



**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 5/17/10 MPWMD BOARD PACKET

Attached are copies of letters received between April 10, 2010 and May 7, 2010. These letters are also listed in the May 19, 2010 Board packet under item 25, Letters Received.

Author	Addressee	Date	Topic
Craig E. Anthony	Cal-Am Customer	4/12/10	Regional Water Supply Project
Dick Butler	Stephanie Bartlett	4/26/10	Grant Application for Funding Phase 1 Aquifer Storage and Recovery Project
Chris Chidlaw	Stephanie Bartlett	4/26/10	Grant Application for Funding Phase 1 Aquifer Storage and Recovery Project
Alan Richmond and Cynthia Buhl	Stephanie Bartlett	4/26/10	Grant Application for Funding Phase 1 Aquifer Storage and Recovery Project
Brian LeNeve	Darby Fuerst	4/27/10	Protest by Carmel River Steelhead Association/Permit 20808B (Application 27614B)Carmel River, Monterey County
Barbara Bass Evans	MPWMD Board	4/28/10	Ocean View Plaza Water Permit
Clive R. Sanders	Stephanie Bartlett	4/30/10	Grant Application for Funding Phase 1 Aquifer Storage and Recovery Project
Rita Delasseo	Stephanie Bartlett	5/3/10	Grant Application for Funding Phase 1 Aquifer Storage and Recovery Project
David Howarth	Darby Fuerst	5/7/10	Recent Inspection – 28046 Dove Court



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APR 15 2010

MPWMD

California American Water P 831.646.3287
511 Forest Lodge Road F 831.375.4367
Suite 100
Pacific Grove, CA 93950

www.californiaamwater.com

April 12, 2010

Dear California American Water Customer:

After years of study, negotiation and public input, we have very good news to report on our development of a reliable new water supply to serve Monterey Peninsula residents.

On April 7, California American Water informed state regulators that we will join with the Monterey County Water Resources Agency and Marina Coast Water District to build a regional water project.

Combining desalination and underground storage of winter river flows, this project will provide a drought-proof water source. It also meets state demands to reduce our community's reliance on the Carmel River. It helps reduce future costs on our customers by sharing expenses with customers in a neighboring water system on the former Fort Ord.

Most importantly, it is the lowest cost and most environmentally friendly project of dozens of options considered during the past two decades.

The Sustainable Solution

The Surfrider Foundation and environmental experts support this regional water project. It is environmentally superior to desalination projects planned elsewhere on California's coast. It avoids damage to marine life by using inland wells instead of drawing seawater through an ocean intake pipe. We will also explore alternative energy sources — such as methane gas from the landfill in Marina — to generate electricity and reduce our community's carbon footprint.

In addition, the project will be publicly owned: the wells will be owned and operated by the Monterey County Water Resources Agency; the desalination facility by the Marina Coast Water District.

When this project is complete, our historic pumping from the Carmel River will reduce by nearly 70 percent, improving habitat for the threatened Central Coast Steelhead Trout and other wildlife that depend on the River.

The Cost.

A project of this scope and complexity will be expensive. It is important to remember that the Monterey Peninsula has no choice but to develop an alternative water source — the law requires it and the courts have ordered it.

The project we propose is the least expensive option available. Still, estimated costs for the new wells, desalination facility, and the pipeline and water storage components total between \$280 and \$390 million. These costs will be spread over many years and shared with Fort Ord customers, but they are substantial and it will increase fees for the entire community.

There are still many unknowns, such as the amount of Federal and State grant money secured to help our community meet government mandates. Even so, it is realistic to expect that after the project is operational by 2014, water bills for our average customer will approximately double. Our rate structure will continue to reward residents who use water wisely and most people will still pay just pennies a gallon for water.

Any rate increases associated with this project must ultimately be approved, modified, or denied by the California Public Utilities Commission (CPUC).

The CPUC held public participation hearings on this project in July 2009. We thank the hundreds of customers who attended those meetings. Your comments have been added to the formal record and will be considered by CPUC Commissioners before they make their decision on the project, anticipated by the end of this year.

We should note that the CPUC Division of Ratepayer Advocates, the independent arm that is the consumer watchdog, is opposed to the current proposal.

Your Role

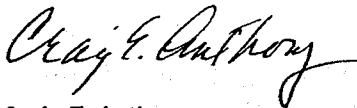
The majority of our customers use remarkably little water. Even after a water project is built, it will be important to maintain these excellent conservation habits.

