



Supplement to 8/15/16 MPWMD Board Packet

Attached are copies of letters received between July 9, 2016 and August 8, 2016. These letters are listed in the August 15, 2016 Board packet under Letters Received.

Author	Addressee	Date	Topic
Julie A. Vance	David J. Stoldt	8/1/2016	Draft Settlement Agreement for Water Right Applications 32263A, 32263B and 32263C
Charles Cech	MPWMD Board	7/19/2016	Monterey Pipeline Project Issues and Alternatives
Hugh H. Hardin	David J. Stoldt	7/15/2016	Regional Water Solutions
David Pendergrass	Copy – David Stoldt	7/8/2016	Preliminary Draft Recommendation re Cease and Desist Order

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State of California – Natural Resources Agency
DEPARTMENT OF FISH AND WILDLIFE
Central Region
1234 East Shaw Avenue
Fresno, California 93710
(559) 243-4005
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EDMUND G. BROWN JR., Governor
CHARLTON H. BONHAM, Director



August 1, 2016

Paul Sciuto
General Manager
Monterey Regional Water Pollution Control Agency
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David Chardavoyne
General Manager
Monterey County Water Resources Agency
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David Stoldt
General Manager
Monterey Peninsula Water Management District
Post Office Box 85
Monterey, California 93942-0085
dstoldt@mpwmd.net

Subject: Draft Settlement Agreement for Water Right Applications 32263A, 32263B, and 32263C

Dear Messrs. Sciuto, Chardavoyne, and Stoldt:

The California Department of Fish and Wildlife (Department) has completed a draft of the Settlement Agreement (enclosed) for the above referenced Water Right Applications. The Department is awaiting feedback from the National Marine Fisheries Service regarding the definition of "dry or drought conditions" as related to the proposed Blanco Drain diversion, per the suggestion of the State Water Resources Control Board. Proposed additions or changes to the draft Settlement Agreement resulting from this consultation will be shared when available.

Please read the agreement carefully and contact Annette Tenneboe, Senior Environmental Scientist (Specialist), with any questions or concerns. She may be reached at (559) 243-4014, extension 231, or annette.tenneboe@wildlife.ca.gov.

Sincerely,


for Julie A. Vance
Regional Manager

Enclosure (1)

ec: See Page Two

RECEIVED
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MPWMD

Paul Sciuto, Monterey Regional Water Pollution Control Agency
David Chardavoyne, Monterey County Water Resources Agency
David Stoldt, Monterey Peninsula Water Management District
August 1, 2016
Page 2

ec: Bill Kocher
Monterey Regional Water Pollution Control Agency
billk@mrwpca.com

Linda Connolly
Annee Ferranti
Mary Loum
Dean Marston
Annette Tenneboe
California Department of Fish and Wildlife

Settlement Agreement – CDFW Protest WRA 32263A, 32263B, and 32263C

The Monterey County Water Resources Agency (“MCWRA”), the Monterey Peninsula Water Management District (“MPWMD”), and the Monterey Regional Water Pollution Control Agency (“MRWPCA”) and the California Department of Fish and Wildlife (“CDFW”) agree as follows:

RECITALS

A. On May 19, 2014, the MCWRA filed Water Right Applications (“Applications”) 32263A, B, and C with the State Water Resources Control Board (SWRCB) to appropriate water from the Blanco Drain, Reclamation Ditch, and Tembladero Slough (respectively) for use in Monterey County as part of the Pure Water Monterey Project.

B. MCWRA, MPWMD, and MRWPCA together form the Pure Water Monterey Project Team.

C. On April 22, 2015, the MRWPCA issued its Draft Environmental Impact Report (DEIR) (State Clearinghouse Number 2013051094) under the California Environmental Quality Act (“CEQA”) for the Pure Water Monterey Groundwater Replenishment Project (Pure Water Monterey Project) which included in the project description the diversions described in Applications 32263A, B, and C.

D. On June 5, 2015, CDFW submitted comments on this DEIR.

E. The Final Environmental Impact Report (FEIR) was certified in January 2016.

F. On December 18, 2015, the SWRCB issued its public notice of Applications 32263A, B, and C. At the same time, the SWRCB posted these applications on its public website.

G. On January 28, 2016, MCWRA, MPWMD, MRWPCA, and CDFW conducted a site visit of the proposed diversions for Applications 32263A, B, and C.

Settlement Agreement – CDFW Protest WRA 32263A, 32263B, and 32263C

H. On February 16, 2016, CDFW filed a protest with SWRCB for Applications 32263A, B, and C.

I. On February 19, 2016, the SWRCB advised the MCWRA that it had received protests filed by CDFW for Applications 32263A, B, and C.

J. On June 9, 2016, the MCWRA, MPWMD, and MRWPCA participated in a meeting with representatives of CDFW and the National Marine Fisheries Service (NMFS) to discuss actions needed for withdraw of CDFW's and NMFS' protests of Applications 32263A, B, and C.

K. The CDFW received the Revised Memorandum dated June 20, 2016, from MCWRA, MPWMD, and MRWPCA containing the proposed protest dismissal terms and conditions as discussed and agreed to by MCWRA, MPWMD, MRWPCA, CDFW, and NMFS at the meeting on June 9, 2016.

L. The Board of Supervisors of the County of Monterey approved the proposed protest dismissal terms and conditions from the June 20, 2016, revised memorandum on June 28, 2016. The Board of Directors of MCWRA approved the proposed protest dismissal terms and conditions on June 27, 2016.

M. MPWMD approved the proposed protest dismissal terms and conditions from the June 20, 2016, revised memorandum on June 29, 2016.

N. The Board of Directors for MRWPCA approved the proposed protest dismissal terms and conditions from the June 20, 2016, revised memorandum on June 27, 2016.

O. MCWRA and CDFW now wish to resolve CDFW's protest to Applications 32263A and 32263B according to the terms of this agreement.

