



Supplement to 7/18/16 MPWMD Board Packet

Attached are copies of letters received between June 11, 2016 and July 8, 2016. These letters are listed in the July 18, 2016 Board packet under Letters Received.

Author	Addressee	Date	Topic
Jane Haines	SWRCB/copy to Dave Stoldt	6/29/16	SWRCB Injustice – proposed modification of Cal Am Cease and Desist Order (CDO) WR 2009-0060
Julie Vance	David Chardavoyne/copy to Dave Stoldt	6/29/16	Acceptance of Proposed Portest Dismissal Terms for Water Right Applications (WRAs) 32263 A&B, and Suspension of Processing for WRA 32263-C
George Riley and Charles Cech	Felicia Marcus/copy to Dave Stoldt	6/28/16	Comment Regarding the Cal Am Cease and Desist Order (CDO) WR 2009-0060, Preliminary Recommendations Document from the State Water Resources Control Board (SWRCB)
Julie Uretsky	David Stoldt	6/22/16	Excellent Customer Service Provided by Debbie Martin and Maryan Gonnerman
Stephen J. Gauthier	Jeanne Byrne	6/21/16	Certificate of Achievement for Excellence in Financial Reporting Awarded to Suresh Prasad
Charles McKee	Jeanne Byrne	6/24/16	2015-2016 Monterey County Civil Grand Jury Final Report – “Striving for Sustainability”

U:\staff\Boardpacket\2016\20160718\LettersRecd\LettersRecd.docx

Jane Haines

601 OCEAN VIEW BOULEVARD, APT. 1 PACIFIC GROVE CA 93950

janehaines80@gmail.com

Tel 831 375 5913

June 29, 2016

State Water Resources Control Board
c/o Mr. Matthew Quint
Division of Water Rights
P.O. Box 2000
Sacramento, CA 95812-2000



Re: SWRCB INJUSTICE - proposed modification of Cal Am Cease and Desist Order (CDO) WR 2009-0060

Dear State Water Resources Control Board,

I protest the **injustice** of financially punishing Monterey Peninsula water users, rather than Cal Am, for Cal Am's failure to comply with the SWRCB 1995 order for a lawful water source. The 1995 SWRCB order was directed to Cal Am, not to Peninsula residents. Yet, as the residents substantially cut back water use, the PUC allows Cal Am to charge higher rates to compensate for reduced sales. Today, Cal Am still has not complied with the SWRCB 1995 order yet has suffered no adverse financial consequence. Instead, the financial penalty for Cal Am's 21 year failure falls solely on Cal Am's customers. Had the 1995 order been structured to financially penalize Cal Am for delay, the Peninsula's water supply would likely have been from lawful sources long ago.

The current situation is grossly unjust. California Civil Code section 3543 states:

Where one of two innocent persons must suffer by the act of a third, he, by whose negligence it happened, must be the sufferer.

Monterey Peninsula water users unjustly suffer financially resulting from Cal Am's failure to comply with the 1995 SWRCB order. Cal Am suffers not. *Justice requires that Cal Am, not its customers, be the sufferer.*

The enclosed June 28, 2016 letter to the SWRCB from Public Water Now proposes a way for the SWRCB to shift the financial penalty for Cal Am's delays from Peninsula water users to Cal Am. Justice requires no less.

I urge your serious attention to the enclosed June 28, 2016 proposal by Public Water Now.

Sincerely,

Jane Haines

copy w/ PWN 6/28/16 proposal enclosed: Bill Monning, Ken Lewis (PUC), David Stoldt (MPWMD), Bill Kampe (Mayors Authority), Rita Dalessio (Sierra Club), George Riley (Public Water Now).



**PUBLIC
WATER
NOW**

PUBLIC WATER NOW

P.O. Box 1293, Monterey CA 93942

www.publicwaternow.org

publicwaternow@gmail.com

State Water Resources Control Board
Attn: Chair Felecia Marcus, SWRCB Members and Staff
PO Box 2000
Sacramento CA 95812-2000

June 28, 2016

Comment Regarding the Cal Am Cease and Desist Order (CDO) WR 2009-0060, Preliminary Recommendations Document from the State Water Resources Control Board (SWRCB).

Dear Chair and Members,

Public Water Now (PWN) is an all volunteer group of ratepayer advocates on the Monterey Peninsula. It is a 501(c)4 with 14 people on the Board of Directors, is an intervener in selected CPUC applications, and actively engages on local water issues. The predecessor group was Citizens for Public Water, which began operating in 2005. We have been at this for years.

