5 HARRIS COURT, BLDG. G POST OFFICE BOX 85 MONTEREY, CA 939420085 • (831) 658-5600 FAX (831) 644-9560 • http://www.mpwmd.dst.ca.us

SUPPLEMENT TO 2/26/09 MPWMD BOARD PACKET

Attached are copies of letters received between January 8, 2009 and February 13, 2009. These letters are also listed in the February 26, 2009 Board packet under item 19, Letters Received.

Author	Addressee	Date	Topic
Mark Bastis	Honorable Michael Peevey	1/23/09	California American Water Co. Monterey Region Commercial Rate Adjustment Requests
Janice O'Brien	MPWMD Board	1/28/09	Ryan Ranch Water Distribution System
John Doughty	Darby Fuerst	2/2/09	Central Coast Joint Data Committee
Laurens H. Silver	Ralph Rubio	2/6/09	Water Connection Permit – Security National Guarantee (Watermaster Letter of September 19, 2008)
James W. Kassel	Laurens H. Silver, Esq.	2/6/09	Application of California American Water Company for Water Distribution Permit to Serve Monterey Bay Shores Ecoresort
Regina Doyle	Deborah Lindsay	2/9/09	Withdrawal as Voting Member, City of Pacific Grove Ad Hoc Alternative Water Source Subcommittee
Laurens H. Silver	Ralph Rubio	2/11/09	Water Connection Permit – Security National Guarantee (Watermaster Letter of September 19, 2008)
Roger A. Williams	Darby Fuerst	2/7/09	Carmel River Steelhead



January 23, 2009

The Honorable Michael Peevey, Chair California Public Utilities Commission 505 Van Ness Avenue San Francisco, California 94102 JAN 2 7 2009 MPWMD

Transmitted by fax to 415-703-1758

Re: California American Water Co. Monterey Region commercial rate adjustment requests

Dear Chair Peevey and Members, Public Utilities Commission:

The Monterey County Hospitality Association (MCHA) shares the following concerns about California American Water Co. Monterey Region (Cal Am) proposed commercial water rate adjustments.

MCHA is the trade association for the Hospitality Industry in Monterey County. You should know the Monterey County Hospitality Industry generates over \$2 billion in tourism direct spending, over \$55 million dollars in taxes for local governments, and employs approximately 23,000 people. Most significantly for your purposes, 90% of that activity takes place within the Cal Am service area of the Monterey Peninsula. Just the tourism-related portion of the Hospitality Industry is the principal economic driver for the Monterey Peninsula area. You should also know that MCHA has been the leading private sector advocate for water use conservation and has led, in cooperation with Cal Am, the Monterey Peninsula Water Management District and other regional water agencies, the effort to reduce water consumption.

The Hospitality Industry is under severe occupancy and room rate pressures. Our region has been losing market share of group business and leisure travel business. As a consequence, room rates cannot be increased to recover extra water rate costs. There is no way our industry can absorb the cost of the water rate increases proposed without cutting back in other areas of visitor and guest services; those cutbacks will only aggravate an already-dire situation.

Peninsula area governments are dependent on the Transient Occupancy Taxes and visitor spendinggenerated sales taxes; any changes that affect the ability of our industry to earn those crucial local government revenues will hurt not only our industry but local government and local government services as well.

MCHA has serious concerns about Cal Am's proposed commercial water rate adjustments:

- Averaging water use on a year-to-year basis is not reasonable or fair to the Hospitality Industry; a five-year averaging method would take into account fluctuations beyond the control of the industry.
- o The Hospitality Industry cannot absorb the drastic rate increases proposed without severe adverse consequences to the industry's ability to attract group and leisure travel business.

- o Commercial water allocations must take into account the many measures taken over the last decade to reduce water use and allocations must be reviewed and revised for accuracy and reasonableness before any changes of tiers or rates take effect.
- Outdoor water use cannot be considered "non-essential" for the Hospitality Industry.
- o The Hospitality Industry must have assurances that tiers and rates will be relaxed when a new water supply is realized.

MCHA has no issue with changing commercial water rates to a three-tier system, but the methodology used to arrive at what water use falls within the tiers is of critical concern. Cal Am proposes a one-year averaging of water use. Our industry suffers from fluctuations beyond its control and insists that a five year averaging is much more realistic and fair for arriving at critical water use statistics. A one-year averaging method would penalize all Hospitality Industry water users in years during which major special events, such as major golf tournaments or major raceway events take place.

Commercial water allocations must take into account the significant and aggressive water savings accomplished by the Hospitality Industry over the last several years by extensive fixture retrofitting, landscape xeriscaping, and other savings measures. Furthermore, no changes of tiers or rates should take effect until allocations are reviewed for accuracy and appropriateness.

Outdoor water use is a critical component of the image and marketing of Hospitality Industry properties and facilities. In no way can outdoor water use be considered "non-essential." It would be an extraordinary financial burden to require, or establish policies and procedures that would necessitate, extensive re-plumbing

The Hospitality Industry must have assurances that restrictions on, and rates for, commercial water use will be eased when the Peninsula area has a new water supply.

Thank you for taking our important concerns into account as you deliberate. If you have any questions, do not hesitate to contact us.

Sincerely.

Sarah Cruse, President

Mark Bastis. Past President

cc: Cal Am Monterey Region General Manager Craig Anthony

Public Utilities Commission Division of Ratepayer Advocates

Monterey County Board of Supervisors

Mayors. City Councils and City Managers of Monterey, Pacific Grove, Carmel, Seaside, Sand

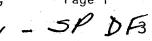
City, Del Rey Oaks

Stephanie Pintar, MPWMD

Governor Arnold Schwarzenegger

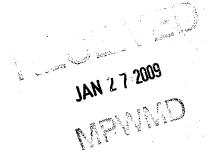
Assembly Member Bill Monning

State Senator Abel Maldonado





TO: STEPHANIE PINTAR	FROM: BONNIE ADAMS
COMPANY:	DATE: 1-27-09
fax number: 644-9560	TOTAL NO. OF PACES INCLUDING COVER:
PIIONE NUMBER:	SENDER'S REFERENCE NUMBER:
RE:	YOUR REFERENCE NUMBER:
□ URGENT □ FOR REVIEW □ PLEAS	SE COMMENT PLEASE REPLY PLEASE RECYCLE
NOTES/COMMENTS:	



JAN 3 U 2003

January 28, 2009

NPVVD

Monterey Rennicila Water Management District
P.C. Box 85

Monterey, Ca. 93942

Thembers of the Board:

The Heraed's report on the water District's board meeting (Jan. 22) only server to emphasise the country courter between the District of Cal-am.

