net

71.202.8.46

5

Re: - Katrina Hintze Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Katrina Hintze** <admin@watersupplyproject.org> via jotform.com

reply-to: twinka@aol.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org
date:	Aug 13, 2020, 4:35 PM
subject:	Re: - Katrina Hintze Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important mainly because you often read messages with this label.

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,

Katrina Hintze

Street Address: 11 Portola
City: Monterey
State: CA
Zip Code: 93940

(706) 4950939
twinka@aol.com

108.212.154.169

6

Re: - Sheri Nicholas Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Sheri Nicholas** <admin@watersupplyproject.org> via jotform.com

reply-to: sherinicholas@yahoo.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org
date:	Aug 20, 2020, 10:42 AM
subject:	Re: - Sheri Nicholas Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Sheri Nicholas

Street Address: 264 corral de tierra rd
City: Salinas
State: CA
Zip Code: 93908

(831) 917-4868
sherinicholas@yahoo.com

73.70.41.100

7

Re: - Jeff Nicholas Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Jeff Nicholas** <admin@watersupplyproject.org> via jotform.com

reply-to: jeffrey_s_nicholas@yahoo.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org
date:	Aug 20, 2020, 10:44 AM
subject:	Re: - Jeff Nicholas Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Jeff Nicholas

Street Address: 264 corral de tierra rd
City: Salinas
State: CA
Zip Code: 93908

(337) 852-8064
jeffrey_s_nicholas@yahoo.com

73.70.41.100

8

Re: - Mary Skipwith Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Mary Skipwith** <admin@watersupplyproject.org> via jotform.com

reply-to: runmaryrun2@yahoo.com

to: luke.gianni@amwater.com,
ExecutiveStaff@coastal.ca.gov,
CommissionerExParte@coastal.ca.gov,
Stephen.Padilla@coastal.ca.gov,
Donne.Brownsey@coastal.ca.gov,
Effie.Turnbull-Sanders@coastal.ca.gov,
Sara.Aminzadeh@coastal.ca.gov,
Caryl.Hart@coastal.ca.gov,
Erik.Howell@coastal.ca.gov,
Roberto.Uranga@coastal.ca.gov,
Carole.Groom@coastal.ca.gov,
ccc@daynabochco.com,
mike.wilson@coastal.ca.gov,
Katie.Rice@coastal.ca.gov,
Linda.Escalante@coastal.ca.gov,
catherine.stedman@amwater.com,
info@watersupplyproject.org

date: Aug 20, 2020, 11:15 AM

subject: Re: - Mary Skipwith Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff

mailed-by: jotform.com

security: Standard encryption (TLS) Learn more

: Important according to Google magic.

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.

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

Sincerely,

Mary Skipwith

Street Address: 308 17th Street
City: Pacific Grove
State: California
Zip Code: 93950
Country: United States

runmaryrun2@yahoo.com

161.69.122.15

9

Re: - Harry Woodworth Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Harry Woodworth** <admin@watersupplyproject.org> via jotform.com

reply-to: harrywoodworth@yahoo.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org
date:	Aug 20, 2020, 11:17 AM
subject:	Re: - Harry Woodworth Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Harry Woodworth

Street Address: 26725 Paseo Robles
City: Carmel
State: CA
Zip Code: 93923

harrywoodworth@yahoo.com

73.189.107.107

10

Re: - Robert Dooley Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Robert Dooley** <admin@watersupplyproject.org> via jotform.com

reply-to: rvdooley@att.net

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org
date:	Aug 20, 2020, 11:30 AM
subject:	Re: - Robert Dooley Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Robert Dooley

Street Address: 17 Heather Court
City: Seaside
State: CA
Zip Code: 93955

(831) 2366786
rvdooley@att.net

73.92.152.104

11

Re: - Dennis Allion Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Dennis Allion** <admin@watersupplyproject.org> via jotform.com

reply-to: dennisallion@sbcglobal.net

to: luke.gianni@amwater.com,
ExecutiveStaff@coastal.ca.gov,
CommissionerExParte@coastal.ca.gov,
Stephen.Padilla@coastal.ca.gov,
Donne.Brownsey@coastal.ca.gov,
Effie.Turnbull-Sanders@coastal.ca.gov,
Sara.Aminzadeh@coastal.ca.gov,
Caryl.Hart@coastal.ca.gov,
Erik.Howell@coastal.ca.gov,
Roberto.Uranga@coastal.ca.gov,
Carole.Groom@coastal.ca.gov,
ccc@daynabochco.com,
mike.wilson@coastal.ca.gov,
Katie.Rice@coastal.ca.gov,
Linda.Escalante@coastal.ca.gov,
catherine.stedman@amwater.com,
info@watersupplyproject.org

date: Aug 20, 2020, 12:13 PM

subject: Re: - Dennis Allion Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff

mailed-by: jotform.com

security: Standard encryption (TLS) Learn more

: Important according to Google magic.