The SWRCB staff recommendations added a few adjustments to the Cal Am CDO extension request, but essentially the SWRCB supports the request filed by Cal Am and their allied organizations. **PWN hereby registers a strong objection because it is the ratepayer who will bear the brunt of any reduced water resulting from Cal Am falling short on prescribed milestones.** The penalty falls on ratepayers, not Cal Am that is the targeted guilty party in the CDO to comply. This is blatantly unfair to ratepayers, and certainly forgives Cal Am for any culpability. Is this what SWB originally intended? Is it what SWB intends now?

As far back in 1995, Cal Am was accused of being in violation of legal water rights pumping from the Carmel River, and was told to prepare a new replacement supply system. In 2009, Cal Am was reprimanded for unreasonable delays, and was ordered to take specific actions to generate a water supply project, and threatened with penalties for non-compliance.

We remind the SWRCB that Cal Am has failed on three occasions to generate a new water supply, and has sent the ratepayers the bill, which totals about \$35 million. Ratepayers have already paid for Cal Am misfeasance, and will pay for Cal Am nonfeasance in the future. We remind you of these costs on ratepayers because we have seen how Cal Am has not been penalized in any way for its past failures, and we continue to pay for these stranded costs. Cal Am (American Water Works) shareholders have paid nothing. Now with the proposed modifications, Cal Am again will pay nothing.

Our primary objection is the cost and hardship exposure to the ratepayers that can be expected from Cal Am failures to meet milestones. The CDO, and your Board's demands for a timeline and deadline, and your threats for penalties, are being tossed aside by the proposed modification that protects Cal Am. We question if the SWRCB means what it says. Cal Am was warned, and then ordered, but still it has diddled away 20 years. Cal Am is the non-performer here, and should bear the brunt of any penalties for missed milestone.

It appears that SWRCB is willing to negotiate a compromise, rather than back up its CDO threat for penalties for non-compliance. For an agency with power, you seem far too willing to let the guilty escape. You seem far

too willing to protect the non-performing entity -- Cal Am -- and far too willing to place a further penalty on the innocent -- ratepayers.

Under Cal Am's proposed modification, when milestones are missed, Cal Am will be required to reduce the amount of water delivered to ratepayers by 1000 acre feet for each missed milestone. One problem with this approach is that a substantial amount of the penalty will fall on the hospitality business sector, the major economic driver on the Monterey Peninsula.

The Cal Am 2014 financial report indicates that the commercial customers consumed 24% of the water delivered on the Monterey Peninsula. It is estimated that there are an average of about 19,000 overnight visitors on the Monterey Peninsula, (see chart on last page). The aquarium alone attracts 1.8 million visitors annually averaging approximately 5,000 per day. The 2016 Pebble Beach Pro Am golf tournament attendance was almost 150,000; an estimated 100,000 where non-resident visitors. The water used by Monterey Peninsula visitors will probably not decrease, so the 1,000 acre foot reduction will all fall on residential ratepayers. Consequently the resident ratepayers will be required to reduce more than their fair share of the total water normally used.

This reduction in water availability, this rationing, penalizes the ratepayers of the Monterey Peninsula, especially the residential ratepayers, for Cal Am taking water illegally for 20 years! These 1000 acre foot water cuts do not penalize or incentivize Cal Am because their annual income and profit margins are predetermined and set by the California Public Utilities Commission (CPUC). Nor does it penalize the local hospitality industry because it has a flat rate structure approved by the CPUC that does not incentivize conservation. It incentivizes 'best management practices' but not conservation.

Whenever Cal Am experiences a reduction in income as a result of the reduced water consumption, it submits a request to the CPUC for an increase adjustment to their income. As an example in 2016 Cal Am submitted a request to the CPUC to recover \$50 million due to ratepayers cutting water use over five years and satisfying the state drought mandated water use reductions.

Also, your staff recommendation to reduce the authorized take from 8310 to 7990ac further increases the exposure on residential ratepayers to increased costs, since Cal Am can recover revenue lost from under-pumping.

There needs to be a way for SWRCB to live up to its threat to Cal Am. Imposing a potential penalty on ratepayers falls flat. In an effort to be supportive and relevant to the SWRCB threat, there needs to be a penalty threat to Cal Am. This can only occur if there is a penalty, and only if it is applied to Cal Am, not its ratepayers. In an effort to be helpful, PWN hopes you will consider the following penalty format, and apply it to Cal Am.

Cal Am has taken thousands of acre feet of water from the Carmel River it had no rights to every year for more than 20 years, paid nothing for it, and sold it to ratepayers at a very substantial profit. Cal Am was given 20 years to provide a new source of water for the Monterey Peninsula by the SWRCB. Cal Am has started and failed to develop a new water source on at least three occasions over the past 20 years. Ratepayers are already paying \$35 million for Cal Am failures, but have never received one drop from a new Cal Am water source.