The primary mandate for the District, as enumerated in its enabling begislation, is to proteet the resource by the Chinel Liver vits inversion security the primary intent of Cal-lens is to increase water pales. The current controversy must be travel in this context.

Under the District's proposal for a bon an way furtiese water permits for Regan Rauch; it is only furtiese water permits for Replan Rauch ; it is only Dursning conformance with Railing 95-10. The Dursning conformance with Railing 95-10. The Otate lister Resources Control Board should be an Otate lister Resources Control Board should be an Otate lister Resources Control Board should be an Otate lister Ally in any further discussion.

Respectfully.

Sonice Dr. O'Snea

Box 1037

Person Seach. Ca. 93953

AMBAG ASSOCIATION OF MONTEREY BAY AREA GOVERNMENTS

HEB T 1 2009

February 2, 2009

Mr. Darby Fuerst Monterey Peninsula Water Management District P.O. Box 85 Monterey, CA 93940

Dear, Mr. Fuerst:

Please find enclosed the 2009 calendar of the Central Coast Joint Data Committee, the data sharing consortium of the Monterey Bay region sponsored by the Association of Monterey Bay Area Governments (AMBAG) since 1993.

As a signatory to the data sharing agreement, your agency has played a significant role in effectively coordinating the use of spatial data and imagery in our region; this has been especially significant in creating applications in geographic information systems (GIS) that serve our entire area.

We appreciate your agency's continued participation in the CCJDC and hope that you will enjoy the images from the orthoimagery project in this calendar.

For more information about the CCJDC and to learn about its activities to date, please visit www.ccjdc.org or feel free to call me with any questions.

Sincerely,

John Doughty, Executive Director

AMBAG

Enclosure

CALIFORNIA ENVIRONMENTAL LAW PROJECT A Non-Profit Legal Corporation



Of Counsel

Laurens H. Silver, Esq P.O. Box 667 Mill Valley, CA 94942 Tel: 510.237-6598 Fax: 5100237-6598 FEB 0.5 2009

NEWNID

February 5, 2009

Ralph Rubio, Chairman Seaside Groundwater Basin Watermaster 2600 Garden Road, Suite 228 Monterey, CA 93940-0810

Re: Water Connection Permit – Security National Guarantee (Watermaster Letter of September 19, 2008)

Dear Mr. Rubio:

By letter dated September 19, 2008, you advised Mr. Ed Ghandoor, Security National Guaranty, Inc. that under the Basin Adjudication Decision, "SNG's Alternative Production Allocation gives it the right to produce up to 149 acre-feet of water on an annual basis from the Seaside Groundwater Basin for beneficial use on the SNG property." You further advised that with respect to water used off-site, SNG "has the right to convert some or all of its Alternative Production Allocation to a "Standard Production Allocation..."

The SNG application referred to in your letter proposed that Cal-Am would pump groundwater from its Peralta wells and convey it through the Cal-Am distribution system for use on SNG's property. SNG proposed that this pumped water be treated as production from its Alternative Production Allocation, as set forth in the Adjudication Decision (California American v. City of Seaside, No. M66343.

For the reasons stated below, Sierra Club believes that to the extent your letter endorsed such an arrangement ("SNG's approach as described above is consistent with the terms of the Basin Adjudication Decision"), that endorsement is legally incorrect. Sierra Club requests that you reconsider this Opinion, or in the alternative, refer it to Judge Randall for interpretation.

The Adjudication Decision creates two classes of rights in the Basin – the Standard Production Allocation and the Alternative Production Allocation. The Standard Production Allocation generally includes producers with appropriative rights. The Alternative Production Allocation encompasses producers with overlying rights ("Accordingly, the Court find that the parties collectively possess a variety of rights based in prescription and other original rights (including overlying and appropriative rights).") (Decision at 9, emphasis added) In III B1, the Court, referencing "groundwater rights" states:

Ralph Rubio, Chairman Seaside Groundwater Basin Watermaster February 5, 2009 Page 2

"Parties have accrued mutual prescriptive rights and/or have preserved their overlying appropriative, and prescriptive rights...These individual and competitive rights, whether mutually prescriptive, appropriative, or overlying rights can be most efficiently exercised and satisfied by the implementation of this physical solution."

In III B3, p.19, the Court characterizes SNG's right as an "overlying Groundwater right" and recites that SNG "has chosen to participate in an Alternative Production Allocation." In III B3(a), id., the Court ruled that "the Alternative Production Allocation may not be transferred for use on any other property, but shall be limited to use on the respective properties..."

If the Watermaster intended in his September 19, 2008 letter to approve SNG's plan to contract with Cal-Am to pump Peralta well water to be conveyed through the Cal-Am distribution system for use on the SNG site, the Watermaster in effect authorized an unlawful use of SNG's overlying right that is not contemplated under the Decision and that is inconsistent with California law pertaining to overlying water rights. The overlying right constitutes an appurtenant right to take water from the ground and use it on the overlying property. It is unlawful to sever the appurtenant pumping right from the right of use. The overlying land-owner cannot lawfully "convey" its groundwater pumping right to a third party, who is to pump water <u>not</u> appurtenant to the overlying land.

In <u>City of Barstow v Mohave Water Agency</u>, 23 Cal.4th, 1224 (2000), the Supreme Court characterized an overlying right as "the owner's right to take water from the ground underneath for use on his land within the basin or watershed; it is based on ownership of the land and is appurtenant." 23 Cal 4th at 1231. (emphasis added) The Court cited <u>California Water Service Co.</u> v. <u>Edw. Sidebotham and Sons</u>, 224 Cal.App. 2d, 715-725. (1964) in support of its statement. The Court described the overlying rights of appellants as "the right to pump water from the ground underneath their respective lands for use on their lands."

In Hutchins, Water Rights Laws In Nineteen Western States, it is stated:

"The <u>right to use percolated water</u>, as well as the corpus of the water itself, <u>is real property</u>." In <u>Pasadena v. Alhambra</u>, 33 Cal.2d 908, 925 (1949) the California Supreme Court stated that the overlying "right," or right of the owner of the land, "to take water from the ground underneath for use of his underlying land is based on ownership of the land and is appurtenant thereto." (Hutchins, Vol.II, 67). (emphasis added)

In <u>Burr v. Maclay Rancho Water Co.</u>, 154 Cal.428, 439 (1908) the Supreme Court adjudicated the right of the plaintiff as the owner of certain lands to take waters from the underlying supply for use on such lands and declared "that such right is parcel of said lands." In <u>Pasadena v. Alhambra</u>, 33 Cal.2nd 908, 925 (1949) the Court stated that the overlying right to take water from the ground underneath for use on overlying land "is based on ownership of the land and is appurtenant thereto." <u>See Hutchins, The California Law of Water Rights</u>, at 428.