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,

Dennis Allion

Street Address: 4 Los Encinos Drive
Street Address 2: Street Address 2
City: Del Rey Oaks
State: CA
Zip Code: 93940
Country: United States

(831) 9150857
dennisallion@sbcglobal.net

24.5.119.219

13

Re: - Ralph Peel Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Ralph Peel** <admin@watersupplyproject.org> via jotform.com

reply-to: apeelpink@comcast.net

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org
date:	Aug 20, 2020, 1:55 PM
subject:	Re: - Ralph Peel Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more

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,

Ralph Peel

Street Address: 865 Crest ave.
City: Pacific Grove
State: Cal
Zip Code: 93950

(831) 3751787
apeelpink@comcast.net

71.202.8.38

14

Re: - Barbara Tosh Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Barbara Tosh** <admin@watersupplyproject.org> via jotform.com

reply-to: barbaratosh0420@comcast.net

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org
date:	Aug 20, 2020, 2:29 PM
subject:	Re: - Barbara Tosh Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more

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,

Barbara Tosh

Street Address: 1670 Broadway Ave.
Street Address 2: Apt.H
City: Seaside
State: California
Zip Code: 93955

(805) 9756633
barbaratosh0420@comcast.net

107.3.175.209

15

Re: - Gary Ohls Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Gary Ohls** <admin@watersupplyproject.org> via jotform.com

reply-to: garyohls1@gmail.com

to: luke.gianni@amwater.com,
ExecutiveStaff@coastal.ca.gov,
CommissionerExParte@coastal.ca.gov,
Stephen.Padilla@coastal.ca.gov,
Donne.Brownsey@coastal.ca.gov,
Effie.Turnbull-Sanders@coastal.ca.gov,
Sara.Aminzadeh@coastal.ca.gov,
Caryl.Hart@coastal.ca.gov,
Erik.Howell@coastal.ca.gov,
Roberto.Uranga@coastal.ca.gov,
Carole.Groom@coastal.ca.gov,
ccc@daynabochco.com,
mike.wilson@coastal.ca.gov,
Katie.Rice@coastal.ca.gov,
Linda.Escalante@coastal.ca.gov,
catherine.stedman@amwater.com,
info@watersupplyproject.org

date: Aug 20, 2020, 3:10 PM

subject: Re: - Gary Ohls Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff

mailed-by: jotform.com

security: Standard encryption (TLS) Learn more

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,

Gary Ohls

Street Address: 1 Cielo Vista Dr
City: Monterey
State: CA
Zip Code: 93940
Country: United States

(817) 9098556
garyohls1@gmail.com

73.222.107.85

16

Re: - Miguel Polanco Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Miguel Polanco** <admin@watersupplyproject.org> via jotform.com

reply-to: polanco.miguel@yahoo.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org
date:	Aug 20, 2020, 4:46 PM
subject:	Re: - Miguel Polanco Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more

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,

Miguel Polanco

Street Address: 10600 MCDougall St apt #4
City: Castroville
State: California
Zip Code: 95012
Country: United States

(831) 5783848
polanco.miguel@yahoo.com

107.206.193.20

17

Re: - amy wigg Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **amy wigg** <admin@watersupplyproject.org> via jotform.com

reply-to: wwiggwam@aol.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org
date:	Aug 20, 2020, 9:00 PM
subject:	Re: - amy wigg Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more

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,

amy wigg

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

(831) 3942858
wwiggwam@aol.com

98.207.192.55

18

Re: - cornelius wigg Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **cornelius wigg** <admin@watersupplyproject.org> via jotform.com

reply-to: wwiggwam@aol.com

to: luke.gianni@amwater.com,
ExecutiveStaff@coastal.ca.gov,
CommissionerExParte@coastal.ca.gov,
Stephen.Padilla@coastal.ca.gov,
Donne.Brownsey@coastal.ca.gov,
Effie.Turnbull-Sanders@coastal.ca.gov,
Sara.Aminzadeh@coastal.ca.gov,
Caryl.Hart@coastal.ca.gov,
Erik.Howell@coastal.ca.gov,
Roberto.Uranga@coastal.ca.gov,
Carole.Groom@coastal.ca.gov,
ccc@daynabochco.com,
mike.wilson@coastal.ca.gov,
Katie.Rice@coastal.ca.gov,
Linda.Escalante@coastal.ca.gov,
catherine.stedman@amwater.com,
info@watersupplyproject.org

date: Aug 20, 2020, 9:00 PM

subject: Re: - cornelius wigg Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff

mailed-by: jotform.com

security: Standard encryption (TLS) Learn more

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,

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

19

Re: - Sandy Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Sandy** <admin@watersupplyproject.org> via jotform.com

reply-to: carrasco.sandy@yahoo.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org
date:	Aug 21, 2020, 1:18 AM
subject:	Re: - Sandy Comment in Support of Monterey Peninsula Water Supply Project [#9-19-0918] Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more

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

20

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

from: **Alex Seid** <admin@watersupplyproject.org> via jotform.com

reply-to: alexloyseid@alum.mit.edu

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Aug 21, 2020, 4:47 PM
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
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more

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,

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

21

Re: - Anthony Smith Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Anthony Smith** <admin@watersupplyproject.org> via jotform.com

reply-to: SEND2ASTRA@yahoo.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Aug 22, 2020, 2:35 PM
subject:	Re: - Anthony Smith Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more

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,

Anthony Smith

Street Address: 1125 Plumas Ave
City: Seaside
State: CA
Zip Code: 93955-6201
Country: United States

(831) 2367979
SEND2ASTRA@YAHOO.COM

108.237.249.224

22

Re: - Sam Teel Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Sam Teel** <admin@watersupplyproject.org> via jotform.com

reply-to: samteel@comcast.net

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Aug 24, 2020, 7:04 PM
subject:	Re: - Sam Teel Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Sam Teel

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

(831) 5219565
samteel@comcast.net

71.202.8.46

23

Re: - Ron Stefani Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Ron Stefani** <admin@watersupplyproject.org> via jotform.com

reply-to: rjstefani@aol.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Aug 28, 2020, 12:41 PM
subject:	Re: - Ron Stefani Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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

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Sincerely,

Ron Stefani

Street Address: 10921 Pomber Street
City: Castroville
State: California
Zip Code: 95012