It is proposed that rather than cutting water to the ratepayers, Cal Am should be required to reduce the cost of water to the ratepayers. With this approach Cal Am is penalized for their failures, not the ratepayers. An example of the proposed water price reductions are displayed in the matrix below. It is an attempt to apply an

accelerated tier structure to failures, very similar to the increasing tiered rates Cal Am applies to residential customers using excess water.

Cal Am Milestones	First Miss	Second Miss	Third Miss
Customer water price reduction	0.2 Cent/gal	0.4 Cent/gal	0.8 Cent/Gal
1000 AF =325,851,000 gal.	\$651,706.00	\$1,303,412.00	\$2,606,824.00

If it is determined by the SWRCB that Cal Am has missed the first milestone, Cal Am will reduce water cost to ratepayers by 0.2 cents per gallon until the milestone is achieved. If the first milestone is incomplete on the date the second milestone is also missed, the sum of the first and second milestones reductions, or 0.6 cents (0.2 + 0.4 cents) will be provided the ratepayers. If the first milestone is completed at the time the second milestone is missed the water price reduction would be the second milestone 0.4 cent per gallon amount until that milestone is achieved. In the event the third milestone is missed while the either the first and/or the second milestone are incomplete the sum of the missed milestones will be in effect up to a maximum of 1.4 cents per gallon (0.2 + 0.4 + 0.8) until individual milestones are completed and reduced as each milestone is completed to the satisfaction of the SWRCB.

Because these proposed reductions in income are penalties for Cal Am missing MPWSP milestones, they should not be recoverable in any way from the ratepayers!

Should a competing desalination facility or alternative new water source become available and is capable of delivering the required quantity of water to the Monterey Peninsula, the SWRCB would have the option of canceling the CDO and/or discontinuing the proposed ratepayer water price reductions.

Respectfully submitted,

George T. Riley

Charles S. Cech

/s/ George T. Riley

/s/ Charles S. Cech

Public Water Now, 1198 Castro Road, Monterey CA 93940

Public Water Now, PO Box 1293, Monterey, CA 93942

Attached: A. Monterey Peninsula Hospitality Industry data
B. CC list

Attachment A. Monterey Peninsula Hospitality Industry data

Rough Estimate of Monterey Peninsula Hospitality Sector Annual Water Consumption

Average Total Daily Guest Census

No. of rental rooms on the Monterey Peninsula	12004, Source: www.seemonterey.com
Average annual national occupancy rate	63% Per National Occupancy Average
Peninsula Rooms rented per national average	7562.52 Rented Room Calculation
Estimated average number of occupants per room	2.5 Estimated Avg. No. of Occupants
Total number of rental occupants per day	18906.3 Average Overnight Guests
(The Monterey Aquarium averages 4950 guests per day)	

Estimate Occupant Water Usage

10 minute shower per occupant per day	25.0 gallons per occupant - Estimate
Four uses of 1.2 gallon per toilet per day	4.8 gallons per occupant - Estimate
Bedding Washing Gallons per occupant per day	2.6 gallons per occupant - Guess
Dish Washing Gallons per occupant per day	2.6 gallons per occupant - Guess
miscellaneous/ice/drinks/meals/foilage watering	3.0 gallons per occupant - Guess
Total Consumption/occupant/day	38.0 gallons per occupant per day
<hr/>	
Total guest water consumption per day 18,906.3 X 38	718,439 gallons per day
Estimated annual guest Consumption	262,230,381 gallons per year
Non-resident employees water consumption	18,000,000 Gallons per year
Total non-resident and occupant usage	280,230,381 Gallons per year
Estimated acre feet of water consumed	859.99 Acre Feet

Cal Am reported commercial water use in 2014 was 2601 Acre Feet.

The 859.99 Acre Feet estimate for hotel visitors only, is very conservative.

This rough estimate does not include thousands of tourists passing through flushing toilets daily.

There are 22,000 fulltime hospitality employees. An estimated 80% are not Peninsula residents using water daily.

Nonresident hospitality employees could add up to an additional 100 acre feet of water consumed per year.

A brief list of Monterey Peninsula major events that attract many thousands of visitors annually:

- Pebble Beach Pro Am
- Pebble Beach Concourse d'Elegance
- Pebble Beach Food and Wine festival
- Pebble Beach TaylorMade golf tournament
- Pebble Beach 1st Tee Open juniors golf tournament
- Big Sur Marathon
- Big Sur Half Marathon
- Carmel Bach Festival
- Carmel International Film Festival
- Laguna Seca automobile and motorcycle races
- Sea Otter Classic bicycle competition
- Monterey Jazz, Blues and other festivals