If you are seeking ways to reduce your water use, we can help with a free Water Wise House Call, commercial water audit, rebates, or a variety of free water-saving devices, such as positive shut-off hose nozzles or low-flow showerheads. Please call our local conservation department at (831) 646-3205 during normal business hours, or our 24-hour customer service center at (888) 237-1333 to take advantage of these programs.

We also encourage you to contact us if you would like to schedule a presentation to your club, group or homeowner association concerning the need for water conservation or our future water supply.

Thank you for your continued interest and support.

Sincerely,



Craig E. Anthony
General Manager





3
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

April 26, 2010

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

Stephanie Bartlett
Bureau of Reclamation
Acquisition Operations Group
Mail Code: 84-27810
P.O. Box 25007
Denver, Colorado 80225

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APR 29 2010

MPWMD

Dear Ms Bartlett:

This letter is in regards to the Monterey Peninsula Water Management District's (MPWMD) grant application for the funding of the Phase I expansion of the Aquifer Storage and Recovery (ASR) Project. NOAA's National Marine Fisheries Service (NMFS) supports this project in that Federally-listed South-Central California Coast steelhead (*Oncorhynchus mykiss*) are present in the Carmel River. MPWMD's ASR project will lessen impacts to steelhead from over-pumping in the Carmel River and will potentially improve habitat conditions for juvenile steelhead during the time of year when streamflow has been critically low or non-existent due to water withdrawals.

The Monterey Peninsula depends on the Carmel River Aquifer System and the Seaside Groundwater Basin for its water resources. Both of the supplies are utilized above their sustainable levels as determined by State Water Resources Control Board Order 95-10 for the Carmel River and the Seaside Adjudication Decision for the Seaside Groundwater Basin. MPWMD is proposing an ASR project, allowing for changes in water supply operations that will benefit natural resources of the Carmel River and groundwater resources of the Seaside Basin. The ASR project diverts water from the Carmel Alluvial Aquifer when river flows are high and injects the water into the Seaside Groundwater Basin. Injected water is banked for use during the summer months. By design this operation has a two-fold benefit: (1) more water is available in the Carmel Alluvial Aquifer during the summer months to contribute to river baseflow and enhance habitat, and (2) a portion of the water banked in the Seaside Basin is purposefully not extracted during wet years and left to be stored in the basin for later use during extended dry years. This management action provides benefits to both the primary water sources for the Monterey Peninsula.

Since the ASR testing program began in 1998, over 2,900 acre-feet of Carmel River water has been diverted for recharge to the Seaside Basin. The Phase I component of the ASR project has



been operational for the past three years and is designed for an annual average yield of 920 acre-feet. This grant would provide funding to drill additional wells and construct infrastructure to expand Phase I increasing the annual yield of the project by an estimated additional 1,000 acre-feet per year.

NMFS considers this an important project for protecting steelhead habitat in the Carmel River and appreciates your consideration of this project in your grant program.

If you have any questions, please contact Ms. Joyce Ambrosius at (707) 575-6064 or joyce.ambrosius@noaa.gov.

Sincerely,



Dick Butler
Santa Rosa Area Office Supervisor
Protected Resources Division

cc: Kevan Urquhart, MPWMD, Monterey



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APR 29 2010

MPWMD

April 26, 2010

Stephanie Bartlett
Bureau of Reclamation
Acquisition Operations Group
Mail Code: 84-278 IO
P.O. Box 25007
Denver, Colorado 80225

Re: Monterey Peninsula Water Management District's (MPWMD) grant application, Aquifer Storage and Recovery (ASR) Project

Dear Ms Bartlett:

The Monterey County Hospitality Association supports Monterey Peninsula Water Management District's application for funding for its Aquifer Storage and Recovery project (ASR). This project provides the most cost-effective and environmentally sensitive source of water available to replace the community's dependence on diversions of the subsurface flow of the Carmel River on a year-round basis.

The Monterey Peninsula depends on the Carmel River Aquifer System and the Seaside Groundwater Basin for its water resources. Both of the supplies are utilized above their sustainable levels as determined by State Water Resources Control Board Order 95-10 for the Carmel River, and the Seaside Adjudication Decision for the Seaside Groundwater Basin.

MPWMD is proposing an ASR project, allowing for changes in water supply operations that will benefit both the natural resources of the Carmel River, and the groundwater resources of the Seaside Basin. The ASR project diverts water from the Carmel Alluvial Aquifer when river flows are high and injects the water into the Seaside Groundwater Basin. Injected water is banked for use during the summer months. By design this operation has a two-fold benefit: (1) more water is available in the Carmel River Alluvial Aquifer during the summer months to contribute to river base-flow and enhance aquatic habitat, and (2) a portion of the water banked in the Seaside Basin is purposefully not extracted during wet years and left to be stored in the basin for later use during extended dry years.

