



Supplement to 10/17/2022 MPWMD Board Packet

Attached are copies of letters sent and/or received between **September 14, 2022 and October 11, 2022**. These letters are listed in the **October 17, 2022** Board packet under Letters Received.

| Author | Addressee | Date | Topic |
|--------------------------------------|--|--------------------|--|
| Melodie Chrislock | Board of Directors and General Manager | September 28, 2022 | Letters to the Editor on the Cal Am's Proposed Desal |
| David J. Stoldt | Paul Bruno | September 29, 2022 | August 5, 2022 Draft Technical Memorandum- Hybrid Water Budget Analyses of Basin Replenishment Options & Alternate Assumptions |
| Gregory Gervais | Maureen Hamilton | September 2022 | Federal Facility Excellence in Site Reuse Award |
| Gregory Gervais | Monterey Peninsula Water Management District | September 2022 | Federal Facility Excellence in Site Reuse Award |
| Gary Cursio and Chris Sommers | David J. Stoldt | September 16, 2022 | Letter of Appreciation for the District's Sponsorship of the 32 nd Annual Nick Lombardo Memorial Golf Tournament |
| California American Water | Board of Directors and General Manager | October 5, 2022 | Press Release: Announcement of Phasing for Monterey Peninsula Water Supply Project |
| David J. Stoldt | Paul Bruno | October 7, 2022 | August 5, 2022 Draft Technical Memorandum- Hybrid Water Budget Analyses of Basin Replenishment Options and Alternate Assumptions |

Joel Pablo

From: mwchrislock@redshift.com
Sent: Wednesday, September 28, 2022 7:11 AM
To: Alvin Edwards; Amy Anderson; Clyde Roberson; Dave Stoldt; George Riley; Joel Pablo; Karen Paull; District 5; SAFWAT MALEK
Subject: Letters to the Editor on Cal Am's proposed desal

Monterey Herald - Letters to the Editor | September 24, 2022

Comparing Cal Am's desal to regional desal project

This is in response to the Sept. 21 letters on water supply issues. Water supply issues? Tourism vs. Residents vs. Agriculture — what else is new? Can't we all just get along? Maybe we should resolve our differences on the basis of which group is paying the most property taxes. Or which group is paying the most for each gallon of water it uses. Why should residents pay for a desal plant that the tourism industry wants? Why should Marina bear the burden of a desal plant that provides no water or anything else for it and that Monterey Peninsula residents do not want or need?

Why should Monterey Peninsula ratepayers have to pay for yet even more water than they use or can afford?

Where was the tourism industry when Cal Am and Monterey County killed the regional desal project that would have provided water to both Marina and the Monterey Peninsula for a small fraction of the cost of Cal Am's proposed desal plant, a plant that creates more questions than answers — a plant seeking approval for over 10 years without success when the regional desal project had achieved approval in less than a single year?

The clock is ticking? Maybe, when we really need new water, we should go back to the future. It would take many fewer tick-tocks.

— *Ron Weitzman, President of the Water Ratepayer Association of the Monterey Peninsula*

A regional approach is needed on water issues

Recent Herald letters convey the same “stuck” approach that prevents innovation and neighborly consideration. A myopic approach that only considers the Monterey Peninsula fails to consider the broader issue.

The Salinas Valley Groundwater Basin is on the state's critically overdrafted groundwater basin list. Self-centered concerns will not fulfill the regional vision we need. Agriculture interests use the majority of our water, so they must be part of the regional water supply brainstorming initiative Supervisor Mary Adams is spearheading.

Expounders forget that the Cal Am desal project would permanently destroy the endangered plover and environmentally sensitive habitat area in Marina, while potentially harming the Monterey Bay marine sanctuary.

The desal project description hides the fact that the slant wells, by design, induce seawater intrusion and also extract fresh water from Marina's Dune Sand aquifer. Yet the desal project would not provide a single drop of water to Marina. This desal project further exacerbates water issues, it does not solve them.

Can the agricultural community work more to collaborate and cooperate in fairness to their neighbors? State Sen. John Laird pointed out the environmental injustice to Marina.

