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SUPPLEMENT TO 4/21/08 MPWMD BOARD PACKET

Attached are copies of letters received between March 11, 2008 and April 14, 2008. These letters are also listed in the April 21, 2008 Board packet under item 28, Letters Received.

Author	Addressee	Date	Topic
Edwin B. Lee	Carmel City Council	3/20/08	Set Another Election on New Los Padres Dam Project
Charles & Anna Eckstein	Calif. Public Utilities Commission	3/23/08	Cal-Am Fee Increase for Hidden Hills-Boots Road Community
Henry & Renée Peters	MPWMD Board	3/24/08	California American Water and the Greater Hidden Hills Community
John Laird, Assemblymember 27 th District	State Water Resources Control Board	3/25/08	Draft Order to California American Water Regarding the Carmel River
Abel Maldonado, Senator, 15 th District	Judi Lehman	4/9/08	Response to Concerns Expressed re Proposition 1A, Water Resources and the State Budget Deficit

Edwin B. Lee P.O. Box 2495 Carmel Ca. 93921 (831) 624-4158

March 20, 2008 | V | D

MAR 2 6 2008

MPWMD

To: Carmel City Council

Since voters rejected the FINANCING for the districts proposed new Los Padres dam, Cal Am has been analyzing their coastal water project. Larry Foy former Cal Am local manager and Water board director told me that there proposed desalination water project would cost three times as much as the dam.

The State Water resource control board is currently considering a proposed (Cease and Desist Order) for Cal Am pumping from the Carmel River. This order would undoubtedly cause rationing and cessation of water connections to the Cal Am system. In the light of these facts the majority of voters might well change their collective opinion of the new Los Padres dam.

The district board should immediately set a date for a new election

The board should request that SWRCB delay implementation of the Cease and desist order until after the election.

Sincerely,

on the dam.

Edwin B. Lee

Former director of the water district

Cc; SWRCB

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NETZERO
Message Center

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: "crxtyne@netzero.com" <crxtyne@netzero.com>

public.advisor@cpuc.ca.gov

: ssw1@sbcglobal.net

Subject : RE:Cal-Am Fee Increase for HH-BRC

Date : Sun, Mar 23, 2008 10:34 AM

Greetings:

When the Carmel Valley Water Company, which was owned by the Hidden Hills-Boots Road Community (HH-BRC), was purchased by Cal-Am Water in 1994, the Purchase Agreement clearly stipulates Restrictive Conditions which ensure a protected water supply for the residents of the HH-BRC.

The Stipulated Conditions of the Purchase Agreement make the HH-BRC a Separate Entity, exempt from Fees for future Dams, Desalination Plants and similar actions which are tied to the needs of the Greater Monterey Peninsula, and Separate from the needs of the HH-BRC.

The HH-BRC will require Disclosure from Cal-Am Water that any future Fee Increases for HH-BRC residents pertain to the needs of our Separate Entity, and not the general needs of the Greater Monterey Peninsula outside the HH-BRC Service Area.

Please resist any pressure from Special Interests to disregard the Legal Stipulations of the Cal-Am Purchase Agreement.

Sincerely,

Charles and Anna Eckstein 25580 Boots Road Monterey, Ca 93940

Mailed Copies To: CPUC, MPWMD and Cal-AM Water

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MAR 2 6 2008

MPWMD

RECEIVED

MAR 2 4 2008

Monterey Peninsula Water Management District P O Box 85 Monterey CA 93942-0085

MPWMD

TO WHOM IT MAY CONCERN

Subject: Calif-American Water and the greater Hidden Hills Community

In 1994 Carmel Valley Mutual Water Co. (CMV) sold to Calif-American. CMV had its own wells which supplied water to communities of Bay Ridge, Hidden Mesa West, Los Laurels, Halcyon Heights and Halcyon Hills.

The agreement outlined conditions protecting homeowners in the five areas from similar rationing and rates to that of homeowners on the Peninsula as we own our own aquifer.

We have had consistent water price increases in the five years we've lived in Bay Ridge and have not complained but the new proposed price increases to be levied don't seem fair as we don't draw water supplies from any other aquifer but the ones servicing the five areas.