Attachment B. CC list: PWN Comment Letter of 6/28/16 to SWRCB

Robert MacLean, President California American Water Company 1033 B Avenue, Suite 200, Coronado, CA, 92118	Mathew Quint, SWRCB Division of Water Rights PO Box 2000 Sacramento, CA 95812-2000
Ken Lewis, CA Public Utilities Commission % Environmental Science Associates 550 Kearny St., Suite 800, San Francisco, CA 94108	
MPWMD, 5 Harris Court, Monterey CA 93940	
MPRWA, % Jim Cullem 580 Pacific St. Monterey CA 93940	Via Email only: Larry Silver larrysilver@earthlink.net
City of Pacific Grove 300 Forrest Ave., Pacific Grove, CA 93950	Monterey Bay Partisan calkinsroyal@gmail.com
Pebble Beach CSD 3101 Forest Lake Road, Pebble Beach, CA 93953	
Jonas Minton Planning and Conservation League & PCL Foundation 1107 9th St., Suite 901, Sacramento, CA 95814	
Rita Dalessio Larry Silver, Esq. Sierra Club, Ventana Chapter PO Box 5667, Carmel CA 93921	
Roy L. Thomas, DDS 26535 Carmel Rancho Blvd, Ste 5-A Carmel CA 93923	
Kevan Urquhart/David Stoldt MPWMD, PO Box 85, Monterey CA 93942	
Honorable William W. Monning, 17th Senate District Monterey District Office 99 Pacific St., Ste 575-F, Monterey CA 93940	
Coalition of Peninsula Businesses PO Box 223542, Carmel CA 93922	



State of California – Natural Resources Agency
DEPARTMENT OF FISH AND WILDLIFE
Central Region
1234 East Shaw Avenue
Fresno, California 93710
(559) 243-4005
www.wildlife.ca.gov

EDMUND G. BROWN JR., Governor
CHARLTON H. BONHAM, Director



June 27, 2016

David Chardavoyne
General Manager
Monterey County Water Resources Agency
Post Office Box 930
Salinas, California 93902

RECEIVED
JUL 6 2016
MPWMD

Subject: Acceptance of Proposed Protest Dismissal Terms for Water Right Applications (WRAs) 32263A&B, and Suspension of Processing for WRA 32263C,

Dear Mr. Chardavoyne:

The Department of Fish and Wildlife (Department) participated in a conference call on June 9, 2016, with representatives of Monterey County Water Resources Agency (MCWRA), Monterey Regional Water Pollution Control Agency (MRWPCA), Monterey Peninsula Water Management District (MPWMD), and the National Marine Fisheries Service (NMFS) to discuss actions needed for the Department to withdraw its protest of WRAs 32263 A&B. The parties also discussed whether the Department would agree with MCWRA's proposal to suspend processing of WRA 32263C. Formal protest was relayed by the Department in a February 16, 2016, letter to the State Water Resources Control Board (State Water Board) Division of Water Rights.

The Department received the Revised Memorandum from MRWPCA, MPWMD, and MCWRA, dated June 20, 2016, containing the proposed protest dismissal terms and conditions as previously discussed and tentatively agreed to by MCWRA, MPWMD, MRWPCA, NMFS, and the Department. The Revised Memorandum conditioned the terms on the Department's written acceptance of the offer by June 30, 2016, among other things. The Department wishes to provide MCWRA, MRWPCA, and MPWMD with its approval of the proposed terms and conditions. The Department will submit a letter to the State Water Board dismissing its protest of WRAs 32263 A&B assuming the following conditions are met: (1) the Department receives written acceptance of these permit terms and conditions from the MCWRA Board of Directors, the Monterey County Board of Supervisors, the MRWPCA Board of Directors, and the MPWMD Board of Directors; (2) the Department receives written confirmation of acceptance of these terms by NMFS; (3) the parties sign a protest dismissal agreement memorializing the agreed upon protest dismissal terms, including the terms and conditions to be included in any permit issued by the State Water Board on WRAs 32263 A&B.

David Chardavoyne
June 27, 2016
Page 2

If you have questions regarding this correspondence please contact Annette Tenneboe, Senior Environmental Scientist (Specialist), at (559) 243-4014, extension 231, or by writing to the Department at the address listed above.