This management approach provides benefits to both the primary water sources for the Monterey Peninsula and to local water customers.

The Monterey County Hospitality Association considers ASR a critical project for securing reliable and cost effective water supplies for the Peninsula community.

MCHA thanks you for your consideration of the MPWMD grant application and urges that it be approved.

Sincerely,

Chris Chidlaw, President

ADMINISTRATIVE OFFICE

OCEAN & MISSION • SUITE 201 • P.O. BOX 223542 • CARMEL, CA • 93922
PHONE: 831-626-8636 • FAX: 831-626-4269 • EMAIL: badams@adcomm4.com

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April 26, 2010

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MPWMD

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- Hunter Finnell
Hunter Finnell Productions
- Leinette Limtiaco
Central Coast Federal Credit Union
- Doug Phillips
Monterey Plaza Hotel & Spa
- Pat Tinsley McGill
California State University at Monterey Bay
- Jill Vivanco
Del Monte Shopping Center

Stephanie Bartlett
Bureau of Reclamation
Acquisition Operations Group
Mail Code: 84-278 IO
P.O. Box 25007
Denver, Colorado 80225

Re: Monterey Peninsula Water Management District's (MPWMD) grant application for the funding of the Phase 1 expansion of the Aquifer Storage and Recovery (ASR) Project

Dear Ms Bartlett:

The Monterey Peninsula Chamber of Commerce (MPCC) supports Monterey Peninsula Water Management District's application for funding for its Aquifer Storage and Recovery project (ASR). This project provides the most cost-effective and environmentally sensitive source of water available to replace our community's dependence on diversions of the subsurface flow of the Carmel River on a year-round basis.

The Monterey Peninsula depends for its water on the Carmel River Aquifer System and the Seaside Groundwater Basin. Both of these supplies are used beyond sustainable levels as determined by State Water Resources Control Board Order 95-10 for the Carmel River, and the Seaside Adjudication Decision for the Seaside Groundwater Basin.

MPWMD is proposing an ASR project, allowing for changes in water supply operations that will benefit both the natural resources of the Carmel River, and the groundwater resources of the Seaside Basin. The ASR project diverts water from the Carmel Alluvial Aquifer when river flows are high and injects the water into the Seaside Groundwater Basin. By design this operation has a two-fold benefit: (1) more water is available in the Carmel River Alluvial Aquifer during the summer months to contribute to river base-flow and enhance aquatic habitat, and (2) a portion of the water banked in the Seaside Basin is purposefully not extracted during wet years and in the basin for later use during extended dry years.

This management approach provides benefits to both the primary water sources for the Monterey Peninsula and to local water customers.

The Monterey Peninsula Chamber of Commerce considers ASR a critical project for securing reliable and cost effective water supplies for the Peninsula community.

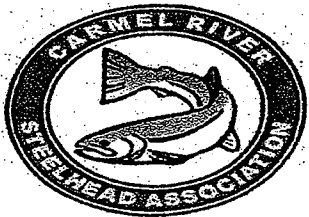
MPCC thanks you for your consideration of the MPWMD grant application and urges that it be approved.

Sincerely,

Alan Richmond, Chair

Cynthia Buhl, Government Affairs Committee Co-chair

Established 1908
30 Ragsdale Drive, Suite 200
Monterey CA 93940
Tel 831.648.5360
Fax 831.649.3502
www.mpcc.com



Carmel River Steelhead Association
501 (C)(3) TIN 77-0093979
P.O. Box 1183
Monterey, CA 93942

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

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APR 29 2010

April 27, 2010

MPWMD

**Subject: Protest by Carmel River Steelhead Association
Permit 20808B (Application 27614B) Carmel River, Monterey County**

Dear Mr. Fuerst:

At the semi-meeting we had on October 26, 2009 Hank Smith asked you if the District was willing to provide some of the ASR water back to the river in summer for fish. Your answer was an emphatic no.

We have been discussing your answer and feel that in light of the NO we must insist that certain provisions of Decision 1632 be enforced.

Page 64 of Decision 1632 states "Thus, we find that any permit issued for application 27614 shall require the District to maintain minimum instream flow below New Los Padres Dam, at the Narrows and at the lagoon with appropriate adjustments for year types and seasons of the year and reservoir storage. (Conditions 28 through 31.)"

