



Supplement to 11/21/11 MPWMD Board Packet

Attached are copies of letters received between September 14 and October 14, 2011. These letters are also listed in the November 21, 2011 Board packet under item 16, Letters Received.

Author	Addressee	Date	Topic
Molly Erickson	David Stoldt	11/14/2011	November 21, 2011 Meeting – Notice of Public Hearing
Caroline Sanders	Regina Doyle	11/2/2011	Carmel River Advisory Committee
Chuck Della Sala	MPWMD	10/31/2011	Forum on the Future of the Monterey Peninsula Water Supply
Robert Eremia	David Stoldt	10/27/2011	Climatology as it Relates to Increasing Storage Capacity in the Los Padres Reservoir
Rami Kahlon	Robert S. Brower, Sr.	10/25/2011	Monterey Regional Desalination Project
Brent R. Constantz	Jane Parker	10/19/2011	DeepWater Regional Desalination Project

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LAW OFFICES OF
MICHAEL W. STAMP

479 Pacific Street, Suite 1
Monterey, California 93940

November 14, 2011

Telephone
(831) 373-1214

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NOV 14 2011

MPWMD

Facsimile
(831) 373-0242

Via Email
David Stoldt, General Manager
Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93942-0085

Subject: November 21, 2011 meeting – notice of public hearing

Dear Mr. Stoldt:

The MPWMD's Notice of Public Hearing dated November 8, 2011 concerning the Flores/Pisenti wells is not accurate.

In the notice, the Beeches' appeal is mischaracterized, and there is a factual error. The Beeches' appeal was submitted on July 11, 2011. The appeal did not address the "complete" letters of the General Manager, as the notice claims. Those letters came on July 20, some nine days after the Beech appeal was filed.

Also, the notice fails to reference Director Markey's appeal of the "complete" letters.

Although it is too late to correct these within 10 days of the November 21 meeting, at the very least the published agenda for the meeting, as well as the staff report, must be consistent with the minutes of the September 19, 2011 MPWMD Board Meeting, which read:

Director Markey offered a motion that a hearing be scheduled for the Board to consider her appeal of:
(1) subordinate decisions related to the appeal by Judy and David Beech, (2) subordinate decisions related to the water distribution system applications by Flores and Pisenti, and (3) as further outlined in the August 5, 2011 email from Director Markey to Darby Fuerst, admitted as Exhibit 17-A of the staff report on this item. The motion was approved unanimously on a vote of 7-0.

Because item (1) refers to the Beech appeal of July 11, 2011, that appeal document – including exhibits – must be included in the agenda packet.

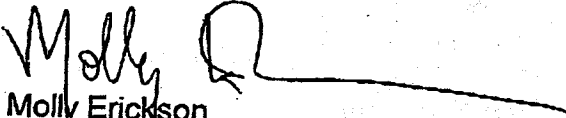
We look forward to receiving your correction of the Notice of Public Hearing, and draft of the agenda item for the November 21 Board Meeting, as soon as possible.

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David Stoldt
November 14, 2011
Page 2

Thank you.

Very truly yours,


Molly Erickson

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MPWMD

636 Spanish Ave
Pacific Grove
CA 93950

831-375-5376

30 October 2011

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Regina Doyle, Director
MPWMD
5 Harris Court
Monterey CA 93940

Dear Ms Doyle,

I regret to inform you that due to my husband, Clive Sanders, poor health he will no longer be able to serve on the Carmel River Advisory Committee.

On his behalf I am giving you his resignation.

He would want you to know that he has been pleased to serve on the Committee and wishes you well.

Sincerely
Caroline Sanders
(Mrs Clive Sanders)



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MPWMD

Mayor:
CHUCK DELLA SALA

October 31, 2011

Councilmembers:
LIBBY DOWNEY
JEFF HAFERMAN
NANCY SELFRIDGE
FRANK SOLLECITO

City Manager:
FRED MEURER

On behalf of six Peninsula cities, I would like to thank you for your participation in the "Forum on the Future of the Monterey Peninsula Water Supply." You played a vital role in the success of this event, informing peninsula residents and business leaders about the depth of the water supply problem and possible solutions.

More than 250 people were in attendance at the Steinbeck Forum and viewers at home in peninsula cities were able to watch the session live on Ch 25. Response to the Forum has been extremely positive with many people commenting on the amount of information conveyed, the quality of the presentations, and the liveliness of the question and answer segment.

I know the forum required a substantial time commitment on your part and I am grateful for your willingness to join together and show our community that many dedicated people and organizations are working very hard to solve our water problems.

Sincerely,

Chuck Della Sala
Mayor

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10/27/2011

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OCT 27 2011

MPWMD

DEAR DAVID STOTT, P.E.

