



**MONTEREY PENINSULA  
WATER MANAGEMENT DISTRICT**

5 HARRIS COURT, BLDG. G  
POST OFFICE BOX 85  
MONTEREY, CA 93942-0085 • (831) 658-5600  
FAX (831) 644-9560 • <http://www.mpwmd.dst.ca.us>

# **SUPPLEMENT TO 10/15/07 MPWMD BOARD PACKET**

Attached are copies of letters received between September 13, 2007 and October 9, 2007. These letters are also listed in the October 15, 2007 Board packet under item 22, Letters Received.

<b>Author</b>	<b>Addressee</b>	<b>Date</b>	<b>Topic</b>
Nate Holdridge	MPWMD Board	9/11/07	Draft concept ordinance regarding subpotable water credits
Todd S. Marans	David A. Berger	9/13/07	Extension of Water Rights/Proposed 78 bed Assisted Living facility (Hwy 1 and Carmel Valley Road) APN 015-021-036
Clive R. Sanders	David Pendergrass	9/13/07	Donation of \$1,250 from Carmel River Watershed Conservancy for Equipment to Record Steelhead Passage
Sister Claire Barone	MPWMD Board	9/17/07	Support for draft ordinance regarding subpotable water credits
Chuck Della Sala	David Pendergrass	9/17/07	Request to Conduct Policy Advisory Committee meeting
Rick Stemple	David A. Berger	9/24/07	Delays in processing Water Distribution System pre-applications and applications
Dick Butler	David Pendergrass	9/26/07	Support for procurement of enhanced fish counting software and hardware
Roy Thomas	Katherine Mrowka	10/3/07	MPWMD Petitions to Change Permits 7130B and 20808



# CALVARY CHAPEL MONTEREY BAY

September 11, 2007

RECEIVED  
SEP 17 2007  
MPWMD

Monterey Peninsula Water Management District  
Attn: Board of Directors  
5 Harris Court, Building G  
Post Office Box 85  
Monterey, CA 93942-0085

Dear Board Members:

I am writing on behalf of Calvary Chapel to support the draft concept ordinance regarding subpotable water credits. We have a well on our property that we would like to use for landscape irrigation purposes in lieu of our Cal Am water. Our reason for developing this substitute water source was to obtain some Cal Am water credit to enable us to build our City approved sanctuary building. Because our on-site well is located outside of Cal Am's water source areas (Carmel Valley and Seaside Basin), the end result will be less water being used from those overtaxed Cal Am water sources. The concept ordinance would enable this important water savings as well as our sanctuary building. In other words, we believe it would be a win-win situation. On behalf of our congregation we thank you for your consideration.

Very truly yours,

Nate Holdridge

cc: Dave Berger, District Manager  
Stephanie Pintar  
Paul Davis, Sr.



Mr. David Berger  
General Manager  
Monterey Peninsula Water Management District  
5 Harris Court, Building G  
Monterey, CA 93940

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SEP 13 2007

MPWMD

**RE: Extension of Water Rights  
Proposed 78 bed Assisted Living facility  
(Hwy 1 and Carmel Valley Road) APN 015-021-036**

Dear Mr. Berger:

My name is Todd Marans and I am a Senior Vice President with CWC Capital LLC. We have been engaged on behalf of Mr. Don Houpt to provide construction and permanent financing for the proposed 78 bed Assisted Living facility located at (Hwy 1 and Carmel Valley Road) APN 015-021-036.

CWC Capital is a leading, national full-service lender to the multifamily and commercial real estate industries. CWC Capital has more than 300 employees located in 13 offices nationwide. CWC Capital has a diverse array of lending platforms and offers Capital Market (Conduit) as well as Agency (Fannie Mae, FHA & Freddie Mac) loan programs. Our diversity has enabled us to flourish despite the Capital Markets volatility that impacted the Conduit lending platform, but not other areas of our business. CWC Capital currently services over \$6 billion of loans in 44 states. The company services all loans that it originates as well as loans for institutional investors.