(831) 5951431
rjstefani@aol.com

174.87.172.129

24

Re: - Patrick LeMaster Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Patrick LeMaster** <admin@watersupplyproject.org> via jotform.com

reply-to: patrick.j.lemaster@gmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Aug 28, 2020, 1:23 PM
subject:	Re: - Patrick LeMaster Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Patrick LeMaster

Street Address: 26547 Aspen Place
City: Carmel
State: CA
Zip Code: 93923

(831) 2938691
patrick.j.lemaster@gmail.com

73.223.172.149

25

Re: - Harry Woodworth Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Harry Woodworth** <admin@watersupplyproject.org> via jotform.com

reply-to: harrywoodworth@yahoo.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Aug 28, 2020, 1:30 PM
subject:	Re: - Harry Woodworth Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Harry Woodworth

Street Address: 26725 Paseo Robles
City: Carmel
State: CA
Zip Code: 93923

harrywoodworth@yahoo.com

73.189.107.107

26

Re: - Ryan Kelly Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Ryan Kelly** <admin@watersupplyproject.org> via jotform.com

reply-to: compasstrust@aol.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Aug 28, 2020, 5:45 PM
subject:	Re: - Ryan Kelly Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Ryan Kelly

Street Address: 23 Cielo Vista dr
City: Monterey
State: Ca
Zip Code: 93940

(831) 9155089
compasstrust@aol.com

50.242.112.18

27

Re: - David Laws Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **David Laws** <admin@watersupplyproject.org> via jotform.com

reply-to: david.a.laws@gmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Aug 29, 2020, 11:17 AM
subject:	Re: - David Laws Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

David Laws

Street Address: 1042 Jewell Ave
City: Pacific Grove
State: CA
Zip Code: 93950
Country: United States

(831) 3720814
david.a.laws@gmail.com

73.170.111.106

28

Re: - Frank Octigan Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Frank Octigan** <admin@watersupplyproject.org> via jotform.com

reply-to: Octigan@icloud.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Aug 31, 2020, 7:16 PM
subject:	Re: - Frank Octigan Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Frank Octigan

Street Address: 583 Filmore Street
City: Monterey
State: CA
Zip Code: 939401613

(480) 399-0409
Octigan@iCloud.com

73.93.26.81

29

Re: - Caron Octigan Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Caron Octigan** <admin@watersupplyproject.org> via jotform.com

reply-to: CaronOct@gmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Aug 31, 2020, 7:18 PM
subject:	Re: - Caron Octigan Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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

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Sincerely,

Caron Octigan

Street Address: 583 Filmore St
City: Monterey
State: CA
Zip Code: 93940

(480) 532-5349
CaronOct@GMail.com

73.93.26.81

30

Re: - Lauren Armstrong Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **lauren ARMSTRONG** <admin@watersupplyproject.org> via jotform.com

reply-to: LULUHU2@gmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Aug 31, 2020, 10:57 PM
subject:	Re: - lauren ARMSTRONG Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

lauren ARMSTRONG

Street Address: 202 Del Mesa Carmel
Street Address 2: PLEASE DO NOT CALL OR SHARE INFO
City: Carmel
State: CA
Zip Code: 93923

(5105484868)
LULUHU2@GMAIL.COM

98.234.103.211

31

Re: - Graham Filion Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Graham Filion** <admin@watersupplyproject.org> via jotform.com

reply-to: filions@comcast.net

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 1, 2020, 1:48 PM
subject:	Re: - Graham Filion Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Graham Filion

Street Address: 1010 Wranglers Trail Rd.
City: Pebble Beach
State: CA
Zip Code: 93953

(831) 647-1107
filions@comcast.net

73.223.8.72

32

Re: - Jim Wagoner Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Jim Wagoner** <admin@watersupplyproject.org> via jotform.com

reply-to: wagoner66gt@sbcglobal.net

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 1, 2020, 3:05 PM
subject:	Re: - Jim Wagoner Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Jim Wagoner

Street Address: 1027 Ripple Ave
City: Pacific Grove
State: CA
Zip Code: 93950
Country: United States

wagoner66gt@sbcglobal.net

71.202.12.11

33

Re: - Angela Wagoner Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Angela Wagoner** <admin@watersupplyproject.org> via jotform.com

reply-to: awagoner66@sbcglobal.net

to: luke.gianni@amwater.com,
ExecutiveStaff@coastal.ca.gov,
CommissionerExParte@coastal.ca.gov,
Stephen.Padilla@coastal.ca.gov,
Donne.Brownsey@coastal.ca.gov,
Effie.Turnbull-Sanders@coastal.ca.gov,
Sara.Aminzadeh@coastal.ca.gov,
Caryl.Hart@coastal.ca.gov,
Erik.Howell@coastal.ca.gov,
Roberto.Uranga@coastal.ca.gov,
Carole.Groom@coastal.ca.gov,
ccc@daynabochco.com,
mike.wilson@coastal.ca.gov,
Katie.Rice@coastal.ca.gov,
Linda.Escalante@coastal.ca.gov,
catherine.stedman@amwater.com,
info@watersupplyproject.org,
EORFC@coastal.ca.gov

date: Sep 1, 2020, 3:06 PM

subject: Re: - Angela Wagoner Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

mailed-by: jotform.com

security: Standard encryption (TLS) Learn more

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

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Sincerely,

Angela Wagoner

Street Address: 1027 Ripple Ave
City: Pacific Grove
State: CA
Zip Code: 93950
Country: United States

awagoner66@sbcglobal.net

71.202.12.11

34

Re: - Nichole Derrick Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Nichole Derrick** <admin@watersupplyproject.org> via jotform.com

reply-to: nicholederrick@comcast.net

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 1, 2020, 3:08 PM
subject:	Re: - Nichole Derrick Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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Sincerely,

Nichole Derrick

Street Address: 24429 Portola Ave
City: Carmel
State: CA
Zip Code: 93923

(512) 6699870
nicholederrick@comcast.net

73.170.160.190

35

Re: - Paul Uhrich Uhrich Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Paul Uhrich Uhrich** <admin@watersupplyproject.org> via jotform.com

reply-to: peachy1948@yahoo.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 1, 2020, 4:06 PM
subject:	Re: - Paul Uhrich Uhrich Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
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Please support this desalination project to ensure our water future. Thank you for your consideration.