NOW, THEREFORE, in consideration of these recitals and the mutual promises stated herein, by MCWRA, MPWMD, MRWPCA, and CDFW agree as follows:

Settlement Agreement – CDFW Protest WRA 32263A, 32263B, and 32263C

1. The preceding recitals are true and correct and are incorporated herein by reference.
2. MCWRA will cease efforts to pursue the Tembladero Slough diversion (Water Right Application 32263C) for the Pure Water Monterey Project. MCWRA reserves the right to pursue Water Right A32263C, independently, only if all of the following circumstances occur:
 - (a) a future, new project (i.e., not the Pure Water Monterey Project) is proposed by MCWRA that would divert and use the diversion,
 - (b) the new project or projects are subject to a new California Environmental Quality Act process,
 - (c) the water rights application is amended, for example, through filing a petition to change the water right application, to be consistent with that future proposed project.

The water right application will remain active with the SWRCB, and both NMFS' and the CDFW's protest of Application 32663C would also remain active and be addressed when and if MCWRA proceeds with a new project.

3. MCWRA, MRWPCA, and MPWMD will abide by the following terms and commitments in regards to the Blanco Slough Diversion (Water Rights Application 32263A):
 - (a) Between April 1 and October 31 of years when the Salinas River Diversion Facility has not operated due to dry or drought conditions, and when the Salinas River Lagoon is closed to the ocean, MCWRA shall:
 - i. Monitor and provide the SWRCB Division of Water Rights, CDFW, and NMFS monthly reports on the average daily water levels in the Salinas River Lagoon and the operational characteristics of the slide gate between the lagoon and the Old Salinas River channel.

Settlement Agreement – CDFW Protest WRA 32263A, 32263B, and 32263C

Monthly reports shall include the following:

- Water elevation in the lagoon (daily mean, NGVD 29).
 - Dates of when the slide gate to the Old Salinas River (OSR) was closed versus opened.
 - Size of slide opening (inches) and estimated flows released to OSR (daily mean, cfs).
- ii. Maintain lagoon water surface elevation and provide flows to the Old Salinas River channel by adhering to the following two conditions:
- a. If the water level in the Salinas Lagoon drops below 3.0 feet National Geodetic Vertical Datum of 1929 (NGVD 29) (or the then-current lagoon water surface elevation management requirement) for seven (7) consecutive days, then cause MRWPCA to limit Blanco Drain diversions to flows above 2.0 cubic feet per second (cfs) (or to provide an alternative source of 2 cfs to the lagoon that does not currently exist, if not prohibited by other regulations) until the lagoon water surface elevation increases to a minimum of 3.2 feet NGVD 29 or until October 31 whichever occurs first.
 - b. If the slide gate between the Salinas Lagoon and the Old Salinas River channel has been closed for more than seven (7) consecutive days, adjust the slide gate to allow 0.5 to 1.0 cfs of Salinas Lagoon water to flow into the Old Salinas River Channel and cause MRWPCA to limit Blanco Drain diversions to flows above 2.0 cfs (or to provide an alternative source of 2 cfs that does not currently exist, if not prohibited by other

Settlement Agreement – CDFW Protest WRA 32263A, 32263B, and 32263C

regulations) until the lagoon water surface elevation reaches 3.2 feet NGVD 29 or until October 31 whichever occurs first.

(b) MCWRA will cause MRWPCA to commit to monitoring water quality of diverted water as required by the SWRCB and Regional Water Quality Control Board for construction activities and during operations.

(c) MCWRA will cause MRWPCA to commit to including a flow meter and totalizer on the Blanco Drain diversion.

4. MCWRA, MRWPCA, and MPWMD will abide by the following terms and commitments in regards to the Reclamation Ditch Diversion (Water Rights Application 32263B):

(a) MCWRA will cause MRWPCA to commit to divert no more than 6 cfs under the Reclamation Ditch diversion water right and those diversions would be subject to the following minimum bypass flows (as measured at the USGS San Jon Road Gage and as available):

- i. Bypass a minimum of 2.0 cfs, as available, from December 1 through May 31 (in-and out-migration period) except as allowed by item c, below.
- ii. Bypass a minimum of 1.0 cfs, as available, from June 1 through June 30 (transitional period).
- iii. Bypass a minimum of 0.7 cfs, as available, from July 1 through November 30 (non-migration period). Note: This bypass minimum applies through the end of February of the following year, if no storm event has occurred that results in a flow of 30 cfs or more at the San Jon Road gage.

Settlement Agreement – CDFW Protest WRA 32263A, 32263B, and 32263C

- (b) To ensure adequate flows for both adult upstream and smolt/kelt downstream migration in the Reclamation Ditch below Davis Road, the MCWRA will cause MRWPCA to commit to cease diverting when flows measured at San Jon Road gage are above 30 cfs (the most conservatively low passage threshold for the San Jon Road USGS gage weir). Diversion may resume when streamflow recedes below 20 cfs at the San Jon Road gage.
 - (c) Operational decisions will be based on provisional mean daily and real-time USGS stream flow data. Such provisional USGS data used to make flow-related diversion decisions may not always coincide with final published USGS data.
 - (d) The Right Holder shall provide, on a quarterly basis, graphs comparing the daily mean diversion from Reclamation Ditch and the daily mean flow recorded at the San Jon gage downstream of the diversion.
 - (e) MCWRA and MRWPCA would request technical assistance from NMFS' engineer staff and CDFW staff on the design for the new diversion facility on the Reclamation Ditch.
5. All of the permit terms stated in the attached Appendix A will be included in any permit issued on Application 32263A or Application 32263B.
6. By executing this agreement, CDFW asks the SWRCB to include all of the permit terms that are stated in the attached Appendix A in any permit issued on Application 32263A or Application 32263B and to dismiss CDFW's protest to Application 32263A and B.