Prior to my tenure at CWC Capital, I spent eight years as Chief Underwriter for a national mortgage banking firm. In this capacity, I have managed the underwriting activities related to financing over \$2 Billion in multifamily and long term care loans, including hospitals. I have an acute understanding of the challenges associated with developing real estate in today's environment. I have come to realize that a lender must be part of a borrower's development team in order to facilitate, not only the financing, but the development of the project. One of the challenges is securing the optimum financing in an uncertain Capital Markets landscape. CWC Capital has selected a fixed rate Construction and Permanent loan that is an ideal choice for this project under any circumstances. The selection of this loan program is further validated by the volatility in the real estate financial markets, which has not affected the Government insured loan programs.

We have performed preliminary underwriting on the project and have found it to not only economically viable but have determined significant demand exists that potentially might not be met if this facility is not developed. In addition, the location is exceptional and

affords an opportunity to create a truly unique senior community that is both aesthetically pleasing while providing important services to the seniors in the area.

As I am sure you can appreciate, development of a project of this scope is a challenging and time consuming endeavor. This is particularly true given the stated goal of creating a world class Assisted Living Facility. The task involves identifying and engaging the best team possible consisting of, among others, a lender, a facility administrator, an architect, and contractor in order to facilitate this unique and important achievement. Mr. Houpt is in advance stages of assembling his development team. There is however a concern that the timing required to realistically complete the project may be greater than the time allowed pursuant to specific performance entitlement requirements that must be completed by January 2009.

CWCapital is therefore requesting on behalf of Mr. Houpt that the planning staff please extend the deadline for completion of the project. The concern is that we might be in advance stages of construction and unforeseen conditions, such as weather, may cause delays. This could compromise the timeline, which is very tight as it stands, and therefore the entitlements. Losing the entitlements in advanced stages of development would represent a hardship to all involved. It would also compromise the asset which is the collateral for the proposed loan.

Please do not hesitate to contact me if I can answer any questions regarding CWCapital or any elements of our role in the financing and development of this important project.

Sincerely,  
CWCapital LLC



Todd S. Marans  
Senior Vice President

Cc: Don Houpt  
Scott Thurman

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SEP 17 2007

MPWMD



## Carmel River Watershed Conservancy

September 13th, 2007

The Chairman of the Monterey Peninsula Water Management Board,  
5 Harris Court, Building - G,  
P.O. Box 85,  
Monterey, CA 93942-0085

Dear Mr. Pendergrass,

The board of the Carmel River Watershed Conservancy notes with great interest that you are to consider the purchase of software ("A Pattern Recognition System for SCD" presented to the CRWC by Cory Hamilton on August, ??) that will enhance the existing recording of steelhead passing up the San Clemente ladder and over the counter.

Much has been done over the years by staff to collect information on the passage of steelhead on each annual migration that has occurred, except in those years that the river did not run to the ocean. It is fitting that now is the time to acquire the technology to eliminate the physical aspect of staff spending time visually to assemble the data. Time which can be better spent on areas that cannot be accomplished with computers.

We understand that total cost of the new technology will be about \$12,000 to upgrade to a system that will digitally monitor fish that have been recorded passing over the dam. If budgetary considerations are a problem but nevertheless the board approves the expenditure, the CRWC will donate \$1,250 towards the cost.