Sincerely,



Julie A. Vance
Regional Manager

cc: William Stevens
NOAA Fisheries West Coast Region
U.S. Department of Commerce
777 Sonoma Avenue, Room 325
Santa Rosa, California 95404
William.stevens@noaa.gov

✓ David Stoldt
General Manager
Monterey Peninsula Water Management District
Post Office Box 85
Monterey, California 93942-0085
dstoldt@mpwmd.net

Paul Sciuto
General Manager
Monterey Regional Water Pollution Control Agency
5 Harris Court, Building D
Monterey, California 93940
paul@mrwpca.com

ec: See Page Three

David Chardavoyne
June 27, 2016
Page 3

ec: Shaunna Juarez
Monterey County Water Resources Agency
juarezsl@co.monterey.ca.us

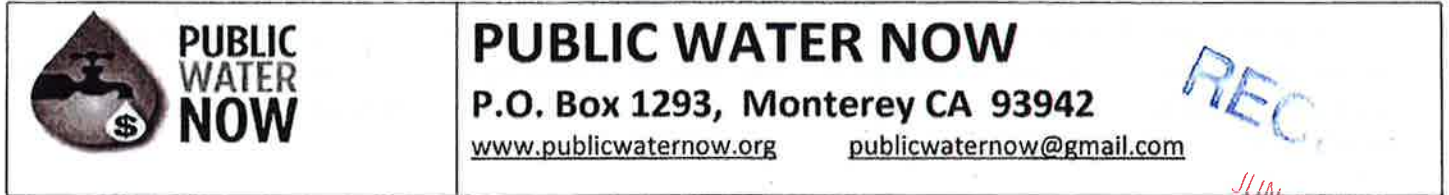
Mike McCullough
Government Affairs Administrator
Monterey Regional Water Pollution Control Agency
mikem@mrwpca.com

Justine Herrig
Division of Water Rights
State Water Resources Control Board
Justine.herrig@waterboards.ca.gov

Joel Casagrande
NOAA Fisheries West Coast Region
joel.casagrande@noaa.gov

Alison Imamura, AICP
Denise Duffy & Associates, Inc.
aimamura@ddaplanning.com

Mary Loum
Julie Vance
Annee Ferranti
Annette Tenneboe
Dave Feliz
California Department of Fish and Wildlife



State Water Resources Control Board
 Attn: Chair Felecia Marcus, SWRCB Members and Staff
 PO Box 2000
 Sacramento CA 95812-2000

June 28, 2016

Comment Regarding the Cal Am Cease and Desist Order (CDO) WR 2009-0060, Preliminary Recommendations Document from the State Water Resources Control Board (SWRCB).

Dear Chair and Members,

Public Water Now (PWN) is an all volunteer group of ratepayer advocates on the Monterey Peninsula. It is a 501(c)4 with 14 people on the Board of Directors, is an intervener in selected CPUC applications, and actively engages on local water issues. The predecessor group was Citizens for Public Water, which began operating in 2005. We have been at this for years.

The SWRCB staff recommendations added a few adjustments to the Cal Am CDO extension request, but essentially the SWRCB supports the request filed by Cal Am and their allied organizations. **PWN hereby registers a strong objection because it is the ratepayer who will bear the brunt of any reduced water resulting from Cal Am falling short on prescribed milestones.** The penalty falls on ratepayers, not Cal Am that is the targeted guilty party in the CDO to comply. This is blatantly unfair to ratepayers, and certainly forgives Cal Am for any culpability. Is this what SWB originally intended? Is it what SWB intends now?

As far back in 1995, Cal Am was accused of being in violation of legal water rights pumping from the Carmel River, and was told to prepare a new replacement supply system. In 2009, Cal Am was reprimanded for unreasonable delays, and was ordered to take specific actions to generate a water supply project, and threatened with penalties for non-compliance.

We remind the SWRCB that Cal Am has failed on three occasions to generate a new water supply, and has sent the ratepayers the bill, which totals about \$35 million. Ratepayers have already paid for Cal Am misfeasance, and will pay for Cal Am nonfeasance in the future. We remind you of these costs on ratepayers because we have seen how Cal Am has not been penalized in any way for its past failures, and we continue to pay for these stranded costs. Cal Am (American Water Works) shareholders have paid nothing. Now with the proposed modifications, Cal Am again will pay nothing.

Our primary objection is the cost and hardship exposure to the ratepayers that can be expected from Cal Am failures to meet milestones. The CDO, and your Board's demands for a timeline and deadline, and your threats for penalties, are being tossed aside by the proposed modification that protects Cal Am. We question if the SWRCB means what it says. Cal Am was warned, and then ordered, but still it has diddled away 20 years. Cal Am is the non-performer here, and should bear the brunt of any penalties for missed milestone.

It appears that SWRCB is willing to negotiate a compromise, rather than back up its CDO threat for penalties for non-compliance. For an agency with power, you seem far too willing to let the guilty escape. You seem far too willing to protect the non-performing entity -- Cal Am -- and far too willing to place a further penalty on the innocent -- ratepayers.

Under Cal Am's proposed modification, when milestones are missed, Cal Am will be required to reduce the amount of water delivered to ratepayers by 1000 acre feet for each missed milestone. One problem with this approach is that a substantial amount of the penalty will fall on the hospitality business sector, the major economic driver on the Monterey Peninsula.