Sincerely,

Paul Uhrich Uhrich

Street Address: 27441 Vista del Toro Place
City: Salinas
State: CA
Zip Code: 93908
Country: United States

(831) 596-2138
peachy1948@yahoo.com

24.130.38.98

36

Re: - Gail Anderson Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Gail Anderson** <admin@watersupplyproject.org> via jotform.com

reply-to: gfarmer77@yahoo.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 1, 2020, 6:19 PM
subject:	Re: - Gail Anderson Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
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Please support this desalination project to ensure our water future. Thank you for your consideration.

Sincerely,

Gail Anderson

Street Address: 4088 Sunset Lane
City: Pebble Beach
State: CA
Zip Code: 93953
Country: United States

(831) 2938545
gfarmer77@yahoo.com

73.162.178.151

37

Re: - Steven Ankeny Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Steven K Ankeny** <admin@watersupplyproject.org> via jotform.com

reply-to: ankenystev@aol.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 1, 2020, 8:35 PM
subject:	Re: - Steven K Ankeny Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Steven K Ankeny

Street Address: 3771 Rio Rd. Apt 202
City: Carmel
State: CA
Zip Code: 93923

(831) 293-8162
ankenystev@aol.com

73.170.111.253

38

Re: - John Derrick Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **john derrick** <admin@watersupplyproject.org> via jotform.com

reply-to: jederrick@icloud.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 1, 2020, 10:28 PM
subject:	Re: - john derrick Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

john derrick

Street Address: 24429 portola ave
City: carmel
State: ca
Zip Code: 93923

(831) 250-5711
jederrick@icloud.com

73.170.160.190

39

Re: - William Riegel Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **William Riegel** <admin@watersupplyproject.org> via jotform.com

reply-to: williamriegel@hotmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 2, 2020, 3:40 PM
subject:	Re: - William Riegel Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

William Riegel

Street Address: 105 LITTLEFIELD RD
City: MONTEREY
State: CA
Zip Code: 93940
Country: United States

(831) 6579044
williamriegel@hotmail.com

73.92.55.213

40

Re: - Gordon Mortensen Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Gordon Mortensen** <admin@watersupplyproject.org> via jotform.com

reply-to: gordonmortensen@comcast.net

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 3, 2020, 4:20 PM
subject:	Re: - Gordon Mortensen Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Gordon Mortensen

Street Address: 4153 Crest Rd
City: Pebble Beach
State: CA
Zip Code: 93953

(831) 625-0960
gordonmortensen@comcast.net

73.70.93.248

41

Re: - Marc Kelley Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Marc Kelley** <admin@watersupplyproject.org> via jotform.com

reply-to: marckelley413@gmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 4, 2020, 2:27 PM
subject:	Re: - Marc Kelley Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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

Sincerely,

Marc Kelley

Street Address: 675 West Franklin St
City: Monterey
State: -- State --
Zip Code: 93940

(707) 3310300
marckelley413@gmail.com

73.223.15.155

42

Re: - George Hoffman Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **George Hoffman** <admin@watersupplyproject.org> via jotform.com

reply-to: yhoffman@sbcglobal.net

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 4, 2020, 5:07 PM
subject:	Re: - George Hoffman Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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Sincerely,

George Hoffman

Street Address: PO BOX 1087
City: Seaside
State: CA
Zip Code: 93955
Country: United States

(831) 3947216
yhoffman@sbcglobal.net

166.216.158.226

43

Re: - Yoko Hoffman Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Yoko Hoffman** <admin@watersupplyproject.org> via jotform.com

reply-to: sendaigrl50@hotmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 4, 2020, 5:09 PM
subject:	Re: - Yoko Hoffman Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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Sincerely,

Yoko Hoffman

Street Address: PO Box 1087
City: Seaside
State: CA
Zip Code: 93955
Country: United States

(831) 4282091
sendaigrl50@hotmail.com

166.216.158.226

44

Re: - Brian LeNeve Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Brian LeNeve** <admin@watersupplyproject.org> via jotform.com

reply-to: brian@brianleneve.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 6, 2020, 2:51 PM
subject:	Re: - Brian LeNeve Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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Sincerely,

Brian LeNeve

Street Address: Camino Real 3 South East of 13th
City: Carmel
State: Ca
Zip Code: 93921

(831) 624-8497
brian@brianleneve.com

104.62.253.78

45

Re: - Kelly O'Brien Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Kelly O'Brien** <admin@watersupplyproject.org> via jotform.com

reply-to: kellyeo@mac.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 7, 2020, 1:01 AM
subject:	Re: - Kelly O'Brien Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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

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Sincerely,

Kelly O'Brien

Street Address: 38670 Tassajara Road
City: Carmel valley
State: CA
Zip Code: 93924

