

CALIFORNIA COASTAL COMMISSION

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Th8

ADDENDUM

February 6, 2023

TO: Coastal Commissioners and Interested Parties

FROM: Cassidy Teufel, Manager
Tom Luster, Senior Environmental Scientist

SUBJECT: Addendum to Deputy Director's Report – Proposed Immaterial Amendment 9-14-1735-A8 and Appeal A-3-MRA-14-0050-A8 (California-American Water Company ("Cal-Am") test well one-year extension)

This addendum includes correspondence received regarding the above-referenced proposed Immaterial Amendment. Commenters object to the requested Immaterial Amendment and suggest the Commission either deny the proposed one-year extension of the test well or that it require Cal-Am to submit an application for a material amendment to allow the test well to stay in place for an additional year.

Commission staff reviewed the comments and recommend no modifications to the proposed Immaterial Amendment. Commenters raised no issues that indicate that the one-year extension would result in additional coastal resource effects. Furthermore, as to comments raised concerning the coastal development permit for Cal-Am's desalination facility and well field,¹ that is a separate coastal development permit involving different issues and permit conditions. For the immaterial amendment of the CDP that is at issue here, Cal-Am would not operate the well other than to conduct limited periodic maintenance pumping of no more than a few hours each week during the one-year extension period, just as it has done since February 2018. Other than extending the term of the CDP by one year, the immaterial amendment involves no changes to the approved development and would cause no additional effects on coastal resources.

¹ 9-29-0603 / A-3-MRA-19-0034 (Nov. 17, 2022).

TH8

Correspondence received in opposition to Cal-Am test well time extension

Fw: Cal-Am test well - Formal Onjection - NOTICE OF PROPOSED IMMATERIAL PERMIT AMENDMENT 9-14-1735-A8 / A-3-MRA-14-0050-A8

From: Bobby Latino <bobbylatino17@gmail.com>

Sent: Thursday, January 26, 2023 1:12 PM

To: Luster, Tom@Coastal <Tom.Luster@coastal.ca.gov>

Subject: Formal Onjection - NOTICE OF PROPOSED IMMATERIAL PERMIT AMENDMENT 9-14-1735-A8 / A-3-MRA-14-0050-A8

To Whom it May Concern,

I hereby formally protest said Amendment, as any work conducted concerning the desalination plant require all necessary inter-agency approvals and further CEQA and NEPA review occur. The temporary well is now not temporary and would now constitute a permanent facility with any time extension, full review of original permit should commence under CEQA and NEPAs new guidelines.

Sincerely,
Bobby Latino

Sent from my iPhone

From: Ron Weitzman <ronweitzman@redshift.com>

Sent: Thursday, January 26, 2023 5:29 PM

To: Luster, Tom@Coastal <Tom.Luster@coastal.ca.gov>

Cc: CalAmMonterey@coastal <CalAmMonterey@coastal.ca.gov>

Subject: Question re proposed MPWSP test-well decsdion

Tom, the test well no longer serves any purpose because of the condition in the approved CDP that the intake pipe draw its water from no closer than 1,000 feet out to sea. Currently, the well draws its water from aquifers at the shoreline. I understand that protection of the Snowy Plover requires a removal date later than the Snowy Plover breeding/nesting season, but an extension of a whole year from February 28 seems inconsistent with the 1,000-foot condition and raises the question of how serious the Coastal Commission is about enforcing it. For this reason, I suggest an earlier removal date. Please let me know your thoughts about this suggestion. Thank you. –Ron (Ron Weitzman, president of the Water Ratepayers Association of the Monterey Peninsula)

P. S. The 1,000-foot condition for drawing water from under the sea is a serious one since the existing-project proposal would provide no more protection for sea life than open-ocean intake, the aquitard overlying the 180-foot aquifer preventing source water from filtering down through sand from the sea above it.

Ca; Am water in Monterey

Dear Mr. Luster,

To those of us who live in the Cal Am water area, they have done little for us except raise prices so that our water is the most expensive in the USA. We have voted to purchase the local water company but it is such a "cash cow" for them that they fight us and if they get permission to add desal, most of us will not be able to afford our water. We do not need it now.

We have Pure Water Now, but Cal Am does not want to pay for the water they are recycling.

Cal Am is a private company and pays its stockholders at least 19 million each year. We want to have a municipal group operate the system, but of course Cal Am objects. They bombard us with daily advertisements on how wonderful they are and they have a group of attorneys to help them. A municipal operator will not have to pay that and can use the funds to repair the older system. Cal Am does not, but tells us they do.

Somehow they got to our governor and now he suggests we add the desal plan. I wish he had contacted the people locally who must purchase this water and pay for it. When we are careful with water use, we have to pay more, as the company wants our fees.

Please look into this more carefully to see what is really going on.

Thank you.

Sincerely, Carole Ehrhardt

Carole Ehrhardt

P.O. Box 243

Pebble Beach, CA 93953

Test well

Jean Donnelly <jeanmdonnelly@comcast.net>

To: Luster, Tom@Coastal

Fri 1/27/2023 5:01 PM

Start reply with:

Thank you! I feel the same way. Yes, me too!