Law prohibits the Salinas Valley Groundwater Basin aquifer water from being transported outside the area. Why isn't this project being proposed for the Carmel or Monterey beaches instead?

Cal Am's desal seems sheer folly. We need both a regional and a reasonable approach that does no harm to any neighbor. Can we please work together with wisdom, kindness, and a broader regard for each other? We must!

— *Margaret-Anne Coppernoll, Marina*

Monterey Herald - Letters to the Editor | September 20, 2022

A bad neighbor

Cal Am's a bad neighbor! Here's why ... For years you stole water from the Carmel River which is bad for the fish and other wildlife, bad for the environment, and bad for consumers.

Cal Am you're a bad neighbor! You overcharge Cal Am users. We have the highest water bills in the nation. Your tiered system has failed which, in turn, fails the average consumer.

Cal Am you're a bad neighbor! You might have influenced LAFCO to overturn a legitimate vote by stopping Measure "J" — the proposition to buy you out so we can

get rid of your shenanigans. Way over 50% of your ratepayers voted to boot you off the Peninsula. Yet the overwhelming vote of the people meant nothing to LAFCO. Two independent studies concluded that it is feasible to buy you out. The LAFCO vote is a sham — why are people down county voting to stop a Peninsula election? Can you imagine what they would say if we overturned something they overwhelmingly voted for?

Cal Am you're a bad neighbor! With all this under your belt, you should be ashamed to stay here. You should put your tail between your legs and scam. You have quite a collection of being a bad neighbor. So why should we believe in anything Cal Am says or does? We are not for anything you want to do in our neighborhood. Adios!

— *Dan Presser, Carmel*

Monterey Herald - Letters to the Editor | September 18, 2022

Buy out Cal Am

If the Monterey Peninsula Water Management District buys Cal Am, it will be paid for on our water bills in place of Cal Am's profit, and be financed with a low-interest 20-30 year loan. The system will operate to benefit local ratepayers and communities, and we'll have a voice in the way it's governed and managed.

It can operate more affordably because public water agencies do not charge profits and are eligible for grants and low-cost financing that are not available to for-profit corporations. Recently, MPWMD and M1Water have qualified for about \$30 million in grants for the Pure Water Monterey recycled water projects. This lowers the cost of water to us.

The Public Utilities Commission allows for-profit corporations to charge the costs of capital projects and financing to ratepayers. So, if Cal Am owns the system and builds a desal plant, we ratepayers will pay for the desalinated water and the costs of building and financing the plant, plus profits. But after we've paid for all that, Cal Am will still own it.

It's easy to see why 84% of California residents get their water from public water agencies. Let's join them.

— *Marli Melton, Carmel Valley*

Monterey Herald - Letters to the Editor | August 18, 2022

Cal Am Buyout is Necessary

In a recent Herald article, Cal Am's new manager of external affairs, Josh Stratton, claimed that the Water Management District should focus on water solutions instead of wasting money on the Cal Am buyout.

By law, the Water Management District must proceed with a buyout of Cal Am. Would Stratton have them break the law and ignore the voter-mandated buyout of Cal Am?

The Water Management District's record has proven it's quite capable of developing new water projects and pursuing the voter-mandated buyout of Cal Am at the same time.

Stratton seems to overlook the fact that the Water Management District in partnership with Monterey One has given us the 3,500 acre-feet of new water from Pure Water Monterey that allowed Cal Am to stop overpumping the Carmel River and meet the state's cease and desist order last January.

Stratton also claims the buyout is unnecessary. Is it? How else will we get control of our water costs?

To be feasible and in the public interest the Water Management District has to show water costs would be lower under their ownership. Remember, the buyout cost is not added to the current cost of water because the lack of profit under public ownership offsets the buyout cost.

Staying with Cal Am ownership is a risk we can't afford. It means ever escalating water bills. The only motivation for Cal Am is profit. This is the problem with private investor-owned water systems. And it is the reason that 84% of Californians get their water from locally owned public water systems.