Ralph Rubio, Chairman Seaside Groundwater Basin Watermaster February 5, 2009 Page 3

An appurtenant water right is one that is incidental to the use of land when it is by right used with the land for its benefit. Civil Code §662 recites: "A thing is deemed to be incidental or appurtenant to land when it is by right used with the land for its benefit..." Civil Code §658 defines real property. "Real or immovable property consists of (1) land; (2) that which is affixed to land, (3) that which is incidental or appurtenant to land." Id. Black's Law Dictionary defines appurtenant as "belonging to; accessory or incident o; adjunct, appended or annexed to." Black's Law Dictionary, Third Edition.

Nothing in the Court's Decision contemplates such severance of an appurtenant pumping right, as SNG has proposed. In effect it has assigned its pumping right to Cal-Am, contemplating increased Cal-Am production from the Peralta Well that will be conveyed through the Cal-Am distribution system to SNG. If the Watermaster allows this precedent to occur, other owners of Alternative Production Allocations under the Seaside Decree could similarly sever the appurtenant pumping right from their property and enjoy and use water conveyed from other parts of the Basin for use on the overlying property.¹

Nothing in the Court's Decision relating to the Alternative Production Allocation indicates that the Court intended to expand the rights of overlying water rights owners by authorizing them to contract with off-site users to pump groundwater for use on their overlying property. Rather, the Court's Decision suggests it had no intention to expand the right, since it ruled that the "Alternative Production Allocation may not be transferred for use on any other property, but shall be limited to use on the respective properties." III B3(a), p. 19. In effect, the Watermaster has endorsed a "use" of the overlying right on other property by apparently endorsing augmented pumping at the Peralta Well and transporting the water produced off-site for ultimate use on SNG's land.

Civil Code §22.2 provides that "the common law of England, so far as it is not repugnant to or inconsistent with the Constitution of the United States, or the Constitution or laws of this State, is the rule of decision in all the courts of this state." Since the Court's decision recognizes overlying rights as the foundation for the Alternative Production Allocation, the Court had an obligation to make clear how, if at all, it was altering or abrogating the common-law rules in the context of a physical solution. It did not do so, and it may not have had the power to do so. See City of Barstow, supra.

Rather, as the Watermaster noted in his letter, if the overlying landowner wished to use water off-site and transfer its production allocation for use by others, it was authorized to do so under the Decision by electing to change all or a portion of its Alternative Production Allocation to the Standard Production Allocation. Decision III B3(e) p. 21. If SNG wishes to contract with Cal-Am to pump water off-site for use on its property it may do so only by electing to produce under the Standard Production Allocation. Under III M2 (p.42), the parties may assign and transfer any portion of their respective Production Allocation for use within the Basin. This would be the exclusive procedure for SNG to follow, as allowed under the Decision, if it wishes to have water purveyed to it from off-site wells.

¹ We note that (including SNG), there are approximately 1400 acre-feet in Alternative Production Allocations under the Seaside Decree.

Ralph Rubio, Chairman Seaside Groundwater Basin Watermaster February 5, 2009 Page 4

In sanctioning SNG's proposal, the Watermaster has created special benefits to SNG that are clearly not intended under the Decision. First it has improperly "enhanced" SNG's overlying right by allowing it to sever the appurtenant pumping right from its land. Secondly, it has improperly granted SNG immunity from the 10% reduction requirement in production from the Basin that the Court has mandated for Standard Production Allocation pumpers. Had SNG done what the Decision contemplates in connection with the transfer or assignment of rights and elected to become a Standard Production Allocation producer, SNG's 149 acre foot production allocation would be subject to the 10% reduction requirement.

Sierra Club asks for reconsideration of the Watermaster's decision, and/or for submission of this matter to Judge Randall for resolution. The Decision states "full jurisdiction power and authority are retained and reserved by the Court upon application...by the Watermaster for such further or supplemental orders or directions as maybe necessary or appropriate for interpretation, enforcement, or implementation of this Decision."

Sierra Club asks for your prompt reconsideration of your opinion and that you notify the MPWMD of any such reconsideration. The MPWMD is currently considering Cal-Am's application for a water distribution permit.

Sincerely
CALIFORNIA ENVIRONMENTAL LAW PROJECT

Laurens H. Silver On behalf of Ventana Chapter, Sierra Club

cc: Darby Fuerst, MPWMD Victoria Whitney Sheri Damon, Esq.

State Water Resources Control Board



Linda S. Adams
Secretary for
Environmental Protection

Division of Water Rights

1001 I Street, 14th Floor ◆ Sacramento, California 95814 ◆ 916.341.5300 P.O. Box 2000 ◆ Sacramento, California 95812-2000 Fax: 916.341.5400 ◆ www.waterrights.ca.gov



Arnold Schwarzenegger

Governor



FEB 0 5 2009

FEB - 9 2009

Laurens H. Silver, Esq. P.O. Box 667 Mill Valley, CA 94942



Dear Mr. Silver:

APPLICATION OF CALIFORNIA AMERICAN WATER COMPANY FOR WATER DISTRIBUTION PERMIT TO SERVE MONTEREY BAY SHORES ECORESORT

This letter is in response to your letter dated January 15, 2009 to Victoria Whitney, State Water Resources Control Board (State Water Board) Deputy Director for Water Rights, asking for a determination whether the one-for-one reduction of Condition 2 of State Water Board Order 95-10 applies to the 90 acre-feet per year (AFY) that will be pumped by the California American Water Company (Cal-Am) for the benefit of the Monterey Bay Shores Ecoresort in Sand City. We are also in receipt of your letter to Ms. Whitney dated January 26, 2009 providing your position on this matter in greater detail. Because the State Water Board is currently considering evidence presented at a recent water right hearing with regard to compliance with Order 95-10 and Ms. Whitney is advising the Board on that matter, she has asked me to respond to your request in my capacity as the Chief Enforcement Officer for the Division of Water Rights.

