Supplement to March 20, 2023
MPWMD Board Packet

Attached are copies of letters sent and/or received between **February 8, 2023 and March 8, 2023**. These letters are listed in the **Monday, March 20, 2023** Board Packet under Letters Received / Sent.

Author	Addressee	Date	Topic
Margaret-Anne Coppernoll	General Manager	February 13, 2023	Public Input
Melodie Chrislock	Board of Directors and General Manager	February 19, 2023	California's Best New Source of Water?
Melodie Chrislock	Board of Directors and General Manager	February 21, 2023	Monterey City Council Letter to CPUC
Melodie Chrislock	Board of Directors	February 27, 2023	Monterey Herald – It's Official a 'Wet' Year
Susan Schiavone	Board of Directors	February 27, 2023	Letter to CPUC- re: Proceeding A.21-11-024 Cal-Am Water Purchase Agreement

Joel Pablo

From: Dave Stoldt
Sent: Monday, February 13, 2023 2:56 PM
To: Mary L. Adams; Alvin Edwards; Amy Anderson; George Riley; Ian Oglesby; Karen Paull; Marc Eisenhart; District 5
Cc: Dave Laredo; Fran Farina; Joel Pablo
Subject: FW: Public Input

FYI

From: mcopperma@aol.com <mcopperma@aol.com>
Sent: Monday, February 13, 2023 2:11 PM
To: Dave Stoldt <dstoldt@mpwmd.net>
Subject: Public Input

Hello Dave,

Since I am unable to attend the meeting this evening due to another prior commitment, I would like to ask a question or make a comment for you, the board directors and legal counsel to consider.

Given the cascade of bad actor (CalAm) behaviors, it seems that there could be, or should be, a legal way to request court action based on an emergency declaration of relief or other procedure that could propel the Measure J action forward more speedily.

Added to all the other past actions, CalAm is now defying and dishonoring its agreement to sign the WPA. It has declared it will again over pump the Seaside Basin, implying it will continue to abuse ASR injection wells as extraction wells, thereby jeopardizing drought protection/water security and impeding rain water capture for storage - all to maintain leverage for its desal project, so declared CalAm President Kevin A.Tilden. CalAm also stated it intends to "negotiate" its way around the Coastal Commission's twenty conditions attached to the project approval.

Additionally, CalAm defies state mandates to recycle all possible water resources and to provide workforce affordable housing. By refusing to sign, CalAm deliberately and obstinately brings more angst and harm to our communities. Their public statement before the Coastal Commission last Nov 17th that it fully supports the PWM Expansion was merely a ploy to induce approval, albeit conditional, for its desal project. All the while, CalAm intended to refuse to sign the WPA, proof of which is apparent in their actions to deprive ratepayers of the $42 million in grant funds for Expansion construction - obviously to make water even more costly to ratepayers and increase profits via rehearing demands being made of the CPUC, for more funds for their desal plant, not for the PWM Expansion. CalAm used this same withdrawal from agreement tactic during the regional water project. CalAm did not like MCWD's grant received for pipeline infrastructure as it meant less profit for CalAm. Shortly after its abrupt departure from this regional water project, CalAm magically announced its MPWMP and invaded Marina's aquifers with its test slant well, despite having no water rights to the SVGB, Marina's potable water supply. Water rights formed the basis for project feasibility, according to the MPWSP EIR, without which the project could not proceed. The CPUC obviously has chosen to ignore that EIR requirement while the Coastal Commission overrides its own environmental justice policy and declaration to favor the most environmentally just project. PWM Expansion provided that viable, and only viable, alternative water project ready to go. CalAm wants to

derail this save-the-day recycled water project, thinking it can succeed, all due to "political clout and pressure", in my opinion, and unabashed greed.

A master at deceit and pernicious strategies, CalAm is showing its true colors again and must be stopped from even more treacherous actions that will only continue to hurt residents and cause divisiveness due to unfairness and environmental injustice practices.

CalAm wants more millions, yet it has, according to my understanding, gained a seventy-five percent increase in millions of dollars of profits this past year, added to all the other millions in profits from previous years. Rampant greed is at play along with manipulative propaganda and fear mongering. People are weary of seeing their money being used against them in political ploys and "charitable" donations to bolster CalAm's public image, but paid for by stressed ratepayers. Of course, this is an outrage.

If there is any legal means available, I pray that a declaration of relief on an emergency basis can be filed in court as part of the proceedings filed to date so MPWMD can execute its own action to move forward with public water distribution and Expansion construction. If MPWMD can obtain emergency approval, it can itself be eligible for the $42 million grant, without CalAm's signature, which in turn can support the buyout, probably eminent domain. Now is the time, it seems, to strike while the iron is hot, so-to-speak. We cannot afford to lose more rain water capture for ASR or risk more CalAm violations of the Seaside Basin Adjudication stipulations.

CalAm is "caught in the act" and has exposed its malevolent intentions to defy state mandates and impede progress in water security and desperately needed affordable housing. Putting the whole picture together, a court would be hard pressed to deny an emergency relief action. Too much is at stake, so I am submitting, with all humility, this simple comment for your consideration, knowing that you and your staff are far more capable than I and have more than likely already formulated a plan more comprehensive and workable.

My comment is meant to show support and appreciation, with admiration and respect for the truly outstanding job you all are doing for our communities. We salute you and applaud all your efforts that require the "blood, sweat, and tears" that all of us are suffering to achieve justice and right action.

Bravissimo!!! God bless you and your inspirational work!

Very respectfully,
Margaret-Anne Coppernoll

From: mwchrislock@redshift.com <mwchrislock@redshift.com>
Sent: Sunday, February 19, 2023 8:05 AM
To: Alvin Edwards <alvinedwards420@gmail.com>; Amy Anderson <carmelcellogal@comcast.net>; George Riley <georgetriley@gmail.com>; Karen Paull <karenppaull@gmail.com>; District 5 <district5@co.monterey.ca.us>; Marc Eisenhart <mae@gedlaw.com>; Ian Oglesby <ioglesby@ci.seaside.ca.us>; Dave Stoldt <dstoldt@mpwmd.net>; Joel Pablo <Joel@mpwmd.net>
Subject: CALIFORNIA'S BEST NEW SOURCE OF WATER?