Settlement Agreement – CDFW Protest WRA 32263A, 32263B, and 32263C

Dated: July ____, 2016

MONTEREY COUNTY WATER RESOURCES AGENCY

By: _____
David Chardavoyne, General Manager

Dated: July ____, 2016

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

By: _____
David Stoldt, General Manager

Dated: July ____, 2016

MONTEREY REGIONAL WATER POLLUTION CONTROL AGENCY

By: _____
Paul Sciuto, General Manager

Dated: July ____, 2016

CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE

By: _____
Julie Vance, Regional Manager
Central Region

Dated: July ____, 2016

CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE

By: _____
Mary Loum,
Staff Counsel

APPENDIX A

Proposed Permit Terms

WRA 32263A – Blanco Slough Diversion

SWRCB Standard Permit Term 5G, modified for Blanco Slough Diversion:

- (a) Except as provided in (b) below, the water appropriated shall be limited to the quantity which can be beneficially used and shall not exceed (a) by direct diversion: 6 cubic feet per second from January 1 to December 31 of each year for irrigation and municipal uses; and, (b) by storage: 3,000 acre-feet per year to be collected from January 1 to December 31 of each year for irrigation and municipal uses. The total amount of water to be taken from the source (direct diversion plus collection to storage) for all uses shall not exceed 3,000 acre-feet per year.
- (b) Between April 1 and October 31 of years when the Salinas River Diversion Facility has not operated due to dry or drought conditions, and when the Salinas River Lagoon is closed to the ocean, the following special provisions related to quantity of appropriated water apply:
- (1) If the water level in the Salinas Lagoon drops below 3.0 feet NGVD 29 (or the then-current lagoon water surface elevation management requirement) for seven (7) consecutive days, the water appropriated shall be limited to the quantity which can be beneficially used and shall not exceed 2.0 cubic feet per second until the lagoon water surface elevation increases to a minimum of 3.2 feet NGVD 29 or until October 31 of that calendar year, whichever occurs first. In the alternative, right holder can provide an alternative source of 2.0 cubic feet per second to the lagoon that does not currently exist, if not prohibited by other regulations.
 - (2) If the slide gate between the Salinas Lagoon and the Old Salinas River channel has been closed for more than seven (7) consecutive days, the water appropriated shall be limited to the quantity which can be beneficially used and shall not exceed 2.0 cubic feet per second until the lagoon water surface elevation reaches 3.2 feet NGVD 29 or until October 31 of that calendar year, whichever occurs first. In the alternative, right holder can provide an alternative source of 2.0 cubic feet per second that does not currently exist, if not prohibited by other regulation.

SWRCB Standard Permit Term 24, modified for Blanco Slough Diversion:

Right holder shall comply with the following provisions which are derived from the agreement between right holder and CDFW dated XXXX and filed with the SWRCB:

1. Between April 1 and October 31 of years when (1) the Salinas River Diversion Facility has not operated due to dry or drought conditions; (2) the Salinas River Lagoon is closed to the ocean; and (3) the slide gate between the Salinas Lagoon and the Old Salinas River channel has been closed for more than seven (7) consecutive days: right holder shall adjust the slide gate to allow 0.5 to 1.0 cubic feet per second of Salinas Lagoon water to flow into the Old Salinas River Channel.

Inclusion in this water right of certain provisions of the referenced agreement shall not be construed as disapproval of other provisions of the agreement or as affecting the enforceability, as between the parties, of such other provisions insofar as they are not inconsistent with the terms of this water right.

SWRCB Standard Permit Term R, modified for Blanco Slough Diversion:

No water shall be directly diverted under this right unless right holder is monitoring and reporting said diversion of water. This monitoring shall be conducted using a flow meter and totalizer on the Blanco Drain diversion point. All devices shall be properly maintained.

Right holder shall provide the Division of Water Rights with evidence that the device(s) has/have been installed with the first annual report submitted after device installation. Right holder shall provide the Division of Water Rights with evidence that substantiates that the device(s) is/are functioning properly every five years after device installation as an enclosure to the current annual report or whenever requested by the Division of Water Rights.

Right holder shall maintain a record of all diversions under this right that includes the date, time, rate of diversion at time intervals of one hour or less, and the amount of water diverted. The records shall be submitted with the annual report or whenever requested by the Division of Water Rights.

Between April 1 and October 31 of years when the Salinas River Diversion Facility has not operated due to dry or drought conditions, and when the Salinas River Lagoon is closed to the ocean, Right holder shall monitor and provide the SWRCB Division of Water Rights, CDFW, and NMFS monthly reports on the average daily water levels in the Salinas River Lagoon and the operational characteristics of the slide gate between the lagoon and the Old Salinas River channel.

Monthly reports shall include the following:

- Water elevation in the lagoon (daily mean, NGVD 29).
- Dates of when the slide gate to the Old Salinas River (OSR) was closed versus opened.

- Size of slide opening (inches) and estimated flows released to OSR (daily mean, cfs).
- Inflow to the river/lagoon from the Blanco Drain (those flows that are not diverted to treatment plant, daily mean, cfs).

SWRCB Standard Permit Term 103, modified for Blanco Slough Diversion:

No water shall be diverted under this right, and no construction related to such diversion shall commence, unless right holder complies with the requirements of the Clean Water Act. In order to demonstrate such compliance, right holder shall obtain a Clean Water Act section 404 permit from the U.S. Army Corps of Engineers, or evidence that such a permit is not required, and provide such permit or evidence to the Division of Water Rights. If it is determined that a Clean Water Act section 404 permit is required, right holder shall further demonstrate compliance by obtaining a Clean Water Act section 401 certification from the SWRCB. Additionally, Right Holder will monitor water quality of diverted waters as required by the SWRCB and the Regional Water Quality Control Board for construction activities and during operations.

WRA 32263B – Reclamation Ditch

SWRCB Standard Term 60, modified for Reclamation Ditch:

No water shall be diverted under this right unless the flow in the Reclamation Ditch meets the following conditions (as determined at the USGS San Jon Road Gage):

(a) Minimum Bypass Flow Requirements:

- (1) December 1 through May 31 (in- and out-migration period) – bypass minimum of 2.0 cubic feet per second as available, except as allowed by item 3 below.
- (2) June 1 through June 30 (transitional period) – bypass minimum of 1.0 cubic feet per second as available.
- (3) July 1 through November 30 (non-migration period) – bypass minimum of 0.7 cubic feet per second, as available. This bypass minimum applies through the end of February of the following year if no storm event has occurred that results in a flow of 30 cfs or more at the San Jon Road gage.