The Cal Am 2014 financial report indicates that the commercial customers consumed 24% of the water delivered on the Monterey Peninsula. It is estimated that there are an average of about 19,000 overnight visitors on the Monterey Peninsula, (see chart on last page). The aquarium alone attracts 1.8 million visitors annually averaging approximately 5,000 per day. The 2016 Pebble Beach Pro Am golf tournament attendance was almost 150,000; an estimated 100,000 where non-resident visitors. The water used by Monterey Peninsula visitors will probably not decrease, so the 1,000 acre foot reduction will all fall on residential ratepayers. Consequently the resident ratepayers will be required to reduce more than their fair share of the total water normally used.

This reduction in water availability, this rationing, penalizes the ratepayers of the Monterey Peninsula, especially the residential ratepayers, for Cal Am taking water illegally for 20 years! These 1000 acre foot water cuts do not penalize or incentivize Cal Am because their annual income and profit margins are predetermined and set by the California Public Utilities Commission (CPUC). Nor does it penalize the local hospitality industry because it has a flat rate structure approved by the CPUC that does not incentivize conservation. It incentivizes 'best management practices' but not conservation.

Whenever Cal Am experiences a reduction in income as a result of the reduced water consumption, it submits a request to the CPUC for an increase adjustment to their income. As an example in 2016 Cal Am submitted a request to the CPUC to recover \$50 million due to ratepayers cutting water use over five years and satisfying the state drought mandated water use reductions.

Also, your staff recommendation to reduce the authorized take from 8310 to 7990ac further increases the exposure on residential ratepayers to increased costs, since Cal Am can recover revenue lost from under-pumping.

There needs to be a way for SWRCB to live up to its threat to Cal Am. Imposing a potential penalty on ratepayers falls flat. In an effort to be supportive and relevant to the SWRCB threat, there needs to be a penalty threat to Cal Am. This can only occur if there is a penalty, and only if it is applied to Cal Am, not its ratepayers. In an effort to be helpful, PWN hopes you will consider the following penalty format, and apply it to Cal Am.

Cal Am has taken thousands of acre feet of water from the Carmel River it had no rights to every year for more than 20 years, paid nothing for it, and sold it to ratepayers at a very substantial profit. Cal Am was given 20 years to provide a new source of water for the Monterey Peninsula by the SWRCB. Cal Am has started and failed to develop a new water source on at least three occasions over the past 20 years. Ratepayers are already paying \$35 million for Cal Am failures, but have never received one drop from a new Cal Am water source.

It is proposed that rather than cutting water to the ratepayers, Cal Am should be required to reduce the cost of water to the ratepayers. With this approach Cal Am is penalized for their failures, not the ratepayers. An example of the proposed water price reductions are displayed in the matrix below. It is an attempt to apply an accelerated tier structure to failures, very similar to the increasing tiered rates Cal Am applies to residential customers using excess water.

Cal Am Milestones	First Miss	Second Miss	Third Miss
Customer water price reduction	0.2 Cent/gal	0.4 Cent/gal	0.8 Cent/Gal
1000 AF =325,851,000 gal.	\$651,706.00	\$1,303,412.00	\$2,606,824.00

If it is determined by the SWRCB that Cal Am has missed the first milestone, Cal Am will reduce water cost to ratepayers by 0.2 cents per gallon until the milestone is achieved. If the first milestone is incomplete on the date the second milestone is also missed, the sum of the first and second milestones reductions, or 0.6 cents (0.2 + 0.4 cents) will be provided the ratepayers. If the first milestone is completed at the time the second milestone is missed the water price reduction would be the second milestone 0.4 cent per gallon amount until that milestone is achieved. In the event the third milestone is missed while the either the first and/or the second milestone are incomplete the sum of the missed milestones will be in effect up to a maximum of 1.4 cents per gallon (0.2 + 0.4 + 0.8) until individual milestones are completed and reduced as each milestone is completed to the satisfaction of the SWRCB.

Because these proposed reductions in income are penalties for Cal Am missing MPWSP milestones, they should not be recoverable in any way from the ratepayers!

Should a competing desalination facility or alternative new water source become available and is capable of delivering the required quantity of water to the Monterey Peninsula, the SWRCB would have the option of canceling the CDO and/or discontinuing the proposed ratepayer water price reductions.