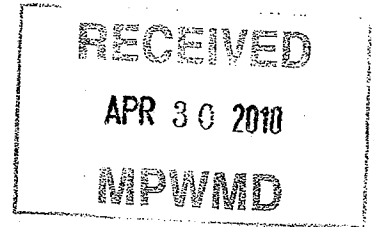
Although they should have been included, conditions 28 through 31 were not included in permit 20808A and were only partially included in permit 20808B. This is in contradiction to the conditions required by decision 1632 and must be corrected in any permit issued under your "Petition for Change to Permit 20808B" and the permit that will replace permit 20808B, should the petition for change be granted.

Sincerely,

Brian LeNeve
CRSA Board Member

Cc: Katherine Mrowka, Chief Inland Streams Unit, State Water Resources Control Board
Robert McLean, President, California America Water
Craig Anthony, General Manager, Coastal Division, California American Water
Joyce Ambrosius, Central Coast Supervisor, NMFS
Jeffery R. Single, Regional Manager, CA Dept. of Fish and Game

SAVE OUR WATERFRONT COMMITTEE
ED LEEPER & BARBARA BASS EVANS CO-CHAIRS
781 TERRY STREET, MONTEREY
PHONE AND FAX: 831-372-8323
APRIL 28, 2010



To: Monterey Peninsula Water Management District
5 Harris Court Building G
P.O. Box 85,
Monterey, CA 93942-0085 (USA)

HAND
DELIVERED

From: Save Our Waterfront Committee, Barbara Bass Evans, Co-Chair
Re: Ocean View Plaza Water Permit

The Save Our Waterfront Committee is on record as opposing the Ocean View Plaza Project (Cannery Row Marketplace) since 1998 at all relevant local and state permitting agencies and in the media. The Save Our Waterfront Committee was not noticed that MPWMD was conducting an OVP water permit hearing.

We currently have a legal challenge that is being held in abeyance at the State Water Resources Board.

It has come to our attention that at a recent meeting the MPWMD Board was not informed of the State Water Resources appeal. The MPWMD was given the impression that all legal challenges have been exhausted.

It is my understanding that MPWMB has not yet adopted the findings and that this evidence of the State Water Resources Board appeal has been excluded.

Therefore we respectfully request that MPWMD Board reopen the OVP water permit hearing.

Thank you for your consideration,


Barbara Bass Evans, PhD



Carmel River Watershed Conservancy
PO Box 223833, Carmel CA 93922

Board of Directors:

Clive Sanders, President,
Paul Bruno, VP & Treasurer,
Lorin Letendre, Secretary,
Barbara Rainer,
Catherine Bowie,
Mary Jane Hammerland,
Michael Waxer,
Monica Hunter,
Lawson Little,

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APR 30 2010

Friday, April 30, 2010

MPWMD

Bureau of Reclamation
Acquisition Operations Group
Attn: Stephanie Bartlett
Mail Code: 84-27810
P.O. Box 25007
Denver, CO, 80225

Challenge Grant Review Committee:

On behalf of the board of directors of the Carmel River Watershed Conservancy I am writing to express our support of the Monterey Peninsula Water Management District in their efforts to expand the Phase I of the Aquifer Storage and Recovery (ASR) Project. The Monterey Peninsula depends on the Carmel River Aquifer System and the Seaside Groundwater Basin for its water resources. Both of the supplies are utilized above their sustainable levels as determined by SWRCB Order 95-10 for the Carmel River and the Seaside Adjudication Decision for the Seaside Groundwater Basin.

Due to the Mediterranean climate of the Monterey Bay and the way the Carmel Alluvial Aquifer functions hydrologically, there is an excess of water in the winter months and a deficit of water in the summer months. The ASR project diverts water from the Carmel Alluvial Aquifer when river flows are high and injects the water into the Seaside Groundwater Basin. Injected water is banked for use during the summer months. By design this operation has a two-fold benefit: (1) more water is available in the Carmel Alluvial Aquifer during the summer months to contribute to river base flow and enhance habitat, and (2) a portion of the water banked in the Seaside Basin is purposefully not extracted during wet years and left to be stored in the basin for later use during extended dry years. This management action provides benefits to both the primary water sources for the Monterey Peninsula.

Since the ASR testing program began in 1998, over 2,900 acre-feet of Carmel River System water have been diverted for recharge to the Seaside Basin. The Phase I component of the ASR project has been operational for the past 2 years and is designed for an annual average yield of 920 acre-feet. Expansion of Phase I would increase the annual yield of the project by an estimate of an additional 1,000 acre-feet per year.

