



# Supplement to 2/24/11 MPWMD Board Packet

Attached are copies of letters received between January 20, 2011 and February 14, 2011. These letters are also listed in the February 24, 2011 Board packet under item 17, Letters Received.

| Author                                | Addressee                        | Date      | Topic   |
|---------------------------------------|----------------------------------|-----------|---|
| Dick Butler                           | Michael R. Peavey                | 2/9/2011  | Request to Modify Proposed Decision re User Fee – Cal-Am Application 10-01-012  |
| Chuck Della Sala                      | Bob Brower                       | 2/3/2011  | Expressing thanks to MPWMD staff  |
| Christopher D. Darker                 | Michael R. Peavey                | 1/28/10   | Support for Application No. 10-01-012 to Continue Collection of MPWMD User Fee for Carmel River Mitigation Program and Aquifer Storage and Recovery Project   |
| David K. Pendergrass                  | Michael R. Peavey                | 1/18/2011 | City Council Support for Application 10-01-012 to Continue Collection of Monterey Peninsula Water Management District User Fee for Carmel River Mitigation Program and Aquifer Storage and Recovery Project |
| Robert & Ruth Stephan                 | Michael R. Peavey                | 1/13/2011 | Do away with the MPWMD. Deny the appeal to reject the 8.324 percent user fee request.   |
| Kate McKenna                          | Darby Fuerst                     | 1/10/2011 | Carmel Area Wastewater District – Carmel Valley Athletic Club Sphere of Influence Update and Annexation   |
| Surfrider Foundation Monterey Chapter | CPUC Commissioners and Officials | 1/8/2011  | Support for Application No. 10-01-012 to Continue Collection of MPWMD User Fee for Carmel River Mitigation Program and Aquifer Storage and Recovery Project   |

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

FEB 14 2011

February 9, 2011

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

President Michael R. Peevey  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, California 94102

Dear President Peevey:

This letter concerns the Proposed Decision made recently by Administrative Law Judge Maribeth Bushey to deny the application submitted by the California-American Water Company (Cal-Am) for the Public Utilities Commission (PUC) authorization to collect and remit a "user fee" for funding the Monterey Peninsula Water Management District's (MPWMD) Carmel River Mitigation Program and the Aquifer Storage and Recovery (ASR) Project. Cal-Am, MPWMD, and the Division of Ratepayer Advocates (DRA) support the application and have signed a Settlement Agreement.

MPWMD has implemented the Mitigation Program for Cal-Am for nearly two decades. The Proposed Decision notes, "if the Management District ceases to perform these mitigation measures, then Cal-Am must prepare and implement a plan to meet this responsibility." (Proposed Opinion at 17). However, the Proposed Decision makes no provision for Cal-Am to start a new program on its own. Moreover, Cal-Am has repeatedly stated that MPWMD is best equipped to carry out the Mitigation Program in a cost-effective manner, thus, if the Proposed Decision is approved by the PUC, the MPWMD will likely have to suspend the Carmel River Mitigation Program and the ASR.

Discontinuation of the Mitigation Program is a great concern of NOAA's National Marine Fisheries Service (NMFS), as it will result in adverse effects to the Carmel River's run of the federally-listed, threatened South-Central California Coast steelhead Distinct Population Segment, and their designated critical habitat. Components of the Mitigation Program include fish rescue and relocation for rearing, streamside erosion control and restoration, lagoon management, surface and groundwater monitoring, and water conservation. Cal-Am and MPWMD have also

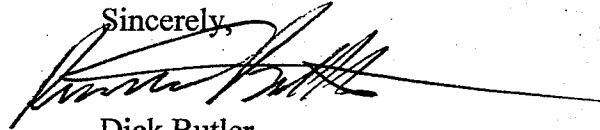


cooperated on the ASR Project, which enhances the Carmel River by diverting excess winter stream flow into the Seaside Basin, then extracting stored Seaside Basin water during summer. These actions have improved river conditions to the benefit of people, fish and wildlife.