WATER & THE WEST | February 8, 2023

IN TIMES OF SCARCITY, CALIFORNIA'S BEST NEW SOURCE OF WATER? REUSE.
While expensive solutions like new reservoirs and seawater desalination grab attention, California communities are quietly building up their capacity to clean stormwater and wastewater for reuse for irrigation, industry and, yes, drinking water too.

By Caroline M. Reinhart

https://andthewest.stanford.edu/2023/in-times-of-scarcity-californias-best-new-source-of-water-reuse/?mc_cid=f4295a9a14&mc_eid=8da9b80349

WATER & THE WEST
In times of scarcity, California's best new source of water? Reuse.

While expensive solutions like new reservoirs and seawater desalination grab attention, California communities are quietly building up their capacity to clean stormwater and wastewater for reuse for irrigation, industry and, yes, drinking water too.

- By & the West, Stanford University
- February 8, 2023

Not a drop wasted? The Hyperion sewage treatment plant in Los Angeles is the world's largest. A $3 billion proposal would have it capture 100% of storm and sewer water for drinking water supply by 2035. This would help LA catch up with Orange County, a leader in the practice. *Doc Searls via Flickr*
By Caroline M. Reinhart

As California has struggled with drought, Governor Gavin Newsom's fundamental solution: find more water by diversifying the state's public water supply. Because of the proximity of the Pacific Ocean, one of the most frequently mentioned sources is seawater desalination. A few communities are trying it, despite environmental concerns.

But another potential source gets less public attention, even though water providers are showing increasing interest thanks to its early successes: reuse.

"…when you want more supply, you have to think about alternatives. The best, most reliable alternative is treated wastewater."

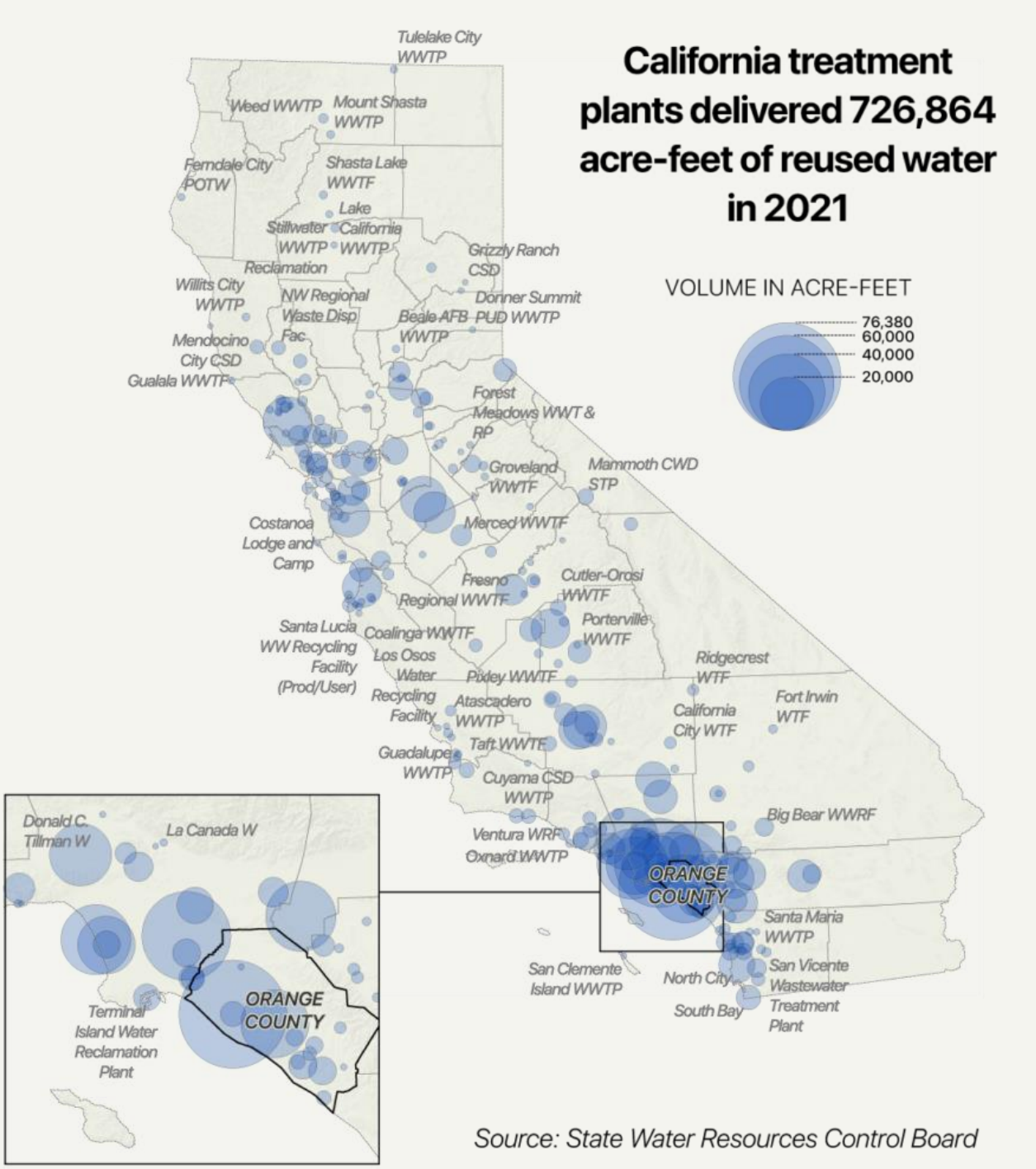
Peter Gleick, The Pacific Institute

"In many regions we're running up against limits on natural water availability of the traditional sources of supply," said Peter Gleick, the co-founder of the Pacific Institute, an environmental research organization. "And when that's the case, and when you want more supply, you have to think about alternatives. The best, most reliable alternative is treated wastewater."Californians use approximately 6.6 million acre-feet of water per year in urban areas. To meet this demand, the state's water utilities identified a range of options including recycled water, desalination, and conservation.