Conditions 2 and 4 of Order 95-10 state:

- 2. Cal-Am shall diligently implement one or more of the following actions to terminate its unlawful diversions from the Carmel River: (1) obtain appropriative permits for water being unlawfully diverted from the Carmel River, (2) obtain water from other sources of supply and make one-for-one reductions in unlawful diversions from the Carmel River, provided that water pumped from the Seaside aquifer shall be governed by condition 4 of this Order not this condition, and/or (3) contract with another agency having appropriative rights to divert and use water from the Carmel River.
- 4. Cal-Am shall maximize production from the Seaside aquifer for the purpose of serving existing connections, honoring existing commitments (allocations), and to reduce diversions from the Carmel River to the greatest extent. The long-term yield of the basin shall be maintained by using the practical rate of withdrawal method.

I have reviewed the description of this project on the website of the Monterey Peninsula Water Management District (District) and have discussed the project with District staff. The water supply for this project will be up to 90 AFY from the Seaside Goundwater Basin. The Seaside Groundwater Basin Adjudication Judgment of March 27, 2006 allocated 149 AFY to Security National Guaranty, Inc. (SNG) for use on the property of this project. The judgment does not restrict the production of water to the subject parcel through SNG's onsite wells. Water may also be produced from another offsite well owned by another entity and delivered to the SNG parcel so long as the well is within the Seaside Groundwater Basin. For this project, Cal-Am

California Environmental Protection Agency



will be using its water distribution system to deliver water to this project from Seaside Groundwater Basin wells offsite of this project parcel. Because of the inter-related nature of Cal-Am's water delivery system, it is my understanding that there is a possibility that Cal-Am could supply this project with Carmel River water.

Because the supply of water being supplied from the Seaside Groundwater Basin has been allocated to SNG by the Seaside Groundwater Adjudication, it is my opinion that Order 95-10 does not require Cal-Am to make a one-for-one reduction in its unlawful diversion from the Carmel River. However, Cal-Am should not in any case supply this project with Carmel River water. This would only exacerbate Cal-Am's illegal diversion of water from the Carmel River.

If the District decides to approve this application, I recommend that the District require Cal-Am to implement strict water accounting methods to ensure that any use of Carmel River water does not serve this project. Furthermore, it would be in Cal-Am's interest to include such accounting in its quarterly reports to the State Water Board in order to demonstrate that service to this project does not violate Order 95-10.

I also note that SNG will only be using up to 90 AFY for this project and will have 59 AFY of its groundwater allocation remaining. Cal-Am should consider obtaining the rights to any unused portions of the water allocations from the Seaside Basin groundwater adjudication from SNG and other entities in order to minimize its use of water from the Carmel River. It is my opinion that Cal-Am should undergo these efforts at least in an interim time frame to reduce its unauthorized diversion from the Carmel River until it secures an alternate long term water supply.

Please call me at (916) 341-5446 if you have any questions regarding this matter.

Sincerely,

James W. Kassel

Assistant Deputy Director for Water Rights

Darby Fuerst, General Manager CC:

Monterey Peninsula Water Management District

5 Harris Court Building

PO Box 85

James W. Kassel

Monterey, CA 93942

B. Kent Turner, President California American Water Company P.O. Box 951

Monterey, CA 93940

Victoria Whitney. State Water Board Deputy Director for Water Rights

John O'Hagan, Manager, Division of Water Rights Enforcement Section

Reed Sato, Director, State Water Board Office of Enforcement



Ms Regina Doyle 1069 Egan Avenue Pacific Grove CA 93950 (831) 375-4496

FEB 1 1 2009

MPWMD

Ms Deborah Lindsay, Chair City of Pacific Grove Ad Hoc Alternative Water Source Subcommittee City of Pacific Grove 300 Forest Avenue Pacific Grove CA 93950

9 February 2009

SUBJECT: Withdrawal as Voting Member, City of Pacific Grove Ad Hoc Alternative Water Source Subcommittee

Dear Council Member Lindsay:

It is with regret that I inform you that I withdraw myself as a voting member of the City of Pacific Grove Ad Hoc Alternative Water Source Subcommittee. After consultation with Mr. Dave Laredo, Legal Counsel for the Monterey Peninsula Water Management District and City Attorney for the City of Pacific Grove, I feel that full participation on the Subcommittee while concurrently being a Director on the MPWMD Board could put me at risk of holding incompatible offices. Whilst it is immediately unclear whether my voting membership on the ad hoc Committee constitutes an "office," I wish to avoid any action which might jeopardize my standing as an elected official to the Board, or cause any appearance of incompatibility.

However, if you and the other Members of the Ad Hoc Alternative Water Source Subcommittee agree, I would very much like to remain on the Committee as a non-voting member, continue to attend, receive notice of meetings and copies of packets, share in discussions, and in all other ways remain an active participant. I am willing to ask the MPWMD Board to appoint me as an ex officio liaison to the Committee should it be necessary to my participation.

Thank you for your consideration of this matter.

Sincerely yours,

Regina Doyle

Director, District 4

Monterey Peninsula Water Management District

CC: MPWMD GM & Directors

CALIFORNIA ENVIRONMENTAL LAW PROJECT

A Non-Profit Legal Corporation



FEB 1 2 2009

MPWWD

Of Counsel

Laurens H. Silver, Esq. P.O. Box 667 Mill Valley, CA 94942 Tel: 510.237-6598 Fax: 510.237-6598

February 11, 2009

Ralph Rubio, Chairman Seaside Groundwater Basin Watermaster 2600 Garden Road, Suite 228 Monterey, CA 93940-0810

Re: Water Connection Permit – Security National Guarantee (Watermaster Letter of September 19, 2008)

Dear Mr. Rubio:

This letter is intended to supplement my letter of February 5, 2009, and to comment on a letter dated February 5, 2009 written to me by James W. Kassel of the SWRCB, concerning the Application of California-American Water Company for a Water Distribution Permit To Serve Monterey Bay Shores Ecoresort. I am forwarding a copy of this letter to you, as you are not copied on this letter. In his letter Mr. Kassel states:

"The Water supply for this project will be up to 90 AFY from the Seaside Groundwater Basin. The Seaside Groundwater Basin Adjudication Judgment of March 27, 2006 allocated 149 AF to Security National Guaranty, Inc. (SNG) for use on the property of this project. The judgment does not restrict the production of water to the subject parcel through SNG's onsite wells. Water may also be produced from another offsite well owned by another entity and delivered to the SNG parcel, so long as the well is within the Seaside Groundwater Basin."