Respectfully submitted,

George T. Riley

Charles S. Cech

/s/ George T. Riley

/s/ Charles S. Cech

Public Water Now, 1198 Castro Road, Monterey CA 93940

Public Water Now, PO Box 1293, Monterey, CA 93942

- Attached:
- A. Monterey Peninsula Hospitality Industry data
 - B. CC list

Attachment A. Monterey Peninsula Hospitality Industry data

Rough Estimate of Monterey Peninsula Hospitality Sector Annual Water ConsumptionAverage Total Daily Guest Census

No. of rental rooms on the Monterey Peninsula	12004	Source: www.seemonterey.com
Average annual national occupancy rate	63%	Per National Occupancy Average
Peninsula Rooms rented per national average	7562.52	Rented Room Calculation
Estimated average number of occupants per room	2.5	Estimated Avg. No. of Occupants
Total number of rental occupants per day	18906.3	Average Overnight Guests

(The Monterey Aquarium averages 4950 guests per day)

Estimate Occupant Water Usage

10 minute shower per occupant per day	25.0	gallons per occupant - Estimate
Four uses of 1.2 gallon per toilet per day	4.8	gallons per occupant - Estimate
Bedding Washing Gallons per occupant per day	2.6	gallons per occupant - Guess
Dish Washing Gallons per occupant per day	2.6	gallons per occupant - Guess
miscellaneous/ice/drinks/meals/foilage watering	3.0	gallons per occupant - Guess
Total Consumption/occupant/day	38.0	gallons per occupant per day
<hr/>		
Total guest water consumption per day 18,906.3 X 38	718,439	gallons per day
Estimated annual guest Consumption	262,230,381	gallons per year
Non-resident employees water consumption	18,000,000	Gallons per year
Total non-resident and occupant usage	280,230,381	Gallons per year
Estimated acre feet of water consumed	859.99	Acre Feet

Cal Am reported commercial water use in 2014 was 2601 Acre Feet.

The 859.99 Acre Feet estimate for hotel visitors only, is very conservative.

This rough estimate does not include thousands of tourists passing through flushing toilets daily.

There are 22,000 fulltime hospitality employees. An estimated 80% are not Peninsula residents using water daily.

Nonresident hospitality employees could add up to an additional 100 acre feet of water consumed per year.

A brief list of Monterey Peninsula major events that attract many thousands of visitors annually:

- Pebble Beach Pro Am
- Pebble Beach Concourse d'Elegance
- Pebble Beach Food and Wine festival
- Pebble Beach TaylorMade golf tournament
- Pebble Beach 1st Tee Open juniors golf tournament
- Big Sur Marathon
- Big Sur Half Marathon
- Carmel Bach Festival
- Carmel International Film Festival
- Laguna Seca automobile and motorcycle races
- Sea Otter Classic bicycle competition
- Monterey Jazz, Blues and other festivals

Attachment B. CC list: PWN Comment Letter of 6/28/16 to SWRCB

Robert MacLean, President California American Water Company 1033 B Avenue, Suite 200, Coronado, CA, 92118	Mathew Quint, SWRCB Division of Water Rights PO Box 2000 Sacramento, CA 95812-2000
Ken Lewis, CA Public Utilities Commission % Environmental Science Associates 550 Kearny St., Suite 800, San Francisco, CA 94108	
MPWMD, 5 Harris Court, Monterey CA 93940	
MPRWA, % Jim Cullem 580 Pacific St. Monterey CA 93940	Via Email only: Larry Silver larrysilver@earthlink.net
City of Pacific Grove 300 Forrest Ave., Pacific Grove, CA 93950	Monterey Bay Partisan calkinsroyal@gmail.com
Pebble Beach CSD 3101 Forest Lake Road, Pebble Beach, CA 93953	
Jonas Minton Planning and Conservation League & PCL Foundation 1107 9th St., Suite 901, Sacramento, CA 95814	
Rita Dalessio Larry Silver, Esq. Sierra Club, Ventana Chapter PO Box 5667, Carmel CA 93921	
Roy L. Thomas, DDS 26535 Carmel Rancho Blvd, Ste 5-A Carmel CA 93923	
Kevan Urquhart/David Stoldt MPWMD, PO Box 85, Monterey CA 93942	
Honorable William W. Monning, 17th Senate District Monterey District Office 99 Pacific St., Ste 575-F, Monterey CA 93940	
Coalition of Peninsula Businesses PO Box 223542, Carmel CA 93922	

Julie Uretsky
642 Spazier Avenue
Pacific Grove, CA 93950

June 22, 2016

Monterey Peninsula Water Management District
Mr. David Stoldt, General Manager
PO Box 85
Monterey, CA 93942-0085

JUN 28 2016

MAILED

Dear Mr. Stoldt:

In May of this year I applied for a water conservation rebate after purchasing an energy efficient dishwasher. As a result of that application, I received a letter from MPWMD stating that my property was in violation with the District because a water permit issued in 2006 had not received a final inspection. I called the District and spoke to Debbie Martin. Ms Martin explained the situation and we scheduled an inspection. Today, the inspector (Mary) came by the house at our scheduled appointment time and conducted the inspection.