Using less water is the quickest, cheapest and easiest alternative. "Conservation is still one of the biggest things we can do," said Mehul Patel, the executive director of operations for Orange County Water District's Groundwater Replenishment System. "Use less, be smarter, think about why we're using the water we're using and the volumes we are using it. That would go a long way." But reused water may be the next best option.

The new goal: doubling the volume of reclaimed water

Reclaimed water is largely used in two ways: first, for industrial machines, irrigation, and agriculture and second, for eventual human consumption after treatment and a period of retention time in an aquifer. These types of reuse, non-potable and indirect potable reuse, already supply approximately 728,000 acre-feet of reused municipal wastewater in California per year. This constitutes 11 percent of total public water system use, and uses less than a quarter of the state's wastewater leaving room for considerable growth.



& the West

Current reuse efforts use less than a quarter of the state's wastewater leaving room for considerable growth. Gov. Newsom's goal, 1.8 million acre-feet by 2040, would double the amount of recycled water used in 2021.

According to the Pacific Institute, California has the potential to increase their water supply by an additional 1.8 to 2.1 million acre-feet per year if they expand water reuse. Newsom's reuse goal, 1.8 million acre-feet by 2040, would double the amount of recycled water used in 2021.

To meet this goal, two Bay Area agencies, Pure Water Soquel in Santa Cruz and the Santa Clara Valley Water District are working to supplement their groundwater aquifers with recycled water that has already been through their system. A state mandate to maintain the sustainability of California groundwater basins by 2040 motivated Pure Water Soquel's project while Valley Water, which serves the San Jose area, is seeking both to prevent seawater from contaminating aquifers and to augment dwindling supplies. Their advanced water treatment projects will come online in 2024 and 2028, respectively.

Representatives of Pure Water Soquel and Valley Water said they were emboldened by the success of reuse efforts in Orange County, in southern California. Oakland and San Francisco also say they are considering reuse projects, but they haven't gone as far as a cluster of smaller agencies around them. Pending groundwater augmentation projects would add about 356,500 acre-feet per year when completed.

Monterey One Water's project, Pure Water Monterey, is a regional pioneer of a more ambitious form of water recycling: indirect potable reuse. The process directs treated wastewater through groundwater aquifers, which are a key source of drinking water. Moreover, the process helps buffer freshwater aquifers from the contamination impact of seawater intrusion.

To combat seawater intrusion, Pure Water Monterey injects purified recycled water back into the groundwater aquifer to correct the water's chemical composition. It can then be used to augment the drinking water system's supply.

The central coast town of Cambria is one of the first communities in California to recycle sewage water into an eventual drinking-water source through indirect potable reuse. Treated water is added to groundwater supply for later use. *Florence Low/California Department of Water Resources*

Mike McCullough, the director of external affairs for Monterey One Water, reflected on how their advanced water treatment facility began with the help of the Orange County Water District, "using water once and discharging it is just not good stewardship." Calling the Orange County Water District a "leader," he added, "now we're just trying to follow and do the same thing that they did just on a lot smaller scale."

The secret of Orange County's reuse success

Orange County Water District's recycling system is the world's largest water purification system, with the capability to produce up to about 307 acre-feet — or 100 million gallons — of wastewater per day. But their success required overcoming significant obstacles, involving both engineering and psychology.

Orange County Water District via Instagram

Orange County Water District's success required overcoming significant obstacles, involving both engineering and psychology.

San Diego's decades-long struggle to establish a system of reuse stood in sharp contrast to Orange County's achievement. In the early 2000s, San Diego residents balked at the thought of drinking wastewater. At the time, San Diego attempted to install a recycling system but opponents' objections — the "yuck factor" — won out. Miller Brewery led the opposition,

expressing fears that the idea of wastewater in their products would scare away customers. Using the evocative slur "toilet-to-tap," their campaign halted the facility's plans.

Then ongoing droughts, along with greater understanding of and the treatment process, helped change attitudes. After about a decade of planning and engineering, San Diego's first operational water reuse facility, Pure Water Oceanside, was completed last March.

Gleick of the Pacific Institute, reflecting on San Diego's long journey, said that, as with Orange County, their educational campaign made the difference. "What it means is that [you] don't launch a water reuse program without a public education and communications program to tell the people what you are doing. Build support for it."

"We wanted to, in our outreach, show that we have this new technology. It's very safe," said Orange County's Patel. "It's used in other industries already like food processing, so it's not like we are trying to do something that has never been done, it just hasn't been done on a municipal scale."

Monterey One Water's McCullough said several agencies including his own found Orange County's approach a template for how to gain public support. "They've handled a lot of obstacles and everybody's coming behind them. They broke the ground as far as public outreach and education."

Emulating Orange County, Pure Water Monterey built a small demonstration facility for visitors to watch the equipment in real time and taste the treated water from sinks if they desired. Now, Pure Water San Diego also provides facility tours.

Reclaimed water shown at various stages of treatment. *Department of Ecology, State of Washington via Wikimedia Commons*

According to a 2016 survey conducted by Xylem Inc. a water technology company, 89 percent of California residents are more willing to consume recycled water after understanding the treatment process. The support for reclaimed water is only increasing with the attention to California's intensifying-drought. However, a Bill Lane Center for the American West study published in the same year concluded that while education does lower concerns about reclaimed water, participants were still reluctant to use it for drinking, bathing, and cooking.

Treatment that goes above and beyond standard methods

Any water agency planning to use recycled water for drinking must put wastewater through an intense series of treatments, typically with a three-step process after the basic treatment, filtering out most contaminants, is finished.

The water then goes to an advanced water treatment facility, which separates water from any remaining impurities by using an energy-intensive process called reverse osmosis. During this phase, a high-pressure pump pushes water through microscopic holes, trapping everything from dissolved solids like lead, to salt compounds, to tiny contaminants like PFAS, while letting water molecules through.

The water is then nearly as pure as the distilled water used to sterilize hospital equipment. The final disinfection step: treating the water with an advanced oxidation reaction, a process in which ultraviolet light works with hydrogen peroxide to prepare the water for distribution through the water system.

