



## EXHIBIT 2-A

# MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

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April 8, 2004

Michael Waxer  
Carmel Development Company  
P.O. Box 450  
Carmel, CA 93921

**Subject: Monterra Ranch Mutual Water Company (MRMWC) Annual Water Monitoring Program Report for Water Year 2003**

Dear Michael:

Provided below are comments on the above-referenced report, dated December 22, 2003. These comments include several comments that were transmitted to you via e-mail on March 29, 2004. The Board-scheduled review of the report will be deferred from their April 19 to May 17, 2004 meeting to allow for additional time for your response to the comments. Accordingly, please provide a written response, including any revised report materials **no later than Monday, May 3, 2004**.

**1. Page 1, Executive Summary** The last bullet cites the production capacity of the Monterra Ranch wells based on information from Logan (2000). This does not reflect an updated determination of production capacity, as described in Condition 15 of the MRMWC Water Distribution System permit (last revised March 20, 2000). This requirement is intended to facilitate advance determination of needed production system improvements (e.g., existing pumping facilities replacement, well rehabilitation, new well construction). Accordingly, please provide an updated determination of the production capacity of the supply wells under current operating conditions. Also, it is not clear why Well MW-13 is considered as the "largest producing well", given that its assigned pumping rate is 140 gallons per minute (gpm) less than the HW-1 or HW-2 wells, as shown in Table 3. Please see Comment 7 below regarding the information in Table 3 for additional discussion of this item.

**2. Page 4, third paragraph.** In the statement "Rainfall in 1999 to 2003 was below average by approximately 5 to 10 inches per year", what is the average value that was used and in which years between 1999 and 2003 was rainfall 10 inches less than average?

**3. Page 5, Table 2.** Footnote 7 indicates that the "Average Conditions" shown "Represents 'running' average conditions (i.e., for period of record - Jan. 1996 to September 2003)". What was the rainfall in the second half of Reporting Year 1996, i.e., January 1996 - June 1996, and Reporting Year 1997, i.e., July 1996 - June 1997? Data for these periods are included in the "period of record", but are not listed in Table 2. Again, based on the data shown, what is the basis for stating the annual

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rainfall between 1999 and 2003 was "below average by approximately 5 to 10 inches each year", as described on page 4?

**4. Page 5, first paragraph.** The last sentence of this paragraph describes the calculation of estimated aquifer recharge from on-site percolation of rainfall for "average" rainfall conditions. For clarity and to avoid confusion with "long-term average" rainfall conditions, please indicate here that this calculation is for "running average" conditions.

**5. Page 6, first paragraph under *Well Capacity and Production Summary*.** In the last sentence, "quality" should be replaced with "quantity" and "plan" should be replaced with "plant".

**6. Page 6, second paragraph under *Well Capacity and Production Summary*.** Based on the data presented in Table 3, the third sentence states "All wells continue to produce below their estimated capacity". However, the data in Table 3 only show WY 2003 well production as averages over the entire year (in equivalent gallons per day). This analysis appears to defeat the purpose of comparing current well production to estimated well capacities, which was intended to assess the capabilities of the well production system to meet project needs during peak demand periods (e.g., the average day demand during the peak demand month, as described in Logan [2000, pg. 3]). Why is the well capacity vs. current production assessed based on production data that are averaged over the entire year? Why is there no daily (or at least monthly) breakdown and analysis of well production in the report? Please clarify.

**7. Page 7, Table 3.** Table 3 lists recommended well pumping rates and daily pumping durations used to calculate well capacities in gallons per day. The recommended pumping rates, however, are not based on updated information that reflects actual current operating conditions. Rather, the pumping rates (with one exception) are based on data from a report by John Logan, dated January 3, 2000, titled "Monterra Ranch Mutual Water Company's New High Well 'HW1'". In turn, the pumping rate data in the Logan (2000) report are taken largely from an earlier document by WWD Corporation and John Logan, dated July 1995, titled "Application for Additional Connections for Monterra Ranch Mutual Water Company (MRMwCo)". Accordingly, the pumping rate data for the Monterra wells are considerably out-of-date and may not reflect the current well production capabilities. For example, in 1999, the pumping rate for the HW-1 well was conservatively set at 300 gpm. However, it is not possible from the analysis presented to determine if that well can operate at that production rate presently. For all the active wells, an updated determination of pumping rates needs to be provided for the well capacity assessment. This does not mean that each well needs to be independently tested under controlled conditions each year, such as with a formal aquifer pumping test. One acceptable method for determining recommended well pumping rates is to review current daily pumping records and select each well's current rate based on the sustained gpm rate on the peak production day. Another relies on current well specific capacity and available drawdown data to derive a theoretical pumping rate. Alternatively, each well's current rate can be assessed based on the operator's judgment of its current operating capacity (this is the method employed by Cal-Am in reporting to the District). Please contact us with any questions regarding the determination of updated well pumping rates and estimated production capacity.