(b) When flows measured at San Jon Road gage are above 30 cubic feet per second, right holder will cease diverting flows from Reclamation Ditch. Diversion may resume when streamflow recedes below 20 cubic feet per second.

(c) Operational decisions will be based on provisional mean daily and real-time USGS stream flow data. Such provisional USGS data used to make flow-related diversion decisions may not always coincide with final published USGS data.

- (d) The Right Holder shall provide, on a quarterly basis, graphs comparing the daily mean diversion from Reclamation Ditch and the daily mean flow recorded at the San Jon gage downstream of the diversion.

SWRCB Standard Permit Term 24, modified for Reclamation Ditch Diversion:

Right holder shall comply with the following provisions which are derived from the agreement between right holder and CDFW dated XXXX and filed with the SWRCB:

1. Right holder will request technical assistance from NMFS' engineer staff and consult with CDFW staff on the design for the new diversion facility on the Reclamation Ditch.

Inclusion in this water right of certain provisions of the referenced agreement shall not be construed as disapproval of other provisions of the agreement or as affecting the enforceability, as between the parties, of such other provisions insofar as they are not inconsistent with the terms of this water right.

SWRCB Standard Permit Term 213, Special permit term regarding fish screen:

No water shall be diverted under this permit except through a fish screen on the intake to the diversion structure, satisfactory to meet the physical and operational specifications of the California Department of Fish and Wildlife, United States Fish and Wildlife Service, and National Marine Fisheries Service to protect species of fish listed as endangered or threatened species under the California Endangered Species Act (Fish and Game Code sections 2050 to 2098) or the federal Endangered Species Act (16 U.S.C. sections 1531 to 1544) that are in effect on [insert date of Agreement]. Construction, operation, and maintenance costs of the required facility are the responsibility of the Permittee.

Submitted by Charles Cech
at 7/19/16 Board Meeting 15

MONTEREY PIPELING PROJECT ISSUES AND ALTERNATIVES Item: Oral Communications

Cal Am has proposed a new water delivery pipeline. This Monterey Pipeline runs from the injection well site near General Jim Moore Blvd, on Fort Ord, to the Cal Am system connection point at the intersection of Sinex and Hillcrest Avenues in Pacific Grove. This 36 inch pipe runs through the cities of Seaside, Monterey, and Pacific Grove. This seven mile long route is estimated to require digging a 3.5 foot wide by 4.5 foot deep trench, disrupting Monterey Peninsula streets for months. This pipeline installation will require removing and hauling away 9,000 cubic yards of dirt and asphalt from local neighborhoods during the installation process causing traffic flow nightmares. When the digging is completed all of the street damage must be repaired and resurfaced. Many of these streets may have already been resurfaced by the city of Monterey.

Note: The Monterey Pipeline was included in the Pure Water Monterey/GWR EIR (See EIR attachment) and was the subject of a total of four paragraphs, with no CEQA analysis referenced.

According to the Cal Am route illustration, the pipeline appears to have 14 right angle (90 degree) bends and 7 shallow angle bends. Each of these bends will require the two connections to the pipeline for a total of 42 compression fit 113 inch circumference connection seams. Each bend creates a restriction to water flow and becomes a weak point for potential seam leaks.

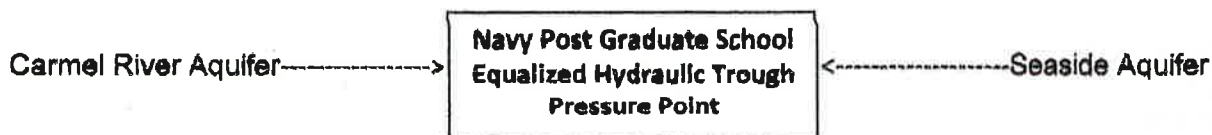
It is believed that this Monterey Pipeline will also require a new pump house that is proposed to be installed on the Monterey Fairgrounds property that will run 24 hours per day 7 days per week. The fairgrounds Board of Directors has tentatively approved the pump house location because they were told that this pump house was to be used exclusively for ASR and will only operate two months a year. If this is not the truth the Fairgrounds board should be informed of the intended uninterrupted use of the pump house.

Another concern is that there does not appear to be a backup system for the Monterey Pipeline. Should the pump fail or if the 36 inch pipe be accidentally breached, water to Pacific Grove distribution point could stop and city streets could be flooded.

A major potential issue with the Monterey Pipeline route is that segments are located in or near known Native American sacred grounds. Should a midden be uncovered during construction it will drastically slow progress, lengthen the disruption to normal community life, and increase project cost. Any good systems manager evaluating this project would probably say that the risk to reward ration on this project is very poor.

One of the key factors behind the Monterey Pipeline is the fact that there is a hydraulic trough in the area of the Navy post graduate school. Cal Am has stated this trough is due to the school being in the low elevation point in the water delivery system. Cal am has also stated that the new \$50 million Monterey Pipeline proposed by Cal Am will solve the trough problem.

A quick analysis of the Cal Am water supply system in its simplest form it appears that there are two major water sources. The Carmel River and the Seaside Aquifer seem to be pumping water in opposite direction into this semi-closed hydraulic system. It is theorized that the trough is actually the result of the two water sources reaching a pressure equilibrium near the Navy school.



It would appear that as long as there are two water sources pushing water in opposite directions there will be a trough somewhere in the system. Spending \$50 million installing a new pipeline may simply move the trough to a new location.

There may be many unknown factors in this simple analysis, but it is worth much more investigation by hydrology professionals before committing to a \$50,000,000 project that just moves the problem to a new location.

One potential answer to hydraulic troughs is to have all of the water originate at the one point, the Carmel River, and use booster pumps to circulate it throughout the entire system.