I object to the test well that Cal M6 to make. Jean Donnelly.

Sent from my iPhone

From: mjdelpiero@aol.com <mjdelpiero@aol.com>

Sent: Wednesday, February 1, 2023 9:29 AM

To: Luster, Tom@Coastal <Tom.Luster@coastal.ca.gov>

Subject: Objection to Application for Extension of CalAm test well permit

TO: Tom Luster for the California Coastal Commission (CCC)

Mr. Luster: On behalf of the Ag Land Trust of Monterey County, I wish to submit this letter of objection to any extension of the temporary well permit issued to the California American Water Company for testing related to CalAm's proposed desalination plant near Marina, California.

By this e-mail, I hereby incorporate by reference each and every letter and e-mail of objection (and all attachments thereto) to the CalAm "test well" that the Ag Land Trust has filed with the California Coastal Commission since 2013. As you are aware, the Ag Land Trust is the adjacent land owner to CalAm's well site and, by CalAm's own evidentiary admissions to the CCC, CalAm has and continues to exploit and illegally pump/take groundwater (because of the well's cone of depression) from beneath our "Armstrong Ranch" without any groundwater rights in the Salinas Valley. The use of the CalAm test well wrongfully increases saltwater intrusion beneath our prime coastal zone farmlands and into the protected aquifer, and results in an illegal diminishment of our water rights and groundwater resources.

The test well was permitted without a full environmental impact report, in spite of our objections and the objections of other overlying land owners and legal holders of senior groundwater rights in the overdrafted Salinas Valley. Its' temporary permit was issued by the CCC with the assurance that the well would be closed/retired after the "testing" was completed. Moreover, that test well cannot be used in compliance with the terms of the November, 2022 CCC permit issued to CalAm for its de-sal plant at the Marina Dunes site. The well cannot extract water in compliance with the mitigations, limitations, and engineering conditions of that November 2022 permit which was approved by the CA. Coastal Commission. The original justification for the temporary well permit no longer exists.

Hence, the application for any extension of the temporary well permit (requested by CalAm) must be denied, OR a full environmental impact report must be prepared to fully evaluate the on-going and intentional contamination of our groundwater resources (by CalAm's induced seawater intrusion) BEFORE any consideration by the CCC of the extension of the permit for this now valueless well may be properly considered pursuant to CEQA.

Most Respectfully, Marc Del Piero, CEO for Ag Land Trust

more news from the Monterey Peninsula

Michael Baer <mgbisme@yahoo.com>

To: Luster, Tom@Coastal
Sat 2/4/2023 4:23 PM

Well and truly screwed. Thanks Coastal Commission.
mb

State Grants for Pure Water Monterey at Risk Because Cal Am Won't Sign

This is a news that should be made public.

MPWMD was notified of a new State Department of Water Resources (DWR) grant award for almost \$12 million. However, because Cal Am hasn't signed the Water Purchase Agreement DWR wants to know how MPWMD will justify its need.

We have a \$70 million project that only costs ratepayers \$30 million and solves our water supply problem for decades!

There is now \$42 million in potential grants for PWM Expansion. The following grants may be lost if the PWM Expansion WPA is not signed or delayed beyond the appropriations:

\$10.32 Million US Bureau of Reclamation Title XVI (2022 Bipartisan Infrastructure Law / WIIN Act) – M1W

\$15.0 Million State Revolving Fund grant for PWM Expansion – M1W

\$11.94 Million Urban Community Drought Relief Grant – MPWMD

\$ 4.8 Million Budget Act of 2022 (Governor's 2022-23 Budget earmark) – MPWMD

\$42.06 Million of total grants + a low-interest WIFIA loan through the EPA.

Cal Am has no financial incentive to sign the WPA. They stand to make a lot more money by continuing to delay. Without the WPA, Cal Am can prevent Pure Water Monterey Expansion from delivering relatively inexpensive recycled water (less than 1/2 the cost of desal water) and create a situation where their oversized, overpriced desalination plant is the only option.

Melodie Chrislock



MARINA COAST WATER DISTRICT & GROUNDWATER SUSTAINABILITY AGENCY

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February 8, 2023

Via Email Only

Chair Brownsey and Honorable Commissioners
California Coastal Commission
455 Market Street, Suite 300
San Francisco, CA 94105

Re: California-American Water Company Monterey Peninsula Water Supply Project, Appeal
No. A-3-MRA-19-0034 and Coastal Permit No. 9-20-0603;
Proposed Immaterial Amendment: CDP 9-14-1735-A8/A-3-MRA-14-0050-A8 –
Comments Regarding Agenda Item No. Th8 and Update from Marina Coast Water District

Honorable Chair Brownsey and Commissioners:

As you will recall, the Commission voted last November to conditionally approve issuance of a Coastal Development Permit (CDP) to the California-American Water Company (CalAm) regarding certain elements of its proposed Monterey Peninsula Water Supply Project (MPWSP). As you may be aware, on December 30, 2022, the City of Marina, with the Monterey Peninsula Water Management District (MPWMD), the Marina Coast Water District (District) and the Marina Coast Groundwater Sustainability Agency, filed suit in Monterey County Superior Court challenging the Commission's decision to conditionally approve the CDP. This letter does not address the legal challenge or the Commission's November approvals. Rather, this letter addresses Marina Coast's concerns regarding yet another amendment to the CalAm "temporary" test well CDP and provides the Commission with a brief update on matters related to regional water supply concerns and CalAm's refusal to move forward with expansion of the Pure Water Monterey (PWM) advanced treated recycled water project.