In connection with Mr. Kassel's interpretation of the meaning of the Adjudication Decision, with respect to the SNG application, Sierra Club would like to iterate its position taken in its February 5, 2009 letter to you. In that letter, Sierra Club stated:

Rather, as the Watermaster noted in his letter, if the overlying landowner

Ralph Rubio, Chairman Seaside Groundwater Basin Watermaster February 11, 2009 Page 3

wished to use water off-site and transfer its production allocation for use by others, it was authorized to do so under the Decision by electing to change all or a portion of its Alternative Production Allocation to the Standard Production Allocation. Decision III B3(e) p.21. If SNG wishes to contract with Cal-Am to pump water off-site for use on its property it may do so only by electing to produce under the Standard Production Allocation. Under III M2 (p.42), the parties may assign and transfer any portion of their respective Production Allocation for use within the Basin. This would be the exclusive procedure for SNG to follow as allowed under the Decision, if it wishes to have water purveyed to it from off-site wells.

In sanctioning SNG's proposal, the Watermaster has created special benefits to SNG that are clearly not intended under the Decision. First it has improperly "enhanced" SNG's overlying right by allowing it to sever the appurtenant pumping right from its land. Secondly, it has improperly granted SNG immunity from the 10% reduction requirement in production from the Basin that the Court had mandated for Standard Production Allocation pumpers. Had SNG done what the Decision contemplates in connection with the transfer or assignment of rights and elected to become a Standard Production Allocation producer, SNG's 149 acre foot production allocation would be subject to the 10% reduction requirement.

Sierra Club's position, then, is that since the Adjudication Decision specifically prohibits holders of the Alterative Production Allocation from transferring their water rights (allocation) for use on any other property, but shall be limited to use on the respective properties (Decision, IIIB3(a)), if SNG wishes to engage Cal-Am to pump from an off-site well, it must elect to proceed under a Standard Production Allowance (and be subject to the mandatory reduction requirements under the Adjudication Decision). Sierra Club believes that SNG has only one option under the Adjudication Decision if it wishes to proceed with its off-site pumping scheme – it must proceed to elect a Standard Production Allocation (at least with regard to the amount needed for the project).

In this respect, as qualified above, Sierra Club does not quarrel with Mr. Kassell's characterization of the Adjudication Decision.

I would also like to note that while under the common law, a riparian right may under certain circumstances be "severed" when land is subdivided and cut off from contact with a stream, see Hudson v. Daily, 156 Cal 617, 624-625 (1909), there is no case law authority that a pumping right can be severed from the overlying right so long as the water is conveyed to the overlying land for use there. In any event, the Adjudication Decision itself supplants the common law relating to overlying rights. It contemplates severance of the overlying pumping right, by permitting a holder of an Alternative Production Allocation to elect to proceed under a Standard Production Allocation. This "severance" however, which promotes transferability of pumping rights within the aquifer effectively "transmutes" the common-law overlying right into a transferable interest in water, which, under the Decision, can be effectuated only through an election to proceed under a Standard Production Allocation.

In the last paragraph of its February 5, 2009 letter, Sierra Club asked for your "prompt

Ralph Rubio, Chairman Seaside Groundwater Basin Watermaster February 11, 2009 Page 3

reconsideration of your opinion". Since the City of Seaside maintains a Municipal Water System, which includes 3 water wells, and is an Alternative Allocation Producer under the Decision, Sierra Club believes that it would be appropriate for you acting as Watermaster, to apply to Judge Randall, for an opinion, as set forth in the Adjudication Decision, rather than to render a decision or reconsideration. Please set this matter on the agenda for the March 4, 2009 Watermaster Board meeting.

Sincerely CALIFORNIA ENVIRONMENTAL LAW PROJECT

Laurens H. Silver On behalf of Ventana Chapter, Sierra Club

cc: Darby Fuerst, MPWMD Victoria Whitney Sheri Damon, Esq.

9

State Water Resources Control Board

Division of Water Rights

1001 I Street, 14th Floor ◆ Sacramento, California 95814 ◆ 916.341.5300 P.O. Box 2000 ◆ Sacramento, California 95812-2000 Fax: 916.341.5400 ◆ www.waterrights.ca.gov



Arnold Schwarzenegger Governor

Linda S. Adams

Secretary for

Environmental Protection

FEB 0 5 2009

Laurens H. Silver, Esq. P.O. Box 667 Mill Valley, CA 94942

Dear Mr. Silver:

FEB - 9 2009

and a summary of

NEVID

APPLICATION OF CALIFORNIA AMERICAN WATER COMPANY FOR WATER DISTRIBUTION PERMIT TO SERVE MONTEREY BAY SHORES ECORESORT

This letter is in response to your letter dated January 15, 2009 to Victoria Whitney, State Water Resources Control Board (State Water Board) Deputy Director for Water Rights, asking for a determination whether the one-for-one reduction of Condition 2 of State Water Board Order 95-10 applies to the 90 acre-feet per year (AFY) that will be pumped by the California American Water Company (Cal-Am) for the benefit of the Monterey Bay Shores Ecoresort in Sand City. We are also in receipt of your letter to Ms. Whitney dated January 26, 2009 providing your position on this matter in greater detail. Because the State Water Board is currently considering evidence presented at a recent water right hearing with regard to compliance with Order 95-10 and Ms. Whitney is advising the Board on that matter, she has asked me to respond to your request in my capacity as the Chief Enforcement Officer for the Division of Water Rights.

Conditions 2 and 4 of Order 95-10 state:

- 2. Cal-Am shall diligently implement one or more of the following actions to terminate its unlawful diversions from the Carmel River: (1) obtain appropriative permits for water being unlawfully diverted from the Carmel River, (2) obtain water from other sources of supply and make one-for-one reductions in unlawful diversions from the Carmel River, provided that water pumped from the Seaside aquifer shall be governed by condition 4 of this Order not this condition, and/or (3) contract with another agency having appropriative rights to divert and use water from the Carmel River.
- 4. Cal-Am shall maximize production from the Seaside aquifer for the purpose of serving existing connections, honoring existing commitments (allocations), and to reduce diversions from the Carmel River to the greatest extent. The long-term yield of the basin shall be maintained by using the practical rate of withdrawal method.