**8. Page 10, second paragraph, Well M-1.** The third sentence describes the range of water levels from the historical record for this well and states "The water level elevation ranges from 113.62 feet AMSL (September 1998) to a maximum of 92.90 feet AMSL (September 2003)". However, review of the historical water level record for Well M-1 shown in Table A-1 indicates that the water level elevation ranges from a *maximum* of 128.09 feet AMSL (April 1996) to a *minimum* of 92.90 feet AMSL (September 2003). Please review and correct as appropriate.

**9. Page 10, third paragraph, Well M-5.** "Historic" should be replaced with "historical" here and throughout the text when it is used to describe conditions that existed in the past, whether these conditions are regarded as important or not. Historic should only be used to refer to a condition that is important in history.

**10. Page 10, fourth paragraph, Well M-8.** The second sentence describes the range of water levels from the historical record for this well and states "The elevations range from a minimum of 41.73 feet AMSL (May 2001)...". This date should be corrected to June 2001 based on the historical water level record for Well M-8 shown in Table A-3. Please review and correct as appropriate.

**11. Page 11, third paragraph, Well M-15.** The second sentence describes the range of water levels from the historical record for this well and states "The water level elevation has ranged from a minimum of 117.26 feet AMSL (October 2002)...". This elevation and date should be corrected to 104.56 feet AMSL in July 2003 based on the historical water level record for Well M-15 shown in Table A-5. Please review and correct as appropriate.

**12. Page 12, last paragraph.** This paragraph indicates that total well production includes potable and sub-potable uses. While not quantified here, the data in Table 6 can be used to calculate that WY 2003 sub-potable uses (i.e., untreated water) accounted for 87.49 AF, or approximately 67% of total well production ( $129.65 \text{ AF} [\text{total well production}] - 42.16 \text{ AF} [\text{RO Plant and brine production}] / 129.65 \text{ AF} = 67\%$ ). The second sentence states "To better monitor sub-potable uses, Well M-1 was dedicated to only construction water and roadside irrigation uses during WY 2003". From Table 3, the WY 2003 production for Well M-1 can be calculated at 17.16 AF. This results in 70.33 AF ( $87.49 - 17.16 = 70.33 \text{ AF}$ ) in unspecified sub-potable uses in WY 2003. Please describe and quantify, to the extent possible, these other sub-potable uses.

**13. Page 12, last paragraph.** The last sentence states "Additionally, meters were installed on the pipelines coming out of the golf course irrigation ponds so more information will be available in WY 2004 as regards the raw well production and use that does not go through the treatment plant". From this statement we infer that irrigation for the golf course is achieved by pumping well water into the ponds, then out of the ponds and into the irrigation system. We also infer that for WY 2003, there may not be metered records of irrigation use for the golf course, but these records will be available for WY 2004. Please confirm our understanding.

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**14. Page 13, first paragraph.** Please provide a copy of the referenced PUC confidentiality regulations or a citation.

**15. Page 13, fourth paragraph.** The last sentence states that for each year the clubhouse water use "has been roughly 1/3 of the amount projected to be used by the MPWMD". Please note that the water use projections for the Monterra Ranch project were developed by the project applicant (not MPWMD) and submitted as part of the MRMWC water distribution system permit application.

**16. Page 17, first paragraph.** The sixth sentence indicates that "regular billing" for water service on the project is anticipated to begin by February 2004. Did the regular billing for water service begin in February 2004? Please note that the RY 2002 report (page 14) stated that water billing was to begin in 2003. Please comment.

**17. Page 23, Production Capacity.** The third sentence cites the WY 2003 meter records as showing a total potable water use in July 2003 of 45,436 gallons per day. However, we are unable to locate this value, or any other monthly value for total well production, total potable use, or total sub-potable use in any single table, making it difficult to follow/confirm text discussion and analysis. Can a simple table be developed and included in the report to show the breakdown of monthly well production, potable use and sub-potable use?

**18. Appendix A, Groundwater Elevation Tables and Figures.** This appendix includes historical water level data tables and graphs for the seven active production wells, but not for any of the eight inactive wells (as listed in Tables 4 and 5). The water level data from the inactive wells likely will have greater utility in the long-term analysis of water level trends due to less potential for direct effects and complications from production well pumping. At a minimum, tables and graphs of the historical records for the inactive wells should be included in the report. Please contact us if you need assistance in locating historical water level data for these wells.

Again, to facilitate presentation to the Board at their May 17, 2004 meeting, please provide your written responses and revised materials to the above comments no later than **Monday, May 3, 2004**. Should you have any questions, please contact Joe Oliver (technical contact) at 658-5640. Thank you for your prompt attention to this matter.

Sincerely,



Rick Dickhaut  
Acting General Manager

cc: Joe Oliver, Andy Bell, Darby Fuerst, MPWMD  
David Laredo, District Counsel