For the above reasons, NMFS encourages the PUC to approve Cal-Am's Application No. 10-01-012 and to modify the Proposed Decision to accept the Settlement Agreement among Cal-Am, MPWMD, and DRA.

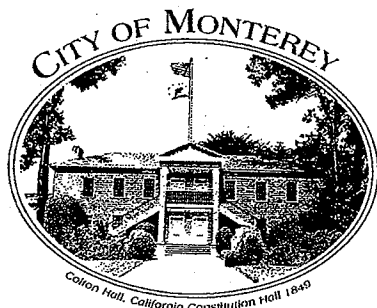
Thank you for your consideration. You may refer any questions concerning this letter to Jacqueline Meyer of my North Central Coast Office staff by telephone at (707) 575-6057, or by e-mail at [Jacqueline.Pearson-Meyer@noaa.gov](mailto:Jacqueline.Pearson-Meyer@noaa.gov).

Sincerely,



Dick Butler  
North Central Coast Office Supervisor  
Protected Resources Division

cc: Andy Bell, MPWMD, Monterey  
Rob MacLean, President, Cal-Am, Coronado



RECEIVED  
FEB -6 2011  
MPWMD

February 3, 2011

Mayor:  
CHUCK DELLA SALA

Councilmembers:  
LIBBY DOWNEY  
JEFF HAFFERMAN  
NANCY SELFRIDGE  
FRANK SOLLECITO

City Manager:  
FRED MEURER

Bob Brower, Chair  
Monterey Peninsula Water Management District  
P.O. Box 85  
Monterey, CA 93942

Mr. <sup>Bob</sup>Brower,

It was recently brought to my attention that MPWMD staff has been extraordinarily helpful to several residents and property owners in the City of Monterey on issues related to water demand and conservation. On behalf of the citizens and City Council, I am acknowledging the efforts of your staff. Please thank your staff. I'll also note that your staff and City of Monterey staff has historically had a very collaborative, professional relationship for which we are extremely grateful. Our staffs effectively work together to solve problems and implement policies created by the MPWMD Board and the City Council.

Thank you for your attention to this matter.

Sincerely,

Chuck Della Sala  
Mayor

c: Darby Fuerst, Gen. Manager, MPWMD  
City Council  
Fred Meurer, City Manager

# United Public Employees of California, Local 792

*Serving Those Who Serve Their Communities*

1800 Park Marina Drive · Redding, California 96001  
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FEB - 1 2011

MPWMD

COPY

January 28, 2010

President Michael R. Peevey  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102

**SUBJECT: Support for Application No. 10-01-012 to Continue Collection of Monterey Peninsula Water Management District User Fee for Carmel River Mitigation Program and Aquifer Storage and Recovery Project**

Dear President Peevey:

I am writing to support Application No. 10-01-012 submitted by Californian American Water Company (Cal-Am) to continue collection of the Monterey Peninsula Water Management District (MPWMD or District) User Fee to fund the Carmel River Mitigation Program and the Aquifer Storage and Recovery (ASR) Project. The User Fee has been collected for 26 years as a surcharge on the Cal-Am water bill. Importantly, the public directly participates in MPWMD program oversight and budget development through local public hearings each year.

Cal-Am and MPWMD have cooperated for nearly two decades on the Mitigation Program, which is required by the State to offset the environmental impacts of the Monterey Peninsula's use of water from the Carmel River. Components include fish rescue and rearing, streamside erosion control and restoration, lagoon management, surface and groundwater monitoring, and water conservation. Cal-Am and MPWMD have also cooperated on the ASR Project, which enhances the Carmel River by diverting excess winter stream flow into the Seaside Basin, then extracting stored Seaside Basin water during summer. These actions have improved river conditioned to the benefit of people, fish, and wildlife.



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**ARRANGED WITH:**

INTERNATIONAL UNION OF NORTH AMERICA

**ALL CIO**

THE CENTRAL COUNCIL

MOUNTAIN VIEW CENTRAL COUNCIL

SAN FRANCISCO COUNCIL

SOUTH BAY ALL CIO



Funding for this successful partnership is threatened by the December 2010 Proposed Decision issued by Administrative Law Judge Maribeth Bushey. The Proposed Decision would deny Cal-Am's Application to reinstate the District's User Fee on the Cal-Am bill, even though Cal-Am, MPWMD and the Division of Ratepayer Advocates (DRA) support the application and have signed a Settlement Agreement. Cal-Am has repeatedly stated that MPWMD is best equipped to carry out the Mitigation Program in a cost-effective manner.