Indirect potable reuse uses reservoirs or aquifers to create an environmental buffer.
For years, recycled water, treated less intensively, has been used for irrigation and heating and cooling. Now, to reach drinking water's higher standards, groundwater augmentation projects use one more step: sending it into an aquifer to mingle with existing groundwater. Indirect potable reuse uses reservoirs or aquifers to create an environmental buffer. For example, this recycled water can replenish groundwater basins to mitigate the impacts of over pumping.

Direct potable recycling offers "water on demand"

California legislators want to promote direct potable reuse. Instead of adding water back into the groundwater supply, as Orange County does and the several Bay Area agencies plan to do, direct potable reuse provides water ready to go straight to the customer's tap. The State Water Board plans to adopt regulations on required treatment steps by the end of 2023.

Among those researching direct potable reuse are the East Bay Municipal Utility District, Valley Water, San Francisco Public Utility Company and Monterey One Water, but they cannot move forward and construct facilities until the state adopts final regulations.

Operators at the Pure Water Monterey water purification facility. *Monterey One Water via Twitter*
Even with indirect potable reuse infrastructure in place, adopting direct potable reuse will require the utilities to adjust the purification process, according to Jonathan Lear, the water resources division manager at Monterey Peninsula Water Management District.

To follow the new rules, Lear said, would mean reengineering the water processing they already use. Nonetheless, when regulations for direct potable reuse are established, these utilities will be keen to incorporate the new water source. As Lear says, "there are large benefits of being able to manufacture water and directly serve it without having to park it somewhere for a little while."

Other options

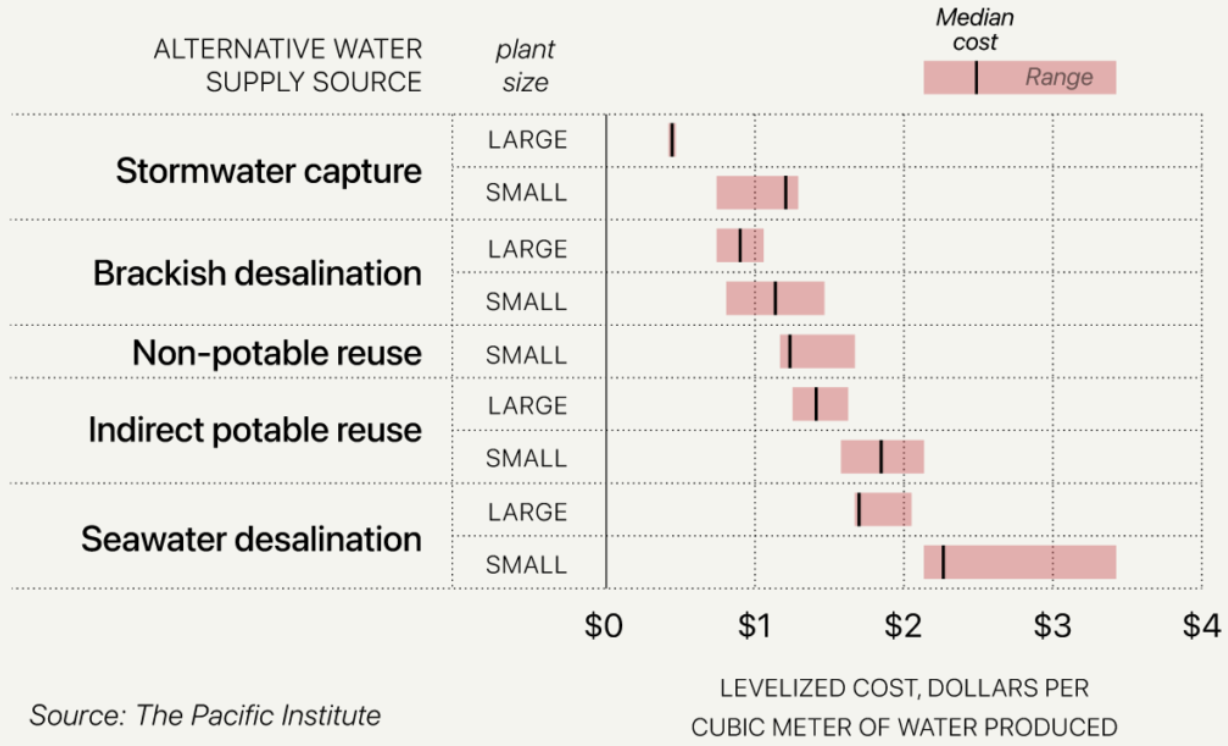
State utilities have another, easier option for increasing water supply. Stormwater has long been used as a major source to supplement water supplies as runoff from heavy rain pools in man-made surface water ponds. Urban stormwater capture has the potential to add 580,000 to 3 million acre feet per year depending on rainfall levels.

This source would be beneficial to utilities because it is produced with less energy and expense, though it must clear out such contaminants as pesticides and oil.

Urban stormwater capture has the potential to add 580,000 to 3 million acre feet per year depending on rainfall levels.

Desalination, the treatment of ocean or brackish water for human consumption, gets a lot of attention; the state's Coastal Commission has recently approved desalination plants in Monterey and Dana Point. But desalinated water requires three to ten times more energy than recycled water. Most of that energy is generated by fossil fuels. Not only does desalination require more costly inputs, but it produces a high-salt concentrate known as brine, which must be pumped into the ocean, threatening marine organisms.

In fact, reclaimed water uses a similar treatment process as desalination — for instance both, rely on reverse osmosis. But the concentrate left over from the recycling process has little of seawater's salt, so the leftover concentrate is less harmful. Purifying reclaimed water is also cheaper: seawater desalination's median cost is $1.72 per cubic meter for large plants and $2.29 per cubic meter for smaller ones. Non-potable recycled water costs 45 percent less for small projects. Indirect potable reuse costs 18 percent less for small projects and 38 percent less for large projects.



& the West; *Data: The Pacific Institute*
Stormwater capture is the cheapest alternative water option but its water quality issues may justify choosing reused water, despite the extra cost. Because of the "yuck factor," recycled water is treated more intensely than conventional drinking water sources.

Because of the "yuck factor," recycled water is treated more intensely than conventional drinking water sources.
A Stanford study published in November of last year found that recycled water for potable reuse is much cleaner than conventional tap water sources. Because the source is wastewater, regulators require a more intensive treatment process to clear the water of even the smallest of contaminants that can be found in standard drinking water treatment facilities.