The purpose of this letter is to tell you that both Ms Martin and Mary provided excellent customer service. I had a lot of questions and concerns, and to be honest with you I was a little upset when I received the original violation letter. They both were extremely knowledgeable and answered all my questions completely in easy to understand terms.

I just want you to know that both of these women represented the District extremely well and I really appreciate their professionalism and positive attitudes. Please thank them for me.

Sincerely,



Julie Uretsky
Property Owner



Government Finance Officers Association
203 N. LaSalle Street - Suite 2700
Chicago, IL 60601

Phone (312) 977-9700 Fax (312) 977-4806

RECEIVED

JUN 28 2016

PAID

June 21, 2016

Jeanne Byrne
Board Chair
Monterey Peninsula Water Management District
5 Harris Court Building G
Monterey CA 93940

Dear Ms. Byrne:

We are pleased to notify you that your comprehensive annual financial report for the fiscal year ended **June 30, 2015** qualifies for a Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

An award for the Certificate of Achievement has been mailed to:

Suresh Prasad
Administrative Services Manager / Chief Financial Officer

We hope that you will arrange for a formal presentation of the Certificate and Award of Financial Reporting Achievement, and that appropriate publicity will be given to this notable achievement. A sample news release is enclosed to assist with this effort. In addition, details of recent recipients of the Certificate of Achievement and other information about Certificate Program results are available in the "Awards Program" area of our website, www.gfoa.org.

We hope that your example will encourage other government officials in their efforts to achieve and maintain an appropriate standard of excellence in financial reporting.

Sincerely,
Government Finance Officers Association

Stephen J. Gauthier, Director

Technical Services Center

SJG/ds



Government Finance Officers Association
203 N. LaSalle Street - Suite 2700
Chicago, IL 60601

Phone (312) 977-9700 Fax (312) 977-4806

06/21/2016

NEWS RELEASE

For Information contact:
Stephen Gauthier (312) 977-9700

(Chicago)--The Certificate of Achievement for Excellence in Financial Reporting has been awarded to **Monterey Peninsula Water Management District** by the Government Finance Officers Association of the United States and Canada (GFOA) for its comprehensive annual financial report (CAFR). The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management

An Award of Financial Reporting Achievement has been awarded to the individual(s), department or agency designated by the government as primarily responsible for preparing the award-winning CAFR. This has been presented to:

Suresh Prasad, Administrative Services Manager / Chief Financial Officer

The CAFR has been judged by an impartial panel to meet the high standards of the program including demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the CAFR.

The GFOA is a nonprofit professional association serving approximately 17,500 government finance professionals with offices in Chicago, IL, and Washington, D.C.

MONTEREY COUNTY



OFFICE OF THE COUNTY COUNSEL

168 WEST ALISAL STREET, 3RD FLOOR, SALINAS, CALIFORNIA 93901-2439
 (831) 755-5045 FAX: (831) 755-5283

CHARLES J. McKEE
 COUNTY COUNSEL

Leslie J. Girard
 CHIEF ASSISTANT COUNTY COUNSEL

June 24, 2016

RECEIVED

JUN 24 2016

VIA HAND DELIVERY

Monterey Peninsula Water Management District
 Attention: Jeanne Byrne, Chair
 5 Harris Court, Building G
 Monterey, CA 93940

Re: 2015-2016 Monterey County Civil Grand Jury Final Report – “Striving for Sustainability”

Dear Monterey Peninsula Water Management District:

By cover letter dated June 15, 2016, you were provided a copy of the 2015-2016 Monterey County Civil Grand Jury Final Report entitled “Striving for Sustainability.” By cover letter dated June 20, 2016, you were informed that the Report provided to you did not include the two Appendices to the Report, which were enclosed with that letter.

This is to inform you that the 90-day period within which you are to provide responses to the Findings and Recommendations in the Report started on the day you received the Appendices (which should have been on or about June 23), and not the earlier date you received the body of the Report. Please also note that the version of the Report you received incorrectly included the “Monterey Regional Wastewater Management District” as a respondent. The correct respondent is the Monterey Regional Water Pollution Control Agency and the Report has been corrected in that regard.

Sincerely,

CHARLES J. McKEE, County Counsel


 By: LESLIE J. GIRARD
 Chief Assistant County Counsel

LJG:ljk/kz

cc: Hon. Mark Hood, Presiding Judge
 Brandon Hill, Foreperson, 2015-2016 Civil Grand Jury
 Jeanne Krenner, Foreperson Pro Tem

THE UNIVERSITY OF CHICAGO

PH.D. THESIS

BY

DR. [Name]

IN THE DEPARTMENT OF [Department]

CHICAGO, ILLINOIS

19[Year]

[Title]

[Author]

[Advisor]

[Committee]

[Date]

[Institution]

[Address]

[City]

[State]

[Country]

[Contact]