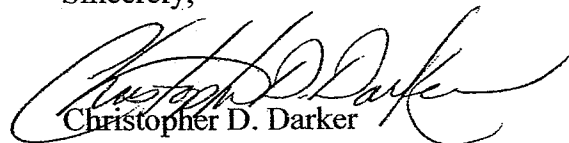
The Proposed Decision includes inaccurate assertions about District programs, but does not allow MPWMD the opportunity to set the record straight in a public hearing. The Proposed Decision is also flawed because it interferes with the authority of a governmental agency to lawfully enact fees for needed services.

I am concerned that the Proposed Decision would interrupt the long standing MPWMD fisheries, riparian, lagoon, hydrology, water conservation and water supply programs that have protected our primary source of water supply. If the MPWMD program ends, Cal-Am is required to start a new program on its own. This is no time to interrupt the Mitigation Program activities while the community strives to comply with the many state and federal directives that affect our water supply.

For the above reasons, I encourage you to approve Cal-Am's Application No. 10-01-012 and to modify the Proposed Decision to accept the Settlement Agreement among Cal-Am, MPWMD, and DRA. Alternatively, a public hearing should be set to allow MPWMD to answer questions and provide factual information about its programs. I believe the District Mitigation Program and ASR Project User Fees should continue as they are non-duplicative, reasonable and prudent.

Thank you for your consideration.

Sincerely,



Christopher D. Darker

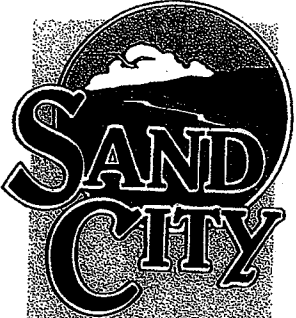
Business Manager & Secretary Treasurer

Cc: Rocco Davis, LIUNA Vice President & PSW Regional Manager

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JAN 24 2011

MPWMD



January 18, 2011

President Michael R. Peevey  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, California 94102

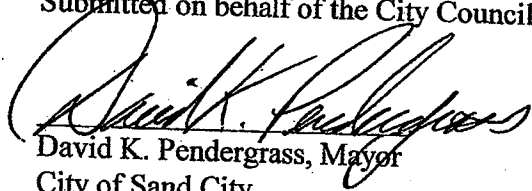
**SUBJECT: City Council Support for Application No. 10-01-012 to Continue Collection of Monterey Peninsula Water Management District User Fee for Carmel River Mitigation Program and Aquifer Storage and Recovery Project**

Dear President Peevey:

The City Council of Sand City hereby supports Application No. 10-01-012, submitted by California American Water Company (Cal-Am) to continue collection of the Monterey Peninsula Water Management District (MPWMD) User Fee to fund the Carmel River mitigation program and aquifer storage and recovery (ASR) project. Funding for these programs is threatened by the December 2010 Proposed Decision issued by Administrative Law Judge Maribeth Bushey. The Proposed Decision includes inaccurate assertions about MPWMD programs and does not allow MPWMD the opportunity to correct the record in a public hearing. The Proposed Decision is also flawed because it interferes with the authority of a governmental agency to lawfully enact fees for vital services.

The Proposed Decision would interrupt the long-standing MPWMD fisheries, riparian, lagoon, hydrology, water conservation and water supply programs that have protected our region's primary source of water. If the MPWMD program ends, Cal-Am would be required to take it over. However the Proposed Decision makes no provision for Cal-Am to start a new program on its own. We believe this is no time to interrupt the Mitigation Program activities while the community strives to comply with the many state and federal directives that affect our water supply. This is a program that works; needs to be left alone; and, should continue to be administered most-effectively by the MPWMD, in partnership with Cal-Am.