Cal Am had originally estimated that the Monterey Pipeline will cost the company \$41 million to install assuming no major problems during the installation. The latest Monterey Herald published cost is now \$50 million. Cal Am ratepayers will pay for this project over 30 years. Based on 8.5 % cost-of-capital rate and state and federal taxes, the total cost to ratepayers will be around \$150 million. That's an average of approximately \$11 per month water price increase to Cal Am's every ratepayer. Note, Monterey Peninsula ratepayers are already paying the 9th highest water prices in the United States, not including surcharges. Additionally, Cal Am has requested that the CPUC allow the company to recover an alleged \$50 million in what Cal Am claims is under collected revenue over the past five years, due to ratepayer conservation.

There is a much less expensive and much less disruptive route that is already being planned by the Monterey Peninsula Water Management District (MPWMD) and Cal Am. What it is being planned is a new 36 inch pipe to support the Aquifer Storage Recovery (ASR) which runs in an existing, mostly unpopulated, right-of-way from the Carmel River to the Seaside Aquifer insertion well on General Jim Moore Boulevard. This pipe will be used to take water from the Carmel River when it is running and insert it into the Seaside Aquifer. Consequently this pipe will be used for approximately 2 months per year, but will sit unused for 10 months.

It is proposed here, that this same pipeline be used to deliver Ground Water Recovery (GWR) and future desalinated water in the opposite direction 10 months a year by teeing into the Cal Am Valley Greens Pump Station, Carmel River water distribution system connection. When ASR is running or customer water requirements are lower than this new water delivery system capacity, the new water can be injected into the Seaside Aquifer for storage along with ASR water. (Note that this proposed pipe route is included as part of the desalination DEIR under the name Segunda Pipeline) See the last page for an illustration.

By combining the water delivery of the ASR and Segunda pipeline the cost effectiveness of the ASR pipeline is improved by at least 75% but the overall cost of the combined project is increased by an insignificant amount. The rough estimate of the Segunda portion is less than \$10 million. Note that California regulatory and permitting costs are not known, however if the projects are combined, one EIR could cover both projects. If this pipeline is built and owned by the MRWPCA or MPWMD (not Cal Am) it could be financed with low interest State money or a municipal bond and there would be no profit collected or taxes paid. The final 30-year cost of the combined project could be as low as \$15 million or \$1.04 per month. That's 90% less than the Cal Am proposed Monterey Pipeline \$150,000,000 estimated 30 year cost to ratepayers!

One question that has been asked repeatedly about this route! How much will it cost to pump water over the hill to the Cal Am Carmel River connection? The answer is that for every \$250,000 increase in pumping cost per year the ratepayers' water bills will increase about 52 cents per month. That's \$250,000 divided by 12 months and divided again by 40,000 customers.

Charles S. Cech
7 Wright Place
Monterey CA 93940
chuck_cech@hotmail.com
Cell Phone (831) 594-6117



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
UNITED STATES ARMY INSTALLATION MANAGEMENT COMMAND
HEADQUARTERS, US ARMY GARRISON, PRESIDIO OF MONTEREY
1769 LEWIS ROAD, SUITE 210
MONTEREY, CA 93944-3223

JUL 15 2016

Office of the Deputy to the Garrison Commander

California American Water
 Attn: Ian Crooks, P.E., Engineering Manager
 511 Forest Lodge Road, Suite 100
 Pacific Grove, CA 93950

Monterey Regional Water Pollution Control Agency
 Attn: Paul Sciuto, General Manager
 5 Harris Court, Building D
 Monterey, CA 93940

Monterey Peninsula Water Management District
 Attn: David Stoldt, General Manager
 5 Harris Court, Building G
 Monterey, CA 93940

Marina Coast Water District
 Attn: Michael Wegley, P.E., District Engineer
 11 Reservation Road
 Marina, CA 93933

Dear Sirs,

I am aware that your organizations are involved in proposed actions associated with the regional water solution for the Monterey Peninsula. I applaud your efforts. The U.S. Army (Army) is committed to responsible environmental stewardship, and water in particular is a critical resource for all of us who live, work, or visit the Peninsula. I understand that representatives from your organizations and supporting consulting firms have discussed the "Pure Water Monterey (PWM) Project," the "Monterey Peninsula Water Supply Project (MPWSP)," and the "Regional Urban Water Augmentation Project (RUWAP)" with Presidio of Monterey (POM) staff members. These projects propose access across Army owned property at both the POM and the Ord Military Community (OMC) (Enclosure 1, PWM; Enclosure 2, MPWSP; Enclosure 3, RUWAP).

The Army recently received a letter from the Marina Coast Water District (MCWD), dated June 10, 2016 (Enclosure 3). The letter included a request from the MCWD for a construction license renewal to cross Army property along General Jim Moore Blvd on the OMC. The letter also served to update the proposed project associated with the

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license to include a larger, combined PWM-RUWAP pipeline for conveyance of near-potable water.

The documents which the State Water Resources Control Board has stated it will consider in its July 19, 2016 Board Meeting Session demonstrates the significance of the water augmentation projects which will, in part, use Army property. My concern is that the Army has not received a coordinated, collective project description and explanation of the interrelationships among the various water project proponents.

The Army is responsible for implementation of the National Environmental Policy Act (NEPA), and Army regulations require assurance that the direct, indirect, and cumulative impacts are analyzed for all reasonably foreseeable actions prior to approving an action. While past proposed and implemented water projects have utilized some existing easements on OMC and/or POM, those easements and the supporting environmental documentation may no longer be adequate to comply with the NEPA requirements. A revised water project could result in different environmental impacts, which raise different or new concerns. For these reasons, it would be premature for the Presidio of Monterey (POM) to support any new or renewed construction licenses until POM has been able to consider all reasonably foreseeable water augmentation projects using Army lands and determine if additional NEPA is required, and the possible applicability of present easements.

To facilitate an Army decision on any proposed use of Army lands, I suggest that your organizations provide a coordinated and comprehensive request detailing the proposed uses of Army real property on both the POM and OMC. This request needs to include desired access across Army land, the timing or phasing of proposed actions, and the interrelationships among the various water augmentation projects. This detailed information is essential to facilitate the Army's decision making process. After POM has received the coordinated and comprehensive request, then it will be useful for the key organizations involved in the water augmentation projects to meet with POM leaders and supporting staff.