(831) 6592320
kellyeo@mac.com

76.88.181.86

46

Re: - Karen Arendt Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Karen Arendt** <admin@watersupplyproject.org> via jotform.com

reply-to: 1ekwine@gmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 7, 2020, 1:50 PM
subject:	Re: - Karen Arendt Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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

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Sincerely,

Karen Arendt

Street Address: 37 El Potrero
City: Carmel Valley
State: CA
Zip Code: 93924

(831) 6592072
1ekwine@gmail.com

162.232.215.123

47

Re: - Theresa Ogando Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Theresa Ogando** <admin@watersupplyproject.org> via jotform.com

reply-to: togando@yahoo.com

to: luke.gianni@amwater.com,
ExecutiveStaff@coastal.ca.gov,
CommissionerExParte@coastal.ca.gov,
Stephen.Padilla@coastal.ca.gov,
Donne.Brownsey@coastal.ca.gov,
Effie.Turnbull-Sanders@coastal.ca.gov,
Sara.Aminzadeh@coastal.ca.gov,
Caryl.Hart@coastal.ca.gov,
Erik.Howell@coastal.ca.gov,
Roberto.Uranga@coastal.ca.gov,
Carole.Groom@coastal.ca.gov,
ccc@daynabochco.com,
mike.wilson@coastal.ca.gov,
Katie.Rice@coastal.ca.gov,
Linda.Escalante@coastal.ca.gov,
catherine.stedman@amwater.com,
info@watersupplyproject.org,
EORFC@coastal.ca.gov

date: Sep 7, 2020, 4:33 PM

subject: Re: - Theresa Ogando Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

mailed-by: jotform.com

security: Standard encryption (TLS) Learn more

: Important according to Google magic.

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Sincerely,

Theresa Ogando

City: Carmel
State: CA
Zip Code: 93923
Country: United States

togando@yahoo.com

98.35.191.155

48

Re: - Damon Ogando Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Damon Ogando** <admin@watersupplyproject.org> via jotform.com

reply-to: damon.ogando@gmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 7, 2020, 4:34 PM
subject:	Re: - Damon Ogando Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Damon Ogando

City: Carmel-by-the-Sea
State: CA
Zip Code: 93923
Country: United States

damon.ogando@gmail.com

98.35.191.155

49

Re: - Harry Nicholson Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Harry Nicholson** <admin@watersupplyproject.org> via jotform.com

reply-to: hnmont@comcast.net

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 7, 2020, 10:40 PM
subject:	Re: - Harry Nicholson Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Harry Nicholson

Street Address: 1293 Sylvan Rd
City: Monterey
State: CA
Zip Code: 93940
Country: United States

(831) 3752884
hnmont@comcast.net

73.202.246.210

50

Re: - Andy Hartmann Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Andy Hartmann** <admin@watersupplyproject.org> via jotform.com

reply-to: andy.a.hartmann@gmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 8, 2020, 12:34 PM
subject:	Re: - Andy Hartmann Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Andy Hartmann

Street Address: 508 Emeline Ave
City: Santa Cruz
State: CA
Zip Code: 95060-2247
Country: United States

(831) 5947471
andy.a.hartmann@gmail.com

209.107.188.202

51

Re: - Robert Jaques Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Robert Jaques** <admin@watersupplyproject.org> via jotform.com

reply-to: bobj83@comcast.net

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 8, 2020, 5:29 PM
subject:	Re: - Robert Jaques Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Robert Jaques

Street Address: 83 Via Encanto
City: Monterey
State: CA
Zip Code: 93940

(831) 3750517
bobj83@comcast.net

71.198.73.194

52

Re: - Pete Scudder Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Pete Scudder** <admin@watersupplyproject.org> via jotform.com

reply-to: pete@scudderroofing.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 9, 2020, 4:29 PM
subject:	Re: - Pete Scudder Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Pete Scudder

Street Address: 3342 Paul Davis Drive
City: Marina
State: CA.
Zip Code: 93933

(831) 384.1500
pete@scudderroofing.com

173.164.205.5

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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Sincerely,

Pete Scudder

Street Address: 3342 Paul Davis Drive
City: Marina
State: CA.
Zip Code: 93933

(831) 384.1500
pete@scudderroofing.com

173.164.205.5

53

Re: - Grant Leonard Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Grant Leonard** <admin@watersupplyproject.org> via jotform.com

reply-to: leonardgt@yahoo.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 9, 2020, 5:12 PM
subject:	Re: - Grant Leonard Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Grant Leonard

Street Address: PO Box 1678
Street Address 2: Castroville, Ca 95012
City: Castroville
State: CA
Zip Code: 95012
Country: United States

(408) 3321412
leonardgt@yahoo.com

174.85.122.22

54

Re: - Leanne Leonard Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Leanne Leonard** <admin@watersupplyproject.org> via jotform.com

reply-to: lmschroyer@comcast.net

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 9, 2020, 5:14 PM
subject:	Re: - Leanne Leonard Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Leanne Leonard

Street Address: P.O. Box 1678
City: Castroville
State: California
Zip Code: 95012
Country: United States

(831) 9153472
lmschroyer@comcast.net

174.85.122.22

55

Re: - Kathleen Leonard Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Kathleen Leonard** <admin@watersupplyproject.org> via jotform.com

reply-to: lclan6@yahoo.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 9, 2020, 5:15 PM
subject:	Re: - Kathleen Leonard Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Kathleen Leonard

Street Address: 11727 Cypress St.
Street Address 2: Castroville, Ca 95012
City: Castroville
State: CA
Zip Code: 95012
Country: United States