— *Susan Schiavone, board member Public Water Now Seaside*

No Cal Am desal

In response to the article "Tensions high at Cal Am community meeting" I would like to ask this: how would you like to spend countless hours of your life in public meetings, CPUC hearings, Coastal Commission hearings, supervisor meetings, online, in-person, and via phone, repeating the same thing over and over to Cal Am; "We don't want your desal project, it's too expensive, working-class people can't afford it!" Only to have Cal Am reply nonsensically "We need more community input!" Enough already.

The community has spoken loud and clear; no Cal Am desal. The Cal Am desal is too expensive, it's detrimental to our neighbors in Marina, Cal Am doesn't have the water rights, and the "slant well technology" is unproven for desal intake. How many times do we have to repeat ourselves in these so-called "community forums" where people have to hand write their comments on cards that will just end up in Cal Am's trash bin like all our previous comments? I feel especially sorry for the Cal Am employees forced to be spokespersons at tables in said forums." They have to represent a company that is gouging its customers with the highest water prices in the US, and wants to double down on those prices with an unneeded desal plant.

— *Saoirse Folsom, Carmel Valley*



VIA EMAIL

September 29, 2022

Mr. Paul Bruno, Chair
 Seaside Groundwater Basin Watermaster
 PO Box 51502
 Pacific Grove, CA 93950

RE: August 5, 2022 Draft Technical Memorandum – Hybrid Water Budget Analyses of Basin Replenishment Options & Alternate Assumptions

Dear Mr. Bruno:

The Monterey Peninsula Water Management District previously disagreed with the assumptions underlying Montgomery & Associates modeling work related to an additional replenishment water analysis.

The August 5, 2022 Draft Technical Memorandum documents “Development of an alternative set of baseline supply and demand assumptions based primarily on Cal-Am’s Urban Water Management Plan (UWMP), with some additional assumptions provided by Cal-Am and the City of Seaside.” This is troubling because Cal-Am has admitted there is a 400 acre-foot per year (AFY) error in the demand forecast in the UWMP.

The UWMP demand forecast states: “water use for fire service increased in 2019 and 2020 to an average of 400 AFY, when prior to 2019 the average fire demand was only 3 AFY. The increase is attributed to both better metering of fire services in 2019 and 2020, when some demand may have been tracked as water loss previously, as well as a warmer and drier climate increasing fire potential and lengthening the fire season, resulting in more fire flow use. Water use for fire service is projected to remain at about 400 AFY in the future.” The 400 AFY was included in the UWMP demand numbers as shown in the table below.

Table 4-4. Projected Demands, 2025 through 2045

| | BASELINE (2016-2020) | 2025 | 2030 | 2035 | 2040 | 2045 |
|------------------------------------|-------------------------|---------------|---------------|---------------|---------------|---------------|
| Demographics | | | | | | |
| Service Area Population | 91,717 | 93,577 | 95,437 | 97,297 | 99,157 | 101,017 |
| Annual Population Growth Rate | | 0.41% | 0.40% | 0.39% | 0.38% | 0.38% |
| Service Area Employment | 64,307 | 67,020 | 69,732 | 72,445 | 75,157 | 77,870 |
| Residential Demand | | | | | | |
| Residential Demand (GPCD) | 48 | 48 | 52.8 | 52.8 | 52.8 | 52.8 |
| Residential Demand (AF) | 4,931 | 5,031 | 5,644 | 5,754 | 5,865 | 5,975 |
| Non-Residential Demand | | | | | | |
| Non-Residential Demand (AF) | 4,372 | 4,556 | 4,741 | 4,925 | 5,110 | 5,294 |
| Fire Service Demand (AF) | | 400 | 400 | 400 | 400 | 400 |
| Other Future Demand | | | | | | |
| Pebble Beach Entitlements (AF) | | 0 | 65 | 130 | 195 | 260 |
| Tourism Rebound (AF) | | 250 | 500 | 500 | 500 | 500 |
| Legal Lots of Record (AF) | | 0 | 300 | 520 | 740 | 960 |
| Losses | | 205 | 233 | 245 | 256 | 268 |
| Average Annual Demand (AFY) | | 10,443 | 11,883 | 12,474 | 13,065 | 13,656 |

Mr. Paul Bruno
Page 2 of 2
September 29, 2022

At the same time the Technical Memorandum was being produced, Cal-Am realized the Fire Service Demand numbers were incorrect, as evidenced in the attachment hereto. Being off by 400 AFY can cause an error of as high as 40% in the predicted calculated annual Net Recharge requirement.