When we purchased our Bay Ridge home in 2003 we replaced our lawn immediately with drought-resistant plants and gravel and a drip system that operates only between April and November.

We moved to Monterey County in 1990 when there was strict water rationing in Carmel and Carmel Valley so we understand the problem. We have always taken great care to limit water use in the four homes we've occupied since our move.

We urge you to uphold the original agreement between Carmel Valley Mutual Water Co. and Cal-American.

Thank you for your attention to this request.

Sincerely,

Henry Peters

Renée Peters

STATE CAPITOL P.O. BOX 942849 SACRAMENTO, CA 94249-0027 (916) 319-2027 FAX (916) 319-2127

> DISTRICT OFFICES 701 OCEAN STREET, SUITE 318B SANTA CRUZ, CA 95060 (831) 425-1503 FAX: (831) 425-2570

99 PACIFIC STREET SUITE 555-D MONTEREY, CA 93940 (831) 649-2832 (408) 782-0647 FAX: (831) 649-2935 Assembly California Legislature

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Chair, BUDGET
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LABOR & EMPLOYMENT
NATURAL RESOURCES

JOHN LAIRD

ASSEMBLYMEMBER, TWENTY SEVENTH DISTRICT

RECEIVED

MAR 2 5 2008

MPWWD

March 25, 2008

Members of the Board State Water Resources Control Board 1001 I Street Sacramento, CA 95814

RE: DRAFT ORDER TO CAL-AM REGARDING THE CARMEL RIVER

Dear Members of the Board:

I am writing to respectfully request that the Board defer acting on the draft order regarding the Carmel River and Cal-Am Water until at least after the Public Utilities Commission (PUC) issues its draft Environmental Impact Report (EIR) later this year and the PUC's Division of Ratepayer Advocates completes its work on its "seawater intrusion barrier/no once-through-cooling" alternative. I also request that the Board, prior to taking any action, collaborate with the other state entities (including the Coastal Commission, the Department of Fish and Game, and the Air Resources Board) which have significant interests in the various solutions, in order to assist the PUC and the community find a cost-effective and environmentally appropriate solution.

This issue is especially complicated because the legislature put the responsibility for the process of developing a water source in the hands of the PUC, which is considering the next steps in developing a solution. Yet this order would punish the local Monterey Peninsula community for the slow speed at which the PUC has moved to conceive and design a new project—during a period of time when state priorities with regard to water development are changing. What follows outlines why I believe these two requests are necessary and appropriate.

Background

In 1995, the Board determined that Cal-Am was diverting more water from the Carmel River than Cal-Am was permitted under its water rights, with resulting adverse impacts on river flows, habitat and fisheries. The Board then ordered Cal-Am to determine how to end diversions in excess of its rights.

Cal-Am originally proposed a dam, which was subsequently rejected by the voters. In 1998, the Legislature designated the PUC to identify an alternative to the dam. The PUC

ultimately recommended a large desalination plant at Moss Landing, utilizing the "once-through" cooling conduits of the Moss Landing Powerplant. Desalinated water would be conveyed approximately 20 miles to the Monterey Peninsula.

Cal-Am was directed to prepare a preliminary environmental assessment for the desalination operation, which was provided to the PUC in 2005. Since that time the PUC has been working on the draft EIR, and they have indicated it will be released later this year.

A desalination plant at Moss Landing will require approval of the Coastal Commission, which in recent years has indicated that it may no longer support "once-through" cooling. The State Water Resources Control Board also appears to be considering moving toward a policy of ending "once-through" cooling. These positions, taken together with the PUC's project-level suggestion, indicate a policy conflict among state agencies with regard to this issue.

Through the passage of AB 32, the state has set a goal of reducing greenhouse emissions, with the ARB directed to develop a state plan. A Moss Landing desalination plant and the facilities to pump the water to Monterey will consume large amounts of energy and produce very significant amounts of greenhouse gases. As a result, the PUC proposal is somewhat in conflict with the direction given to the ARB with regard to AB 32.

And with regard to ocean health, the state has provided protections for the Monterey Bay Sanctuary with the purpose of protecting the fishery and other resources of the bay. This task has been given to the Department of Fish and Game and the Ocean Conservancy. Clearly, these state entities have an interest in whatever solution is selected.