While the District has not submitted formal objections to CalAm's most recent request for an immaterial amendment to the permit for its existing test slant well, which is included within item 8 on Thursday's agenda, we ask the Commissioners to instruct staff to consider and provide the Commission with mitigation for the impacts of allowing the test well to remain in place if and when CalAm requests yet another amendment to extend the test well permit next year.¹ As

¹ Pursuant to CalAm's application and the EIR/EIS, the test slant well would become a part of the MPWSP, should the Commission's approval survive legal challenges and provided that CalAm can satisfy the numerous conditions attendant to the Commission's approval.

explained in our prior comments regarding the prior immaterial amendments for the test slant well permit, which we incorporate by reference, neither the original CDP for the test well nor the serial one-year immaterial amendments the Commission has issued extending the life of the test well include any analysis or mitigation for allowing CalAm's test well to remain in ESHA for the last eight years. The special conditions only address construction and restoration of the test well site if it is removed. There is no mitigation that addresses the test slant well's continuing presence in ESHA or its impacts on Western Snowy Plover and habitat for the past eight years or future years. As the test well's impacts cannot be considered temporary any longer, the Commission should require mitigation for allowing the test well to remain in place before it considers whether to grant any future extensions. The Commission should also address the coastal hazards impacts associated before granting any future extension. As the Commission is aware, the components of the test well became exposed for a second time during the January storms. Therefore, staff should also ensure that CalAm is complying with the monitoring, reporting and notice conditions of its existing permit in relation to the current exposure and any future exposure events.

As to the District's update regarding regional water supply concerns, our participation as a co-sponsor of the Pure Water Monterey (PWM) advanced treated recycled water project continues to grow. Since last fall Marina Coast has been providing recycled water from the PWM project within the City of Seaside for non-potable irrigation use and we are expanding the availability of recycled water for direct, non-potable use within our service territory. The District is working with the communities it serves and with its PWM partner, Monterey One Water (M1W), to provide for future needs by increasing the use of recycled water, including future plans for direct potable use after aquifer injection.

Expansion of the PWM project, which would allow CalAm to purchase an additional 2,250 acre-feet of annual supply, was approved by its primary regulator, the California Public Utilities Commission (CPUC) on December 1, 2022. (CPUC Decision (D.) 22-12-001, available at <https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=ALL&DocID=499515145>.) The public agency sponsors of the PWM Expansion project, M1W and MPWMD, had approved the project and reached agreement with CalAm on the terms of a water purchase agreement for the additional supply in 2021. (D.22-12-001, pp. 8-9.) However, CalAm has refused to sign the water purchase agreement, and it filed an application for rehearing regarding the CPUC's approval of the agreement.² MPWMD has explained to CalAm and the CPUC that not only does CalAm's refusal to sign the water purchase agreement delay the Project's timeline for providing water to the Monterey Peninsula, it also jeopardizes millions in grant funding and financing that are needed for the PWM Expansion, and MPWMD has asked the CPUC to direct CalAm to sign the agreement.³ These two procedural requests have now been fully briefed by all parties before the CPUC.⁴

Meanwhile, mindful of the needs of our neighbors, the District has continued with plans we announced last fall to assist Castroville Community Services District in coping with increasing

² On December 30, 2022 CalAm filed an Application for Rehearing of D.22-12-001, seeking additional utility rate relief before it would sign the agreement. (CalAm's application is available at <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M500/K761/500761485.PDF>.)

³ MPWMD asked the CPUC in a Petition for Modification of D.22-12-001 to require CalAm's execution of the agreement. (MPWMD's petition is available at <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M500/K052/500052752.PDF>.)

⁴ The full on-line docket for the proceeding is at <https://apps.cpuc.ca.gov/apex/f?p=401:57:0>

seawater intrusion, which has decreased the quality of water at the community's wells. These plans would permit Castroville's groundwater to be pumped for it by Marina Coast at the District's wells, in a location inland of the seawater intrusion front, and the water would then be conveyed to Castroville for municipal use. The District's Board of Directors has authorized including a new pipeline to Castroville in our capital plan, and the preliminary design work has been completed. Staff is now developing the full design of the project, while the District is pursuing grant funding to minimize project costs. This is done in an effort to provide regional leadership on water supply issues and bring water to those in need.

If you or your staff have any questions regarding these projects, please feel free to contact me.

Sincerely,



Remy Scherzinger MBA, CSDM, P.E.
General Manager
Marina Coast Water District & Groundwater Sustainability Agency

cc: Louise Warren, Esq.
Kate Huckelbridge
Tom Luster
Roger Masuda, Esq.
Howard Wilkins, III, Esq.
Ruth Stoner Muzzin, Esq.