Our members appreciate the efforts of board and staff of the Management District in their endeavors to mitigate the problems that beset the Carmel river

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SEP 17 2007

MPWMD

September 17, 2007

Monterey Peninsula Water Management District  
Attn: Board of Directors  
5 Harris Court, Building G  
Post Office Box 85  
Monterey, CA 93942-0085

Dear Water Board Members:

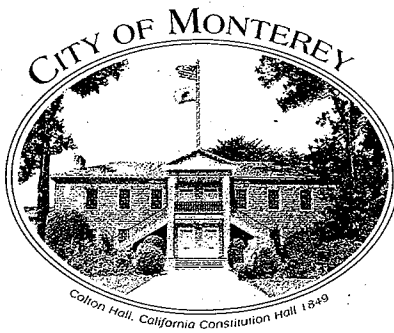
I am writing on behalf of Santa Catalina School to express our support for the draft ordinance regarding subpotable water credits. The School intends to construct a well on our property that we would use for landscape irrigation purposes. This would enable us to reduce our Cal Am water use. We would hope to receive some Cal Am water credit in return to enable us to continue to improve our campus facilities. Our property is located outside of the Cal Am water sources (Seaside Basin and Carmel Valley). This concept ordinance would allow us to obtain water credit while at the same time reducing Cal Am water use. Both the Santa Catalina School and the environment would benefit from the adoption of this ordinance. We urge your support.

Sincerely,

A handwritten signature in cursive script that reads "Sister Claire Barone".

Sister Claire Barone  
Head of School

cc: David Berger, District Manager  
Stephanie Pintar



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SEP 16 2007

MPWMD

Mayor:  
CHUCK DELLA SALA

September 17, 2007

Councilmembers:  
LIBBY DOWNEY  
JEFF HAFFERMAN  
NANCY SELFRIDGE  
FRANK SOLLECITO

David Pendergrass, Chair  
MPWMD  
P.O. Box 85

City Manager:

**RE: Policy Advisory Committee**

Dear Chairman Pendergrass:

The City of Monterey recently received a presentation from Boardmember Krisiti Markey and Board Executive Director, Dave Berger. The City Council very much appreciated the history and background provided by Boardmember Markey and Mr. Berger, as many of the councilmembers are relatively new to "water issues".

It was an excellent briefing. The Council would like the "old Board" policy to be revisited regarding water transfers within a city. The Council asked that I request you convene the Policy Advisory Committee to relook at this issue in light of where we currently are in finding and bringing online a permanent water supply solution set.

I would be happy to sit down with you, Mr. Berger and the City Manager to develop an agenda for such a meeting. Please contact my office at 646-3670 to coordinate a meeting date.

Sincerely,

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SEP 24 2007

Dear Mr. Burger

MPWMD

This letter is in response to MPWMD delays in the processing and finishing of Pre-applications and applications for Water Distribution systems permits. Please address the issue of lack of staff. Simply put, hire some people to get the job done!

I wish you would follow your own requirement "first come first serve", as you state in the status of permit letter. Apply this principle to a priority list, with permits





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UNITED STATES DEPARTMENT OF COMMERCE  
National Oceanic and Atmospheric Administration  
NATIONAL MARINE FISHERIES SERVICE  
Southwest Region  
777 Sonoma Ave., Room 325  
Santa Rosa, CA 95404-4731

September 26, 2007

In response refer to:  
SWR/F/SWR3:JEA

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OCT - 3 2007

MPWMD

David Pendergrass  
Chair of the Board of Directors  
MPWMD  
P.O. Box 85  
Monterey, California 93942-0085

Dear Mr. Pendergrass:

NOAA's National Marine Fisheries Service (NMFS) supports the staff recommendation to the Monterey Peninsula Water Management District's Board to fund the procurement of enhanced fish counting software and hardware. NMFS staff believes this expenditure will benefit the long term monitoring and management of steelhead in the Carmel River basin, by ensuring the District will be able to fully and accurately enumerate the steelhead run past the San Clemente Dam (SCD) ladder for the whole migratory season.