I have reviewed the description of this project on the website of the Monterey Peninsula Water Management District (District) and have discussed the project with District staff. The water supply for this project will be up to 90 AFY from the Seaside Goundwater Basin. The Seaside Groundwater Basin Adjudication Judgment of March 27, 2006 allocated 149 AFY to Security National Guaranty, Inc. (SNG) for use on the property of this project. The judgment does not restrict the production of water to the subject parcel through SNG's onsite wells. Water may also be produced from another offsite well owned by another entity and delivered to the SNG parcel so long as the well is within the Seaside Groundwater Basin. For this project, Cal-Am

will be using its water distribution system to deliver water to this project from Seaside Groundwater Basin wells offsite of this project parcel. Because of the inter-related nature of Cal-Am's water delivery system, it is my understanding that there is a possibility that Cal-Am could supply this project with Carmel River water.

Because the supply of water being supplied from the Seaside Groundwater Basin has been allocated to SNG by the Seaside Groundwater Adjudication, it is my opinion that Order 95-10 does not require Cal-Am to make a one-for-one reduction in its unlawful diversion from the Carmel River. However, Cal-Am should not in any case supply this project with Carmel River water. This would only exacerbate Cal-Am's illegal diversion of water from the Carmel River.

If the District decides to approve this application, I recommend that the District require Cal-Am to implement strict water accounting methods to ensure that any use of Carmel River water does not serve this project. Furthermore, it would be in Cal-Am's interest to include such accounting in its quarterly reports to the State Water Board in order to demonstrate that service. to this project does not violate Order 95-10.

I also note that SNG will only be using up to 90 AFY for this project and will have 59 AFY of its groundwater allocation remaining. Cal-Am should consider obtaining the rights to any unused portions of the water allocations from the Seaside Basin groundwater adjudication from SNG and other entities in order to minimize its use of water from the Carmel River. It is my opinion that Cal-Am should undergo these efforts at least in an interim time frame to reduce its unauthorized diversion from the Carmel River until it secures an alternate long term water supply.

Please call me at (916) 341-5446 if you have any questions regarding this matter.

Sincerely,

James W. Kassel

James W. Kassel

Assistant Deputy Director for Water Rights

Darby Fuerst, General Manager Monterey Peninsula Water Management District 5 Harris Court Building PO Box 85 Monterey, CA 93942

> B. Kent Turner, President California American Water Company P.O. Box 951 Monterey, CA 93940

Victoria Whitney, State Water Board Deputy Director for Water Rights John O'Hagan, Manager, Division of Water Rights Enforcement Section Reed Sato, Director, State Water Board Office of Enforcement



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MPWWD



CARMEL RIVER STEELHEAD ASSOCIATION P. O. Box 1183 Monterey, CA 93940

February 7, 2009

Richard W. Butler, Supervisory Fish Management Officer Protected Resources Division National Oceanic and Atmospheric Administration National Marine Fisheries Service, Southwest Region 777 Sonoma Avenue, Room 325 Santa Rosa, CA 95404-4731

Darby Fuerst, General Manager Monterey Peninsula Water Management District P. O. Box 85 Monterey, CA 93942-0085

Dr. Jeffrey R. Single, Regional Manager California Department of Fish & Game, Central Region 1234 Shaw Ave. Fresno, CA 93710

VIA CERTIFIED MAIL

To: Agency Managements and Interested Parties:

We are approaching the "Point of No Return" for Carmel River Steelhead. The 2008/2009 water year has not yet produced a sufficiently strong storm or enough runoff to re-charge the Aquifer. The result is that the river is still bone dry from just below Shulte Bridge to the Carmel Lagoon and the Sea. Due to this drought condition adult Steelhead cannot ascend the river to spawn, or smolts (juvenile steelhead) descend to the Ocean to create the next generation of adult steelhead (spawners). In short, Carmel River Steelhead cannot return home" and complete their lifecycles.

The other rivers and streams on the Monterey Coast have reached the Ocean, but not the Carmel River. This is man-made habitat loss and constitutes "take" of ESA listed (threatened) steelhead due to permitted and un-permitted diversions of the Carmel River and its subsurface flows.

This brings to home some observations and suggestions we have made to the Federal and State Fishery Agencies and to the Monterey Peninsula Water Management District (MPWMD), the agency authorized and funded to conduct mitigation efforts on the river.

Mitigation for such "take" and severe habitat loss must include a "Captive Rearing Program." During years when the river does not connect to the sea such a project can maintain a "genetic bridge" or reserve until the river flows again naturally. Wild smolts that cannot make it to the ocean would be reared until adulthood, and then they would be released back into the river to spawn naturally in 2-3 years. In addition, water quality in the rearing facility should be monitored, a water supply not subject to deterioration due to turbidity should be obtained and early releases of salvaged and reared steelhead should be avoided.

Please see the attached article, published in the "American Fisheries Society Magazine" in 1996 that summarizes the concept and methods of captive rearing Wild Steelhead to adulthood.

When there is no flow from the Carmel River to the Ocean, due to man-made and/or natural drought, two primary things happen:

- a) Adults cannot make it into the river from the ocean to migrate to the spawning grounds, lay eggs and provide a new generation of juveniles.
- b) Smolts from previous years spawning cannot make it out of the river into the ocean to grow into a new-year class of adults.

The result is that multiple-year class and life cycle strategies are lost in that one year. In a completely un-altered, un-diverted, un-dammed, undeveloped state the Carmel River and its' steelhead would not be threatened by a single year of drought. The large gene pool represented by multiple year classes in the river and the ocean would provide ample stock to recover the population in succeeding wet years. In its degraded, de-watered, dammed and impaired state the population does not recover a robust, full strength, complex and diverse genetic make up during wet years.

For that reason we believe it is incumbent on the Fishery and Water Agencies, Federal and State Government to take action in such precarious conditions to captive rear some smolts from this year-class to adulthood in a joint and coordinated effort, post haste. We have made this suggestion and asked that this be part of the NOAA, Section 10 (take) Permit for the Sleepy Hollow Rescue and Rearing Program run by MPWMD. The Carmel River Steelhead Association (CRSA) ran a captive rearing project during the 1989-1993 droughts, when the river did not run to the Ocean for four years. This local stakeholder group is credited with preventing the extinction of the native Carmel River Strain of

Steelhead. CRSA worked jointly with California Department of Fish and Game (DFG) to secure a salt water tank at DFG's Granite Canyon Marine Laboratory.

The Fisheries Dept. of MPWMD has the personnel and financial resources to provide a captive rearing program in years with no flow to the Ocean. They will not have to rescue fry and therefore will have the time to capture smolts that cannot make it to the Ocean and captive-rear them. Their funding is stable, coming from a fee charged to all water users in the district for mitigation. What needs to be located and secured for this project immediately is a salt water rearing site. CRSA has resources and volunteers to assist MPWMD where possible.