McCullough of Monterey One Water agrees that this recycled water's purity exceeds that of everyday tap water. "No drinking water system goes through the treatment process that we go through so our water is definitely way cleaner." He added that recycled water "has less particulate matter or viruses or compounds or anything in it than water that is traditionally serving customers now."

The cleanest drinking water is recycled

New research shows treated wastewater can be more dependable and less toxic than common tap water sources including rivers and groundwater.

By Corey Binns

https://engineering.stanford.edu/magazine/cleanest-drinking-water-recycled

Energy, **Environment**, **Health**

The cleanest drinking water is recycled

New research shows treated wastewater can be more dependable and less toxic than common tap water sources including rivers and groundwater.

November 10, 2022

|

By Corey Binns

As traditional water sources dry up, utilities in the American West and beyond are scrambling to find reliable supplies. | iStock/BKhamitsevich

Recycled wastewater is not only as safe to drink as conventional potable water, it may even be less toxic than many sources of water we already drink daily, Stanford University engineers have discovered.

"We expected that potable reuse waters would be cleaner, in some cases, than conventional drinking water due to the fact that much more extensive treatment is conducted for them," said Stanford professor **William Mitch**, senior author of an Oct. 27 study in ***Nature Sustainability*** comparing conventional drinking water samples to wastewater purified as a drinking water, also known as potable reuse water. "But we were surprised that in some cases the

quality of the reuse water, particularly the reverse-osmosis-treated waters, was comparable to groundwater, which is traditionally considered the highest quality water."

As drinking water sources become more scarce, the discovery is promising news for a thirsty public and utility companies struggling to keep up with demand.

Why recycle

Several potable reuse systems are up and running around the United States. The Orange County Water District has run the world's largest water recycling plant since the 1970s. Water providers in Atlanta, Georgia, and Aurora, Colorado, also use potable reuse water as part of their drinking water supplies. Los Angeles **plans to recycle** all of its wastewater by 2035.

But decades of drought have intensified the urgency to make recycling wastewater as common as recycling an empty can of La Croix. Water utilities, particularly those in the drought-stricken western U.S., are scrambling to find reliable water supplies. Traditional water sources from places such as the Colorado River and Sierra Nevada snowmelt have dried up. Instead, utilities have set their sights on potable reuse as a dependable water supply – one that utilities already conveniently manage and own.

"There are additional benefits beyond a secure water supply. If you're not relying on importing water, that means there's more water for ecosystems in northern California or Colorado," said Mitch, a professor of civil and environmental engineering in **Stanford Engineering** and the **Stanford Doerr School of Sustainability**. "You're cleaning up the wastewater, and therefore you're not discharging wastewater and potential contaminants to California's beaches."

Cleaning up recycled water is also known to cost a lot less and require less energy than plucking the salt out of seawater.

Clean-up crew

The engineers found that, after treatment, potable reuse water is cleaner than conventional drinking water sourced from pristine-looking rivers. In most rivers, someone upstream is dumping in their wastewater with much less treatment than occurs in potable reuse systems. Conventional wastewater treatment plants just aren't equipped to deep clean. This leaves many organic contaminants, such as chemicals from shampoos and medicines, floating down river and straight into a drinking water plant.

Regulators demand more extensive treatment at potable reuse treatment plants. They specify that treatment systems must remove harmful pathogens, such as viruses and amoebas, and utilities flush out other contaminants using reverse osmosis, ozonation, biofiltration, and other cleaning techniques.

Reverse osmosis treatment pushes water at high pressure through a filter that's so small, it squeezes out even sodium and chloride. Mitch and his colleagues discovered the process cleans wastewater as much if not more than groundwater, the gold standard.

Even when reverse osmosis wasn't applied, reuse waters were less toxic than the samples of conventional drinking waters sourced from rivers across the United States.

Policy solutions for overlooked contaminants

The Environmental Protection Agency aims to protect people from toxic drinking water by regulating a slew of chemicals. But some of the stuff floating in our water has yet to be identified or categorized by scientists.

In order to suss out the toxicity of different sources of tap water, the researchers applied water from various sources to hamster ovary cells, because they act similarly to human cells. Mitch and his colleagues looked at whether cells slowed or stopped growing, compared to untreated cells. "Ideally, we picked up the effects of chemicals specifically measured by the EPA, as well as those that aren't," Mitch said.

The engineers discovered the compounds regulated by the EPA accounted for less than 1% of the harm to the ovary cells.

"Even if we include all these other unregulated compounds that a lot of us in this field have been focusing on, that still accounted for only about 16% of the total," Mitch said. "It really says we're not necessarily focusing on the right contaminants."

The culprits may be associated with disinfection. No matter where your tap water comes from, it will carry residual disinfectant to prevent pathogens growing in the pipes. Disinfectants like chlorine react with chemicals in the water and convert them to something else, and that may be what's killing the hamster cells.

The EPA regulates disinfection byproducts, but not all. "Our study indicates that maybe the toxicity exerted by these byproducts regulated by the government may not be so important."

Mitch says his team plans to further investigate whether other side effects from disinfecting water could be causing toxicity. His team is looking specifically at larger byproducts formed when disinfectants mix with pesticides, proteins, or other organic matter.

Disinfecting water is necessary: Without it, we'd die from cholera and other waterborne diseases. But Mitch notes that disinfection is a balancing act between killing pathogens and minimizing exposure to harmful byproducts.

"We can't get to zero contaminants. That would be ridiculously expensive, and probably unwarranted from a health point of view," he said.

Whatever you do, Mitch warned, don't stock your fridge with bottles of water. That plastic taste in bottled water tells you compounds from the plastic have migrated into the water, he said.

"At the end of the day, yes, there's stuff in everything, but the reuse water quality is as good as tap water, which is pretty darn good."

First study author Stephanie Lau is a postdoctoral scholar in civil and environmental engineering at Stanford. Additional co-authors are affiliated with the University of Illinois at Urbana-Champaign.

This research was supported by the National Science Foundation and the Water Research Foundation.