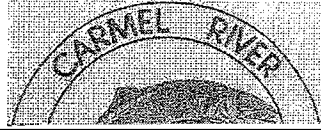
Besides the overall benefit for long term monitoring, maintaining accurate counts of adult steelhead passing the SCD is especially critical while California American Water is under orders by the State Division of Safety of Dams to lower the reservoir level each spring. The steelhead runs in the Carmel River have been decreasing each year, and it is important that adult steelhead counts be enumerated quickly and accurately, so a more informed decision can be made as to when to begin the drawdown. In the past, when the mechanical counter on the SCD ladder malfunctioned, there was no backup mechanism to ensure fish passage continued to be enumerated. We appreciate that the District has already experimented with the use of a digital video camera, and proved that it could be deployed as an effective back up to the mechanical counter. We understand that manual review of these digital video recordings has been used to fill short data gaps in the last two years, when the mechanical counter was off line, and to correct for some of the false positive counts triggered by things other than steelhead passage. We are also aware that in some low flow years, like 2007, the mechanical counter has to be removed earlier than normal, due to it potentially blocking fish passage at low flows. When this happens there is no way to enumerate the end of the steelhead run that may still be passing up the SCD ladder, other than with the digital video camera. However, manual review of many hours of digital video footage is inefficient and expensive in terms of the staff time required to do so, and we understand that your staff have worked with an outside vendor to revise software from other applications to this purpose.



We sincerely hope the District decides to continue to support these improvements, which will

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OCT - 9 2007



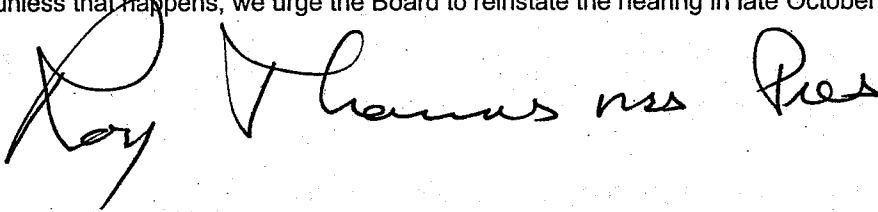
ARMY

4. Relying on "In stream Minimum Flow Guidelines" that were developed for a never built large reservoir, neglects another critical life history phase of Carmel River Steelhead Trout. There is no analysis of the overall impact of ASR diversions on lagoon habitat and lagoon morphology. The recently completed Lagoon Restoration Project changed the size, shape and volume of the lagoon. In the MPWMD Technical Memorandum 05-01 prepared by Greg James (Oct 2005) reference is made to the Lagoon as "a valuable resource ... that provides a rich habitat for juvenile steelhead, birds and other wildlife (P 2). And "in years when sufficient fall and winter rainfall occurs the river will advance and fill it" (P 2). And on page 3, "Lagoon Outflow and Inflow of about 75 cubic feet per second is sufficient for adult migration. During the winter, flows below 75 CFS present an increased risk that the sandbar will build up and block the outflow channel leading from the lagoon to the ocean. The table A schedules allow ASR diversion in fall and winter for any flow over 40 CFS, precisely when the lagoon is beginning to rise prior to the first breach allowing adult migration and maintaining the freshwater balance necessary to offset wave overtopping that normally occurs with the coming winter storm season. It is critical that salinity levels are offset by fresh water inflows in the late fall. Entire year classes of juveniles that have survived the summer are most at risk concurrent with the first fall and winter rains, due to potential anoxic conditions.

These minimum flow guidelines appear to be a convenient benchmark for MPWMD to base a diversion schedule upon to maximize ASR injections. The guidelines are flawed and outdated and should be rejected by NOAA and DFG or the SWRCB. What the agencies should be establishing are the optimum recovery flows as the guide to all diverters in the watershed in order to comply with the goals and intent of the ESA and to return the healthy population of Carmel River steel head.

If a project that truly diverts only excess winter flow as originally depicted by MPWMD is proposed and a gallon for gallon reduction of pumping from the Carmel River during low flow periods is included, CRSA will reconsider the matter. Until, and unless that happens, we urge the Board to reinstate the hearing in late October.

Sincerely,



Roy Thomas, D.D.S., President  
Carmel River Steelhead Association

CC: NOAA  
DFG  
CAW  
MPWMD Board  
SWRCB Chairperson  
RWQCB Chairperson