Respectfully,

Clive R. Sanders,
President

501 C Nonprofit Corporation Tax ID # 77-054886
Office: 510 Lighthouse Ave, Suite 7b Pacific Grove, CA 93950-4826
E-mail: crwcsteelhead@pacbell.net
WebPage <http://www.carmelwatershed.org>
Tel: 831-333-9074



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-----The Ventana Chapter-----
P.O. Box 5667, Carmel, CA 93921
Web site: www.ventana.sierraclub.org

Stephanie Bartlett
Bureau of Reclamation
Acquisition Operations Group
Mail Code: 84-278 IO
P.O. Box 25007
Denver, Colorado 80225

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MAY - 3 2010

MPWMD

May 3, 2010

Dear Ms. Bartlett:

**RE: Monterey Peninsula Water Management District's (MPWMD)
grant application for the funding of the Phase 1 expansion of the Aquifer Storage
and Recovery (ASR) Project.**

The Ventana Chapter supports funding for Phase 1 expansion of the ASR project in that it provides the most cost-effective and environmentally sensitive source of water available for the Monterey Peninsula. Federally-listed South Central California Coast steelhead (*Oncorhynchus mykiss*) are present in the Carmel River and this project will lessen impacts to steelhead from over pumping in the river and potentially improve habitat conditions for the steelhead.

The Monterey Peninsula depends on the Carmel River Aquifer System and the Seaside Groundwater Basin for its water resources. Both of the supplies are utilized above their sustainable levels as determined by State Water Resources Control Board Order 95-10 for the Carmel River, and the Seaside Adjudication Decision for the Seaside Groundwater Basin. MPWMD is proposing an ASR project, allowing for changes in water supply operations that will benefit both the natural resources of the Carmel River, and the groundwater resources of the Seaside Basin. The ASR project diverts water from the Carmel Alluvial Aquifer when river flows are high and injects the water into the Seaside Groundwater Basin. Injected water is banked for use during the summer months. By design this operation has a two-fold benefit: (1) more water is available in the Carmel River Alluvial Aquifer during the summer months to contribute to river base-flow and enhance aquatic habitat, and (2) a portion of the water banked in the Seaside Basin is purposefully not extracted during wet years and left to be stored in the basin for later use during extended dry years.

This management approach provides benefits to both the primary water sources for the Monterey Peninsula, as well as to local water customers. Since the ASR testing program began in 1998, over 3,000 acre-feet of Carmel River water have been diverted for

recharge to the Seaside Basin. The Phase 1 component of the ASR project has been in full operation for the past two years and is designed for an annual average yield of 920 acre-feet. This grant would provide funding to construct infrastructure to expand Phase 1, increasing the annual yield of the project by an estimated additional 1,000 acre-feet per year. It will also contribute to enhanced electrical power and delivery plumbing networks required to complete a Phase 2 ASR expansion currently in the pre-project testing, planning, and environmental review phase.

In summary, the Ventana chapter, Sierra Club considers ASR a critical project for securing reliable and cost effective water supplies for the community. Accordingly, we support this project as a means to insure that anticipated cost increases for the community's needed water supply improvements are kept to a minimum. We appreciate your consideration of this project in your grant program.

Very truly yours,



Rita Dalessio
Chapter Chair



Sotheby's
INTERNATIONAL REALTY

Dave Howarth
REALTOR

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200 Clock Tower Place, Suite 100D
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dave.howarth@sothebysrealty.com
montereypeninsulair.com carmelvalleyranchhomes.com

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May 7, 2010

MAY 7 2010

Mr. Darby Fuerst
MPWMD
P.O. Box 85
Monterey, Ca 93942

MPWMD

Dear Mr. Fuerst,

This letter is written in reference to the recent inspection at 28046 Dove Court on May 4, 2010. Stevie Kister performed the inspection and found that the property was not in compliance due to the fact that there were 4 toilets on site and the previous inspection dated 2/3/2000 showed only three. This was a complete surprise to me as I had represented the Buyer in 1998 (4 toilets) and both the Buyer and Seller in 2002 (4 toilets). There had always been 4 toilets there to my knowledge, and since we didn't need an inspection in 2002 we never picked up the discrepancy.

Stevie Kister was kind enough to forward the backup documents to me and I was informed they were sent to you as well. After reviewing those documents it appears to me that the toilet must have been added sometime between 2000 and 2002 without proper use of the credits that were available at that time.

In retrospect, I wish that I had ordered an inspection when I listed the property in February of 2009, but I didn't. I simply did not anticipate a problem. We would have uncovered the discrepancy well within the timeframe to make use of the credits on file and this issue would not be before us.

Please call or email me with any questions that you might have. I am hopeful that you can provide me with an easy method to get this issue cleared up.

Sincerely,

David S. Howarth
Realtor
831.595.0535
dave.howarth@sothebyshomes.com