The point of contact for this correspondence is Mr. John Elliott at 831-242-7777.



HUGH H. HARDIN
Deputy to the Garrison Commander

Enclosures

Enclosure 1

**Figures 2-18 and 2-39 from the Pure Water Monterey Groundwater Replenishment
Project Consolidated Final Environmental Impact Report**

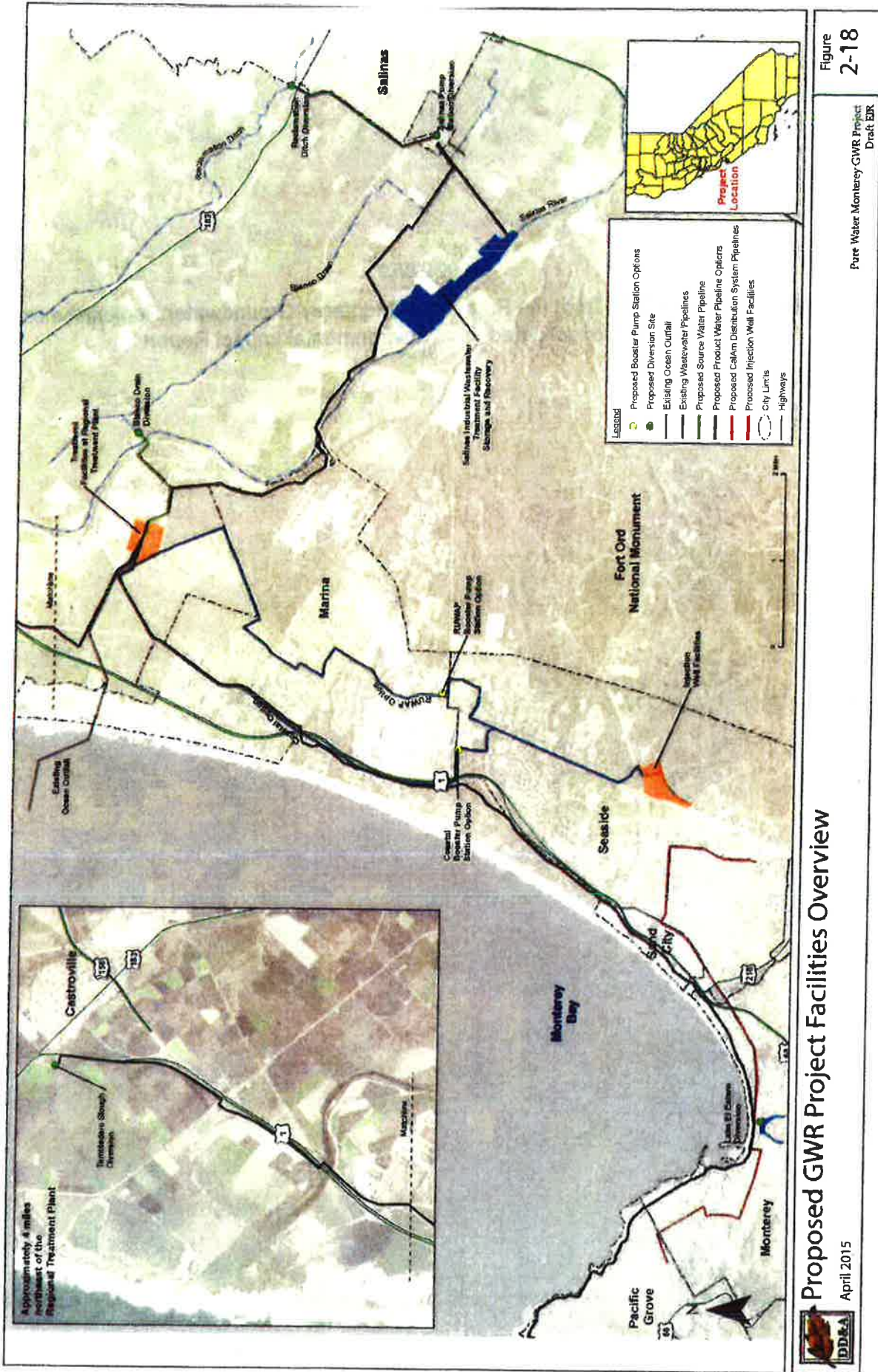


Figure 2-18

Pure Water Monterey GWR Project Draft EIR

2-115

Proposed GWR Project Facilities Overview

April 2015





CalAm Distribution System - Transfer Pipeline
 CalAm Distribution System - Monterey Pipeline

