



*Item 11
Presented at 11/15/10 Board Meeting*

Editorial: A public project deserves public input

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Maybe you've seen one of those semi-reality shows in which people race against arbitrary deadlines. For dramatic effect, entrepreneurial couples remodeling old houses have to finish before a scheduled open house. Would-be fashion designers or top chefs try to create masterworks while the clock ticks loudly.

The contestants always make it, but only by cutting corners. Their creations are patched together just enough to last through the competition. The deadlines are fictions that create drama at the expense of quality.

That is how it feels watching the state, California America Water and other agencies put together a plan for a Marina desalination plant intended to address the Peninsula's water-supply problem. The plan, drafted without public input and with little regard for the people who will pay for it, is on the verge of final approval against a set of supposedly pressing deadlines created, in reality TV fashion, by the same entities that crafted the deal.

So there is no confusion, we repeat our strong support for the desalination plan. Despite misgivings over the expense and a number of environmental side effects, we believe the plant is critical to protect the Peninsula against the economic disaster that would result from a state-ordered cutback on our use of water from the Carmel River. We do object, however, to

officialdom's view that it is too late to change the plan to allow meaningful public oversight.

As it stands, under the direction of the state

Public Utilities Commission, the plant is to be built by a partnership involving Cal Am, the Monterey County Water Resources Agency and the Marina Coast Water District. It is to be operated by the Marina Coast Water District, which serves only a small portion of the territory that will receive water from the plant. Because the district is a public agency, the Public Utilities Commission will relinquish its oversight over the plant post-construction. In theory, but only in theory, the public's interests would be protected by elected directors of the Marina water district.

That leaves the vast majority of Peninsula residents, the people who will be paying for the \$270 million-plus plant, without any real voice over the plant and its operations.

Various other agencies, notably the Monterey City Council and the Monterey Peninsula Water Management District, have lobbied hard to change that approach. They wanted the plant operated by a joint powers agency made up of elected representatives from the entire territory to be served by the plant or, at the very least, they want an advisory committee that would have some real power if public interests were being ignored.

That is a very real concern. The board that oversees the Marina Coast water district has made it clear that while it is dedicated to keeping water rates low within the district, it feels no such obligation to water customers outside the district. The recent election, unfortunately, solidified the power of a three-person board majority that proudly ignores input that doesn't align with its own thinking.

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Monterey's effort to get a stronger voice on a project advisory board, for instance, led Marina Coast and the other parties to simply remove Monterey from the board entirely and replace it with a Del Rey Oaks representative.

The plan, as it stands, creates a financial windfall for the water district, while making it a key player in development decisions throughout the Peninsula. If it can't be made to cede some of its power to the public now, it certainly won't make any concessions after the deal is done.

The most critical deadline appears to be the one imposed by the State Water Resources Control Board to reduce the draw from the river by 70 percent by 2017. That is a very real threat, but it is important to remember that the Public Utilities Commission and the Water Resources Control Board are both state agencies that should be expected to work in concert for the public good. When two state agencies are working at cross purposes, it is the job of the governor or the Legislature to fix it. That deadline is not set in stone.

We're also told that changing the desalination plan now would threaten the financing, which, to our knowledge, has not yet been arranged. We're told that changes now would undermine months of delicate negotiations.

There is truth to that. But sending the parties back to the table also could create more time to find grant money or other resources to relieve some of the financial pressure from Cal Am customers, who are facing dramatically increased water bills to finance the plan. And, is it worth preserving the results of delicate negotiations that serve only the interests of those at the bargaining table?

We're told that the PUC wants things wrapped up before the terms expire for an administrative law

judge overseeing the bureaucratic process and for a PUC commissioner slated to leave in the spring. Surely there are others at the agency who could be brought up to speed quickly.

Those pressing for a final PUC order on the project in December seem to ignore the very real possibility that litigation will delay the process anyway. One suit already has been filed challenging the project's ability to use groundwater near the plant site. Another said to be in the works would allege that the PUC did not adequately consider an alternative plan for meeting the Peninsula's water challenges without desalination. We wouldn't be surprised to see another suit essentially alleging that the plan amounts to taxation without representation.

If litigation does cause delay, the time could be put to good use unless the powers that be decide to dig in their heels and defend what they've done. If the Public Utilities Commission chooses to move ahead because of deadlines that didn't need to be, we will get a desalination plant and a temporary solution to the Peninsula water problem, but we'll always wonder how much better it could have been if the goal had been to get it right rather than to beat the clock.

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