Joel Pablo

From: mwchrislock@redshift.com
Sent: Tuesday, February 21, 2023 8:14 PM
To: Alvin Edwards; Amy Anderson; George Riley; Karen Paull; District 5; Marc Eisenhart; Ian Oglesby; Dave Stoldt; Joel Pablo
Subject: Monterey City Council Letter to CPUC
Attachments: Monterery City Council CPUC letter.pdf; DRO CPUC Council Letter.docx

The Monterey City Council voted this afternoon to send the attattached letter to the CPUC. DRO will be voting on their attached letter on the 28th. I think Seaside is considering a letter as well.

Melodie

Melodie Chrislock
Managing Director
PUBLIC WATER NOW
http://www.publicwaternow.org
mwchrislock@redshift.com
831 624-2282

President Alice Busching Reynolds
Commissioner Genevieve Shiroma
Commissioner Darcie L. Houck
Commissioner John Reynolds
Commissioner Karen Douglas
505 Van Ness Avenue
San Francisco, CA 94102

Re: Application 21-11-024 – In Support of the Monterey Peninsula Water Management District's Petition for Modification of D.22-12-001

Dear President Reynolds and Commissioners:

The Del Rey Oaks City Council would like to thank you for your unanimous approval of the amended Water Purchase Agreement at the December 1, 2022, virtual meeting by the issuance of D.22-12-001 in A. 21-11-024. This approval now provides the opportunity to move forward on the Pure Water Monterey expansion project, which will provide enough water to potentially lift the Peninsula's Cease-and-Desist order from the State Water Resources Control Board.

The Monterey Peninsula is in desperate need of an additional water supply for new housing and drought protection. As a peninsula city, Del Rey Oaks is concerned with the lack of affordable housing in the region. We understand that the only way the region will be able to move forward with increased housing is if we have an additional source of water.

Right now, two of our public agencies–the Monterey Peninsula Water Management District (MPWMD) and Monterey One Water (M1W) have a shovel ready project—the Pure Water Monterey Expansion—that will provide the Peninsula with an additional 2,250 acre-feet of water. All that is required to begin construction is California American Water's signature on the Water Purchase Agreement.

As a council, we believe the expansion of the recycled water project, Pure Water Monterey (PWM), will provide the Peninsula with the water it needs to begin building the affordable housing that is desperately needed. In addition to the basic need for water, we have three additional concerns that we'd like to address:

1. The delay in signing the Water Purchase Agreement is costing our public agencies additional money in terms of administrative costs and in the future, an increase in costs for construction and financing. A very rough estimate is that these delays may be costing upwards of $14 million dollars. Our ratepayers will end up by paying for these additional costs.

2. Our public agencies may be losing out on $42 million in grant funds for this $70 million project. If our public agencies lose out on these grant opportunities which will pay for

more than half of the project, our ratepayers will end up paying these increased costs on their water bills.

3. Moving forward with the expansion of Pure Water Monterey will also provide an opportunity to build new extraction wells which will allow the Water Management District to increase Aquifer Storage and Recovery (ASR) production. With the higher flows of the Carmel River, more water could be recovered from this source and stored within our aquifers for future use. However, without the signed Water Purchase Agreement, additional wells aren't being constructed and the community is losing out on saving this valuable water for future use.

Given these concerns, we respectfully request that the California Public Utilities Commission compel California American Water to sign the Amended Water Purchase Agreement so that the Pure Water Monterey Expansion Project can move forward.

Our residents already have the *highest cost of water in the nation*. The PWM expansion will provide the peninsula with the needed water, at a cost they can afford.

We urge you to settle this issue so that our community can move forward with this project which will save our residents from higher water costs in the future.

Thank you for your consideration on this important matter.

Respectfully,

Elected members of the Del Rey Oaks City Council

Council Agenda Report

FROM: Tyller Williamson, Mayor

SUBJECT: Authorize the Mayor to Submit an Online Public Comment to the California Public Utilities Commission (CPUC) on Behalf of the City of Monterey in Support of the Monterey Peninsula Water Management District's Application (A2111024) Requesting that the CPUC Compel California-American Water Company (Cal-Am) to Execute the Amended and Restated Water Purchase Agreement Authorized in Decision 22-12-001 (Not a Project under CEQA per Article 20, Section 15378 and General Rule Article 5 Section 15061)

RECOMMENDATION:

That the City Council authorize the Mayor to submit an online public comment to the California Public Utilities Commission (CPUC) in support of the Monterey Peninsula Water Management District's (MPWMD) Application (A2111024) requesting that the CPUC compel California-American Water ("Cal-Am") to execute the Amended and Restated Water Purchase Agreement authorized in Decision 22-12-001.

VALUE DRIVER:

Champion regional and local efforts to secure adequate, affordable, and sustainable water sources for the city, now and into the future.

Support efforts and policies that provide equitable access to affordable housing in Monterey and the region.

POLICY IMPLICATIONS:

Providing public comment to the CPUC as recommended reaffirms the City Council's commitment and passion for securing sustainable water sources for the City, as well as providing affordable housing for its residents and workforce.

FISCAL IMPLICATIONS:

There is no direct financial impact from submitting the comment.

ENVIRONMENTAL DETERMINATION:

The City of Monterey staff determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA)(CCR, Title 14, Chapter 3 ("CEQA Guidelines), Article 20, Section 15378(b)(5)). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action is to authorize a public comment letter, and this matter has no potential to cause any effect on the environment, or because it falls within a

category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or any reasonably foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

ALTERNATIVES CONSIDERED:

The City Council may choose to modify or not authorize the submission of public comment.

DISCUSSION:

The CPUC unanimously authorized Cal-Am to enter into the Amended and Restated Water Purchase Agreement at its Dec. 1, 2022, virtual meeting as reflected in Decision 22-12-001 in Application 21-11-024. The approval cleared the way for the expansion of the Pure Water Monterey Project. The amount of water created from the expanded Pure Water Monterey Project would potentially lift the Cease-and-Desist Order imposed upon the Monterey Peninsula by the State Water Resources Control Board.

