



MONTEREY PENINSULA

**WATER SUPPLY
PROJECT**

NEWSLETTER

2019/Q4

COASTAL COMMISSION SET TO RULE ON PROJECT DEVELOPMENT PERMIT VOTE EXPECTED THIS YEAR

ALSO INSIDE

**PROJECT DESCRIPTION
UPDATED PROJECT SCHEDULE**



COASTAL COMMISSION VOTE EXPECTED THIS YEAR

The last major permit required before construction of the Monterey Peninsula Water Supply Project desalination facility can begin is expected to receive a hearing in March. A Coastal Development Permit from the California Coastal Commission is required for construction of the slant intake wells, which will be located within the Commission’s jurisdiction. In November 2018 the California Coastal Commission held an informational meeting on the project application in Half Moon Bay, CA. The hearing was well attended with viewpoints expressed by local elected and former elected officials, state agency representatives and dozens of California American Water customers and members of the public, including both supporters and opponents of the project. The hearing came after release of a staff report recommending denial of the slant well permit. The report cited concerns with groundwater impacts

and found that a less environmentally impactful alternative project, expansion of Monterey One Water’s Pure Water Monterey recycled water project, could replace the desal project.

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“Our team is working hard to prepare for the Coastal Commission permit hearing,” said Vice President of Engineering Ian Crooks. “We will be consulting with Coastal Commission staff on any outstanding questions they have regarding the groundwater modeling conducted by the California Public Utilities Commission as part of the project’s environmental review process and we will be coordinating with other state agencies requiring construction of our project to ask they help us to convey the necessity of fulfilling the area’s long-term water demands and decreasing

pumping from the Carmel River.”

California American Water is under and order from the California Public Utilities Commission to construct the Monterey Peninsula Water Supply Project in order to comply with a Cease and Desist Order issued by the State Water Resources Control Board in 2009. The Cease and Desist Order is aimed at reducing pumping from the area’s primary water source, the Carmel River, to comply with water rights determinations made by that agency as well as concerns for the health of the River’s threatened species.

The Executive Director of the SWRCB, Eileen Sobeck, recently sent a letter to Jonas Minton, Senior Water Policy Advisor for the Planning Conservation League, denying his request to tie compliance milestones associated with the Cease and Desist Order to the Pure Water Monterey Expansion Project, rather than the desal project. According to the letter, Minton’s request was denied based on “...the current

lack of clarity regarding the status and viability of any alternative water supply project that has been proposed to fully replace Cal Am’s existing unauthorized diversions by the end of 2021.”

“Due to the delay in the Coastal Commission decision and construction schedule, California American Water officials have stated the Monterey Peninsula Water Supply Project will be unable to meet the 2021 deadline”

Sobeck allowed for interested parties “to apply to the State Water Resources Control Board for modification of the cease and desist order in the future, as information and circumstances develop.”

In the meantime, construction on the desal project has been stalled due a decision by the Monterey County Superior Court to stop work until the Coastal Commission has granted a permit for the

slant wells. The decision came in response to the challenge to the Combined Development Permit issued for the project by the County of Monterey. Due to the delay in the Coastal Commission decision and construction schedule, California American Water officials have stated the Monterey Peninsula Water Supply Project will be unable to meet the 2021 deadline mandated by the state to decrease pumping from the Carmel River. The Pure Water Monterey Expansion Project, which is currently undergoing environmental review, will also be unable to meet that deadline according to Monterey One Water officials.

“Pure Water Monterey Expansion without desal will not meet our community’s long-term water demands and will not ensure that we can reduce pumping from the River to the extent required by the State,” said Crooks. “The argument for advancing this project in replace of desal depends on grossly underestimated demand projections, which themselves do not comply with state

requirements to ensure adequate, reliable water service.”

Comments on the Pure Water Monterey Expansion Supplemental EIR are due January 31. While local agency, the Monterey Peninsula Water Management District, has claimed before the Coastal Commission that expanded Pure Water Monterey would be adequate without desal, to satisfy the Cease and Desist Order and provide enough water to California American Water customers on the Monterey Peninsula, the board of Monterey One Water has been clear that the expansion project was to be studied as an back-up project in case desal was delayed and that it was never intended as a replacement project for desal.