IT WAS ENJOYABLE READING YOUR WELL WRITTEN ARTICLE IN THE HERALD (10-25-11). I WOULD LIKE TO GIVE YOU MY OPINION RELATING SOLEY TO THE SCIENCE OF CLIMATOLOGY AS IT RELATES TO THE ASR IN THE SEASIDE BASIN AND INCREASING STORAGE CAPACITY AT THE LOST PADRES DAM.

I STRONGLY RECOMMEND DRILLING INTO THE SILT OF THE LPD, PUMPING IT INTO SUCTION PIPING AND TRUCKING IT AWAY FROM THE SITE.

PRIVATE CLIMATOLOGISTS ARE IN AGREEMENT THAT THE TOP TWO THIRDS OF CALIFORNIA IS IN CLIMATE CHANGE. THEY DO NOT PUBLISH THEIR DATA OR METHODOLOGY. REGARDING THE CENTRAL CA. COAST AND SPECIFICALLY MONTEREY COUNTY I CALCULATE (USING THE PAST 20 YEARS OF PRECIPITATION) A RANGE OF PRECIPITATION FOR THIS DECADE 2010-2020. ~~NINE~~ SIX YEARS, UNSPECIFIED, WILL "MATCH" RAINFALL RECORDS FOR OCTOBER THRU APRIL 2010. THREE YEARS WILL EXCEED THOSE RECORDS. ONE YEAR FAILS THOSE RECORDS BY .05-1%. (BY THE WAY, SOMETIMES THE FEDERAL GOVT. PAYS FOR THE SERVICES OF PRIVATE CLIMATOLOGISTS).
ROBERT EPENMA

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

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OCT 27 2011

MPWMD



October 25, 2011

Robert S. Brower, Sr.
Chairman of the Board
Monterey Peninsula Water Management District
P.O. Box 85
Monterey, CA 93942-0085

Dear Chairman Brower:

I am in receipt of your letter of October 11, 2011 expressing the Monterey Peninsula Water Management District's support for moving forward with the California American Water Company's (Cal Am) facilities that are part of the Regional Desalination Project approved by the Commission in December 2010 (D.10-12-016). On October 14, 2011, Cal Am filed a petition for modification of D.10-12-016 requesting clarification from the Commission "that the Company may proceed with the California American Water facilities (except the transfer pipeline) even if the Regional Desalination Project is modified or an alternative project is proposed." (Petition at p.7)

This matter will be formally assigned to an Administrative Law Judge here at the Commission and will be processed in conformance to Rule 16.4 of the Commission's Rules of Practice and Procedure. I will forward your letter of support to the Administrative Law Judge so that it can be included as part of the correspondence file for this proceeding.

Sincerely,

Rami Kahlon, Director
Division of Water and Audits
California Public Utilities Commission

Cc: Paul Clanon, Executive Director, California Public Utilities Commission
Rob McLean, President, California American Water Company



October 19, 2011

Chairperson Jane Parker and
Members of the Board of Supervisors
For Monterey County, California

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OCT 24 2011

MPWMD

Dear Chair Parker,

A report commissioned by Cal Am entitled "Monterey Water Supply Analysis" dated 5 October 2011, was recently released to many government officials and the press in Monterey County. A technical memorandum from the report's authors, RBF Consulting, accompanied the report with a press release from Cal Am stating, "A supplemental memo that examines permitting requirements and anticipated timelines for each project is also being prepared. In that memo, the company's consultant will make a recommendation as to which project represents the best water supply solution for the area based on the criteria defined." The RBF report provides information to support the erroneous conclusion that Cal Am's Marina Coast 'Regional' Plant proposal is superior to all other alternatives, including our DeepWater Regional Desalination Project at Moss Landing. We question the credibility of the RBF report and its conclusions, and we think your Board and the community should be skeptical too.

No one at Cal Am or their engineering firm, RBF Consulting, ever consulted with anyone at DeepWater Desal LLC or any of our consultants about our project. We are mystified at the source of their data, or how they could make a credible professional analysis about our project, without knowing much more than our name. RBF had no contact with us while preparing their report, even though we have reached out to Cal Am on several occasions in attempts to initiate collaborative discussion. Finally, yesterday, October 18th, we were able to speak to Richard C. Svindland, P.E. (*P.E. in DA & KY), Director of Engineering for CalAm, who managed the CalAm RBF study, after he announced to the Monterey Peninsula City managers that RBF had made mistakes by including an ASR project as part of our DeepWater project, overestimating the costs. This is only one of many fabricated false assumptions in the RBF report. We welcome the opportunity to present the DeepWater Desalination Project on a legitimate apples-to-apples basis, as we know that the CPUC and the Monterey community political leadership are earnestly committed to finding the solution that delivers the lowest cost, highest quality, most environmentally responsible water to rate payers—and we are highly confident that our project is the most cost-effective, reliable alternative that can be delivered within the prescribed compliance timetable. Frankly, without such a legitimate comparative analysis, it is impossible to ascribe any credibility to the RBF report with respect to the DeepWater Desal project.