The Monterey Peninsula region is in desperate need of the additional water as the Regional Housing Needs Assessment units are not being implemented because of the lack of water availability. As of February 16, 2023, two of the three parties needed to execute the Amended Water Purchase Agreement, Monterey One Water and the Monterey Peninsula Water Management District, have already signed the document. The third party, Cal-Am has not yet signed the Agreement. Cal-Am indicates that it has not signed the agreement because Cal-Am can only move forward with the Amended and Restated Water Purchase Agreement if the CPUC approved its request for recovery of the costs related to the facilities associated with the Pure Water Monterey expansion. However, it is the city's view that once the Agreement is fully executed, the financing to construct the Pure Water Monterey Expansion Project can be secured and bidding the various components of the Project can begin. The delays caused by not executing the Agreement are delaying efforts to provide water security for the residents and businesses in our communities.

Mayor Williamson and the City agree with MPWMD's December 19, 2022 Petition for Modification, and it is respectfully requested that the City Council authorize the Mayor to submit an online public comment to the CPUC in support of compelling Cal-Am to sign the Amended and Restated Water Purchase Agreement in order for the Pure Water Monterey Expansion Project to move forward.

NR

Attachments: 1. Proposed Online Comment to CPUC

e: Gavin Newsom, Governor of the State of California
Senator John Laird, 17th Senate District
Assemblymember Dawn Addis, 30th Assembly District
State of California, Housing and Community Development Department
Maura Twomey, Association of Monterey Bay Area Governments
Housing Outreach List

Land Watch
State Water Resources Control Board
Paul Sciuto, Monterey One Water
Dave Stoldt, Monterey Peninsula Water Management District
Esther Malkin, Renters United

Writings distributed for discussion or consideration on this matter within 72 hours prior to the meeting, pursuant to Government Code § 54957.5, will be made available at the following link: https://monterey.org/Submitted-Comments

From: mwchrislock@redshift.com <mwchrislock@redshift.com>
Sent: Monday, February 27, 2023 3:02 PM
To: Alvin Edwards <alvinedwards420@gmail.com>; Amy Anderson <carmelcellogal@comcast.net>; George Riley <georgetriley@gmail.com>; Karen Paull <karenppaull@gmail.com>; District 5 <district5@co.monterey.ca.us>; Marc Eisenhart <mae@gedlaw.com>; Ian Oglesby <ioglesby@ci.seaside.ca.us>; Dave Stoldt <dstoldt@mpwmd.net>; Joel Pablo <Joel@mpwmd.net>
Subject: Monterey Herald - It's officially a 'wet' year

Cal Am's statement below is not true. $46M was approved for these four wells. And not once has Cal Am admitted publicly that it received authorization for $61.6 million for infrastructure costs for the PWM Expansion.

Melodie

Melodie Chrislock
Managing Director
PUBLIC WATER NOW
http://www.publicwaternow.org
mwchrislock@redshift.com
831 624-2282

https://www.montereyherald.com/2023/02/24/its-officially-a-wet-year-and-thats-good-for-the-peninsula/

It's officially a 'wet' year and that's good for the Peninsula.

By **DENNIS L. TAYLOR** | newsroom@montereyherald.com | Monterey Herald
February 24, 2023 at 11:00 a.m.

MONTEREY — The heavy rains last month and new rain forecast for the weekend and on into next week are bright spots in the Monterey Peninsula water picture, including that they, unlike other areas of California, have tempered any immediate concern over a drought.

In a recent briefing for the board of directors of the Monterey Peninsula Water Management District, General Manager Dave Stoldt presented a series of data points indicating that this is now an official "wet" water year and that the storms have provided for significant recharging of an underground basin providing drinking water to the Peninsula.

The rainfall measured at the San Clemente gauge near the Carmel River recorded 13 inches in January alone. Adding that to all the rainfall to date since the beginning of the district's water year in October and the total hits 25 inches. That compares to the average annual rainfall in Monterey of 17.72 inches, according to U.S. Climate Data. And there's a long way to go in the rainy season.

To put this in perspective, the average estimated flow of the Carmel River measured at the Sleepy Hollow weir is in the neighborhood of 50,000 acre-feet. So far the flow has reached 91,000 acre-feet.

Lake Nacimiento in southern Monterey County is at 85% capacity and water officials are wary about allowing a higher level to absorb more runoff from future storms, including one that was due to hit Thursday night before tapering down Saturday. But the National Weather Service is forecasting rain again on Sunday night and into Monday.

Stoldt said the Peninsula rainfall totals will finish as a "wet" year, barring any more torrential downpours that would kick up the rankings to an "extremely wet year," the highest measurement of rainfall the district has. Measurements begin at "dry" then to "normal" then to "above normal" and then "wet" and "extremely wet."

The immediate ramification of this much rain is that it quashes any mention of a drought on the Peninsula. The water district defines a drought as two or more "dry" years. This wet year will start the clock over again.

Some of that rain will percolate down into aquifers like the Seaside Basin that serves most of the Peninsula, but the real recharge is coming from what's called the Aquifer Storage and Recovery project, or ASR, that channels excess runoff from the Carmel River north to where it is injected into the Seaside Basin for later extraction. It's important to get as much water back into the basis as possible since it remains in a state of overdraft.

Evan Jacobs, with external affairs for Cal Am, said Thursday that he concurred with the water district's estimate of the ASR system having injected some 500 acre-feet into the basin.

"It is still relatively early in the ASR injection season, and we have already injected more water than the majority of the years the ASR program has been in service," Jacobs said, adding that recent pipeline construction helped. "Without our new parallel pipeline and the Monterey Pipeline, we would not have been able to store any of the recent river flows."

But the Peninsula is not banking as much water as it could, Stoldt said. California American Water Co. operates two of the four wells that inject the excess river water down into the Seaside Basin. But one of the Cal Am wells isn't injecting; it's pulling water out of the basin – called an extraction well. That limits the amount of water injected into the basin.

Jacobs said that as the company replumbs the system for long-term sustainability, more extraction wells will be needed so as to not rely on a well meant for injection. He referenced Cal Am's request of the California Public Utilities Commission, or CPUC, to allow the company to increase rates to cover the costs for infrastructure buildout when the Pure Water Monterey expansion comes online. The expansion is a $70 million project that will dramatically increase the amount of recycled water produced.