The other critical need is to end over-pumping of the Carmel River and the underground water table. We need a desalination source of water to meet community needs during dry summer months and drought years. Without this, there is no chance to have water in the river except in very wet winters. Even in wet years, the river no longer has year round, continuous surface flow, resulting in the loss of many thousands of juvenile steelhead. A true alternate water supply for human use, not derived from pumping the river, is needed to restore the native habitat that supports this magnificent resource, a federally protected species.

To facilitate replacing Carmel River pumping with desalination water sources, and create a program to preserve the wild Carmel River Steelhead population until flows are restored, we will be pressing the urgency of this situation with elected officials with the hope of securing needed resources and support for these projects.

If you have specific questions about the past CRSA/CDFG captive rearing program, please call Dr. Roy Thomas, (831) 625-2255 at his office.

Sincerely Yours,

Roger A. Williams, Secretary

On behalf of the Board of Directors

oge atallians MD.

Attachment: "Enhancing Threatened Salmonid Populations: A Better Way," by Dr. Roy Thomas.

Cc.: U. S. Senator Dianne Feinstein One Post St., Ste. 2450 San Francisco, CA 94104

> U. S. Senator Barbara Boxer 1700 Montgomery St., Ste. 420

San Francisco, CA 94111

Congressman Sam Farr 100 W. Alicel Co. 100 W. Alisal St. Salinas, CA 93901

California Senator Abel Maldonado 1356 Marsh St. San Luis Obispo, CA 93410

Assembly Member Anna Caballero 100 W. Alisal St., Ste. 134 Salinas, CA 93901

Assembly Member William W. Monning 701 Ocean St., Rm. 318B Santa Cruz, CA 95060

Enhancing Threatened Salmonid Populations: A Better Way

By Roy L. Thomas



any West Coast wild stocks of salmon and steelhead have been identified as

either threatened, endangered, or extinct, and fisheries management failures associated with these situations are tragic. We can no longer practice supervised neglect, watch wild populations ride the oscillating down slope to near extinction, and then try to use the Endangered Species Act (ESA) to save the day. Implementing the act is too expensive and prone to failure, and as use of the act increases, the legislation becomes increasingly vulnerable to political efforts to weaken or destroy its foundation.

We need to act quickly to preserve our wild populations until the causes of their decline can be inlitigated. In many cases, we should intercede on behalf of a declining wild population while assessing whether it represents an Evolutionary Significant Unit (RSU) or why it is declining. To finally mitigate conditions contributing to population decline only to lose the uniquely adapted population native in that habitat is a tragedy.

Recovery of endangered populations can be enhanced by supplementing the remnant spawning population with adults of the same genetic race without significant disruption of the potential for natural recovery. An at-risk wild population can be restored without many of the genetic and disease problems of traditional hatcheries. The idea of supplementing remnant spawning populations is not a perfect solution and is certainly not a substitute for nature, but it is effective at assisting struggling populations with minimal disruption to their genetic integrity.

My idea is to capture a representative number of families and races of outmigrants from a declining river population. Marking and DNA analysis could be used to genetically identify each individual, if necessary. This representative sample of outmigrants could be transported and held at an efficient saltwater-rearing facility. If efficient net-pen techniques are used, the cost of spawning adults produced from wild smolts could be a fraction of what traditional hatcheries spend to produce returning hatchery adults. The wild out-migrants are reared to sexual maturity and at the appropriate time are transported to their native stream to spawn.

Traditionally, fisheries biologists blamed degraded instream habitat as a major limiting factor in anadromous populations. By reducing mortality



I observed some of these smolts riding the debris-filled wave of the storm-swollen river and jumping ahead onto the dry gravel in a desperate attempt to clear the sandbar at the river mouth, only to be stranded as the surface flow disappeared into the pumped-dry river gravels.

during the ocean phase of the life cycle, this restoration strategy maximizes enhancement of wild fish most fit to survive during the egg incubation and pre-smolt phases of the life cycle under existing conditions. Reducing mortality during the ocean phase also effectively eliminates natural selection during this

stage. However, in cases where the alternative is complete loss of the genetic stock, the elimination of ocean mortality due to recent unfavorable environmental conditions (El Niño) and high-seas netting mortality may be justified.

Rearing wild smolts to maturity in a saltwater facility has such problems as acclimating smolts to salt water, maintaining appropriate temperature and salinity for gonadal development, providing appropriate diets to maintain health, and determining the appropriate time to reintroduce mature adults to fresh water. Many of these problems appear to have been solved by commercial broad-stock operations in the north Pacific and Europe.

Applying the Enhancement Approach

The Carmel River Steelhead Association (CRSA), a group of volunteer conservationists and anglers, used the approach of raising wild amolts to maturity to enhance threatened steelhead populations in the Carmel River, California. This project evolved as a result of a cooperative effort among a number of agencies, including the Monterey Bay Salmon-Trout Project, Monterey Peninsula Water Management District, California Department of Fish and Game (CDPG), and Monterey County Fish and Game Fines Commission.

Prior to 1987, the Carrnel River had the largest self-sustaining run of steelhead south of San Francisco, California. This population was of the southern race (currently under consideration for listing under the ESA) and was uniquely adapted to the severe conditions of the river's high temperature and intermittent flow. For the past 20 years, the CRSA has rescued steelhead stranded by the municipal withdrawals from the lower river. From 1981 to 1987, volunteers from the association reared the stranded fish to smalt size and released them into the river when winter rains opened it to the ocean. The spring of 1990 found CRSA

While not a fisheries professional, Roy L. Thomas has spent 22 years working to restore salmonid populations in the Pacific Northwest through the Carmel River Steelhead Association:

volunteers in a desperate mood because drought conditions, along with severe overdraft of the river's base flow to support golf courses and development, had prevented the river flow from reaching the ocean since 1987. During the drought, I witnessed the native ocean population being decimated by California sea lions that fore apart the overripe fish that circled while waiting for the river to open. Those adults not destroyed by sea lions died from stresses of overmaturity and age. By 1990, few smolts were left to outmigrate because of the lack of returning spawners. I observed some of these smolts riding the debris-filled wave of the storm-swollen river and jumping ahead onto the dry gravel in a desperate attempt to clear the sandbar at the river mouth, only to be stranded as the surface flow disappeared into the pumped-dry river gravels.

