



Supplement to May 15, 2023 MPWMD Board Packet

Attached are copies of letters sent and/or received between **April 12, 2023 and May 9, 2023**. These letters are listed in the **Monday, May 15, 2023** Board Packet under Letters Received / Sent.

Author	Addressee	Date	Topic
Melodie Chrislock	Board of Directors and General Manager	April 11, 2023	Voices of Monterey Bay – Op Ed entitled, “Cal-Am Buyout Begins Monterey Peninsula Reaches Major Milestones on Water”
Susan Schiavone	Board of Directors and General Manager	April 17, 2023	Letter to the Editor of the Monterey Herald entitled, “Measure J Says Buy CalAm”
Melodie Chrislock	Board of Directors and General Manager	April 26, 2023	Herald Letter in Response to Ron Chesshire – Your Views: Measure J Says Buy CalAm

Joel Pablo

To: mwchrislock@redshift.com; Alvin Edwards; Amy Anderson; George Riley; Karen Paull; District 5; Marc Eisenhart; Ian Oglesby; Dave Stoldt
Subject: RE: VOMB Op Ed - Chrislock

From: mwchrislock@redshift.com <mwchrislock@redshift.com>

Sent: Tuesday, April 11, 2023 7:53 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: VOMB Op Ed - Chrislock

Voices of Monterey Bay | April 11, 2023

Cal Am buyout begins Monterey Peninsula reaches major milestones on water

By Melodie Chrislock

<https://voicesofmontereybay.org/2023/04/11/cal-am-buyout-begins/>

By Melodie Chrislock

On April 3, 2023, the Monterey Peninsula Water Management District (MPWMD) made Cal Am a buyout offer of \$448,808,000. This begins the buyout process. The water management district can use eminent domain if Cal Am refuses to sell.

Back in 2018, Public Water Now put Measure J on the ballot, and voters passed it by 56%, despite a multimillion-dollar campaign by Cal Am to defeat it. When Measure J passed, it became law, and MPWMD was mandated by that law to acquire Cal Am if feasible. The buyout was proven feasible by expert consultants in 2019.

Most ratepayers voted to get rid of Cal Am because of the cost of their water. According to the California Public Utilities Commission's Public Advocates

Office, out of all the private investor-owned water systems in California, the Peninsula has the most expensive water except for two tiny water systems in Dillon Beach and Catalina Island. Only 15% of Californians still get their water from private investor-owned water systems.

Over the last five years, the reasons to say goodbye to Cal Am have multiplied. The most recent example was Cal Am's refusal to sign a water purchase agreement for the Pure Water Monterey expansion. Cal Am held the Peninsula's urgently needed new water supply hostage for years.

After three years of stalling the expansion, Cal Am finally signed the agreement on April 4, 2023. In the process, we discovered that no one, not even the Public Utilities Commission, could force Cal Am to sign the water purchase agreement to allow this public agency project to be built. It took \$70 million to convince Cal Am to sign. This is far more than the needed infrastructure should cost.

It's too complex to get into here, but it's in Cal Am's interest to take the most expensive approach to build water infrastructure because it earns them more profit. That is why they so desperately want their oversized, overpriced desalination plant, which would raise our water bills by 60% to 70%, according to the Public Advocates Office.

The cost of water and local control are the reasons 85% of California gets water from public, municipally owned systems.

Cal Am threatens millions of dollars in legal fees, but that pales in comparison to the tens of millions Cal

Cal Am continually adds to our water bills.

Cal Am claims that water would cost more under MPWMD's public ownership. Not true. Since Cal Am makes a guaranteed profit and the water district would make no profit, it should cost less. Remember, the cost to buy out Cal Am is not added to our water bills on top of what we pay now. For the first 30 years, the profit we have been paying Cal Am would cover the cost of the loan, so the buyout should not raise water bills.

The purchase price, the cost of the loan, and Cal Am's actual profit will determine how much lower the cost of water will be. Under eminent domain, a jury will decide what Cal Am is worth.

Cal Am threatens millions of dollars in legal fees, but that pales in comparison to the tens of millions Cal Am continually adds to our water bills.

Over the three years from 2019 through 2021, Cal Am raised our water rates by almost \$18 million. In January 2023, they raised rates by another \$8.5 million. The delay of the Pure Water Monterey Expansion caused by Cal Am has cost us \$14 million. And Cal Am has already wasted over \$154 million on a desal plant that is unnecessary and will most likely never be built.

Cal Am has mismanaged our water system for decades. And it has never produced one drop of new water. Ironically, Cal Am claims MPWMD should be focused on delivering new water supplies instead of the buyout. But that is exactly what they have done, despite Cal Am's obstruction.

Monterey One Water and MPWMD are responsible for Pure Water Monterey and the Aquifer Storage and Recovery agreement between the water management district and Cal Am — two of the three legs of Cal Am's three-

legged stool. Once the expansion is built, these two public water agencies will produce over half of the Peninsula's water.

If we want more water and at a reasonable cost, Cal Am must go.

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About Melodie Chrislock

Melodie Chrislock is the director of Public Water Now, the citizens' group that organized and promoted the Measure J initiative that requires the Monterey Peninsula Water Management District to pursue a possible public takeover of Cal Am. She lives in Carmel.

Joel Pablo

From: susan schiavone <s.schiavone@sbcglobal.net>
Sent: Monday, April 17, 2023 6:37 PM
To: Joel Pablo
Subject: Letter to Editor

Joel - please include this in the next board meeting packet and share it with the Board - I responded to Mr. Chessire's editorial with lots of misinformation about measure J.

Sent to Herald April 17, 2023

Measure J Says Buy CalAm

Ron Chessire's arguments against Measure J in his April 11th guest editorial, are replete with misinformation. Measure J never told voters it would be quick and easy. Nor has there been any rush; it has been five years since passage.

Feasibility is not in the "eye of the beholder" as Chessire asserts. Feasibility was determined through analysis by the Raftelis utility consulting firm in 2019, a highly rated national firm. LAFCO voted against its own staff and consultants. The district has sold retail water to Pebble Beach for some time, making that permission unnecessary. Mr. Chessire asserts Measure J does not mean a voter mandate to buy the water system. Measure J does mandate purchase of the water system as long as it is feasible to do so, and clearly states "It shall be the policy of the District, if and when feasible, to secure and maintain public ownership of all water production, storage and delivery system assets and infrastructure providing services within its territory." Further, Measure J states "The District shall acquire through negotiation, or through eminent domain, if necessary, all assets of California American Water, or any successor in interest to California American Water, for the benefit of the District as a whole."

Demonizing MPWMD side steps the reality that it was 56% of the voters in the district who passed Measure J, who want to do away with being held captive by a private company that gouges the ratepayers and pushes for profit over everything else.

Susan Schiavone, Seaside

Joel Pablo

From: mwchrislock@redshift.com
Sent: Wednesday, April 26, 2023 6:39 PM
To: Alvin Edwards; Amy Anderson; George Riley; Karen Paull; District 5; Marc Eisenhart; Ian Oglesby; Dave Stoldt; Joel Pablo
Subject: Herald Letter in Response to Ron Chesshire

Monterey Herald | April 26, 2023

YOUR VIEWS

Measure J says buy CalAm

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— *Susan Schiavone, Seaside*