Alternative Plans

Seeking an alternative plan, the PUC's Office of Ratepayer Advocates entered into a contract with UC Santa Cruz to evaluate other options. After a conceptual plan was developed, Cal-Am, Monterey County Water Resource Agency, and the Marina Coast Water District agreed to help fund studies.

Initial indications show that the UCSC-developed plan would be less costly, would not use "once-through" cooling, would use less energy, and would reduce seawater intrusion into Salinas Valley groundwater. Under this three-part plan, (1) tertiary-treated sewage from Monterey (currently discharged to the ocean) would be used to indirectly recharge groundwater in the Salinas Valley, thereby reducing seawater intrusion; (2) groundwater that is partially contaminated with ocean water would be supplied to a desalination plant that would deliver fresh water to Monterey; and (3) the brine (approximately the salinity of seawater) would be discharged to the Monterey Bay via the conveyance currently used to discharge unneeded tertiary-treated water into the bay.

While this plan is still under study, it potentially could provide a better resolution of the various state and local interests than would the existing Moss Landing project.

Additionally, the Monterey Peninsula Water Management District has voted to reopen its EIR to consider a "slant-well" desalination plan. This plan would have the advantage of reduced cost because fewer miles of pipeline would be required and because the use of wells would avoid most of the entrainment concerns with "once-through" cooling.

Lastly, the staff of the Monterey Regional Pollution Control has suggested two other alternative ways to use tertiary-treated sewage, and those are also being evaluated.

Moving forward

If the State Water Resources Control Board proceeds with hearings on the draft order, Cal-Am and the local community—already well-known statewide as leaders in water conservation—may respond by working hard to resist the order because the schedule calls for larger and larger water reductions. It would be better if they could fully focus on the alternatives that will soon be presented to them. In addition, it would be ideal if the various state agencies collaborated and coordinated their expertise to assist the community in selecting the least costly, most environmentally appropriate alternative.

It is difficult to understand why it has been almost 13 years without action since the original Board order. And yet, the draft order effectively proposes to punish residents and businesses in the Monterey Peninsula area (rather than Cal-Am, due to the way PUC rules are structured with regard to profit and Cal-Am's financial investment in the Monterey area) by cutting back on water diversions and thus water deliveries.

At this time, there should be two top priorities. First, the various studies and EIRs being undertaken by the PUC should get completed. In order to allow the community to fully focus on the solutions that will be presented, it would be helpful if the Board could defer consideration of its draft order.

Second, before the Board issues an order, it would be appropriate for the Board to fully coordinate with the other state boards and departments in order to help the community find the least costly and most environmental beneficial solution—one which will meet local and state interests, including restoration of the Carmel River.

We need an innovative solution that restores flows in the Carmel River and effectively considers the many objectives and needs of the local community and the state.

Thank you for your consideration.

Sincerely,

JOHN LAIRD, Assemblymember

John Land

27th District

STATE CAPITOL SACRAMENTO, CA 95814 (916) 651-4015 (916) 445-8081 FAX





APR : + 2008

MPWMD

California State Senate

ABEL MALDONADO FIFTEENTH SENATE DISTRICT

April 9, 2008

Ms. Judi Lehman Chair of the Board of Directors Monterey Peninsula Water Management District 5 Harris Court, Blvd. G Post Office Box 85 Monterey, CA 93942-0085

Dear Ms. Lehman:

Thank you for contacting me to express your concerns over Proposition 1A, water resources and the state budget deficit. Your points are well taken.

I agree that local revenues should be safeguarded to ensure continuance of vital services and projects like the Aquifer Storage and Recovery Project. The Legislature would need a two-thirds vote for Prop 1A funds to be suspended for sake of the budget and I believe there are far preferable solutions than to raid local funding.

It is not a revenue problem we have in California, it is a spending problem. The state needs to decide its priorities and fund appropriately.

As you stated, California is in the midst of a water supply and delivery crisis. We need a comprehensive water plan. I will definitely keep your views in mind when these issues arise. Thank you for communicating your position with me.

ABEL MALDONADO Senator, 15th District

AM/mr