(408) 6232682
lclan6@yahoo.com

174.85.122.22

56

Re: - Dorothy Gary Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Dorothy Gary** <admin@watersupplyproject.org> via jotform.com

reply-to: dgreen831@att.net

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 9, 2020, 7:08 PM
subject:	Re: - Dorothy Gary Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Dorothy Gary

Street Address: 1545 oyster Bay Court
City: Salinas
State: CA
Zip Code: 93906

dgreen831@att.net

104.2.46.133

57

Re: - Alexander Gray Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Alexander Gray** <admin@watersupplyproject.org> via jotform.com

reply-to: alexanderjgray@comcast.net

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 10, 2020, 5:43 PM
subject:	Re: - Alexander Gray Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Alexander Gray

Street Address: 40 Ford Road
City: Carmel Valley
State: CA
Zip Code: 93924
Country: United States

(510) 5936509
alexanderjgray@comcast.net

174.62.98.244

58

Re: - Nina Miller Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Nina Miller** <admin@watersupplyproject.org> via jotform.com

reply-to: adahnina@icloud.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 10, 2020, 6:11 PM
subject:	Re: - Nina Miller Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Nina Miller

Street Address: 251 Via Gayuba
City: Monterey
State: CA
Zip Code: 93940

(831) 313-2324
adahnina@icloud.com

71.202.10.92

59

Re: - Paul Finnegan Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Paul Finnegan** <admin@watersupplyproject.org> via jotform.com

reply-to: cur8or@att.net

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 10, 2020, 7:23 PM
subject:	Re: - Paul Finnegan Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Paul Finnegan

Street Address: P.O. Box 51235
Street Address 2: 26252 Laureles Grader Rd
City: Pacific Grove
State: CA
Zip Code: 93950
Country: United States

(831) 5942875
cur8or@att.net

107.77.211.77

60

Re: - Melvin Mason Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Melvin Mason** <admin@watersupplyproject.org> via jotform.com

reply-to: melmason43@gmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 10, 2020, 11:14 PM
subject:	Re: - Melvin Mason Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Melvin Mason

Street Address: 1897 Napa St
City: Seaside
State: CA
Zip Code: 93955

(831) 601-0014
melmason43@gmail.com

107.136.188.57

61

Re: - regina mason Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **regina mason** <admin@watersupplyproject.org> via jotform.com

reply-to: regina@villageprojectinc.org

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 10, 2020, 11:57 PM
subject:	Re: - regina mason Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

regina mason

Street Address: 1897 Napa Street
Zip Code: 93955

(831) 277-4760
regina@villageprojectinc.org

107.136.188.57

62

Re: - Silvia Giachetti Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Silvia Giachetti** <admin@watersupplyproject.org> via jotform.com

reply-to: silviagi@bellsouth.net

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 11, 2020, 9:38 AM
subject:	Re: - Silvia Giachetti Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Silvia Giachetti

Street Address: 7985 Carmel valley road
City: Carmel
State: California
Zip Code: 93923

(831) 3757735
silviagi@bellsouth.net

24.130.36.242

63

Re: - Kimberly Stephens Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Kimberly Stephens** <admin@watersupplyproject.org> via jotform.com

reply-to: kjfashion@hotmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 11, 2020, 9:42 AM
subject:	Re: - Kimberly Stephens Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Kimberly Stephens

Street Address: 109 W. Highland Ave
City: Phoenix
State: Az
Zip Code: 85013

kjfashion@hotmail.com

72.201.74.204

64

Re: - Stephanie Nichols Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Stephanie Nichols** <admin@watersupplyproject.org> via jotform.com

reply-to: stephaniel510@yahoo.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 11, 2020, 11:17 AM
subject:	Re: - Stephanie Nichols Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Stephanie Nichols

Street Address: 3850 Rio Rd
Street Address 2: 58
City: Carmel
State: Ca
Zip Code: 93923

(831) 6014026
stephaniel510@yahoo.com

67.174.238.84

65

Re: - Jana Kralick Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Jana Kralick** <admin@watersupplyproject.org> via jotform.com

reply-to: janakralick@gmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 11, 2020, 12:22 PM
subject:	Re: - Jana Kralick Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Jana Kralick

Street Address: 14 Paso Hondo
City: Carmel Valley
State: CA
Zip Code: 93924

(925) 9647868
janakralick@gmail.com

73.241.197.148

66

Re: - Kaitlin Ford Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Kaitlin Ford** <admin@watersupplyproject.org> via jotform.com

reply-to: kaitlin@pocketfulofplans.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 11, 2020, 2:39 PM
subject:	Re: - Kaitlin Ford Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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

Sincerely,

Kaitlin Ford

Street Address: 302 Euclid Ave
City: Monterey
State: CA
Zip Code: 93940

(303) 5706744
kaitlin@pocketfulofplans.com

73.70.92.149

67

Re: - Vicki Tackett Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Vicki Tackett** <admin@watersupplyproject.org> via jotform.com

reply-to: Vickit@certifiedfolder.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 11, 2020, 4:16 PM
subject:	Re: - Vicki Tackett Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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Sincerely,

Vicki Tackett

Street Address: P.O. Box 1490
City: Seaside
State: CA
Zip Code: 93955

(831) 9011083
Vickit@certifiedfolder.com

184.191.164.170

68

Re: - Jennifer Kuyper Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Jennifer Kuyper** <admin@watersupplyproject.org> via jotform.com

reply-to: jennifer.kuyper@pacificvalleybank.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 11, 2020, 4:30 PM
subject:	Re: - Jennifer Kuyper Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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