The March meeting of the California Coastal Commission will be held the 11th – 13th at the Santa Cruz/Scotts Valley Hilton.





COASTAL COMMISSION MEETING March 11-13, 2020

Hilton Scotts Valley
6001 La Madrone Drive
Santa Cruz, CA 95060

READ EIR/EIS ONLINE

Folks looking for information on the EIR/EIS, can do so by visiting the project's website www.water-supplyproject.org/eir.

ABOUT THE PROJECT

The Monterey Peninsula is facing a severe water supply problem. That’s because the State Water Resources Control Board has ordered California American Water to significantly reduce its pumping of water from the Carmel River.

This order coupled with pumping restrictions in other parts of the county means that nearly 70 percent of the Monterey Peninsula community’s historic water supply must be replaced.

The current project is comprised of three elements:

- [Desalination](#)
- [Aquifer Storage and Recovery](#)
- [Pure Water Monterey: A Groundwater Replenishment Project](#)

This multi-faceted approach brings numerous advantages over a single-source solution. For one, it will enable California American Water to build a smaller desalination plant that will reduce the project’s environmental footprint.

Secondly, this strategy will build-in redundancy that is critical for all municipal water supply systems, allowing the water system to continue to provide water if one component becomes temporarily unavailable.

DESALINATION

The Monterey Peninsula Water Supply Project consists of sub-surface slant intake wells, a desalination plant, and related facilities including source water pipelines, product water pipelines and brine disposal facilities.

The desalination plant will produce 6,250 acre-feet of treated water per year. One acre-foot is

equal to one acre filled with one foot of water, which is typically enough water to support four households on the Monterey Peninsula for a year. California American Water purchased a 46-acre parcel of land located off of Charles Benson Road in unincorporated Monterey County as the site for the proposed desalination plant.

California American Water has also purchased permanent easements near the coastline in the North Marina area to host its slant intake wells. California American Water’s project will use a series of slant wells designed to draw ocean water.

The slant wells will be up to 800 feet long. The final location, layout and configuration will be based on the results of the slant test well and groundwater modeling work. In addition to the plant and its intake wells, other pipeline, storage and pump facilities will need to be constructed to ultimately deliver water to customers.

PURE WATER MONTEREY

The proposed Pure Water Monterey project, a partnership between Monterey One Water and the Monterey Peninsula Water Management District, recycles wastewater through an advanced treatment process. The resulting highly purified drinking water will be injected into the Seaside groundwater basin.

A new, advanced water treatment plant will be constructed for the project in addition to a number of supporting facilities. Source water for this project will go through a three-step treatment and purification process of microfiltration, reverse osmosis and oxidation with ultraviolet light and hydrogen peroxide — all commonly used in numerous industries and food manufacturing.

AQUIFER STORAGE AND RECOVERY

California American Water will expand its current ASR project – a partnership with the Monterey Peninsula Water Management District – which captures excess winter flows from the Carmel River for storage in the Seaside Aquifer and withdrawal during the dry, summer months. Winter flows are considered excess only when they exceed what is needed to protect the river’s threatened population of steelhead.

For the Monterey Peninsula Water Supply Project, the company plans to construct two additional ASR wells that will increase capacity of the program and allow the desalination plant to be smaller than would be needed without the wells.

BUDGET*

Subsurface Intake System: \$80M
(23% spent to date)

Desalination Plant: \$132M
(41% spent to date)

Pipeline Facilities: \$67M
(33% spent to date)

Pipeline/Pump Station: \$50M
(100% spent to date)

*NOTE: These figures are based on a 6.4 MGD desalination facility. Pre-construction costs are included in the \$329-million project total. These figures include financing and some contingency costs and therefore differ from the capital costs listed in the settlement.



Future editions of this newsletter will contain information on project expenditures, construction progress and milestones. Once collection begins for the Construction Funding Charge (or Surcharge 2), amounts collected by the charge will also be reported. Progress regarding slant well construction and information regarding slant well monitoring data will also be reported in future editions, as well as estimates as to the return water obligation and actual return water obligation calculated.