CalAm Distribution System Pipeline: Western Terminus

Figure 2-39

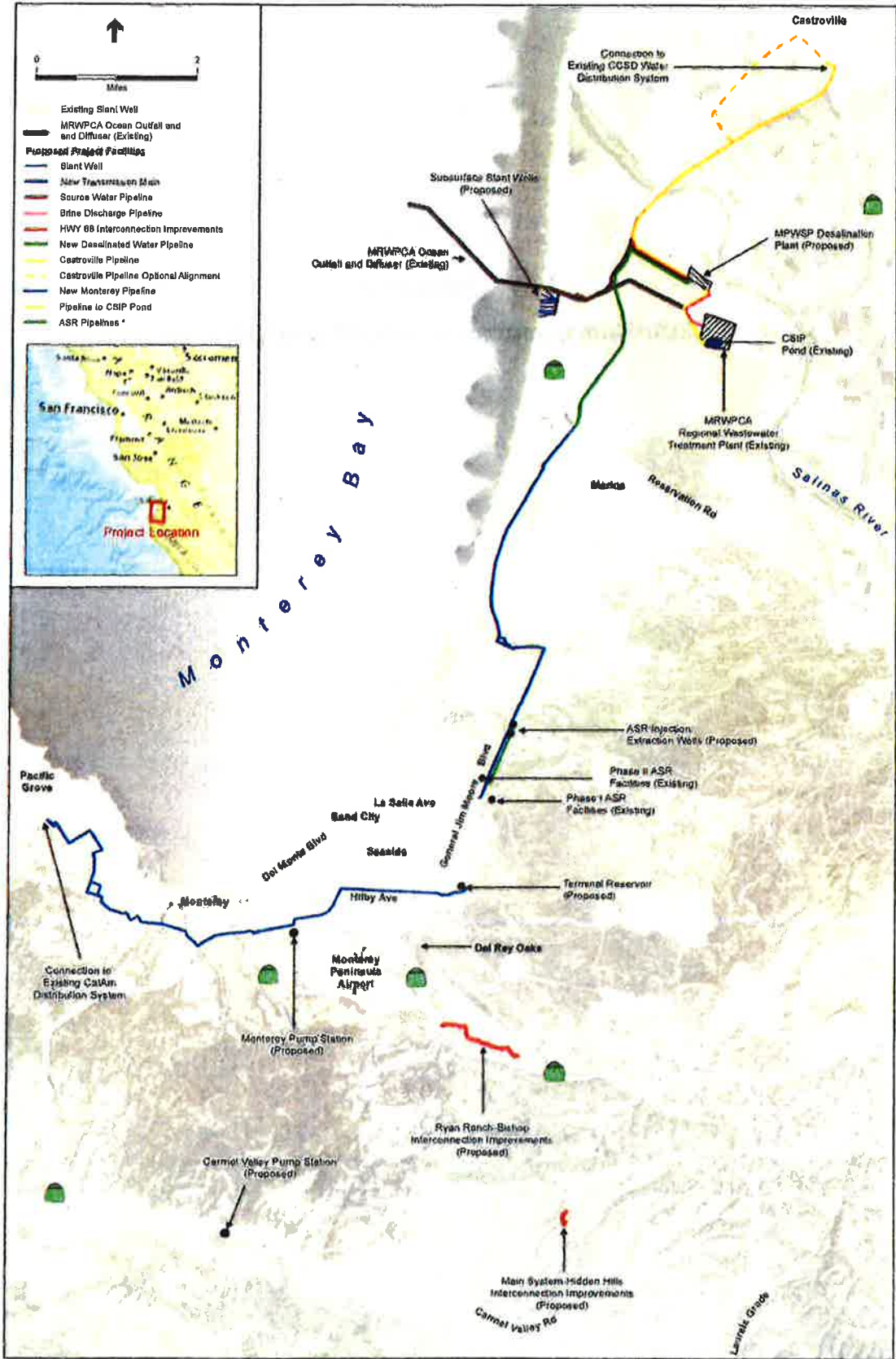
Pure Water Monterey GWR Project
Draft EIR

April 2015



Enclosure 2

The Monterey Peninsula Water Supply Project Overview and Index Map



NOTE:
 *The ASR Pipelines are the ASR Conveyance Pipeline,
 the ASR Pump-to-Water Pipeline, and the ASR Recirculation
 Pipeline. See Figure 3-3a for the individual pipeline alignments.
 SOURCE: ESA, 2016

205335.01 Monterey Peninsula Water Supply Project
Figure 3-2
 Monterey Peninsula Water Supply Project Overview and Index Map

Enclosure 3

June 10, 2016 Correspondence from the Marina Coast Water District



MARINA COAST WATER DISTRICT

11 RESERVATION ROAD, MARINA, CA 93933-2099

Home Page: www.mcwd.org

TEL: (831) 384-6131 FAX: (831) 883-5995

June 10, 2016

DIRECTORS

HOWARD GUSTAFSON
President

THOMAS P. MOORE
Vice President

WILLIAM Y. LEE
JAN SHRINER

United States Army Installation Management Command
Headquarters, U.S. Army Garrison, Presidio of Monterey
1759 Lewis Road, Suite 210
Monterey, CA 93934-3223
ATTN: Mr. Hugh Hardin, Deputy to the Garrison Commander

SUBJECT: Regional Urban Water Augmentation Project

Dear Sirs,

This letter is to provide an update and offer to meet to discuss in more detail the above referenced project for the temporary construction license renewal. The project originally consisted of the construction of a recycled water distribution system to provide tertiary treated recycled water from the existing Monterey Regional Water Pollution Control Agency (MRWPCA) Salinas Valeey Reclamation Plant to urban users in the former Fort Ord including the POM Annex, the Cities of Marina, Seaside, and Del Rey Oaks, and the County of Monterey. Attached Figure 1 shows the RUWAP distribution system.

The Marina Coast Water District obtained an easement on US Army property in General Jim Moore Boulevard for the subject pipeline improvements and for a branch pipeline near Normandy Road uphill to Blackhorse Reservoir. The District has applied for renewal of the temporary construction license from the US Army Corp of Engineers. The District's understanding is that this request letter is needed to generate the temporary construction license renewal instrument. Further, MCWD understands that time is of the essence in order to assist in the orderly progression of other water projects across the POM Annex.