Cal Am has refused to sign an agreement to purchase water from the expansion until the CPUC grants the company's request for more money. The CPUC has stated it has allowed

enough ratepayer increases to cover Cal Am's infrastructure costs to move the water from the expansion.

"The CPUC decision on the (Pure Water Monterey expansion) agreement in December didn't approve cost recovery for four new extraction wells that have been proposed and are very much needed," Jacobs said. "That is why Cal Am has applied for a rehearing on the (Pure Water Monterey expansion water purchase) decision – those wells are clearly needed and should have been approved."

Because of that, the ASR system is injecting 13 acre-feet a day, which is the full capacity without changing that one Cal Am extraction well back into an injection well. An acre-foot is enough water to cover an acre to the depth of one foot, so the daily ASR amount injected into the basin could be imagined as a cube of water covering an acre up to 13 feet high every day. Even if the Cal Am well was changed back into an injection well, the capacity would only go to 18 acre-feet a day because of the capacity of a feeder pipe.

"No pipe is big enough and no reservoir is big enough to capture all the water heading out to sea," Stoldt said.

Also restricting the system were wells pumping water to the ASR system from the river had to shut down because of the January flooding. When flood waters reach the electrical system powering the pumps, it could result in very costly repairs.

The Seaside Basin isn't the only aquifer to benefit from the rain. The aquifer underlying the Carmel River is full, Stoldt said, so much so that there could be enough water to see the Peninsula through for the next five to six years, even in dry years. But Cal Am is restricted to pumping 3,376 acre-feet a year because of a state cease-and-desist order limiting the amount because of a history of over-pumping and the subsequent environmental damage. So much of that water will remain untapped.

The one thing everyone agrees on is the January, and now February, rains have significantly painted a much rosier water picture for the Monterey Peninsula.

From: Joel Pablo <Joel@mpwmd.net>
Sent: Tuesday, February 28, 2023 10:35 AM
To: Joel Pablo <Joel@mpwmd.net>
Cc: Sara Reyes <Sara@mpwmd.net>
Subject: Correspondence: Susan Schiavone's Letter to the CPUC

Good Afternoon, Directors, Board Members and District Counsel:

Please see below e-mail and above-attached letter from the desk of Susan Schiavone's letter to the CPUC.

- Joel G. Pablo, *Board Clerk* with MPWMD

From: susan schiavone <s.schiavone@sbcglobal.net>
Sent: Monday, February 27, 2023 8:24 PM
To: Joel Pablo <Joel@mpwmd.net>
Subject: Letter to CPUC

Hi Joel - I would like to share this letter I sent to CPUC with the GM and Board. Thanks.

February 27, 2023

Alice Busching Reynolds, CPUC President
CPUC Commissioners Shiroma, Reynolds, Houck, and Douglas
In re: Proceeding A.21-11-024 Cal Am Water Purchase Agreement

Dear President and Commissioners:

It is imperative for the CPUC to resolve this matter and have Cal Am sign the water purchase agreement for the Pure Water Monterey Expansion. This project is the only water supply project that will be completed in time to avoid a true water shortage on the Monterey peninsula, a water shortage that Cal Am is purposely creating by its refusal to sign the agreement so this project can go forward. They are seriously putting the project and our water supply at risk. For three years they worked to delay or stop approval of the expansion project through various interference techniques, and now are attempting to do so again.

There are other ways to pursue the additional money and still complete the water purchase agreement. This is holding our water supply hostage, making it much more expensive for ratepayers. It is more than unfair; it is harmful. Here are some additional disastrous repercussions you must consider:

This delay has already cost the Monterey One Water agency an additional $14 million dollars since the project was ready to begin construction in June 2022 and the WPA has been pending. This increase is due to now having higher financing rates, higher construction costs due to increased inflation during the delay, and increased administrative costs and could only get worse. If this agreement lingers until June 2023, add an additional $2.7 million to this. These costs are directly passed on to ratepayers. Residential rates for Monterey One were already doubled in the past year and this will affect ratepayers even more seriously.

This delay is also risking the loss of over $42 million total in grants and loans that have been arranged and ready to go for this project. There is a serious risk of losing eligibility for State monies that will be disbursed to other projects if deadlines are not met. This is egregious on the part of this corporation to perpetuate this sort of blackmail and disrespect for the efforts made to negotiate this project in an honorable manner, in a process agreed upon by all participating agencies and parties.

Because the building of two new injection wells was included in the water purchase agreement, they have not yet built those wells that were needed to transport Pure Water Monterey water to some areas in their service district. Instead, **they have now taken offline two ASR injection wells that should have been used this winter during the recent heavy rains for legal Carmel River runoff to use for this purpose.** Thus, in a banner water year that could have yielded an average of 1,300 AF of runoff water for ASR storage (in 2017, it was 2,345 AF), only 400 AF have been collected due to Cal Am tying up two of the ASR wells for transport of Pure Water

Monterey water. This situation would have been avoided had they built the wells in the first place. Instead, they again delayed this process, and it has resulted in inefficiencies in the water system which have serious long-term impacts. They continue to sabotage ongoing water efforts and restrict supply to falsely justify a need for the desalination project.

This matter is urgent. This project needs to be completed as soon as possible to avoid water shortages within 2 years. Cal Am is playing a dangerous leverage game. There is no way that their desal project would meet that deadline. They feel very emboldened by the disastrous conditional Coastal Commission approval of their unneeded, extremely expensive and environmentally damaging desalination project. That inappropriate approval, championed by the Governor's direct pressure on the Coastal Commission to reverse its denial, has now emboldened Cal Am to arrogantly disregard previous legal agreements and essentially try to force you to comply with their unreasonable demands. I am concerned they will put the local water system into a real crisis to get what they want. I hope you have the legal recourse to change this situation as it will be the ratepayers who ultimately suffer.

Voters in Cal Am's district overwhelmingly passed Measure J in 2018 to buy the local Cal Am system in favor of a public water agency because they have a long history of purposeful mismanagement and gouging ratepayers. This is yet another example. Please find a legal avenue to compel Cal Am to sign this agreement. Thank you. Sincerely,

Susan Schiavone, Ratepayer, Seaside, CA

Cc: Governor Gavin Newsom