Additionally, the District alleges the assumptions for Pebble Beach Entitlements, Tourism Rebound, and Legal Lots of Record in the demand forecast as shown above are actually double-counted because housing and economic growth are already captured in the Residential Demand line in the table (due to population growth) and the Non-Residential Demand line. Such double-counting will compound the error in calculated annual Net Recharge requirement.

More effort should be undertaken to develop assumptions for this effort that are reliable and supportable, and without recognized errors, so that the model results are meaningful. The Technical Memorandum conclusions are meaningless and the analysis should be re-run without errors in the assumptions.

Sincerely,



David J. Stoldt
General Manager
Monterey Peninsula Water Management District

California-American Water Company

APPLICATION NO. A.21-11-024
DATA REQUEST RESPONSE

Response Provided By: Ian C. Crooks
Title: Senior Director of Engineering & Business Development
Address: California American Water
655 West Broadway, Suite 1410
San Diego, CA 92101
MPWMD Request: MPWMD DS 01 Q001 - Fire Service Water Use
Date Received: August 1, 2022
Date Response Due: August 12, 2022

DATA REQUEST:

In Attachment A to the Phase 2 Direct Testimony of Ian C. Crooks at page 4-7 the following statement is made;

“Additionally, water use for fire service increased in 2019 and 2020 to an average of 400 AFY, when prior to 2019 the average fire demand was only 3 AFY. The increase is attributed to both better metering of fire services in 2019 and 2020, when some demand may have been tracked as water loss previously, as well as a warmer and drier climate increasing fire potential and lengthening the fire season, resulting in more fire flow use. Water use for fire service is projected to remain at about 400 AFY in the future.”

1. Please provide the data supporting the 2019 water use for fire service.

CAL-AM'S RESPONSE

California American Water incorporates its General Objections as if each was set forth fully here. California American Water further objects to the extent this request is vague and ambiguous, particularly as to the phrase: “data supporting the 2019 water use for fire service.” Subject to, but without waiving, these objections, California American Water responds:

Due to the appearance of high water use for metered fire service connections in 2019 and 2020, an internal data review was conducted, and it was concluded that some of the metered fire service use was not calculated correctly by the billing system due to reverse water flow through customer backflow devices. This reverse flow caused the meter dial to turn back approximately one numerical unit, which the billing system interpreted as the meter turning over and thus reported a high usage, in other words,

California-American Water Company

APPLICATION NO. A.21-11-024
DATA REQUEST RESPONSE

resulted in “phantom usage.” Please see the table below showing the data for 2019 and 2020 determination of “phantom usage” and corrected metered fire service.

For my testimony in this proceeding, this does not change 2019 and 2020 total system demand as it is determined from the actual total water supply produced and delivered to the system, including fire flow use. Water use designated as fire service is part of the non-revenue water category and any meter inaccuracies for fire service are recategorized as water loss. In Table 5 of my testimony, fire service use is included in the non-residential demand category and fire service is not called out specifically going forward as the demand projections are based on historical and future total system production, which includes fire flow, water losses, etc.

**Meter Fire Service Connections
Usage and Adjusted Usage
2019 and 2020**

| Monterey Main Fire Service (AF) | Jan-19 | Feb-19 | Mar-19 | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 | Oct-19 | Nov-19 | Dec-19 | Total 2019 |
|----------------------------------|--------|--------|--------|--------|--------|--------|--------|---------|--------|--------|--------|--------|------------|
| Uncorrected Fire Service (AF) | 0.66 | 0.59 | -1.08 | 0.27 | 0.18 | 46.17 | 23.18 | 104.70 | 23.18 | 53.97 | 23.19 | 61.67 | 336.68 |
| Remove Phantom Fire Service (AF) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | -45.91 | -22.96 | -104.51 | -22.95 | -53.65 | -22.95 | -61.38 | -334.30 |
| Corrected Fire Service (AF) | 0.66 | 0.59 | -1.08 | 0.27 | 0.18 | 0.27 | 0.23 | 0.20 | 0.23 | 0.32 | 0.23 | 0.29 | 2.39 |