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Sincerely,

Jennifer Kuyper

Street Address: 966 Wainwright St
City: Monterey
State: CA
Zip Code: 93940

(831) 2510014
jennifer.kuyper@pacificvalleybank.com

156.55.54.67

69

Re: - Jay Edelman Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Jay Edelman** <admin@watersupplyproject.org> via jotform.com

reply-to: edelmanjay@gmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 11, 2020, 4:40 PM
subject:	Re: - Jay Edelman Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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Sincerely,

Jay Edelman

Street Address: 249 Edinburgh
City: Monterey
State: CA
Zip Code: 93940
Country: United States

(831) 3926233
edelmanjay@gmail.com

24.23.237.75

AFTER DEADLINE

70

Re: - Neera Lal Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Neera Lal** <admin@watersupplyproject.org> via jotform.com

reply-to: nmonicalal@aol.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 11, 2020, 5:03 PM
subject:	Re: - Neera Lal Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Neera Lal

Street Address: POB 51034
City: Pacific Grove
State: CA
Zip Code: 93950
Country: United States

(831) 2772279
nmonicalal@aol.com

50.211.220.249

71

Re: - John Hill Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **John Hill** <admin@watersupplyproject.org> via jotform.com

reply-to: johnhillaia@gmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 11, 2020, 5:25 PM
subject:	Re: - John Hill Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

John Hill

Street Address: P O Box 5903
City: Carmel
State: CA
Zip Code: 93921

(831) 620-2924
johnhillaia@gmail.com

73.92.54.18

72

Re: - Cheryl Hill Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Cheryl Hill** <admin@watersupplyproject.org> via jotform.com

reply-to: cherylarnnhill@gmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 11, 2020, 5:29 PM
subject:	Re: - Cheryl Hill Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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Sincerely,

Cheryl Hill

Street Address: PO Box 5903
City: Carmel
State: CA
Zip Code: 93921

(831) 7474558
cherylarnnhill@gmail.com

73.92.54.18

73

Re: - Ron Stefani Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Ron Stefani** <admin@watersupplyproject.org> via jotform.com

reply-to: rjstefani@aol.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 11, 2020, 5:50 PM
subject:	Re: - Ron Stefani Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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

Sincerely,

Ron Stefani

Street Address: 10921 Pomber Street
City: Castroville
State: California
Zip Code: 95012

(831) 5951431
rjstefani@aol.com

174.87.172.129

74

Re: - Douglas Roberts Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Douglas Roberts** <admin@watersupplyproject.org> via jotform.com

reply-to: doug@jhwarch.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 11, 2020, 6:14 PM
subject:	Re: - Douglas Roberts Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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

Sincerely,

Douglas Roberts

Street Address: 2400 Garden Rd, Ste C,
City: Monterey
State: CA
Zip Code: 93940
Country: United States

(831) 649-1701
doug@jhwarch.com

108.70.208.16

75

Re: - Sylvia Brugman Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Sylvia Brugman** <admin@watersupplyproject.org> via jotform.com

reply-to: pgsyl@yahoo.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 11, 2020, 6:23 PM
subject:	Re: - Sylvia Brugman Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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

Sincerely,

Sylvia Brugman

Street Address: 1303 David Ave
City: Pacific Grove
State: CA
Zip Code: 93950
Country: United States

(831) 9171680
pgsyl@yahoo.com

96.82.92.237

76

Re: - Ben Beesley Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Ben Beesley** <admin@watersupplyproject.org> via jotform.com

reply-to: ben@benbeesley.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 11, 2020, 6:25 PM
subject:	Re: - Ben Beesley Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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

Sincerely,

Ben Beesley

Street Address: PO Box 222382
City: CARMEL
State: CA
Zip Code: 93922
Country: United States

(831) 2366876
ben@benbeesley.com

73.92.152.137

77

Re: - Frank Geisler Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Frank Geisler** <admin@watersupplyproject.org> via jotform.com

reply-to: Frank.Geisler1@gmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 11, 2020, 6:27 PM
subject:	Re: - Frank Geisler Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Frank Geisler

Street Address: 445 Reservation Road
City: Marina
State: CA
Zip Code: 93933

(831) 9172802
Frank.Geisler1@gmail.com

50.211.220.249

78

Re: - Nikki Kendall Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Nikki Kendall** <admin@watersupplyproject.org> via jotform.com

reply-to: nikk.roberts1989@gmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 11, 2020, 6:37 PM
subject:	Re: - Nikki Kendall Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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

Sincerely,

Nikki Kendall

Street Address: 10525 Carmel Valley Rd
City: Carmel
State: CA
Zip Code: 93923
Country: United States

(831) 2362758
nikk.roberts1989@gmail.com

73.92.146.127

79

Re: - James Kendall Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **James Kendall** <admin@watersupplyproject.org> via jotform.com

reply-to: jamesikendall@gmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 11, 2020, 6:38 PM
subject:	Re: - James Kendall Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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Sincerely,

James Kendall

Street Address: 10525 Carmel Valley Rd
City: Carmel
State: CA
Zip Code: 93923
Country: United States

(831) 2750129
jamesikendall@gmail.com

73.92.146.127

80

Re: - Julie Davis Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Julie Davis** <admin@watersupplyproject.org> via jotform.com

reply-to: julie.davis@cbnorcal.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 11, 2020, 6:32 PM
subject:	Re: - Julie Davis Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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Sincerely,

Julie Davis

Street Address: 864 Laurel Ave
City: Pacific Grove
State: CA
Zip Code: 93950

(831) 5947283
julie.davis@cbnorcal.com

73.231.221.127

81

Re: - Robert Rapp Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Robert Rapp** <admin@watersupplyproject.org> via jotform.com

reply-to: robrapp74@hotmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 11, 2020, 7:14 PM
subject:	Re: - Robert Rapp Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
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Sincerely,