Submitted on behalf of the City Council,

  
David K. Pendergrass, Mayor  
City of Sand City

City Hall  
1 Sylvan Park  
Sand City, CA  
93955

Administration  
(831) 394-3054

Planning  
(831) 394-6700

FAX  
(831) 394-2472

Police  
(831) 394-1451

FAX  
(831) 394-1038

Incorporated  
May 31, 1960

**Bob & Ruth Stephan**

**1021 San Carlos Road  
Pebble Beach  
CA 93953**

Michael R. Peavey, President  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco CA 94102

Jan 13, 2011

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JAN 18 2011

MPWMD

Dear President Peavey,

We are outraged at the ripoff by the Monterey Peninsula Water Management District (MPWMD) of the taxes and fees we rate-payers pay to support it. We agree with Judge Maribeth Bushey's decision to reject the 8.325 percent user fee request and urge that the appeal of this decision be denied.

The MPWMD is an unnecessary drain on us taxpayers and water rate payers. Years ago (in 2002) the people voted overwhelmingly to disband the MPWMD but somehow it was rescued and the peoples' will was thwarted. It is now time to get rid of it for once and for all!

The MPWMD is a tremendous boondoggle for its employees who enjoy greatly overgenerous perks for doing little actual work. The money we pay passes through them, they and California American Water rake off their take from the top and pass the rest to contractors who do the actual work for them. There are other entities that could handle the work contracts and eliminate this substantial and unnecessary overhead. And the MPWMD has done nothing to improve the availability of water which is the reason it was formed in the first place.

The MPWMD pays generous salaries, provides overly generous holidays, substantial annual vacation times, and operates in luxurious office spaces. It is a leech on the backs of tax and rate payers. When looking over the budget and cost details of the MPWMD it appears that there is a conspiracy between MPWMD and CalAm to scam tax and rate payers out of as much money as they can get away with. We don't need that kind of treatment from any public agency.

It is past time to do away with the MPWMD and lift this unnecessary burden from the people. Denying the appeal will be a step in the right direction.

Sincerely,

*Robert A. Stephan*  
Robert A. Stephan

*Ruth C. Stephan*  
Ruth C. Stephan

cc: MPWMD, CalAm

*Here's our answer to your call  
ON 1/2/2011.*



# LAFCO of Monterey County

LOCAL AGENCY FORMATION COMMISSION  
 P.O. Box 1369 132 W. Gabilan Street, Suite 102  
 Salinas, CA 93902 Salinas, CA 93901  
 Telephone (831) 754-5838 Fax (831) 754-5831  
 www.monterey.lafco.ca.gov

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Kate McKenna, AICP  
 Executive Officer

JAN 13 2011

DATE: January 10, 2011

MPWMD

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

FROM: Kate McKenna, AICP, Executive Officer

*Kate McKenna*

SUBJECT: Carmel Area Wastewater District – “Carmel Valley Athletic Club Sphere of Influence Update and Annexation” of two parcels (APN 157-121-014 and -015) at 27200 and 27300 Rancho San Carlos Road in Carmel. The purpose of this proposal is to connect the athletic club to the wastewater district’s existing wastewater system.  
 (LAFCO File No. 11-01)

The Local Agency Formation Commission of Monterey County has received this application. Enclosed is a compact disc with materials submitted to LAFCO by the applicant, Carmel Valley Athletic Club. Please review this application for any issues pertinent to your agency and send your comments to us prior to 5:00 pm on **Monday, January 31, 2011**.

If you have any questions regarding this project, please contact Thom McCue, Senior LAFCO Analyst at 754-5838, or at [mccueta@monterey.lafco.ca.gov](mailto:mccueta@monterey.lafco.ca.gov).