| Monterey Main Fire Service (AF) | Jan-20 | Feb-20 | Mar-20 | Apr-20 | May-20 | Jun-20 | Jul-20 | Aug-20 | Sep-20 | Oct-20 | Nov-20 | Dec-20 | Total 2020 |
|----------------------------------|--------|---------|---------|---------|--------|--------|--------|--------|---------|--------|--------|---------|------------|
| Uncorrected Fire Service (AF) | 53.93 | 107.69 | -137.42 | 130.70 | -69.78 | 7.92 | 0.49 | 69.16 | 130.44 | -76.49 | 23.08 | 199.26 | 438.99 |
| Remove Phantom Fire Service (AF) | -53.64 | -107.22 | 137.91 | -130.23 | 68.85 | -7.47 | 0.00 | -68.86 | -130.24 | 76.60 | -22.96 | -199.10 | -436.36 |
| Corrected Fire Service (AF) | 0.29 | 0.47 | 0.49 | 0.47 | -0.93 | 0.45 | 0.49 | 0.30 | 0.20 | 0.11 | 0.13 | 0.17 | 2.63 |

Certificate Of Excellence

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2020

Presented to

Maureen Hamilton

In recognition of your key role in developing innovative cleanup initiatives to accelerate early cleanup, transfer, and reuse opportunities that became a catalyst for economic growth and community revitalization.

Former Fort Ord

Gregory Gervais

Federal Facilities Restoration and Reuse Office

Certificate Of Excellence

Federal Facility Excellence in Site Reuse Award

2020

Presented to

Monterey Peninsula Water Management District

In recognition of your key role in developing innovative cleanup initiatives to accelerate early cleanup, transfer, and reuse opportunities that became a catalyst for economic growth and community revitalization.

Former Fort Ord

Gregory Gervais

Federal Facilities Restoration and Reuse Office





MONTEREY COUNTY
HOSPITALITY
ASSOCIATION

REVD 9/26/2022

MPWMD
[Signature]
[Signature]

September 16, 2022

David Stoldt
Monterey Peninsula Water Management District
PO Box 85
Monterey, CA 93942

Dear David Stoldt,

On behalf of the Monterey County Hospitality Association (MCHA) Board of Directors and the Golf Committee, we want to thank you for your generous sponsorship of the 32nd Annual Nick Lombardo Memorial Golf Tournament held at Quail Lodge & Golf Club on August 31st.

Monterey County Hospitality Association represents and advocates for more than 20,000 employees of hospitality and related businesses throughout the county. The Golf Tournament is one of two major fundraisers for MCHA, and with your generous support, we can continue to fund programs vital to the success of our industry and community.

Our Government Affairs Committee continues to work diligently with local, county and state officials to solidify a viable water solution for the Monterey Peninsula, in addition to advocating for workforce housing, transportation and other important issues affecting our industry. Through our training & development programs, member events and community collaborations, we continue to develop opportunities for hospitality career advancement, employee recognition and industry engagement at all levels.

Support from our community is a key element to the success of our organization. A sincere thank you for sponsoring and participating in our event this year. We look forward to working with you throughout the remainder of the year for a successful 2022 and beyond.

Best Regards,

Gary Cursio
Golf Tournament Co-Chair

Best Regards,

Chris Sommers
Golf Tournament Co-Chair

Federal Tax ID: 501c(6) 51-0136406

California American Water Announces Phasing for Monterey Peninsula Water Supply Project

The Monterey Peninsula Water Supply Project (MPWSP) proposes project phasing plan to ensure reliable water supply now and in the future

MONTEREY, Calif. - (October 5, 2022), California American Water is announcing a phasing plan for the Monterey Peninsula Water Supply Project, part of a multipronged effort to increase water supply to the Monterey Peninsula through desalination, aquifer storage and recovery, and a groundwater replenishment project in the region. The application currently before the California Coastal Commission calls for development of ocean slant wells to supply a 6.4 million gallon per day desalination plant. The company is proposing a multi-phase plan to develop needed water supplies with the first phase of the desalination facility producing 4.8 million gallons per day.