Robert Rapp

Street Address: 747 Lyndon St.
City: Monterey
State: California
Zip Code: 93940

(831) 2414559
robrapp74@hotmail.com

68.93.186.177

82

Re: - Marylou Shockley Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Marylou Shockley** <admin@watersupplyproject.org> via jotform.com

reply-to: mlshock@attglobal.net

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 11, 2020, 7:48 PM
subject:	Re: - Marylou Shockley Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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

Sincerely,

Marylou Shockley

Street Address: 100 Campus Center, Bldg. 506
City: Seaside
State: CA
Zip Code: 93955
Country: United States

(831) 5825218
mlshock@attglobal.net

108.208.197.14

83

Re: - Gabriel Luna Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Gabriel Luna** <admin@watersupplyproject.org> via jotform.com

reply-to: glunagabriel@gmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 12, 2020, 5:23 PM
subject:	Re: - Gabriel Luna Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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,

Gabriel Luna

Street Address: 849 Pine Ave
City: Pacific Grove
State: CA
Zip Code: 93950

glunagabriel@gmail.com

162.194.124.148

84

Re: - LINDA BORGMAN Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **LINDA BORGMAN** <admin@watersupplyproject.org> via jotform.com

reply-to: lindaborgman@rocketmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 13, 2020, 10:42 AM
subject:	Re: - LINDA BORGMAN Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
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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,

LINDA BORGMAN

Street Address: 419 Estrella Doro
City: Monterey
State: CA
Zip Code: 93940

(831) 869-9323
lindaborgman@rocketmail.com

71.198.156.129

85

Re: - Stephen Cry Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Stephen Cry** <admin@watersupplyproject.org> via jotform.com

reply-to: scry11@live.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 14, 2020, 5:31 PM
subject:	Re: - Stephen Cry Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
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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,

Stephen Cry

Street Address: 65 Laguna Grande Ct.
City: Monterey
State: CA
Zip Code: 93940

(831) 776-8128
scry11@live.com

12.245.14.14

86

Re: - Bill Lally Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Bill Lally** <admin@watersupplyproject.org> via jotform.com

reply-to: lally.bill@yahoo.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 14, 2020, 6:09 PM
subject:	Re: - Bill Lally Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
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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,

Bill Lally

Street Address: po box u.u.
City: Carmel
Zip Code: 93921

lally.bill@yahoo.com

73.202.246.212

87

Re: - Jacob Panovich Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Jacob Panovich** <admin@watersupplyproject.org> via jotform.com

reply-to: jacob.panovich@gmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 14, 2020, 9:14 PM
subject:	Re: - Jacob Panovich Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
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Comment in Support of the Monterey Peninsula Water Supply Project Case Number: 9-19-0918

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Sincerely,

Jacob Panovich

Street Address: 725 E Romie Ln Apt B10
City: Salinas
State: California
Zip Code: 93901

(831) 2879339
jacob.panovich@gmail.com

198.8.81.196

88

Re: - Ross Benz-Williams Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Ross Benz-Williams** <admin@watersupplyproject.org> via jotform.com

reply-to: ssorw22@gmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 14, 2020, 10:03 PM
subject:	Re: - Ross Benz-Williams Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
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Comment in Support of the Monterey Peninsula Water Supply Project Case Number: 9-19-0918

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Sincerely,

Ross Benz-Williams

Street Address: 1252 Circle Ave
Street Address 2: Apt. G

ssorw22@gmail.com

108.194.41.11

89

Re: - Celia Keefer Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **Celia Keefer** <admin@watersupplyproject.org> via jotform.com

reply-to: celiakeefer@hotmail.com

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 15, 2020, 7:52 AM
subject:	Re: - Celia Keefer Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
:	Important according to Google magic.

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Sincerely,

Celia Keefer

Street Address: 41 Via Chualar
City: Monterey
Zip Code: 93940

(831) 658-0768
celiakeefer@hotmail.com

108.212.154.128

90

Re: - mark mahaney Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff

from: **mark mahaney** <admin@watersupplyproject.org> via jotform.com

reply-to: markmahaney@sbcglobal.net

to:	luke.gianni@amwater.com, ExecutiveStaff@coastal.ca.gov, CommissionerExParte@coastal.ca.gov, Stephen.Padilla@coastal.ca.gov, Donne.Brownsey@coastal.ca.gov, Effie.Turnbull-Sanders@coastal.ca.gov, Sara.Aminzadeh@coastal.ca.gov, Caryl.Hart@coastal.ca.gov, Erik.Howell@coastal.ca.gov, Roberto.Uranga@coastal.ca.gov, Carole.Groom@coastal.ca.gov, ccc@daynabochco.com, mike.wilson@coastal.ca.gov, Katie.Rice@coastal.ca.gov, Linda.Escalante@coastal.ca.gov, catherine.stedman@amwater.com, info@watersupplyproject.org, EORFC@coastal.ca.gov
date:	Sep 15, 2020, 9:34 AM
subject:	Re: - mark mahaney Public Comment on September 2020 Agenda Item undefined 4a - Application No. 9-19-0918 (California American Water Co., Seaside, Monterey Co.) Sent to staff
mailed-by:	jotform.com
security:	Standard encryption (TLS) Learn more
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Sincerely,

mark mahaney

Street Address: 122 fountain ave.
City: pacific grove
State: CA
Zip Code: 93950

markmahaney@sbcglobal.net

108.83.119.225