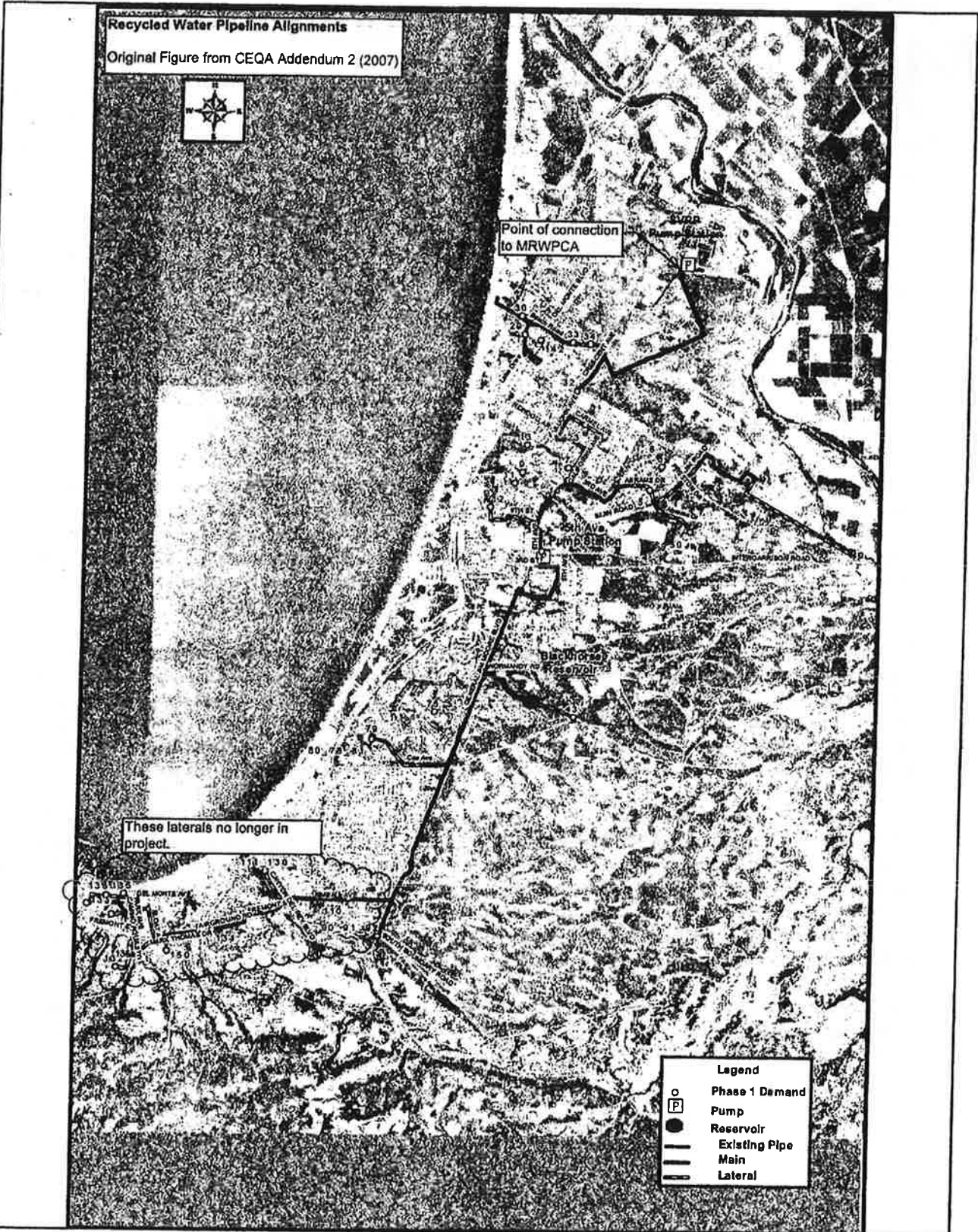
MRWPCA's Pure Water Monterey (PWM) proposes providing a near-potable water project along the same alignment in General Jim Moore Boulevard that would serve a Groundwater Replenishment Project (GRP). MRWPCA proposes a larger combined PWM-RUWAP conveyance pipeline to serve the GRP and thereby provide better quality water for the District. Over the past year, the District has updated the RUWAP Environmental Impact Report to accommodate the MRWPCA PWM project and applied for a State Revolving Fund (SRF) loan. We understand MRWPCA has also applied for an SRF loan and that both loan applications are progressing well through the finance approval process for project construction.

The District looks forward to working with the US Army for this project serving the Ord Community and potentially one day the Monterey Peninsula. Please do not hesitate to contact me directly at (831) 883-5925 with any questions or if MCWD may be of any assistance in this effort.

Respectfully submitted,

Michael Wegley, P.E.
District Engineer

cc: Jennifer Olson – USACE – via e-mail
Robert Guidi – DPW Master Planning Division – via e-mail



**MCWD SRF Application
No. 8184-110**

**RUWAP SRF No. 8184-110
Pure Water Monterey-GWR SRF No. 8020-110**



**Figure 1
RUWAP Only Facilities**



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JUL 14 2016

MPWMD

July 8, 2016

Felicia Marcus, Board Chair
 Tom Howard, Executive Director
 State Water Resources Control Board
 1001 1 Street
 Sacramento, CA 95814

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

Dear Ms. Marcus, Mr. Howard and Mr. Quint,

City Hall
 1 Sylvan Park,
 Sand City, CA
 93955

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 (831) 394-6700

FAX
 (831) 394-2472

Police
 (831) 394-1451

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 (831) 394-1038

On behalf of the City of Sand City, I wish to express strong support for the joint letter dated June 29th by the Monterey Peninsula Regional Water Authority, California American Water Company, Monterey Peninsula Water Management District, the City of Pacific Grove and the Pebble Beach Company regarding the Preliminary Staff Recommendation to modify Cease and Desist order WR 2009-0060 released by the SWRCB on June 17, 2016. We are fully committed to take part in developing alternative water supplies for the Monterey Peninsula with minimal environmental and/or fiscal impacts on the community served as well by the Carmel River. The Joint letter clearly highlights the challenges of those recommendations related to the effective diversion limit, carryover credits, and supplemental water rights and acquisition.

Our major concern with the staff recommendation is the interpretation of the SWRCB order WR 2009-0060, paragraph two (2), related to a change in zoning or use by the City of Sand City or Monterey Peninsula Water Management District. The recommendation is that Cal-Am Water would use the lesser of the actual average annual metered water use for the five-year period between 2008-2009 to 2012-2013. This will have a significant negative impact on the future of the Monterey Peninsula community.

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 May 31, 1960



The City of Sand City has been a leader in water conservation, and has even built a desalination plant to better serve its community and meet General Plan goals. Sand City has done its part in creating a new water source that alleviates impact to the Carmel River; therefore, Sand City should not be penalized by a Cease and Desist order. We are operating under the best possible standards while meeting water use demands of our community.

In closing, we strongly urge you to support the recommendation in the joint letter and incorporate it in your final board decision.

Sincerely,

David K. Pendergrass
Mayor

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