“The Monterey Peninsula has been in need of additional drought-proof, reliable water supplies for over 25 years,” said Ian Crooks, Vice President of Engineering for California American Water. “Building the first phase of MPWSP will protect the Carmel River ecosystem and create a drought-proof new water supply for our service area.”

California American Water has been conducting extensive outreach to customers, local officials and residents throughout Monterey County. Efforts have included 10 public workshops since August as well as individual meetings and presentations to interested stakeholders. Feedback on the project has highlighted community support for a drought-proof water supply that will allow for new housing construction and support economic development. It has also illuminated the benefits of a flexible phased approach to start the project that can ultimately accommodate future needs and provide opportunity for regional public participation when additional supplies are needed in California American Water’s service area or elsewhere in the region.

The desalination facility will include a system of ocean slant wells constructed on a former industrial sand mining site to draw unusable seawater, deliver that saline water to a desalination plant located in Monterey County, and send desalinated water directly to the Monterey Peninsula for municipal uses within California American Water’s service area. Ocean slant wells are the preferred method to obtain water for desalination since they draw ocean water from beneath the coastal subsurface, which avoids harm to the environment and marine life. Reducing the initial size of the facility will limit the number of ocean slant wells needed at this time and help control construction costs while ensuring that the project can accommodate future water resource needs.

“Phasing the MPWSP strikes the right balance to meet the critical need for sufficient and reliable drought-proof water supply to meet demands in the near term while allowing for additional supply as it becomes needed over the next 30 years,” said Crooks. “In addition, as we heard from the community, phasing the project with the possibility of expanding the project to accommodate future regional water supply needs

through public participation is important. This is a win-win for the region that provides an opportunity to help MPWSP be part of future water supply solutions for our customers and nearby communities.”

Due to historic water shortages caused by mandated reductions in the use of the Carmel River and made worse by historic drought conditions, a building moratorium has been in place on the Monterey Peninsula, resulting in job loss and limited housing for people in the region.

About California American Water: California American Water, a subsidiary of American Water (NYSE: AWK), provides high-quality and reliable water and wastewater services to more than 725,000 people. Information regarding California American Water’s service areas can be found on the company’s website www.californiaamwater.com.

About American Water: With a history dating back to 1886, American Water is the largest and most geographically diverse U.S. publicly traded water and wastewater utility company. The company employs more than 6,400 dedicated professionals who provide regulated and regulated-like drinking water and wastewater services to more than 14 million people in 24 states. American Water provides safe, clean, affordable, and reliable water services to our customers to help keep their lives flowing. For more information, visit amwater.com and diversityataw.com. Follow American Water on [Twitter](#), [Facebook](#), and [LinkedIn](#)



VIA EMAIL

October 7, 2022

Mr. Paul Bruno, Chair
Seaside Groundwater Basin Watermaster
PO Box 51502
Pacific Grove, CA 93950

RE: August 5, 2022 Draft Technical Memorandum – Hybrid Water Budget Analyses of Basin Replenishment Options & Alternate Assumptions

Dear Mr. Bruno:

At the October 5th Watermaster meeting, in addressing our District's letter, Christopher Cook of Cal-Am made a mis-statement to the board. In effect, Mr. Cook stated that the assumptions being used in the August 5, 2022 Montgomery technical memorandum were based on production of water to meet system demand, such that losses and fire flows are captured in the total and hence do not affect the total demand numbers. That is false.

Figure 13 on page 27 of the technical memorandum contains demand numbers identical to the Cal-Am Urban Water Management Plan (UWMP), which is a build-up model that adds a series of demands to get to a total demand and does, in fact, include the phantom 400 AFY in the demand number, which is in error.

It was not until the Phase 2 direct testimony of Ian C. Crooks presented to the California Public Utilities Commission that the concept of forecasting future production was introduced. That is not what was sent to Montgomery & Associates and was not used in the technical memorandum, which remains in error.

The technical memorandum conclusions remain in error and the analysis should be re-run without errors in the assumptions.

Sincerely,

A handwritten signature in blue ink that reads "David J. Stoldt".

David J. Stoldt
General Manager
Monterey Peninsula Water Management District