It's worth noting that the Pajaro Valley Water Management Agency's Basin Management Plan Committee commissioned Carollo Engineering to perform a comparative analysis that also includes the DeepWater Desalination Project, dated October 6, 2011. The initial study was performed in the open with modest interaction between the Carollo engineers and the DeepWater Desal engineering team, and we expect further refinement of the study as the various project teams collaborate. However, the preliminary Carollo report estimates the annualized cost of water from the DeepWater Desalination Project at \$2380 per acre-foot. This compares with the Cal Am-commissioned estimate by RBF of \$5760 per acre-foot for our same project. The Carollo report also estimates the Annual Capital Cost and O & M for our project at \$23 M, whereas, the Cal Am-commissioned estimate for our same project by RBF is \$58 M. DeepWater's own cost estimates for our project are under \$2000 per acre-foot, and \$19 M Annual Capital Cost and O & M. We have not endorsed either outside independent study and could not do so until these consulting engineers actually confer with our engineering and financial teams to secure and then evaluate project information. However, it is worth noting that the RBF report commissioned by Cal Am puts our water costs and operating costs at more than two times the costs of the preliminary Pajaro Valley-commissioned study and our own estimates. On the face of it, the RBF estimate simply doesn't hold water.

We applaud the efforts to think broadly and to honestly evaluate the practical alternatives to solve our region's difficult water resource challenges. Because conservation is a first line approach to providing adequate water, new conservation measures need to be constantly re-evaluated. However, a long-term perspective that looks out decades is necessary. Coastal rivers and streams and groundwater aquifers around Monterey Bay have been exploited in a non-sustainable fashion for decades, causing saltwater intrusion and destroying stream and river ecosystems. Schemes to divert streams and rivers, or play shell games with ground water aquifers do not create sustainable replacement sources of water.

The Monterey Bay Region has a fundamental, long-term resource challenge that is not going away. The challenge is to find a sustainable, affordable alternative to the past practice of over-appropriating our streams and rivers and to over-drafting our groundwater aquifers. It's clear that a new water source that does not worsen the groundwater aquifer situation or decimate our coastal streams is needed. At this juncture, a desalination plant utilizing the benefit of the near shore deep water canyon that serves the Monterey Bay region is needed and essential.



DeepWater Desal's Regional Desalination Project will produce and deliver water for Santa Cruz and Monterey Counties. It appears that Cal Am's report from RBF is designed to address a short-term political agenda to push through the Marina Regional Project by defaming our regional project with false information. The RBF report is a disservice to the Monterey Peninsula intended to create confusion for the entire Monterey Bay region.

Cordially,

Brent R. Constantz, Ph.D.
 Manager & Chief Executive Officer
 DeepWater Desal LLC

cc:

Lew Bauman, Monterey County, CAO
 Chuck Della Salla, Monterey, Mayor
 Fred Meurer, Monterey, City Manager
 Carmelita Garcia, Pacific Grove, Mayor
 Tom Frutchey, Pacific Grove, City Manager
 Felix Bachofner, Seaside, Mayor
 Ray Corpuz, Seaside, City Manager
 David Pendergrass, Sand City, Mayor
 Steve Matarazzo, Sand City, City Administrator/Community Development
 Sue McCloud, Carmel, Mayor
 Jason Stilwell, Carmel, City Manager
 Jerry Edelen, Del Rey Oaks, Mayor
 Daniel Dawson, Del Rey Oaks, City Manager
 Robert Brower, Monterey Peninsula Water Management District, Chair
 David Stoldt, Monterey Peninsula Water Management, General Manager
 Commissioner Catherine J.K. Sandoval, California Public Utility Commission
 Gary Omernick, Monterey County Herald
 Joe Livernois, Monterey County Herald, Opinion Page Editor
 Bradley Zeve, Monterey County Weekly, Founder & CEO
 Erik Cushman, Monterey County Weekly, Publisher
 Mary Duran, Monterey County Weekly, Editor
 Paul Miller, Carmel Pinecone, Publisher/Editor
 Marge Jameson, Cedar Street Times, Publisher/Editor
 Edie McDonald, PG Bulletin, Publisher
 Xavier Maruyama, PG Bulletin, Publisher
 Sarah Davis, PG Bulletin, Managing Editor
 Lawton Dodd – KSBW, News Director
 Mark Carbonero – KION Radio
 Robert Maclean – Cal Am
 Craig Anthony – Cal Am
 Paul Findley – RBF Consulting

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