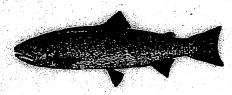
Although the southern and central California steelhead take advantage of storm events and high tide to pass over these sandbars, the overdraft zone at the mouth of the Carmel River was impassible for three consecutive years. Because the ocean phase for these steelhead rarely extends beyond three or four years, this unique genetic component was in significant danger of extirpation.

When the CRSA approached the CDFG with the idea of rearing captured smolts to maturity in salt water, agency personnel were initially not supportive of the plan. After negotiating, we developed a three-year cooperative project with the agency and eventually received both technical help and funding. Our association built smolt traps to capture the wild outmigrants. In 1990, with no end to the drought in sight, we captured all the smolts that attempted to outmigrate in an effort to rescue the remaining remnants of this genetic stock.

Ninety of these smolts were transported to the Granite Canyon Marine Laboratory of the CDFG and reared in a 5-ft-by-20-ft fiberglass tank, which we assembled in a parking lot. These fish, which ranged greatly in size, shape, and color, adapted well to their artificial environment. We were able to use discharge water from an abalone and rockfish experiment as a saltwater source. Volunteers worked one to two hours each, one day a week, feeding the fish and cleaning the tank. We had success introducing the wild fish to salt water and converting them from

natural to pelletized food, frozen krill, and native baitfish of Monterey Bay. Information on not-pen-rearing salmonids to commercial size was available, but the technology needed for rearing salmonid brood stock in salt water was difficult to find. We called many federal, state, and university fisheries professionals for technical assistance but received little useful advice. The fisheries staff at Nanaimo, British Columbia, were most helpful, sending us a draft brood-fish manual as well as unpublished technical broad-fish information. However, it was difficult to determine when individual fish would be ready to enter fresh water or how to tell which fish would spawn that year.

Despite these problems, more than half the fish tried to spawn the first year. Instead of releasing mature fish into the river the first year, we stripped and fertilized eggs at the Monterey Bay



...the results
[of our project] clearly
demonstrate the potential
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programs as a restoration
technique for enhancing
threatened wild
populations of salmonids

Salmon-Trout Project Fish Hatchery. Although most of the females were successfully returned to the saltwater tank to rear another year, males died on reintroduction to salt water. Apparently, the males required a much longer postspawning recovery time.

The second year we collected 188,000 eggs, and some fish grew to 12 lbs. We released some unspawned adults into the river to spawn, and later we released fry and smolts back into the empty habitat. We even backpacked 53,000 swim-up

fry to the headwaters of the Carmel River in the Ventana Wilderness. The third year we had fish grow to more than 20 lbs. More unspawned fish were released to the wild, and 160,000 eggs were taken at the hatchery, again with various sizes of fish released into the river. Although the project was extended to a fourth year, the CDFG terminated the project at the end of that time when drought conditions subsided. Although counts of returning adult steelhead increased as a result of this project, both the CRSA and CDRG continue to be concerned about the future of the Carmel River steelhead population.

This technique of captive-rearing wild smolts to sexual maturity demonstrated tremendous possibilities for restoring and enhancing both steelhead and other salmon. The 90 original wild steelhead smolts, which in nature represent 1.7 to 6 wild returning adults, produced the equivalent of more than 100 spawning fish in the first 3 years.

An Analysis of the Approach

The approach of rearing wild smolts to maturity is not without potential problems and concerns. Eliminating natural selection in the late outmigration and ocean phase of the life cycle has the potential to alter gene pools, especially if the approach were used throughout successive generations. Many fish biologists agree the higgest challenge facing anadromous stocks on the West Coast is degraded instream conditions. Captured wild smolts represent a gene pool that has already survived instream conditions and selection. When the released adult, raised from the captured amolt, spawns in its native stream, spawning site location, mate selection, and egg and parr survival occur under natural conditions. Resulting offspring should be better adapted to use the habitat available than the hatchery products currently in use. However, techniques to enhance the numbers of spawners will be ineffective in systems where degraded instream habitat firnits egg survival and smolt production.

Special care should be taken to collect a representative sampling of outmigrating smolts (across the entire outmigration period) to avoid selecting for earlier or later outmigration. Selection occurring within the artificial rearing habitat can also be problematic. Conditions for rearing wild smolts should be kept as natural as possible. Net-pen rearing appears to offer considerable promise for providing a cost-offective approach to producing mature spawners. The basic technology of net-pen rearing is well-established. Compared with traditional hatcheries, net-pen rearing can generate a high-quality adult for less expense. With appropriate marking, wild smolts from many different rivers could be raised together in regional facilities. However, maintaining genetic stocks at

several smaller, isolated facilities would reduce the chances of a disease event destroying an entire genetic unit.

Another important aspect of this strategy is that wild adults can be left alone. No longer must wild adults be forced to spawn in a hatchery possibly with siblings or an inappropriate family or race. The most valuable fishes to a natural population are wild spawning adults. They have survived all past challenges; and they deserve to be left to spawn naturally with a mate of their choosing. Another reason not to

use wild adults in a restoration project is that they are less abundant than smolts and more difficult to catch, and it is hard to capture a representative sample of all families and races necessary to enhance a complex wild population. Compared with the impact of removing an adult, the removal of a few smolts may have less effect on the gene pool and the potential for natural recovery.

While there are genetic selection problems associated with any form of artificial propagation, I believe that the approach of raising wild smolls to maturity is less disruptive to genetic integrity than many traditional propagation programs. In addition, few would disagree that this type of intervention is preferable to the current hand-wringing approach of watching runs decline to Redfish-Lake-size runs. Our pilot project clearly demonstrates the feasibility of this approach. However, additional research and development is needed to develop this approach for widespread use.

Too many depleted and at-risk populations are suffering supervised and unsupervised neglect. Resource managers appear to be waiting and watching the decline until the populations become eligible for ESA listing. By this time restoration may be too expensive or too late. While our project was not assessed in a rigid scientific manner, the results clearly demonstrate the potential of raising wild smolts to maturity in captive-rearing programs as a restoration technique for enhancing threatened wild populations of salmonids. Although I do not think the population is completely restored, we do believe that without effort to save the gene pool, the unique Carmel River steelhead would not be restored in our lifetime, if at all. I encourage fisheries professionals to investigate the feasibility of this enhancement approach and to devote research and development effort to implementing similar programs. Similar enhancement programs could use cooperative approaches among natural resource agencies, angler and environmental groups, and aquaculture and other industries to develop programs to benefit other threatened salmonid populations. I hope that other resourceful individuals or groups will approach public resource agencies, form cooperative relationships, develop a plan, and act on it!