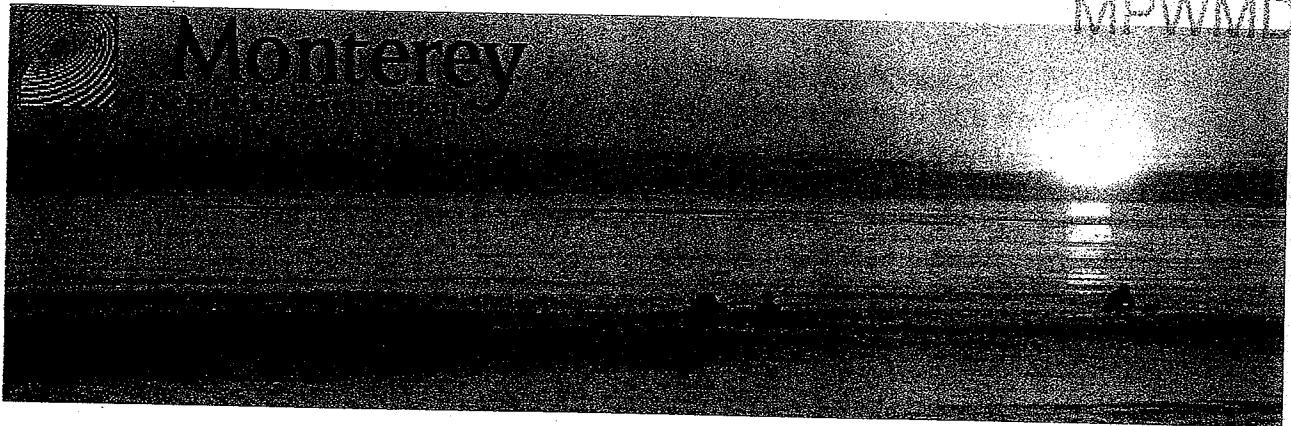
Thank you for your assistance.

Attachment: Compact Disc

**From:** Surfrider Foundation Monterey Chapter [mailto:monterey@surfrider.org]  
**Sent:** Saturday, January 08, 2011 8:01 AM  
**Subject:** Monterey Chapter: Let the CPUC Know How You Feel

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JAN -10 2011



1/7/11

### Urgent Letter Request

Dear folks who love our waterways, watersheds and the oceans;

We need your help in writing letters to the CPUC (CA Public Utilities Commission).

A top official with the CPUC decided last week that the Monterey Peninsula Water Mgmt Dist (MPWMD) should not be entitled to \$3.5million in "user fees" that have been added to water bills (\$30-40 per month max per customer). (See <http://www.pineconearchive.com/101231-1.htm> for more details.) This decision will cut the budget in half.....and the reason for us writing letters...resulting in devastating changes in the management and protection of water resources "for the benefit of the community and the environment" (the district's reason for existence).

The cuts will probably result in eliminating the steelhead program (counting, monitoring and rearing) and eliminate the riparian vegetation program, lagoon monitoring program and other programs that contribute to the health of the Carmel River's natural ecosystem. The programs are supported by Cal Am, MPWMD and the Division of Ratepayer Advocates.

Please act now! Here's how...

Email the CPUC at [publicadvisor@cpuc.ca.gov](mailto:publicadvisor@cpuc.ca.gov) and [mab@cpuc.ca.gov](mailto:mab@cpuc.ca.gov) and refer to Cal Am A-10-01-012 in your subject line

Sample letter:

Dear CPUC Commissioners and Officials;

I am writing because of grave concern over the recent decision by Judge Bushey to eliminate the \$3.5million in "user fees" supported by Cal Am, the Monterey Peninsula

Water Management District, the Division of Ratepayer Advocates and thousands of people on the Monterey Peninsula, like me, who want our rivers, waters and fish to be as healthy as possible.

The water crisis is a separate issue from the Water District's 1977 mandate to "manage, augment and protect water resources for the benefit of the community and the environment". The \$3.5 million is specifically targeted to protect the health of the river, its wildlife, the health of the lagoon, mitigation of harmful flows and floods, protection of the Aquifer and Storage Recovery. It is not targeted to solve the mismanagement of water on the Peninsula.

Please restore the fees. That will ensure that the river and water programs for the long term health of our communities, human and otherwise, will not be permanently eliminated, perhaps never to be restored in the future.

Thank-you,  
(signed)

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monterey@surfrider.org • Surfrider Foundation Monterey Chapter

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